

Duke Energy Carolinas, LLC  
Docket no. E-7, Sub 1276  
E1-21- Annual Reports  
For the Test Year ended December 31, 2021

August 6, 2019

SECOND QUARTER 2019

# Duke Energy Earnings Review & Business Update

Lynn Good  
Steve Young

*Chairman, President & CEO*  
*Executive Vice President & CFO*



BUILDING A **SMARTER** ENERGY FUTURE®

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Jan 19 2023

## Safe Harbor statement

This presentation includes forward-looking statements within the meaning of the federal securities laws. Actual results could differ materially from such forward-looking statements. The factors that could cause actual results to differ are discussed in the Appendix herein and in Duke Energy's SEC filings, available at [www.sec.gov](http://www.sec.gov).

## Regulation G disclosure

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available in the Appendix herein and on our Investor Relations website at [www.duke-energy.com/investors/](http://www.duke-energy.com/investors/).

### BUSINESS UPDATE

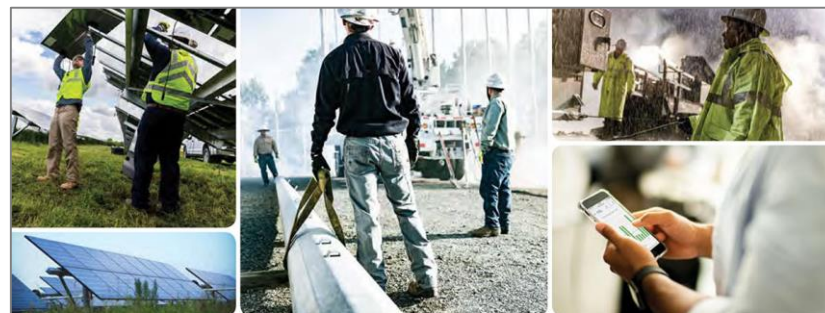
Lynn Good, Chairman, President & CEO

- Second quarter 2019 update
- Progress on strategic initiatives
- North Carolina update

### FINANCIAL UPDATE

Steve Young, Executive VP & CFO

- Second quarter 2019 earnings drivers
- Economic conditions and load growth trends
- Regulatory updates
- Financing plan update
- Key investor considerations



TRANSFORMING THE  
**FUTURE**



# \$1.12

2Q 2019 REPORTED/ADJUSTED DILUTED EPS  
COMPARED TO \$0.71/\$0.93 IN 2Q 2018

## ON TRACK

TO ACHIEVE 2019 EPS  
GUIDANCE RANGE OF \$4.80 - \$5.20 <sup>(1)</sup>

## REAFFIRMING 4 - 6% GROWTH THROUGH 2023

OFF THE MIDPOINT OF  
2019 ADJUSTED EPS  
GUIDANCE RANGE (\$5.00)

## FINANCIAL HIGHLIGHTS

- EPS growth of 6% through the first half of the year
- Strong growth in the quarter in all three operating segments driven by ongoing investments and constructive regulatory activity
- Increased quarterly dividend to shareholders for the 13<sup>th</sup> consecutive year

## OPERATIONAL HIGHLIGHTS

- Piedmont Natural Gas named one of America's Most Trusted Brands among utilities
- System performs well during recent sustained heat wave
- Duke Energy earns "Emergency Recovery Award" from EEI for power restoration efforts after Winter Storm Diego hit the Carolinas in Dec. 2018



(1) Based on adjusted diluted EPS





### ELECTRIC UTILITIES AND INFRASTRUCTURE

- \$1.1 billion WCMP combined cycle (DEP) on target for late-2019 completion
- Filed Indiana IRP July 1; includes accelerated coal plant retirements and additional renewables
- Solar and battery investments advancing in FL under settlement agreement
- EV pilot programs proposed in NC and SC
- Second renewable energy RFP in NC under House Bill 589 launching in October

### COMMERCIAL RENEWABLES

- North Rosamond 150 MW solar project placed in service
- Approximately 650 MW<sup>(1)</sup> of wind, solar and fuel cell projects announced during the quarter
- Line-of-sight to substantially all of our growth targets for 2019 & 2020; and ~70% of the five-year plan

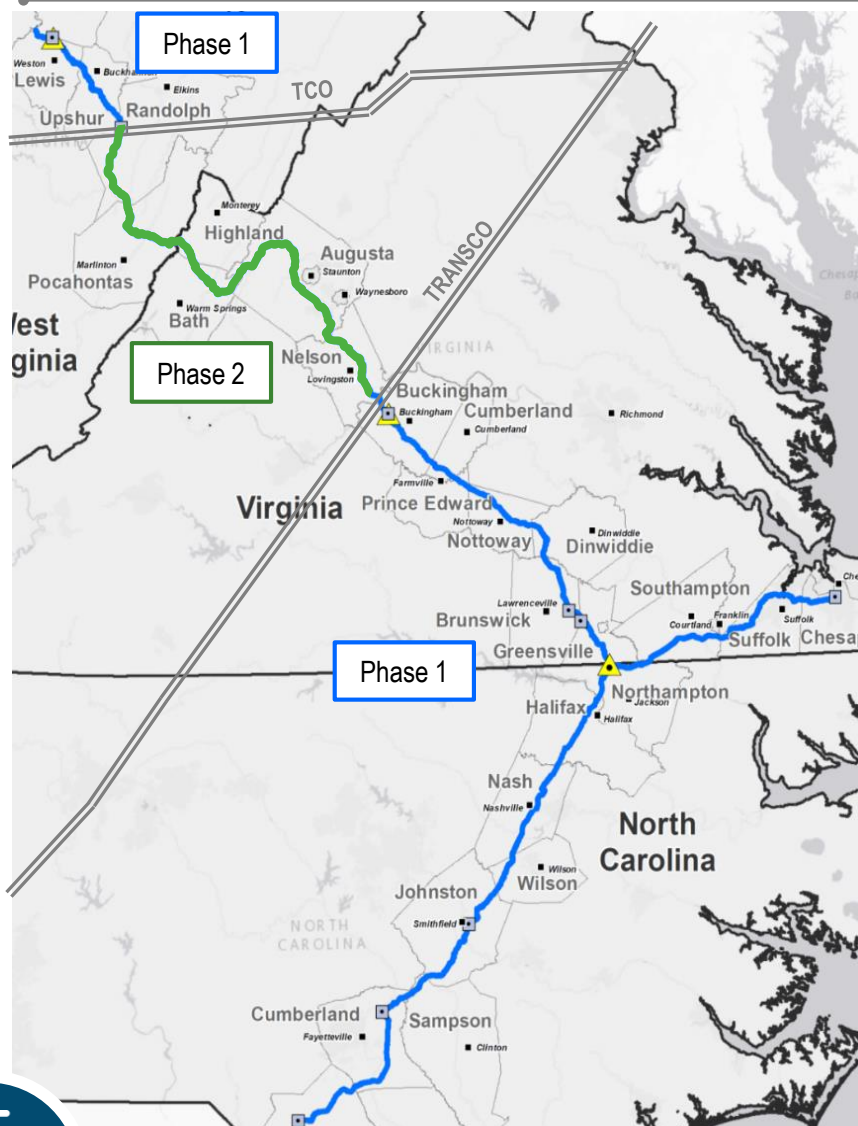
**TARGETING 40% REDUCTION IN CO<sub>2</sub> EMISSIONS BY 2030 FROM 2005 LEVELS<sup>(2)</sup>**

<sup>(1)</sup> See appendix for detailed project listing

<sup>(2)</sup> 2030 carbon reduction will be influenced by customer demand, generation mix, weather, fuel availability and prices



# Expanding natural gas infrastructure



## ATLANTIC COAST PIPELINE

- Filed petition June 25<sup>th</sup> seeking SCOTUS review of the Appalachian Trail decision; DOJ and Solicitor General joined the appeal
  - Expect SCOTUS to decide this fall whether it will agree to hear the appeal
- Received order from 4<sup>th</sup> Circuit Court of Appeals vacating Biological Opinion and Incidental Take Statement
  - Evaluating order and will work with Fish and Wildlife Service to resolve any deficiencies
- Expect construction could resume by year-end
  - Pursuing phased in-service schedule, with Phase 1 in service by late 2020 and Phase 2 in 2021
  - Advancing discussions with customers
- Estimated cost remains \$7.0 to \$7.8 billion<sup>(1)</sup>

## ROBESON LNG FACILITY

- \$250 million investment for Piedmont Natural Gas
- Construction underway with 2021 in service expected

**COMMITTED TO BRINGING LOW-COST NATURAL GAS TO UNDERSERVED SOUTHEAST**

(1) Represents total project cost, of which Duke Energy's share is 47%. Excludes AFUDC



## NORTH CAROLINA LEGISLATION

- SB559 would enable the NCUC to consider:
  - Storm cost securitization
  - Multi-year rate plans and/or ROE bands
- Commission retains authority to review investments and the prudence of incurred costs
- Customer benefits include:
  - Provides bill predictability
  - Incentivizes investments that reduce outages and enable renewables
  - 15-20% savings on storm recovery costs
  - Provides for investments that support low-income communities
- Bill passed the Senate May 2; passed required committees in the House

## NCDEQ COAL ASH ORDER

- NCDEQ issued order April 1 requiring low-priority sites be fully excavated
- Company appealed the decision to the NC Office of Administrative Hearings on April 26; expect process to take 9-12 months to conclude



Overlapping service territories

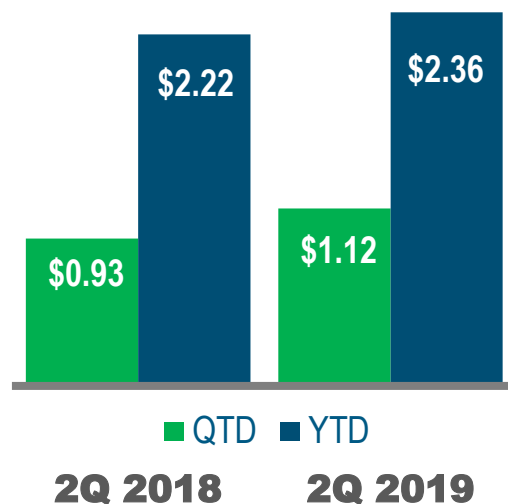
**ADVANCING SOLUTIONS TO BENEFIT NORTH CAROLINA CUSTOMERS**

# 2Q 2019 adjusted diluted EPS summary and primary drivers

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## ADJUSTED DILUTED EARNINGS PER SHARE



## ON TRACK

TO ACHIEVE 2019 EPS  
GUIDANCE RANGE  
OF \$4.80 - \$5.20<sup>(3)</sup>

## SEGMENT RESULTS VS. PRIOR YEAR QUARTER<sup>(1)</sup>

Electric Utilities & Infrastructure, +\$98 M (+\$0.13 per share<sup>(2)</sup>)

- ▲ Contribution from base rate changes
- ▲ Favorable timing of O&M expenses
- ▲ Higher rider revenues
- ▼ Higher depreciation and amortization, primarily due to a growing asset base
- ▼ Higher interest expense

Gas Utilities & Infrastructure, +\$12 M (+\$0.02 per share)

- ▲ Higher earnings from midstream investments

Commercial Renewables, +\$48 M (+\$0.06 per share)

- ▲ New solar tax equity financed project placed in service
- ▼ Lower wind resource, and a prior year favorable contractual settlement

Other, +\$6 M (+\$0.01 per share)

Share Dilution (-\$0.03 per share)

(1) Detailed drivers of adjusted segment income (loss) are available in the 2Q 2019 earnings release located on our Investor Relations website at [www.duke-energy.com/investors/](http://www.duke-energy.com/investors/)

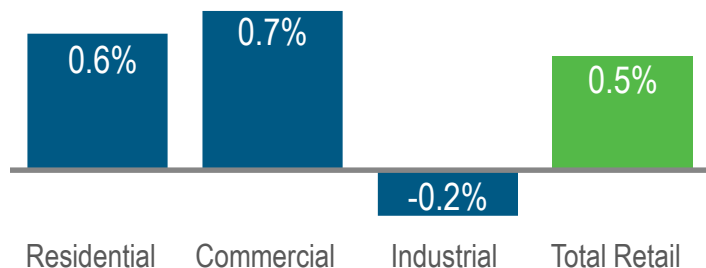
(2) Excludes share dilution of -\$0.03

(3) Based on adjusted diluted EPS



# Customer growth and weather-normal electric volume trends

## ROLLING 12-MONTH RETAIL ELECTRIC VOLUME GROWTH



## RESIDENTIAL

- Increase in average number of customers in our attractive service territories drives volume growth for electric and gas utilities
- Nearly 25% of all jobs created in U.S. over the last year are in states the company serves

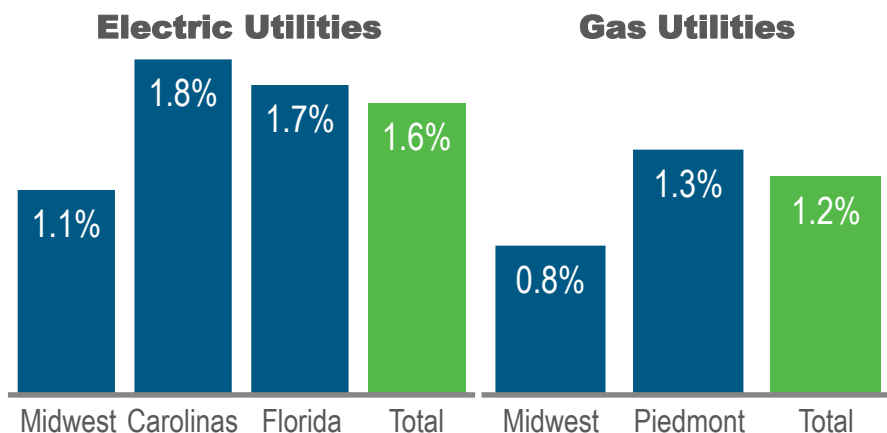
## COMMERCIAL

- Data center expansion continues
- Strength in services businesses offsets weakness in big box retail stores

## INDUSTRIAL

- Sector continues to recover from the timing of production declines and temporary outage activities in the prior year
- As curtailments continue to roll off, expect growth within the sector to continue to rebound

## ANNUAL GROWTH IN NUMBER OF RESIDENTIAL CUSTOMERS



## Other regulatory activity



### **DUKE ENERGY INDIANA** BASE RATE CASE

- Filed July 2; first rate case in 16 years and includes modernized regulatory mechanisms
- Requested 10.4% ROE and 53% equity cap. structure<sup>(1)</sup>
- Based on Indiana rate base of \$10.2 billion as of year-end 2018 and adjusted for projected changes through year-end 2020
- If approved, expect annualized revenues to increase \$345 million in mid-2020 and another \$50 million in mid-2021



### **PIEDMONT NATURAL GAS NORTH CAROLINA** BASE RATE CASE

- Requested 10.6% ROE and 52% equity cap. structure
- Based on North Carolina rate base of \$3.3 billion
- Evidentiary hearing scheduled for August 19
- If approved, expect rates to be effective by the end of 2019



### **SOUTH CAROLINA ELECTRIC** BASE RATE CASES

- Motion for rehearing denied by the PSCSC; awaiting full orders
- Prepared to appeal portions of the cases

<sup>(1)</sup> Indiana's capital structure includes Accumulated Deferred Income Taxes (ADIT). When ADIT is excluded, resulting cap structure approximates 53% equity.

## KEY MESSAGES

- S&P affirmed Duke Energy Corp. rating of BBB+, and revised the rating outlook to negative from stable
- Commercial Renewables minority stake sale closing on track for fall 2019
  - ~\$415 million pre-tax proceeds to offset debt
- Expect \$1.1 billion refundable AMT credits in 2019-2022
  - \$575 million expected to be refunded in 2019 and \$275 million expected in 2020
- Continue to expect common stock issuances of \$500 million per year 2019-2023 via DRIP/ATM programs

| Equity issuance     | Priced YTD     | Equity Forward? | Forward Settled |
|---------------------|----------------|-----------------|-----------------|
| ATM                 | \$340 M        | Yes             | Q4              |
| DRIP                | \$80 M         | No              | n/a             |
| <b>Total Common</b> | <b>\$420 M</b> |                 |                 |

## INCREASED QUARTERLY DIVIDEND PAYMENT FOR THE 13<sup>TH</sup> CONSECUTIVE YEAR



**65 - 75%**  
LONG-TERM TARGET DIVIDEND  
PAYOUT RATIO<sup>(2)</sup>

**COMMITTED TO MAINTAINING STRONG CREDIT QUALITY & INVESTMENT GRADE RATINGS**

(1) Subject to approval by the Board of Directors

(2) Based on adjusted diluted EPS



**DUK**  
**LISTED**  
**NYSE**

## A SOLID LONG-TERM HOLDING



**CONSTRUCTIVE JURISDICTIONS, LOW-RISK REGULATED INVESTMENTS AND BALANCE SHEET STRENGTH**

(1) As of August 2, 2019

(2) Subject to approval by the Board of Directors.

(3) Total shareholder return proposition at a constant P/E ratio

(4) Based on adjusted diluted EPS off the midpoint of the 2019 guidance range (\$5.00)



# Appendix



## ITEM

## SLIDES

Financial supplement

14-22

Sustainability / ESG

23-26

Other supplemental information

27-30

Upcoming events & other

31-35

# Financial supplement



# Key 2019 adjusted earnings guidance assumptions

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| (\$ in millions)   | Original 2019 Assumptions <sup>(1)</sup> | 2019 YTD (thru 6/30/2019) |
|--|--|---------------------------|
| <b>Adjusted segment income/(expense)<sup>(2)</sup>:</b>  |  |                           |
| Electric Utilities & Infrastructure  | \$3,480                                  | \$1,559                   |
| Gas Utilities & Infrastructure   | \$375                                    | \$266                     |
| Commercial Renewables  | \$230                                    | \$99                      |
| Other  | (\$440)                                  | (\$204)                   |
| Duke Energy Consolidated   | \$3,645                                  | \$1,720                   |
| <b>Additional consolidated information:</b>  |  |                           |
| Interest expense   | \$2,238                                  | \$1,085                   |
| Effective tax rate including noncontrolling interest and preferred dividends and excluding special items | 12-14%                                   | 12.1%                     |
| Debt AFUDC and capitalized interest  | \$151                                    | \$74                      |
| AFUDC equity   | \$168                                    | \$67                      |
| Capital expenditures <sup>(3)(4)</sup>   | \$11,100                                 | \$5,854                   |
| Weighted-average shares outstanding  | ~729 million                             | ~728 million              |

(1) Full year amounts for 2019, as disclosed on Feb. 14, 2019

(2) Adjusted net income for 2019 assumptions is based upon the midpoint of the adjusted diluted EPS guidance range of \$4.80 to \$5.20

(3) Includes debt AFUDC and capitalized interest, except for ACP

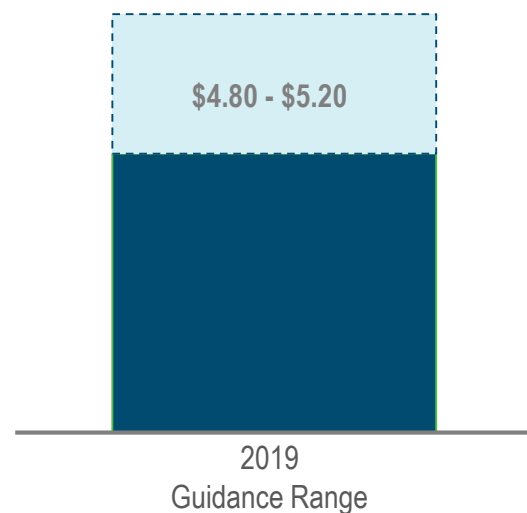
(4) 2019 YTD (thru 6/30/2019) includes ~\$320 million of coal ash closure spend that was included in operating cash flows and ~\$90 million funded under the ACP revolving credit facility; excludes tax equity funding of commercial renewables projects of ~\$180 million. 2019 Assumptions include ~\$850 million of projected coal ash closure spend and \$220 million projected to be funded under the ACP revolving credit facility

# 2019 EPS Guidance and balance of the year considerations

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## ADJUSTED DILUTED EARNINGS PER SHARE



**ON TRACK**  
TO ACHIEVE 2019 EPS  
GUIDANCE RANGE OF \$4.80 - \$5.20 <sup>(2)</sup>

## KEY CONSIDERATIONS<sup>(1)</sup>

|  | 3Q 2019 | 4Q 2019 |
|--|---------|---------|
| O&M:   |         |         |
| • Potential reversal of 2019 YTD favorable timing (\$0.07)         | ▼       | ▼       |
| • 2018 favorable settlement on certain transmission costs (\$0.03) | ▼       |         |
| • Return to normal storms (\$0.08 in 3Q18 and \$0.05 in 4Q18)      | ▲       | ▲       |
| New solar resources in service:                                    |         |         |
| - 25 MW Shoreham (3Q18)  | ▼       |         |
| - 100 MW Lapetus (4Q19)  |         | ▲       |
| - 60 MW Palmer (4Q19)  |         | ▲       |

(1) Key year-over-year drivers with significant quarterly variability. See additional full year drivers disclosed on slide 23 of the 2018 Fourth Quarter Earnings Review and Business Update on February 14, 2019.

(2) Based on adjusted diluted EPS



## Key 2019 earnings sensitivities

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| Driver                              |  | EPS Impact |
|-------------------------------------|--|------------|
| Electric Utilities & Infrastructure | 1% change in earned return on equity       | +/- \$0.49 |
|                                     | \$1 billion change in rate base            | +/- \$0.07 |
|                                     | 1% change in volumes                       | +/- \$0.13 |
| Gas Utilities & Infrastructure      | 1% change in earned return on equity       | +/- \$0.06 |
|                                     | \$200 million change in rate base          | +/- \$0.01 |
|                                     | 1% change in number of new customers       | +/- \$0.01 |
| Consolidated                        | 1% change in interest rates <sup>(1)</sup> | +/- \$0.07 |

Note: EPS amounts based on forecasted 2019 share count of ~729 million shares

(1) Based on average variable-rate debt outstanding throughout the year

# Electric utilities quarterly weather impacts

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| Weather segment income to normal: | 2019          |                              |                                      | 2018          |                      |                                      |
|-----------------------------------|---------------|------------------------------|--------------------------------------|---------------|----------------------|--------------------------------------|
|                                   | Pretax impact | Weighted avg. diluted shares | EPS impact favorable / (unfavorable) | Pretax impact | Weighted avg. shares | EPS impact favorable / (unfavorable) |
| First Quarter                     | (\$55)        | 727                          | (\$0.06)                             | \$10          | 701                  | \$0.01                               |
| Second Quarter                    | \$80          | 728                          | \$0.08                               | \$90          | 704                  | \$0.10                               |
| Third Quarter <sup>(1)</sup>      |               |                              |                                      | \$55          | 714                  | \$0.05                               |
| Fourth Quarter                    |               |                              |                                      | \$60          | 716                  | \$0.06                               |
| Year-to-Date <sup>(1)(2)</sup>    | \$25          | 728                          | \$0.02                               | \$215         | 708                  | \$0.22                               |

| 2Q 2019                                    | Duke Energy Carolinas |         | Duke Energy Progress |         | Duke Energy Florida |        | Duke Energy Indiana |         | Duke Energy Ohio/KY |         |
|--|-----------------------|---------|----------------------|---------|---------------------|--------|---------------------|---------|---------------------|---------|
| Heating degree days / Variance from normal | 127                   | (41.3%) | 117                  | (36.5%) | -                   | (100%) | 474                 | (4.3%)  | 347                 | (22.7%) |
| Cooling degree days / Variance from normal | 632                   | 28.9%   | 715                  | 33.0%   | 1,159               | 11.0%  | 294                 | (11.3%) | 333                 | 2.8%    |

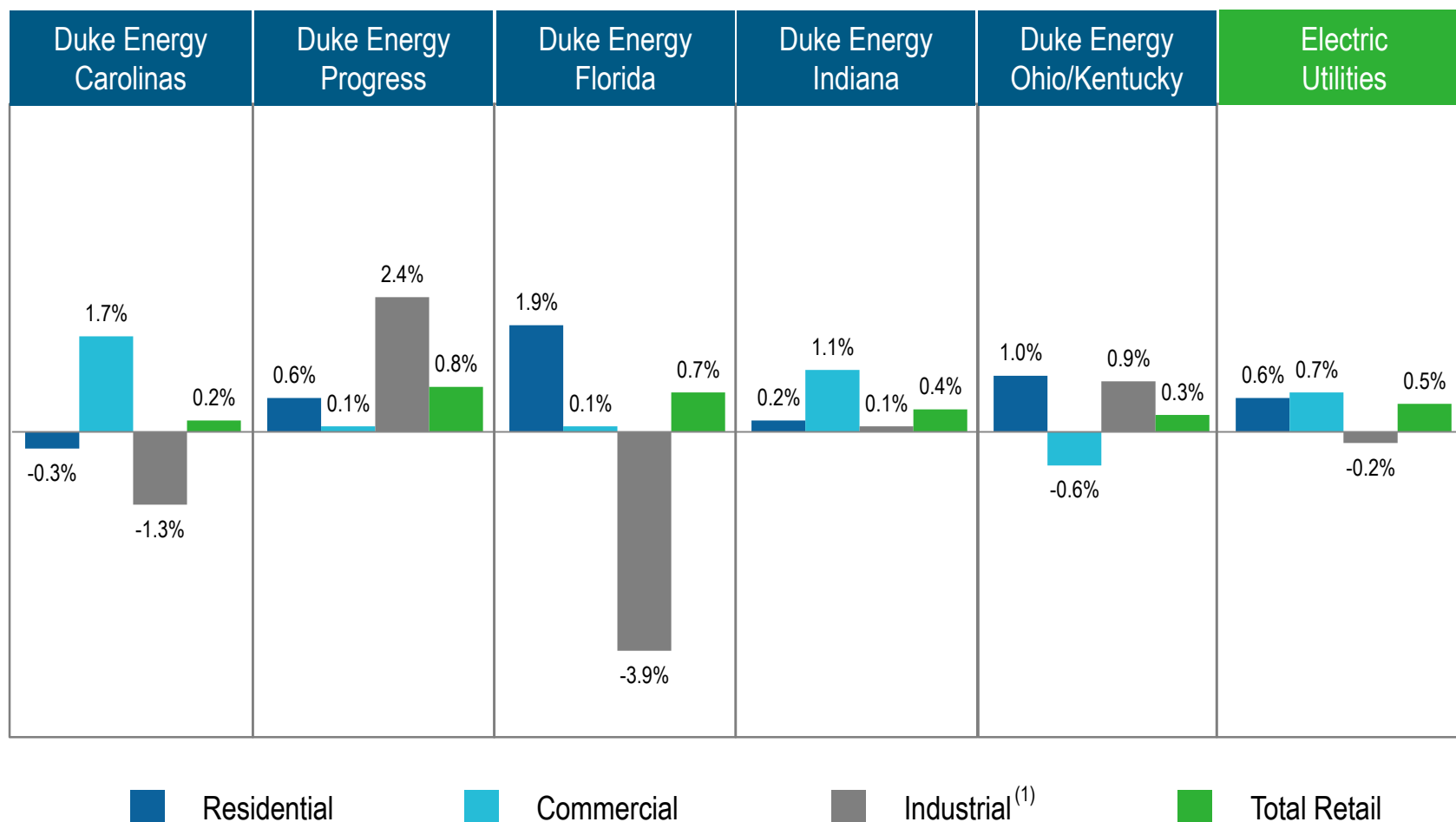
| 2Q 2018                                    | Duke Energy Carolinas |        | Duke Energy Progress |       | Duke Energy Florida |         | Duke Energy Indiana |       | Duke Energy Ohio/KY |       |
|--|-----------------------|--------|----------------------|-------|---------------------|---------|---------------------|-------|---------------------|-------|
| Heating degree days / Variance from normal | 208                   | (5.8%) | 191                  | 1.1%  | 2                   | (81.9%) | 547                 | 11.0% | 497                 | 9.9%  |
| Cooling degree days / Variance from normal | 638                   | 30.0%  | 696                  | 30.3% | 1,052               | 1.2%    | 557                 | 68.9% | 539                 | 64.2% |

(1) 2018 includes an unfavorable ~\$15 million or \$0.01/share impact from Hurricane Florence

(2) Year-to-date amounts may not foot due to differences in weighted-average shares outstanding and/or rounding

# Weather normalized volume trends, by electric jurisdiction

Rolling Twelve Months, as of June 30, 2019



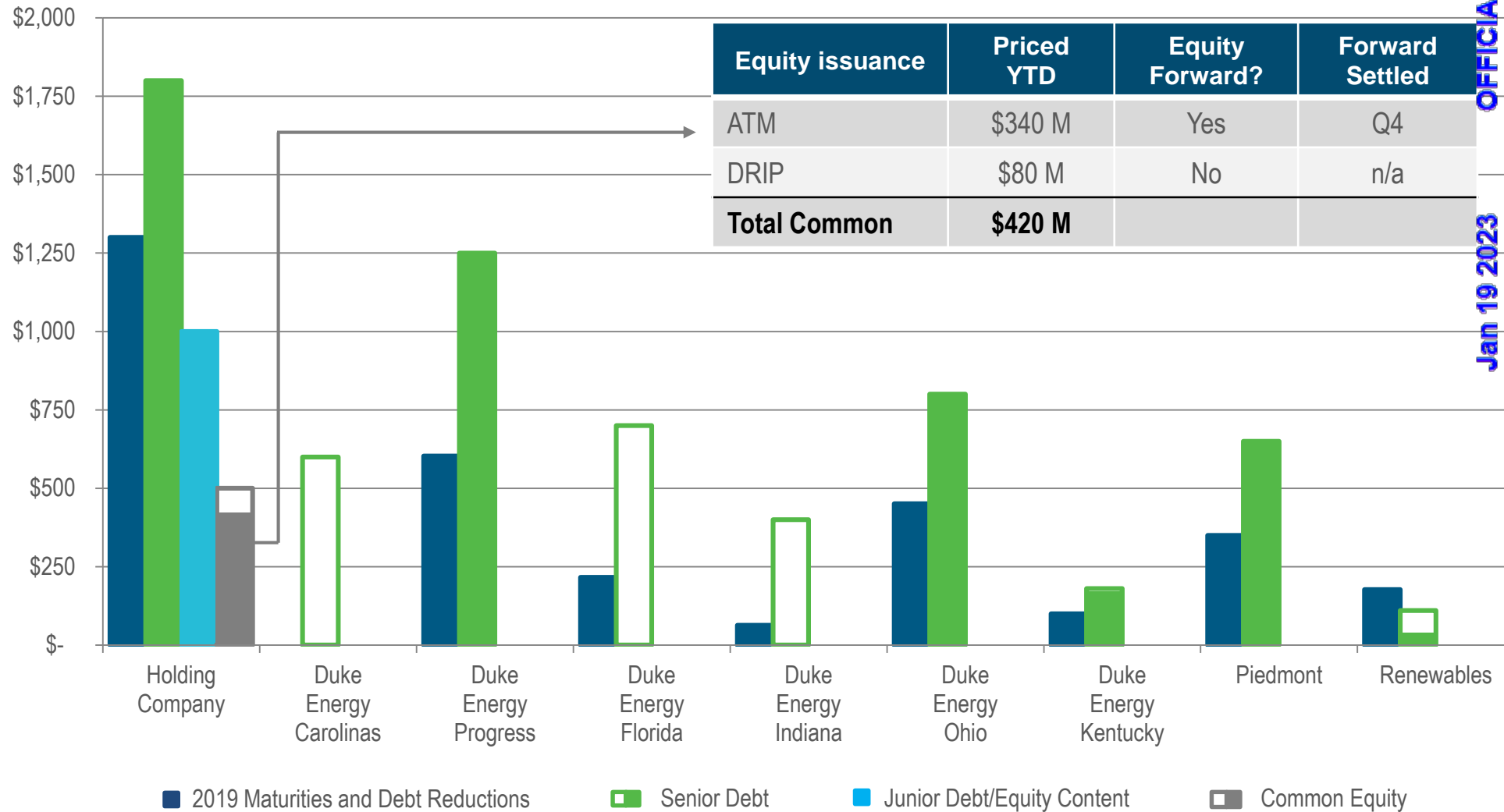
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(1) Electric Utilities industrial results have been impacted by production interruptions at a couple of large customers

# 2019 financing plan as of June 30, 2019 <sup>(1)</sup>

(\$ in millions)



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Jan 19 2023

(1) Represents progress made toward the expected long-term debt, preferred stock and common equity capital raising during 2019



## 2019 long-term debt and preferred stock financing activity as of June 30, 2019

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| Amount<br>(\$ in millions) | Entity      | Date Issued              | Credit Ratings<br>(M/S&P/F, unless<br>otherwise noted) | Term      | Type                   | Rate           |
|----------------------------|-------------|--------------------------|--|-----------|------------------------|----------------|
| \$400                      | DE Ohio     | January 2019             | A2/A   | 10-Year   | First Mortgage Bond    | Fixed – 3.65%  |
| \$400                      | DE Ohio     | January 2019             | A2/A   | 30-Year   | First Mortgage Bond    | Fixed – 4.30%  |
| \$650                      | DE Progress | Jan. & Feb.<br>2019      | A2/A- <sup>(1)</sup>                                   | 2-Year    | Term Loan              | Floating       |
| \$600                      | DE Progress | March 2019               | Aa3/A  | 10-year   | First Mortgage Bond    | Fixed – 3.45%  |
| \$300                      | DE Corp.    | March 2019               | Baa1/BBB+  | 3-Year    | Senior Unsecured Notes | Fixed – 3.227% |
| \$300                      | DE Corp.    | March 2019               | Baa1/BBB+  | 3-Year    | Senior Unsecured Notes | Floating       |
| \$1,000                    | DE Corp.    | March 2019               | Baa3/BBB/BBB-  | Perpetual | Preferred Stock        | Fixed – 5.75%  |
| \$600                      | Piedmont    | May 2019                 | A3/A-  | 10-Year   | Senior Unsecured Notes | Fixed – 3.50%  |
| \$600                      | DE Corp.    | June 2019                | Baa1/BBB+/BBB+   | 10-Year   | Senior Unsecured Notes | Fixed – 3.40%  |
| \$600                      | DE Corp.    | June 2019                | Baa1/BBB+/BBB+   | 30-Year   | Senior Unsecured Notes | Fixed – 4.20%  |
| \$95                       | DE Kentucky | June 2019                | N/A <sup>(2)</sup>                                     | 6-Year    | Debentures             | Fixed – 3.23%  |
| \$75                       | DE Kentucky | June 2019 <sup>(3)</sup> | N/A <sup>(2)</sup>                                     | 10-Year   | Debentures             | Fixed – 3.56%  |
| \$40                       | DE Kentucky | June 2019 <sup>(3)</sup> | N/A <sup>(2)</sup>                                     | 30-Year   | Debentures             | Fixed – 4.32%  |

(1) Represents the Issuer/Corporate Credit Ratings

(2) Issuance privately placed

(3) Transaction was priced in June, 2019 with expected closing in September 2019

# Liquidity summary as of June 30, 2019

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Jan 19 2023

| (\$ in millions)  | Duke Energy | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Indiana | Duke Energy Ohio | Duke Energy Kentucky | Piedmont Natural Gas | Total           |
|---|-------------|-----------------------|----------------------|---------------------|---------------------|------------------|----------------------|----------------------|-----------------|
| Master Credit Facility <sup>(1)</sup>                   | \$ 2,650    | \$ 1,750              | \$ 1,250             | \$ 800              | \$ 600              | \$ 300           | \$ 150               | \$ 500               | \$ 8,000        |
| Less: Notes payable and commercial paper <sup>(2)</sup> | (1,009)     | (1,099)               | (276)                | (474)               | (326)               | (124)            | (112)                | -                    | (3,425)         |
| Coal Ash Set-Aside                                      | -           | (250)                 | (250)                | -                   | -                   | -                | -                    | -                    | (500)           |
| Outstanding letters of credit (LOCs)                    | (45)        | (4)                   | (2)                  | -                   | -                   | -                | -                    | (2)                  | (53)            |
| Tax-exempt bonds  | -           | -                     | -                    | -                   | (81)                | -                | -                    | -                    | (81)            |
| Available capacity                                      | \$ 1,596    | \$ 397                | \$ 722               | \$ 326              | \$ 193              | \$ 176           | \$ 38                | \$ 498               | \$ 3,946        |
| Funded Revolver and Term Loan <sup>(3)</sup>            | \$ 1,000    |                       | \$ 700               |                     |                     |                  |                      |                      | \$ 1,700        |
| Less: Borrowings Under Credit Facilities                | (500)       |                       | (700)                |                     |                     |                  |                      |                      | (1,200)         |
| Available capacity                                      | \$ 500      | \$ -                  | \$ -                 | \$ -                | \$ -                | \$ -             | \$ -                 | \$ -                 | \$ 500          |
| Cash & short-term investments                           |             |                       |                      |                     |                     |                  |                      |                      | 200             |
| <b>Total available liquidity</b>                        |             |                       |                      |                     |                     |                  |                      |                      | <b>\$ 4,646</b> |

Note: excludes variable denomination floating-rate demand notes, called PremierNotes. At June 30, 2019, the PremierNotes balance was \$990 million

(1) Master Credit Facility supports tax-exempt put bonds, LOCs and the Duke Energy commercial paper program of \$4.85 billion

(2) Includes permanent layer of commercial paper of \$625 million, which is classified as long-term debt

(3) Borrowings under these facilities will be used for general corporate purposes

# Sustainability / Environmental Social and Governance (ESG)



## CARBON AND OTHER REDUCTIONS



## OTHER ESG FOCUS AREAS

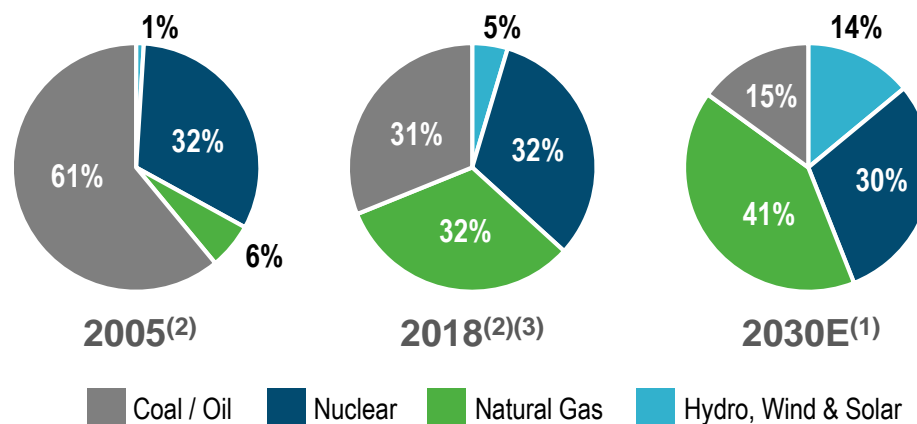


## INDUSTRY LEADING DISCLOSURE



- Targeting 40% reduction in carbon dioxide (CO<sub>2</sub>) emissions by 2030<sup>(1)</sup>
- Since 2005, decreased CO<sub>2</sub> emissions by 31%, sulfur dioxide emissions by 96% and nitrogen oxides emissions by 74%
- 49 coal units retired (~6.2 GW) since 2010
- As of year-end 2018, owned or contracted 7,100 MW of renewables
- Targeting 1 trillion gallon reduction in water withdrawals by our generation fleet by 2030 (from 5.34 trillion gallons in 2016)

## FUEL DIVERSITY (MWh OUTPUT)



(1) From 2005 levels. 2030 carbon reduction will be influenced by customer demand, generation mix, weather, fuel availability and prices

(2) 2005 and 2018 data based on Duke's ownership share of U.S. generation assets as of Dec. 31, 2018

(3) 2018 data excludes 8,519 GWh of purchased renewables, equivalent to ~4% of Duke's output

## CARBON AND OTHER REDUCTIONS



## OTHER ESG FOCUS AREAS



## INDUSTRY LEADING DISCLOSURE



### SAFETY – OUR NUMBER ONE PRIORITY

- Total Incident Case Rate (TICR) of 0.43 in 2018; one of the industry leaders for 4<sup>th</sup> year in a row

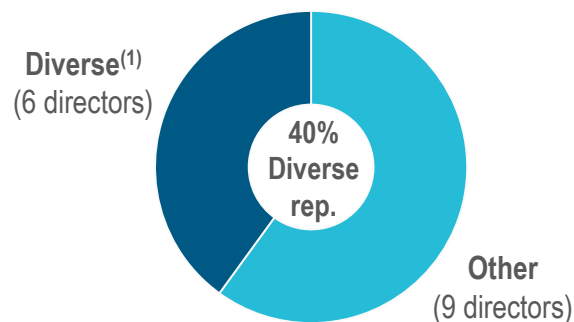
### EMPLOYEES

- Targeting a companywide engagement score of 76% by 2022
- Named one of “America’s Best Employers” by Forbes
- Named one of the “50 Best Companies for Diversity” by Black Enterprise magazine

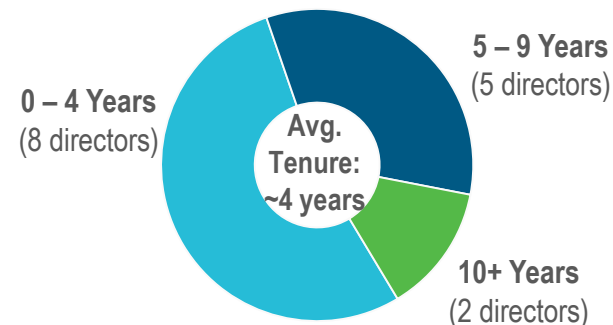
### GOVERNANCE

- Oversight of sustainability formally added to Corporate Governance Committee of the Duke Energy Board of Directors charter in 2018

### BOARD DIVERSITY



### BOARD TENURE



(1) Racial, gender and ethnic diversity



## CARBON AND OTHER REDUCTIONS



## OTHER ESG FOCUS AREAS



## INDUSTRY LEADING DISCLOSURE



- Dow Jones Sustainability Index for 13 years in a row
- Over a decade of annual Sustainability reports
- Climate Report issued in 2018 analyzes 2-degree scenario
  - Our 40% CO<sub>2</sub> reduction goal is consistent with a pathway to achieve a 2-degree target
- EEI / AGA reporting templates provide investors greater uniformity and consistency in reporting of ESG metrics
- Bloomberg ESG disclosure score of 56.6, the second-best score and in the top decile of our peer U.S. utilities<sup>(1)</sup>



see more at: [www.duke-energy.com/our-company/sustainability](http://www.duke-energy.com/our-company/sustainability)

(1) As of March 29, 2019

## Other supplemental information





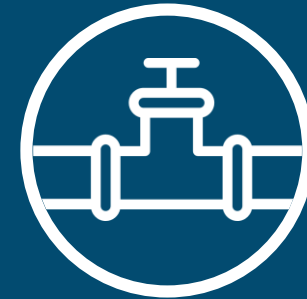
TRANSFORM THE  
**CUSTOMER EXPERIENCE**



MODERNIZE THE  
**ENERGY GRID**



GENERATE  
**CLEANER ENERGY**



EXPAND **NATURAL GAS**  
**INFRASTRUCTURE**



**STAKEHOLDER**  
ENGAGEMENT

**EMPLOYEE ENGAGEMENT AND OPERATIONAL EXCELLENCE  
ARE FOUNDATIONAL TO OUR SUCCESS**

## Renewables projects detail

|  | Site                            | Megawatts    |            |           |              | COD       | Location |
|--|---------------------------------|--------------|------------|-----------|--------------|-----------|----------|
|  |                                 | Solar        | Wind       | Fuel Cell | Total        |           |          |
| Regulated:                                 | Lake Placid                     | 45           | -          | -         | 45           | Q4 2019   | FL       |
|  | Trenton                         | 74.9         | -          | -         | 74.9         | Q4 2019   | FL       |
|  | DeBary                          | 74.5         | -          | -         | 74.5         | Q1 2020   | FL       |
|  | Catawba County <sup>(1)</sup>   | 69           | -          | -         | 69           | 2020      | NC (DEC) |
|  | Gaston County <sup>(1)</sup>    | 25           | -          | -         | 25           | 2020      | NC (DEC) |
|  | PPA projects <sup>(1)(2)</sup>  | 362          | -          | -         | 362          | 2020/2021 | NC/SC    |
| <b>Subtotal – Regulated</b>                |                                 | <b>651</b>   | <b>-</b>   | <b>-</b>  | <b>651</b>   |           |          |
| Commercial:                                | Cleveland County <sup>(1)</sup> | 50           | -          | -         | 50           | 2020      | NC       |
|  | Surry County <sup>(1)</sup>     | 23           | -          | -         | 23           | 2020      | NC       |
|  | Cabarrus County <sup>(1)</sup>  | 23           | -          | -         | 23           | 2020      | NC       |
|  | Rosamond                        | 150          | -          | -         | 150          | Q2 2019   | CA       |
|  | Lapetus                         | 100          | -          | -         | 100          | Q4 2019   | TX       |
|  | Palmer <sup>(3)</sup>           | 60           | -          | -         | 60           | Q4 2019   | CO       |
|  | Holstein <sup>(3)</sup>         | 200          | -          | -         | 200          | 2020      | TX       |
|  | Mesteno                         | -            | 200        | -         | 200          | Q4 2019   | TX       |
|  | Frontier II <sup>(3)</sup>      | -            | 350        | -         | 350          | 2020      | OK       |
|  | Bloom Energy <sup>(3)</sup>     | -            | -          | 37        | 37           | 2019/2020 | Various  |
| <b>Subtotal – Commercial<sup>(4)</sup></b> |                                 | <b>606</b>   | <b>550</b> | <b>37</b> | <b>1,193</b> |           |          |
| <b>GRAND TOTAL - announced</b>             |                                 | <b>1,257</b> | <b>550</b> | <b>37</b> | <b>1,844</b> |           |          |
| Late Stage Development Projects            |                                 | -            | 180        | -         | 180          | 2020      |          |

(1) Projects that cleared the first RFP under HB589 (552 MW in total). Dates may vary depending upon local approvals and any construction delays

(2) Projects procured on behalf of customers but not owned by Duke Energy

(3) Projects announced in second quarter 2019

(4) Approximately 1/3 of capital requirement to be funded with tax equity

# North Carolina coal ash detail

| Site                        | Ranking      | Tons of Ash Remaining <sup>(1)</sup> | State Compliance Date | Actual/ Expected Closure Date <sup>(5)</sup> |
|-----------------------------|--------------|--------------------------------------|-----------------------|--|
| Riverbend                   | High         | -                                    | August 2019           | March 2019                                   |
| Dan River                   | High         | -                                    | August 2019           | May 2019                                     |
| Sutton                      | High         | -                                    | December 2019         | July 2019                                    |
| Asheville <sup>(2)(3)</sup> | High         | 2                                    | August 2022           |  |
| Cape Fear <sup>(4)</sup>    | Intermediate | 6                                    | December 2029         |  |
| H.F. Lee <sup>(4)</sup>     | Intermediate | 6                                    | December 2029         |  |
| Weatherspoon                | Intermediate | 2                                    | August 2028           |  |
| Cliffside <sup>(2)</sup>    | Low          | 10                                   | December 2029         | 2027 – 2029                                  |
| Allen                       | Low          | 19                                   | December 2029         | 2038 - 2043                                  |
| Marshall                    | Low          | 32                                   | December 2029         | 2042 - 2053                                  |
| Buck <sup>(4)</sup>         | Low          | 6                                    | December 2029         |  |
| Belews Creek                | Low          | 20                                   | December 2029         | 2033 - 2037                                  |
| Roxboro                     | Low          | 34                                   | December 2029         | 2038 - 2043                                  |
| Mayo                        | Low          | 7                                    | December 2029         | 2027 - 2030                                  |
| <b>Total tons of Ash</b>    |              | <b>145</b>                           |                       |  |

- (1) Estimate as of June 30, 2019. In millions. Sutton completed during July 2019.
- (2) The company is currently moving ash from this site to on- and off-site final fully lined storage solutions, so the figures will change periodically given this activity
- (3) Basins at Asheville must be closed by Aug. 1, 2022, as a result of the Mountain Energy Act
- (4) Ash beneficiation site as defined by House Bill 650
- (5) Assuming full excavation of low-risk, low-priority sites included in NCDEQ order on April 1, 2019. Compliance dates for Allen, Marshall, Belews Creek, Roxboro and Mayo will need to be adjusted

## NCDEQ COAL ASH ORDER

- NC DEQ issued order April 1 requiring low priority sites be fully excavated
  - Incremental cost of \$4 - 5 billion vs. cap-in-place / hybrid closure methods would be spent over decades
  - Coal ash closure costs would increase \$200 – 400 million over 5-year plan (<1% of total capital plan)
- Company appealed the decision to the NC Office of Administrative Hearings on April 26; expect process to take 9-12 months



Excavation at Dan River Steam Station completed in May 2019

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Jan 19 2023

## Upcoming events & other





## Upcoming events

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Jan 19 2023

| Event                             | Date                 |
|-----------------------------------|----------------------|
| 3Q 2019 earnings call (tentative) | November 8, 2019     |
| EEI Financial Conference          | November 10-12, 2019 |

### **MIKE CALLAHAN, VICE PRESIDENT INVESTOR RELATIONS**

- Michael.Callahan@duke-energy.com
- (704) 382-0459

### **CINDY LEE, DIRECTOR INVESTOR RELATIONS**

- Cynthia.Lee@duke-energy.com
- (980) 373-4077

### **ABBY MOTSINGER, MANAGER INVESTOR RELATIONS**

- Abby.Motsinger@duke-energy.com
- (704) 382-7624

## Safe harbor statement

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to: State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process; The costs of decommissioning Crystal River Unit 3 and other nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; Costs and effects of legal and administrative proceedings, settlements, investigations and claims; Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies; Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs; Advancements in technology; Additional competition in electric and natural gas markets and continued industry consolidation; The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business; Operational interruptions to our natural gas distribution and transmission activities; The availability of adequate interstate pipeline transportation capacity and natural gas supply; The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions; Credit ratings of the Duke Energy Registrants may be different from what is expected; Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; The ability to control operation and maintenance costs; The level of creditworthiness of counterparties to transactions; Employee workforce factors, including the potential inability to attract and retain key personnel; The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; The effect of accounting pronouncements issued periodically by accounting standard-setting bodies; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; and The ability to implement our business strategy, including enhancing existing technology systems.

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at [sec.gov](http://sec.gov). In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



*BUILDING A **SMARTER** ENERGY FUTURE®*

For additional information on Duke Energy,  
please visit: [duke-energy.com/investors](https://duke-energy.com/investors)

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 6, 2019**

**Adjusted Diluted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of adjusted diluted EPS for the quarter and year-to-date periods ended June 30, 2019 and 2018.

The non-GAAP financial measure, adjusted diluted EPS, represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. For the quarter and year-to-date periods ended June 30, 2019 adjusted diluted EPS equals reported diluted EPS attributable to Duke Energy Corporation common stockholders. Accordingly, there is no reconciliation of adjusted diluted EPS for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted diluted EPS for the quarter and year-to-date periods ended June 30, 2018, to the most directly comparable GAAP measure is included herein.

Special items for the quarter and year-to-date periods ended June 30, 2018, include the following items, which management believes do not reflect ongoing costs:

- Costs to Achieve Piedmont Merger represents charges that resulted from the Piedmont acquisition.
- Regulatory and Legislative Impacts represent charges related to rate case orders, settlements or other actions of regulators or legislative bodies.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impairment of Equity Method Investment represents an OTTI of an investment in Constitution.
- Impacts of the Tax Act represents an AMT valuation allowance recognized related to the Tax Act.

**Adjusted Diluted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a reference to adjusted diluted EPS guidance range of \$4.80 - \$5.20 per share. The materials also reference the long-term range of annual growth of 4% - 6% through 2023 off the midpoint of 2019 adjusted EPS guidance range of \$5.00. Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, adjusted for the per share impact of special items (as discussed above under Adjusted Diluted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## Adjusted Segment Income and Adjusted Other Net Loss

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2018 and a discussion of 2019 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income and other net loss adjusted for special items (as discussed above under Adjusted Diluted EPS). When a per share impact is provided for a segment income driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure and Gas Utilities and Infrastructure, segment statutory tax rate of 23% for Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average diluted shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income and adjusted other net loss are reported segment income and other net loss, which represents segment income and other net loss from continuing operations, including any special items. For the quarter and year-to-date periods ended June 30, 2019, adjusted segment income and adjusted other net loss equal reported segment income and other net loss. Accordingly, there is no reconciliation of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2018, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted Diluted EPS Guidance.

## Dividend Payout Ratio

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of Duke Energy's forecasted dividend payout ratio of 65% - 75% based upon adjusted diluted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted diluted EPS from continuing operations attributable to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted Diluted EPS. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.



## **Effective Tax Rate Including Impacts of Noncontrolling Interests and Preferred Dividends and Excluding Special Items**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter and year-to-date periods ended June 30, 2019. The materials also include a discussion of the 2019 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the 2019 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

## **Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2019, to the most directly comparable GAAP measure is included herein.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended June 30, 2018  
(Dollars in millions, except per-share amounts)

|   |                   | Special Items                    |                                    |                         |                   |                   |  |
|---|-------------------|----------------------------------|------------------------------------|-------------------------|-------------------|-------------------|--|
|   | Reported Earnings | Costs to Achieve Piedmont Merger | Regulatory and Legislative Impacts | Discontinued Operations | Total Adjustments | Adjusted Earnings |  |
| <b>SEGMENT INCOME</b>                                       |                   |                                  |                                    |                         |                   |                   |  |
| Electric Utilities and Infrastructure                       | \$ 575            | \$ —                             | \$ 136                             | B \$ —                  | \$ 136            | \$ 711            |  |
| Gas Utilities and Infrastructure                            | 28                | —                                | —                                  | —                       | —                 | 28                |  |
| Commercial Renewables                                       | 38                | —                                | —                                  | —                       | —                 | 38                |  |
| <b>Total Reportable Segment Income</b>                      | <b>641</b>        | <b>—</b>                         | <b>136</b>                         | <b>—</b>                | <b>136</b>        | <b>777</b>        |  |
| Other   | (136)             | 15                               | A —                                | —                       | 15                | (121)             |  |
| Discontinued Operations                                     | (5)               | —                                | —                                  | 5                       | C 5               | —                 |  |
| <b>Net Income Attributable to Duke Energy Corporation</b>   | <b>\$ 500</b>     | <b>\$ 15</b>                     | <b>\$ 136</b>                      | <b>\$ 5</b>             | <b>\$ 156</b>     | <b>\$ 656</b>     |  |
| <b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b> | <b>\$ 0.71</b>    | <b>\$ 0.02</b>                   | <b>\$ 0.19</b>                     | <b>\$ 0.01</b>          | <b>\$ 0.22</b>    | <b>\$ 0.93</b>    |  |

**A** — Net of \$5 million tax benefit. \$20 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** — Net of \$43 million tax benefit at Duke Energy Carolinas. \$175 million recorded within Impairment charges and \$4 million recorded within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.

**C** — Recorded in Loss from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) — 704 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2018**  
(Dollars in millions, except per-share amounts)

|   | Reported Earnings | Special Items                    |                                    |                       |  |                        | Discontinued Operations | Total Adjustments | Adjusted Earnings |
|---|-------------------|----------------------------------|------------------------------------|-----------------------|--|------------------------|-------------------------|-------------------|-------------------|
|   |                   | Costs to Achieve Piedmont Merger | Regulatory and Legislative Impacts | Sale of Retired Plant | Impairment of Equity Method Investment | Impacts of the Tax Act |                         |                   |                   |
| <b>SEGMENT INCOME</b>                                       |                   |                                  |                                    |                       |  |                        |                         |                   |                   |
| Electric Utilities and Infrastructure                       | \$ 1,325          | \$ —                             | \$ 202                             | B \$ —                | \$ —                                   | \$ —                   | \$ —                    | \$ 202            | \$ 1,527          |
| Gas Utilities and Infrastructure                            | 144               | —                                | —                                  | —                     | 42                                     | D —                    | —                       | 42                | 186               |
| Commercial Renewables                                       | 58                | —                                | —                                  | —                     | —                                      | —                      | —                       | —                 | 58                |
| <b>Total Reportable Segment Income</b>                      | <b>1,527</b>      | <b>—</b>                         | <b>202</b>                         | <b>—</b>              | <b>42</b>                              | <b>—</b>               | <b>—</b>                | <b>244</b>        | <b>1,771</b>      |
| Other   | (402)             | 28                               | A —                                | 82                    | C —                                    | 76                     | E —                     | 186               | (216)             |
| Discontinued Operations                                     | (5)               | —                                | —                                  | —                     | —                                      | —                      | 5                       | F 5               | —                 |
| Net Income Attributable to Duke Energy Corporation          | \$ 1,120          | \$ 28                            | \$ 202                             | \$ 82                 | \$ 42                                  | \$ 76                  | \$ 5                    | \$ 435            | \$ 1,555          |
| <b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b> | <b>\$ 1.59</b>    | <b>\$ 0.04</b>                   | <b>\$ 0.29</b>                     | <b>\$ 0.12</b>        | <b>\$ 0.06</b>                         | <b>\$ 0.11</b>         | <b>\$ 0.01</b>          | <b>\$ 0.63</b>    | <b>\$ 2.22</b>    |

**A** — Net of \$9 million tax benefit. \$37 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** — Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas.

- On the Duke Energy Progress' Condensed Consolidated Statements of Operations, \$32 million is recorded within Impairment charges, \$31 million within Operations, maintenance and other, \$6 million within Interest Expense and \$(1) million within Depreciation and amortization.

- On the Duke Energy Carolinas' Condensed Consolidated Statements of Operations, \$188 million is recorded within Impairment charges, \$8 million within Operations, maintenance and other, and \$1 million within Depreciation and amortization.

**C** — Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Condensed Consolidated Statements of Operations.

**D** — Net of \$13 million tax benefit. \$55 million recorded within Other Income and Expenses on the Condensed Consolidated Statements of Operations.

**E** — \$76 million AMT valuation allowance within Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**F** — Recorded in Loss from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) — 702 million**

**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2019  
(Dollars in millions)

|   | Three Months Ended<br>June 30, 2019 |                    | Six Months Ended<br>June 30, 2019 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income From Continuing Operations Before Income Taxes</b>           | \$ 889                              |                    | \$ 1,877                          |                    |
| Noncontrolling Interests  | 84                                  |                    | 91                                |                    |
| Preferred Dividends   | (12)                                |                    | (12)                              |                    |
| <b>Pretax Income including noncontrolling interests and preferred dividends</b> | <u>\$ 961</u>                       |                    | <u>\$ 1,956</u>                   |                    |
| <b>Reported Income Tax Expense From Continuing Operations</b>                   | \$ 141                              | 15.9%              | \$ 236                            | 12.6%              |
| <b>Tax Expense including noncontrolling interest and preferred dividends</b>    | <u>\$ 141</u>                       | 14.7%              | <u>\$ 236</u>                     | 12.1%              |

|   | Three Months Ended<br>June 30, 2018 |                    | Six Months Ended<br>June 30, 2018 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income From Continuing Operations Before Income Taxes</b>               | \$ 607                              |                    | \$ 1,410                          |                    |
| Costs to Achieve Piedmont Merger  | 20                                  |                    | 37                                |                    |
| Regulatory and Legislative Impacts  | 179                                 |                    | 265                               |                    |
| Sale of Retired Plant   | —                                   |                    | 107                               |                    |
| Impairment of Equity Method Investment  | —                                   |                    | 55                                |                    |
| Noncontrolling Interests  | (2)                                 |                    | (4)                               |                    |
| <b>Pretax Income including noncontrolling interests and excluding special items</b> | <u>\$ 804</u>                       |                    | <u>\$ 1,870</u>                   |                    |
| <b>Reported Income Tax Expense From Continuing Operations</b>                       | \$ 100                              | 16.5%              | \$ 281                            | 19.9%              |
| Costs to Achieve Piedmont Merger  | 5                                   |                    | 9                                 |                    |
| Regulatory and Legislative Impacts  | 43                                  |                    | 63                                |                    |
| Sale of Retired Plant   | —                                   |                    | 25                                |                    |
| Impairment of Equity Method Investment  | —                                   |                    | 13                                |                    |
| Impacts of the Tax Act  | —                                   |                    | (76)                              |                    |
| <b>Tax Expense including noncontrolling interest and excluding special items</b>    | <u>\$ 148</u>                       | 18.4%              | <u>\$ 315</u>                     | 16.8%              |

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2019**  
**(In millions)**

|  |                        |                           |
|--|------------------------|---------------------------|
| Cash and Cash Equivalents  | \$ 336                 |                           |
| Less: Certain Amounts Held in Foreign Jurisdictions                              | (31)                   |                           |
| Less: Unavailable Domestic Cash  | <u>(105)</u>           |                           |
|  | 200                    |                           |
| Plus: Remaining Availability under Master Credit Facilities and other facilities | <u>4,446</u>           |                           |
| Total Available Liquidity (a)  | <u><u>\$ 4,646</u></u> | approximately 4.6 billion |

- (a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

## News Release



Media Contact: Catherine Butler  
24-Hour: 800.559.3853

Analyst Contact: Mike Callahan  
Office: 704.382.0459

Aug. 6, 2019

### Duke Energy reports second quarter 2019 financial results

- **Second quarter 2019 reported and adjusted EPS of \$1.12 with strong results across all segments**
- **Adjusted EPS growth of 6 percent through first half of the year**
- **Company reaffirms 2019 adjusted EPS guidance range of \$4.80 to \$5.20 and long-term earnings growth target of 4 to 6 percent**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced second quarter 2019 reported diluted earnings per share (EPS), prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted diluted EPS of \$1.12. This is compared to reported and adjusted diluted EPS of \$0.71 and \$0.93, respectively, for the second quarter of 2018. Adjusted diluted EPS excludes the impact of certain regulatory and legislative charges that are included in reported diluted EPS.

Higher second quarter 2019 adjusted results were primarily driven by growth from investments at electric and gas utilities and commercial renewables, as well as favorable O&M expenses.

“We delivered strong financial results in the quarter as we continue creating value for customers and shareholders,” said Lynn Good, Duke Energy chairman, president and CEO. “So far this year, we’ve grown earnings and increased our dividend. We remain on track to meet our commitments, and have reaffirmed our 2019 earnings guidance range and our long-term 4 to 6 percent earnings growth rate.”

“Moving forward, we will continue to execute our long-term strategy for the benefit of our customers and investors, including advancing our legislative and regulatory priorities to support our vision of a cleaner energy future.”

### Business segment results

In addition to the following summary of second quarter 2019 business segment performance, comprehensive tables with detailed EPS drivers for the second quarter compared to prior year are provided in the tables at the end of this news release.

The discussion below of second quarter results includes both reported segment income and adjusted segment income, which is a non-GAAP financial measure. The tables at the end of this news release present a full reconciliation of GAAP reported results to adjusted results.



## Electric Utilities and Infrastructure

On a reported and adjusted basis, Electric Utilities and Infrastructure recognized second quarter 2019 segment income of \$809 million. This is compared to reported and adjusted earnings of \$575 million and \$711 million, respectively, in the second quarter of 2018. Second quarter 2018 reported results were impacted by \$136 million in after-tax charges related primarily to the Duke Energy Carolinas North Carolina rate case order. This amount was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, this represents an increase of \$0.13 per share, excluding share dilution of \$0.03 per share. Higher quarterly results were primarily due to contributions from base rate changes (+\$0.08 per share), higher rider revenues (+\$0.04 per share) and timing of O&M expenses (+\$0.07 per share).

These results were partially offset by higher depreciation and amortization on a growing asset base (-\$0.05 per share) and higher interest expense (-\$0.02 per share).

## Gas Utilities and Infrastructure

On a reported and adjusted basis, Gas Utilities and Infrastructure recognized second quarter 2019 segment income of \$40 million compared to \$28 million in the second quarter of 2018, an increase of \$0.02 per share. Higher quarterly results were driven by higher earnings from midstream investments (+\$0.02 per share).

## Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized second quarter 2019 segment income of \$86 million, compared to \$38 million in the second quarter of 2018, an increase of \$0.06 per share. Higher quarterly results were primarily due to a new solar tax equity financed project placed in service (+\$0.08 per share), partially offset by lower wind resource and a favorable contractual settlement in the prior year (-\$0.02 per share).

## Other

Other primarily includes interest expense on holding company debt, other unallocated corporate costs and results from Duke Energy's captive insurance company.

On a reported and adjusted basis, Other recognized a second quarter 2019 net loss of \$115 million. This is compared to a reported and adjusted net loss of \$136 million and \$121 million, respectively, in the second quarter of 2018. Second quarter 2018 reported results were impacted by costs to achieve the Piedmont merger. These amounts were treated as special items and excluded from adjusted earnings.

## Effective Tax Rate

Duke Energy's consolidated reported effective tax rate for the second quarter of 2019 was 15.9 percent compared to 16.5 percent in the second quarter of 2018. The decrease in the effective tax rate was primarily due to the amortization of excess deferred taxes. The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special

items for the second quarter of 2019 was 14.7 percent compared to 18.4 percent in the second quarter of 2018. The decrease was primarily due to the amortization of excess deferred taxes.

The tables at the end of this news release present a reconciliation of the reported effective tax rate to the effective tax rate including noncontrolling interests and preferred dividends and excluding special items.

### Earnings conference call for analysts

An earnings conference call for analysts is scheduled from 10 to 11 a.m. ET today to discuss second quarter 2019 financial results and other business and financial updates. The conference call will be hosted by Lynn Good, chairman, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](http://duke-energy.com/investors)) of Duke Energy's website or by dialing 888.254.3590 in the United States or 323.994.2093 outside the United States. The confirmation code is 6866305. Please call in 10 to 15 minutes prior to the scheduled start time.

A replay of the conference call will be available until 1 p.m. ET, August 16, 2019, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 6866305. An audio replay and transcript will also be available by accessing the investors section of the company's website.

### Special Items and Non-GAAP Reconciliation

The following table presents a reconciliation of GAAP reported to adjusted diluted EPS for second quarter 2018 financial results:

| (In millions, except per-share amounts) | After-Tax Amount | 2Q 2018 EPS |
|---|------------------|-------------|
| Diluted EPS, as reported                |                  | \$ 0.71     |
| Adjustments to reported EPS:            |                  |             |
| <b>Second Quarter 2018</b>              |                  |             |
| Costs to achieve Piedmont merger        | \$ 15            | 0.02        |
| Regulatory and Legislative Impacts      | 136              | 0.19        |
| Discontinued Operations                 | 5                | 0.01        |
| Total adjustments                       | \$ 156           | \$ 0.22     |
| Diluted EPS, adjusted                   |                  | \$ 0.93     |

## Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted diluted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Adjusted earnings and adjusted diluted EPS represent income from continuing operations attributable to Duke Energy common stockholders in dollar and per share amounts, adjusted for the dollar and per-share impact of special items. The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is calculated using pretax earnings and income tax expense, both as adjusted for the impact of noncontrolling interests, preferred dividends and special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of these non-GAAP financial measures provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. Adjusted diluted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measures for adjusted earnings, adjusted diluted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items are Net Income Attributable to Duke Energy Corporation (GAAP reported earnings), Diluted EPS Attributable to Duke Energy Corporation common stockholders (GAAP reported EPS), and the reported effective tax rate, respectively.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- Costs to Achieve Piedmont Merger represents charges that resulted from the Piedmont acquisition.
- Regulatory and Legislative Impacts represents charges related to rate case orders, settlements or other actions of regulators or legislative bodies.
- Sale of Retired Plant represents the loss associated with selling Beckjord Generating Station (Beckjord), a nonregulated generating facility in Ohio.
- Impairment of Equity Method Investment represents an OTTI of an investment in Constitution.
- Impacts of the Tax Act represents an AMT valuation allowance recognized related to the Tax Act.

Due to the forward-looking nature of any forecasted adjusted earnings guidance, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods (such as legal settlements, the impact of regulatory orders or asset impairments).

Management evaluates segment performance based on segment income and other net loss. Segment income is defined as income from continuing operations attributable to Duke Energy. Segment income includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income as a measure of historical and anticipated future segment performance. Adjusted segment income is a non-GAAP financial measure, as it is based upon segment income adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income and other net loss.

Due to the forward-looking nature of any forecasted adjusted segment income or adjusted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as the company is unable to forecast all special items, as discussed above.

Duke Energy's adjusted earnings, adjusted diluted EPS and adjusted segment income may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

## Duke Energy

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of the largest energy holding companies in the U.S. It employs 30,000 people and has an electric generating capacity of 51,000 megawatts through its regulated utilities, and 3,000 megawatts through its nonregulated Duke Energy Renewables unit.

Duke Energy is transforming its customers' experience, modernizing the energy grid, generating cleaner energy and expanding natural gas infrastructure to create a smarter energy future for the people and communities it serves. The Electric Utilities and Infrastructure unit's regulated utilities serve approximately 7.7 million retail electric customers in six states — North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky. The Gas Utilities and Infrastructure unit distributes natural gas to more than 1.6 million customers in five states — North Carolina, South Carolina, Tennessee, Ohio and Kentucky. The Duke Energy Renewables unit operates wind and solar generation facilities across the U.S., as well as energy storage and microgrid projects.

Duke Energy was named to Fortune's 2019 "World's Most Admired Companies" list, and Forbes' 2019 "America's Best Employers" list. More information about the company is available at [duke-energy.com](https://www.duke-energy.com). The [Duke Energy News Center](#) contains news releases, fact sheets, photos, videos and other materials. Duke Energy's [illumination](#) features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on [Twitter](#), [LinkedIn](#), [Instagram](#) and [Facebook](#).

## Forward-Looking Information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning Crystal River Unit 3 and other nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;

- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values; and
- The ability to implement our business strategy, including enhancing existing technology systems.

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at [sec.gov](https://www.sec.gov). In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended June 30, 2018  
(Dollars in millions, except per-share amounts)

|   | Reported<br>Earnings | Special Items                             |   | Discontinued<br>Operations | Total<br>Adjustments | Adjusted<br>Earnings |
|---|----------------------|---|---|----------------------------|----------------------|----------------------|
|   |                      | Costs to<br>Achieve<br>Piedmont<br>Merger | Regulatory<br>and<br>Legislative<br>Impacts |                            |                      |                      |
| <b>SEGMENT INCOME</b>                                       |                      |   |   |                            |                      |                      |
| Electric Utilities and Infrastructure                       | \$ 575               | \$ —                                      | \$ 136                                      | B \$ —                     | \$ 136               | \$ 711               |
| Gas Utilities and Infrastructure                            | 28                   | —   | —   | —                          | —                    | 28                   |
| Commercial Renewables                                       | 38                   | —   | —   | —                          | —                    | 38                   |
| <b>Total Reportable Segment Income</b>                      | <b>641</b>           | <b>—</b>                                  | <b>136</b>                                  | <b>—</b>                   | <b>136</b>           | <b>777</b>           |
| Other   | (136)                | 15 A                                      | —   | —                          | 15                   | (121)                |
| Discontinued Operations                                     | (5)                  | —   | —   | 5 C                        | 5                    | —                    |
| <b>Net Income Attributable to Duke Energy Corporation</b>   | <b>\$ 500</b>        | <b>\$ 15</b>                              | <b>\$ 136</b>                               | <b>\$ 5</b>                | <b>\$ 156</b>        | <b>\$ 656</b>        |
| <b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b> | <b>\$ 0.71</b>       | <b>\$ 0.02</b>                            | <b>\$ 0.19</b>                              | <b>\$ 0.01</b>             | <b>\$ 0.22</b>       | <b>\$ 0.93</b>       |

**A** — Net of \$5 million tax benefit. \$20 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** — Net of \$43 million tax benefit at Duke Energy Carolinas. \$175 million recorded within Impairment charges and \$4 million recorded within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.

**C** — Recorded in Loss from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) — 704 million**



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Six Months Ended June 30, 2018  
(Dollars in millions, except per-share amounts)

|   | Reported Earnings | Special Items                    |                                    |                       |  |                        | Discontinued Operations | Total Adjustments | Adjusted Earnings |
|---|-------------------|----------------------------------|------------------------------------|-----------------------|--|------------------------|-------------------------|-------------------|-------------------|
|   |                   | Costs to Achieve Piedmont Merger | Regulatory and Legislative Impacts | Sale of Retired Plant | Impairment of Equity Method Investment | Impacts of the Tax Act |                         |                   |                   |
| <b>SEGMENT INCOME</b>                                       |                   |                                  |                                    |                       |  |                        |                         |                   |                   |
| Electric Utilities and Infrastructure                       | \$ 1,325          | \$ —                             | \$ 202 B                           | \$ —                  | \$ —                                   | \$ —                   | \$ —                    | \$ 202            | \$ 1,527          |
| Gas Utilities and Infrastructure                            | 144               | —                                | —                                  | —                     | 42 D                                   | —                      | —                       | 42                | 186               |
| Commercial Renewables                                       | 58                | —                                | —                                  | —                     | —                                      | —                      | —                       | —                 | 58                |
| <b>Total Reportable Segment Income</b>                      | <b>1,527</b>      | <b>—</b>                         | <b>202</b>                         | <b>—</b>              | <b>42</b>                              | <b>—</b>               | <b>—</b>                | <b>244</b>        | <b>1,771</b>      |
| Other   | (402)             | 28 A                             | —                                  | 82 C                  | —                                      | 76 E                   | —                       | 186               | (216)             |
| <b>Discontinued Operations</b>                              | <b>(5)</b>        | <b>—</b>                         | <b>—</b>                           | <b>—</b>              | <b>—</b>                               | <b>—</b>               | <b>5 F</b>              | <b>5</b>          | <b>—</b>          |
| Net Income Attributable to Duke Energy Corporation          | \$ 1,120          | \$ 28                            | \$ 202                             | \$ 82                 | \$ 42                                  | \$ 76                  | \$ 5                    | \$ 435            | \$ 1,555          |
| <b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b> | <b>\$ 1.59</b>    | <b>\$ 0.04</b>                   | <b>\$ 0.29</b>                     | <b>\$ 0.12</b>        | <b>\$ 0.06</b>                         | <b>\$ 0.11</b>         | <b>\$ 0.01</b>          | <b>\$ 0.63</b>    | <b>\$ 2.22</b>    |

**A** — Net of \$9 million tax benefit. \$37 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** — Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas.

- On the Duke Energy Progress' Condensed Consolidated Statements of Operations, \$32 million is recorded within Impairment charges, \$31 million within Operations, maintenance and other, \$6 million within Interest Expense and \$(1) million within Depreciation and amortization.

- On the Duke Energy Carolinas' Condensed Consolidated Statements of Operations, \$188 million is recorded within Impairment charges, \$8 million within Operations, maintenance and other, and \$1 million within Depreciation and amortization.

**C** — Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Condensed Consolidated Statements of Operations.

**D** — Net of \$13 million tax benefit. \$55 million recorded within Other Income and Expenses on the Condensed Consolidated Statements of Operations.

**E** — \$76 million AMT valuation allowance within Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**F** — Recorded in Loss from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) — 702 million**

**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2019  
(Dollars in millions)

|   | Three Months Ended<br>June 30, 2019 |                    | Six Months Ended<br>June 30, 2019 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income From Continuing Operations Before Income Taxes</b>               | \$ 889                              |                    | \$ 1,877                          |                    |
| Noncontrolling Interests  | 84                                  |                    | 91                                |                    |
| Preferred Dividends   | (12)                                |                    | (12)                              |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends</b>     | <u>\$ 961</u>                       |                    | <u>\$ 1,956</u>                   |                    |
| <b>Reported Income Tax Expense From Continuing Operations</b>                       | \$ 141                              | 15.9%              | \$ 236                            | 12.6%              |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends</b>       | <u>\$ 141</u>                       | 14.7%              | <u>\$ 236</u>                     | 12.1%              |
|   |                                     |                    |                                   |                    |
|   | Three Months Ended<br>June 30, 2018 |                    | Six Months Ended<br>June 30, 2018 |                    |
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income From Continuing Operations Before Income Taxes</b>               | \$ 607                              |                    | \$ 1,410                          |                    |
| Costs to Achieve Piedmont Merger  | 20                                  |                    | 37                                |                    |
| Regulatory and Legislative Impacts  | 179                                 |                    | 265                               |                    |
| Sale of Retired Plant   | —                                   |                    | 107                               |                    |
| Impairment of Equity Method Investment  | —                                   |                    | 55                                |                    |
| Noncontrolling Interests  | (2)                                 |                    | (4)                               |                    |
| <b>Pretax Income Including Noncontrolling Interests and Excluding Special Items</b> | <u>\$ 804</u>                       |                    | <u>\$ 1,870</u>                   |                    |
| <b>Reported Income Tax Expense From Continuing Operations</b>                       | \$ 100                              | 16.5%              | \$ 281                            | 19.9%              |
| Costs to Achieve Piedmont Merger  | 5                                   |                    | 9                                 |                    |
| Regulatory and Legislative Impacts  | 43                                  |                    | 63                                |                    |
| Sale of Retired Plant   | —                                   |                    | 25                                |                    |
| Impairment of Equity Method Investment  | —                                   |                    | 13                                |                    |
| Impacts of the Tax Act  | —                                   |                    | (76)                              |                    |
| <b>Tax Expense Including Noncontrolling Interests and Excluding Special Items</b>   | <u>\$ 148</u>                       | 18.4%              | <u>\$ 315</u>                     | 16.8%              |

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2019 QTD vs. Prior Year

| (Dollars per share)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other            | Discontinued Operations | Consolidated   |
|--|---------------------------------------|----------------------------------|-----------------------|------------------|-------------------------|----------------|
| <b>2018 QTD Reported Earnings Per Share, Diluted</b>           | <b>\$ 0.82</b>                        | <b>\$ 0.04</b>                   | <b>\$ 0.06</b>        | <b>\$ (0.20)</b> | <b>\$ (0.01)</b>        | <b>\$ 0.71</b> |
| Costs to Achieve Piedmont Merger                               | —                                     | —                                | —                     | 0.02             | —                       | 0.02           |
| Regulatory and Legislative Impacts                             | 0.19                                  | —                                | —                     | —                | —                       | 0.19           |
| Discontinued Operations  | —                                     | —                                | —                     | —                | 0.01                    | 0.01           |
| <b>2018 QTD Adjusted Earnings Per Share, Diluted</b>           | <b>\$ 1.01</b>                        | <b>\$ 0.04</b>                   | <b>\$ 0.06</b>        | <b>\$ (0.18)</b> | <b>\$ —</b>             | <b>\$ 0.93</b> |
| Weather  | (0.01)                                | —                                | —                     | —                | —                       | (0.01)         |
| Volume   | 0.02                                  | —                                | —                     | —                | —                       | 0.02           |
| Pricing and Riders   | 0.04                                  | —                                | —                     | —                | —                       | 0.04           |
| Rate case impacts, net <sup>(a)</sup>                          | 0.08                                  | —                                | —                     | —                | —                       | 0.08           |
| Operations and maintenance, net of recoverables <sup>(b)</sup> | 0.07                                  | —                                | —                     | —                | —                       | 0.07           |
| Midstream Gas Pipelines  | —                                     | 0.02                             | —                     | —                | —                       | 0.02           |
| Duke Energy Renewables <sup>(c)</sup>                          | —                                     | —                                | 0.06                  | —                | —                       | 0.06           |
| Interest Expense   | (0.02)                                | —                                | —                     | (0.02)           | —                       | (0.04)         |
| AFUDC Equity   | (0.02)                                | —                                | —                     | —                | —                       | (0.02)         |
| Depreciation and amortization <sup>(d)</sup>                   | (0.05)                                | —                                | —                     | —                | —                       | (0.05)         |
| Other  | 0.02                                  | —                                | —                     | 0.03             | —                       | 0.05           |
| Change in share count  | (0.03)                                | —                                | —                     | —                | —                       | (0.03)         |
| <b>2019 QTD Reported Earnings Per Share, Diluted</b>           | <b>\$ 1.11</b>                        | <b>\$ 0.06</b>                   | <b>\$ 0.12</b>        | <b>\$ (0.17)</b> | <b>\$ —</b>             | <b>\$ 1.12</b> |

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average diluted shares outstanding increased from 704 million shares to 728 million.

- (a) Includes the net impact of the DEF GBRA, SBRA and multi-year rate plan (+\$0.05), DEO and DEK rate cases (+\$0.02), and the Carolinas rate cases (+\$0.01), which is primarily comprised of base rate increases partially offset by higher depreciation and amortization expense.
- (b) Includes favorable timing of O&M expenses.
- (c) Includes the new solar tax equity project placed in service (+\$0.08), partially offset by lower wind resource and favorable contractual settlement in the prior year.
- (d) Excludes rate case impacts.

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2019 YTD vs. Prior Year

| (Dollars per share)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other            | Discontinued Operations | Consolidated   |
|--|---------------------------------------|----------------------------------|-----------------------|------------------|-------------------------|----------------|
| <b>2018 YTD Reported Earnings Per Share, Diluted</b>                 | <b>\$ 1.89</b>                        | <b>\$ 0.21</b>                   | <b>\$ 0.08</b>        | <b>\$ (0.58)</b> | <b>\$ (0.01)</b>        | <b>\$ 1.59</b> |
| Costs to Achieve Piedmont Merger                                     | —                                     | —                                | —                     | 0.04             | —                       | 0.04           |
| Regulatory and Legislative Impacts                                   | 0.29                                  | —                                | —                     | —                | —                       | 0.29           |
| Sale of Retired Plant  | —                                     | —                                | —                     | 0.12             | —                       | 0.12           |
| Impairment of Equity Method Investment                               | —                                     | 0.06                             | —                     | —                | —                       | 0.06           |
| Impacts of the Tax Act (Alternative Minimum Tax valuation allowance) | —                                     | —                                | —                     | 0.11             | —                       | 0.11           |
| Discontinued Operations  | —                                     | —                                | —                     | —                | 0.01                    | 0.01           |
| <b>2018 YTD Adjusted Earnings Per Share, Diluted</b>                 | <b>\$ 2.18</b>                        | <b>\$ 0.27</b>                   | <b>\$ 0.08</b>        | <b>\$ (0.31)</b> | <b>\$ —</b>             | <b>\$ 2.22</b> |
| Weather  | (0.08)                                | —                                | —                     | —                | —                       | (0.08)         |
| Pricing and Riders   | 0.08                                  | 0.01                             | —                     | —                | —                       | 0.09           |
| Rate case impacts, net <sup>(a)</sup>                                | 0.16                                  | —                                | —                     | —                | —                       | 0.16           |
| Operations and maintenance, net of recoverables <sup>(b)</sup>       | 0.07                                  | —                                | —                     | —                | —                       | 0.07           |
| Midstream Gas Pipelines <sup>(c)</sup>                               | —                                     | 0.09                             | —                     | —                | —                       | 0.09           |
| Duke Energy Renewables <sup>(d)</sup>                                | —                                     | —                                | 0.06                  | —                | —                       | 0.06           |
| Interest Expense   | (0.04)                                | —                                | —                     | (0.03)           | —                       | (0.07)         |
| AFUDC Equity   | (0.05)                                | —                                | —                     | —                | —                       | (0.05)         |
| Depreciation and amortization <sup>(e)</sup>                         | (0.09)                                | —                                | —                     | —                | —                       | (0.09)         |
| Other  | (0.01)                                | —                                | —                     | 0.05             | —                       | 0.04           |
| Change in share count  | (0.08)                                | —                                | —                     | —                | —                       | (0.08)         |
| <b>2019 YTD Reported Earnings Per Share, Diluted</b>                 | <b>\$ 2.14</b>                        | <b>\$ 0.37</b>                   | <b>\$ 0.14</b>        | <b>\$ (0.29)</b> | <b>\$ —</b>             | <b>\$ 2.36</b> |

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average diluted shares outstanding increased from 702 million shares to 728 million.

- (a) Includes the net impact of the DEF GBRA, SBRA and multi-year rate plan (+\$0.09), the Carolinas rate cases (+\$0.04) and DEO and DEK rate cases (+\$0.03), which is primarily comprised of base rate increases partially offset by higher depreciation and amortization expense.
- (b) Includes favorable timing of O&M expenses.
- (c) Primarily due to an income tax adjustment for equity method investments related to prior years.
- (d) Includes the new solar tax equity project placed in service (+\$0.08), partially offset by lower wind resource and favorable contractual settlement in the prior year.
- (e) Excludes rate case impacts.

June 2019  
QUARTERLY HIGHLIGHTS  
(Unaudited)

|   | Three Months Ended<br>June 30, |           | Six Months Ended<br>June 30, |           |
|---|--------------------------------|-----------|------------------------------|-----------|
|   | 2019                           | 2018      | 2019                         | 2018      |
| <i>(In millions, except per-share amounts and where noted)</i>                                |                                |           |                              |           |
| <b>Earnings Per Share — Basic and Diluted</b>   |                                |           |                              |           |
| Income from continuing operations attributable to Duke Energy Corporation common stockholders |                                |           |                              |           |
| Basic   | \$ 1.12                        | \$ 0.72   | \$ 2.36                      | \$ 1.60   |
| Diluted   | \$ 1.12                        | \$ 0.72   | \$ 2.36                      | \$ 1.60   |
| Loss from discontinued operations attributable to Duke Energy Corporation common stockholders |                                |           |                              |           |
| Basic   | \$ —                           | \$ (0.01) | \$ —                         | \$ (0.01) |
| Diluted   | \$ —                           | \$ (0.01) | \$ —                         | \$ (0.01) |
| Net income attributable to Duke Energy Corporation common stockholders                        |                                |           |                              |           |
| Basic   | \$ 1.12                        | \$ 0.71   | \$ 2.36                      | \$ 1.59   |
| Diluted   | \$ 1.12                        | \$ 0.71   | \$ 2.36                      | \$ 1.59   |
| Weighted average shares outstanding   |                                |           |                              |           |
| Basic   | 728                            | 703       | 728                          | 702       |
| Diluted   | 728                            | 704       | 728                          | 702       |
| <b>INCOME (LOSS) BY BUSINESS SEGMENT</b>  |                                |           |                              |           |
| Electric Utilities and Infrastructure <sup>(a)</sup>  | \$ 809                         | \$ 575    | \$ 1,559                     | \$ 1,325  |
| Gas Utilities and Infrastructure <sup>(b)</sup>   | 40                             | 28        | 266                          | 144       |
| Commercial Renewables   | 86                             | 38        | 99                           | 58        |
| Total Reportable Segment Income   | 935                            | 641       | 1,924                        | 1,527     |
| Other <sup>(c)(d)</sup>   | (115)                          | (136)     | (204)                        | (402)     |
| Loss from Discontinued Operations   | —                              | (5)       | —                            | (5)       |
| Net Income Attributable to Duke Energy Corporation  | \$ 820                         | \$ 500    | \$ 1,720                     | \$ 1,120  |
| <b>CAPITALIZATION</b>   |                                |           |                              |           |
| Total Common Equity (%)   |                                |           | 43%                          | 43%       |
| Total Debt (%)  |                                |           | 57%                          | 57%       |
| Total Debt  |                                |           | \$ 60,833                    | \$ 56,044 |
| Book Value Per Share  |                                |           | \$ 62.27                     | \$ 59.71  |
| Actual Shares Outstanding   |                                |           | 728                          | 712       |
| <b>CAPITAL AND INVESTMENT EXPENDITURES</b>  |                                |           |                              |           |
| Electric Utilities and Infrastructure   | \$ 2,073                       | \$ 1,970  | \$ 4,186                     | \$ 3,743  |
| Gas Utilities and Infrastructure  | 383                            | 181       | 747                          | 409       |
| Commercial Renewables   | 483                            | 16        | 573                          | 103       |
| Other   | 58                             | 68        | 121                          | 141       |
| Total Capital and Investment Expenditures   | \$ 2,997                       | \$ 2,235  | \$ 5,627                     | \$ 4,396  |

- (a) Includes regulatory and legislative charges related to rate case orders, settlements or other actions of regulators or legislative bodies of \$136 million (net of tax of \$43 million) for the three months ended June 30, 2018, and \$202 million (net of tax of \$63 million) for the six months ended June 30, 2018.
- (b) Includes an other-than-temporary impairment of an investment in Constitution of \$42 million (net of tax of \$13 million) for the six months ended June 30, 2018.
- (c) Includes the loss associated with selling Beckjord, a non-regulated generating facility in Ohio which was retired in 2014, of \$82 million (net of tax of \$25 million) for the six months ended June 30, 2018.
- (d) Includes an Alternative Minimum Tax valuation allowance recognized related to the Tax Act of \$76 million for the six months ended June 30, 2018.

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Jan 19 2023

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(In millions, except per-share amounts)

|   | Three Months Ended June 30, |          | Six Months Ended June 30, |           |
|---|-----------------------------|----------|---------------------------|-----------|
|   | 2019                        | 2018     | 2019                      | 2018      |
| <b>Operating Revenues</b>   |                             |          |                           |           |
| Regulated electric  | \$ 5,423                    | \$ 5,178 | \$ 10,708                 | \$ 10,462 |
| Regulated natural gas   | 280                         | 291      | 1,008                     | 991       |
| Nonregulated electric and other   | 170                         | 174      | 320                       | 325       |
| Total operating revenues  | 5,873                       | 5,643    | 12,036                    | 11,778    |
| <b>Operating Expenses</b>   |                             |          |                           |           |
| Fuel used in electric generation and purchased power                    | 1,641                       | 1,574    | 3,250                     | 3,250     |
| Cost of natural gas   | 76                          | 89       | 403                       | 402       |
| Operation, maintenance and other  | 1,434                       | 1,544    | 2,853                     | 3,008     |
| Depreciation and amortization   | 1,089                       | 973      | 2,178                     | 1,940     |
| Property and other taxes  | 334                         | 315      | 677                       | 631       |
| Impairment charges  | 4                           | 172      | 4                         | 215       |
| Total operating expenses  | 4,578                       | 4,667    | 9,365                     | 9,446     |
| <b>Gains (Losses) on Sales of Other Assets and Other, net</b>           | 3                           | 3        | —                         | (97)      |
| <b>Operating Income</b>   | 1,298                       | 979      | 2,671                     | 2,235     |
| <b>Other Income and Expenses</b>  |                             |          |                           |           |
| Equity in earnings of unconsolidated affiliates                         | 44                          | 36       | 87                        | 12        |
| Other income and expenses, net  | 89                          | 110      | 204                       | 196       |
| Total other income and expenses   | 133                         | 146      | 291                       | 208       |
| <b>Interest Expense</b>   | 542                         | 518      | 1,085                     | 1,033     |
| <b>Income From Continuing Operations Before Income Taxes</b>            | 889                         | 607      | 1,877                     | 1,410     |
| <b>Income Tax Expense From Continuing Operations</b>                    | 141                         | 100      | 236                       | 281       |
| <b>Income From Continuing Operations</b>                                | 748                         | 507      | 1,641                     | 1,129     |
| <b>Loss From Discontinued Operations, net of tax</b>                    | —                           | (5)      | —                         | (5)       |
| <b>Net Income</b>   | 748                         | 502      | 1,641                     | 1,124     |
| <b>Less: Net (Loss) Income Attributable to Noncontrolling Interests</b> | (84)                        | 2        | (91)                      | 4         |
| <b>Less: Preferred Dividends</b>  | 12                          | —        | 12                        | —         |
| <b>Net Income Attributable to Duke Energy Corporation</b>               | \$ 820                      | \$ 500   | \$ 1,720                  | \$ 1,120  |

**Earnings Per Share — Basic and Diluted**

Income from continuing operations attributable to Duke Energy Corporation common stockholders

|                   |         |         |         |         |
|-------------------|---------|---------|---------|---------|
| Basic and Diluted | \$ 1.12 | \$ 0.72 | \$ 2.36 | \$ 1.60 |
|-------------------|---------|---------|---------|---------|

Loss from discontinued operations attributable to Duke Energy Corporation common stockholders

|                   |      |           |      |           |
|-------------------|------|-----------|------|-----------|
| Basic and Diluted | \$ — | \$ (0.01) | \$ — | \$ (0.01) |
|-------------------|------|-----------|------|-----------|

Net income attributable to Duke Energy Corporation common stockholders

|                   |         |         |         |         |
|-------------------|---------|---------|---------|---------|
| Basic and Diluted | \$ 1.12 | \$ 0.71 | \$ 2.36 | \$ 1.59 |
|-------------------|---------|---------|---------|---------|

Weighted average shares outstanding

|         |     |     |     |     |
|---------|-----|-----|-----|-----|
| Basic   | 728 | 703 | 728 | 702 |
| Diluted | 728 | 704 | 728 | 702 |

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

| (In millions)   | June 30, 2019     | December 31, 2018 |
|---|-------------------|-------------------|
| <b>ASSETS</b>   |                   |                   |
| <b>Current Assets</b>   |                   |                   |
| Cash and cash equivalents   | \$ 336            | \$ 442            |
| Receivables (net of allowance for doubtful accounts of \$16 at 2019 and 2018)   | 646               | 962               |
| Receivables of VIEs (net of allowance for doubtful accounts of \$55 at 2019 and 2018)   | 2,153             | 2,172             |
| Inventory   | 3,189             | 3,084             |
| Regulatory assets (includes \$52 at 2019 and 2018 related to VIEs)  | 1,918             | 2,005             |
| Other (includes \$140 at 2019 and \$162 at 2018 related to VIEs)  | 1,267             | 1,049             |
| Total current assets  | 9,509             | 9,714             |
| <b>Property, Plant and Equipment</b>  |                   |                   |
| Cost  | 141,363           | 134,458           |
| Accumulated depreciation and amortization   | (44,482)          | (43,126)          |
| Generation facilities to be retired, net  | 317               | 362               |
| Net property, plant and equipment   | 97,198            | 91,694            |
| <b>Other Noncurrent Assets</b>  |                   |                   |
| Goodwill  | 19,303            | 19,303            |
| Regulatory assets (includes \$1,019 at 2019 and \$1,041 at 2018 related to VIEs)  | 13,393            | 13,617            |
| Nuclear decommissioning trust funds   | 7,621             | 6,720             |
| Operating lease right-of-use assets, net  | 1,735             | —                 |
| Investments in equity method unconsolidated affiliates  | 1,715             | 1,409             |
| Other (includes \$289 at 2019 and \$261 at 2018 related to VIEs)  | 2,975             | 2,935             |
| Total other noncurrent assets   | 46,742            | 43,984            |
| <b>Total Assets</b>   | <b>\$ 153,449</b> | <b>\$ 145,392</b> |
| <b>LIABILITIES AND EQUITY</b>   |                   |                   |
| <b>Current Liabilities</b>  |                   |                   |
| Accounts payable  | \$ 2,512          | \$ 3,487          |
| Notes payable and commercial paper  | 3,793             | 3,410             |
| Taxes accrued   | 521               | 577               |
| Interest accrued  | 564               | 559               |
| Current maturities of long-term debt (includes \$232 at 2019 and \$227 at 2018 related to VIEs)   | 2,698             | 3,406             |
| Asset retirement obligations  | 739               | 919               |
| Regulatory liabilities  | 600               | 598               |
| Other   | 2,020             | 2,085             |
| Total current liabilities   | 13,447            | 15,041            |
| <b>Long-Term Debt (includes \$4,070 at 2019 and \$3,998 at 2018 related to VIEs)</b>  | <b>54,342</b>     | <b>51,123</b>     |
| <b>Other Noncurrent Liabilities</b>   |                   |                   |
| Deferred income taxes   | 8,532             | 7,806             |
| Asset retirement obligations  | 11,889            | 9,548             |
| Regulatory liabilities  | 15,294            | 14,834            |
| Operating lease liabilities   | 1,502             | —                 |
| Accrued pension and other post-retirement benefit costs   | 959               | 988               |
| Investment tax credits  | 569               | 568               |
| Other (includes \$222 at 2019 and \$212 at 2018 related to VIEs)  | 1,583             | 1,650             |
| Total other noncurrent liabilities  | 40,328            | 35,394            |
| <b>Commitments and Contingencies</b>  |                   |                   |
| <b>Equity</b>   |                   |                   |
| Preferred stock, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2019   | 973               | —                 |
| Common stock, \$0.001 par value, 2 billion shares authorized; 728 million shares outstanding at 2019 and 727 million shares outstanding at 2018 | 1                 | 1                 |
| Additional paid-in capital  | 40,885            | 40,795            |
| Retained earnings   | 3,502             | 3,113             |
| Accumulated other comprehensive loss  | (148)             | (92)              |
| Total Duke Energy Corporation stockholders' equity  | 45,213            | 43,817            |
| Noncontrolling interests  | 119               | 17                |
| Total equity  | 45,332            | 43,834            |
| <b>Total Liabilities and Equity</b>   | <b>\$ 153,449</b> | <b>\$ 145,392</b> |



**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(In millions)

|  | <b>Six Months Ended June 30,</b> |                |
|--|----------------------------------|----------------|
|  | <b>2019</b>                      | <b>2018</b>    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                      |                                  |                |
| Net Income   | \$ 1,641                         | \$ 1,124       |
| Adjustments to reconcile net income to net cash provided by operating activities | 1,415                            | 2,178          |
| Net cash provided by operating activities  | <u>3,056</u>                     | <u>3,302</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                      |                                  |                |
| Net cash used in investing activities  | <u>(5,788)</u>                   | <u>(4,645)</u> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                      |                                  |                |
| Net cash provided by financing activities  | <u>2,622</u>                     | <u>1,265</u>   |
| Net decrease in cash, cash equivalents and restricted cash                       | (110)                            | (78)           |
| Cash, cash equivalents and restricted cash at beginning of period                | 591                              | 505            |
| Cash, cash equivalents and restricted cash at end of period                      | <u>\$ 481</u>                    | <u>\$ 427</u>  |

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**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)   | Three Months Ended June 30, 2019            |  |                          |       |                              |             |
|---|---|--|--------------------------|-------|------------------------------|-------------|
|   | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>   |   |  |                          |       |                              |             |
| Regulated electric  | \$ 5,475                                    | \$ —                                   | \$ —                     | \$ —  | (52)                         | \$ 5,423    |
| Regulated natural gas   | —   | 304                                    | —                        | —     | (24)                         | 280         |
| Nonregulated electric and other   | —   | 2                                      | 118                      | 25    | 25                           | 170         |
| Total operating revenues  | 5,475                                       | 306                                    | 118                      | 25    | (51)                         | 5,873       |
| <b>Operating Expenses</b>   |   |  |                          |       |                              |             |
| Fuel used in electric generation and purchased power  | 1,662                                       | —                                      | —                        | —     | (21)                         | 1,641       |
| Cost of natural gas   | —   | 76                                     | —                        | —     | —                            | 76          |
| Operation, maintenance and other  | 1,318                                       | 107                                    | 64                       | (26)  | (29)                         | 1,434       |
| Depreciation and amortization   | 951   | 63                                     | 40                       | 34    | 1                            | 1,089       |
| Property and other taxes  | 297   | 27                                     | 6                        | 3     | 1                            | 334         |
| Impairment charges  | 4   | —                                      | —                        | —     | —                            | 4           |
| Total operating expenses  | 4,232                                       | 273                                    | 110                      | 11    | (48)                         | 4,578       |
| <b>Gains on Sales of Other Assets and Other, net</b>  | 3   | —                                      | —                        | —     | —                            | 3           |
| <b>Operating Income (Loss)</b>  | 1,246                                       | 33                                     | 8                        | 14    | (3)                          | 1,298       |
| <b>Other Income and Expenses</b>  |   |  |                          |       |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates                                    | 4   | 31                                     | (1)                      | 9     | 1                            | 44          |
| Other income and expenses, net  | 85  | 6                                      | (7)                      | 21    | (16)                         | 89          |
| Total Other Income and Expenses   | 89  | 37                                     | (8)                      | 30    | (15)                         | 133         |
| <b>Interest Expense</b>   | 330   | 27                                     | 22                       | 180   | (17)                         | 542         |
| <b>Income (Loss) from Continuing Operations Before Income Taxes</b>                         | 1,005                                       | 43                                     | (22)                     | (136) | (1)                          | 889         |
| <b>Income Tax Expense (Benefit) from Continuing Operations</b>                              | 196   | 3                                      | (24)                     | (33)  | (1)                          | 141         |
| <b>Income (Loss) from Continuing Operations</b>   | 809   | 40                                     | 2                        | (103) | —                            | 748         |
| <b>Less: Net Loss Attributable to Noncontrolling Interest<sup>(a)</sup></b>                 | —   | —                                      | (84)                     | —     | —                            | (84)        |
| <b>Less: Preferred Dividends</b>  | —   | —                                      | —                        | 12    | —                            | 12          |
| <b>Segment Income / Other Net Loss / Net Income Attributable to Duke Energy Corporation</b> | \$ 809                                      | \$ 40                                  | \$ 86                    | (115) | \$ —                         | 820         |

(a) Includes the allocation of losses to noncontrolling members primarily due to a new solar tax equity project being placed in service.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)   | Six Months Ended June 30, 2019              |  |                          |          |                              |             |
|---|---|--|--------------------------|----------|------------------------------|-------------|
|   | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>   |   |  |                          |          |                              |             |
| Regulated electric  | \$ 10,804                                   | \$ —                                   | \$ —                     | \$ —     | (96)                         | \$ 10,708   |
| Regulated natural gas   | —   | 1,056                                  | —                        | —        | (48)                         | 1,008       |
| Nonregulated electric and other   | —   | 6                                      | 224                      | 46       | 44                           | 320         |
| Total operating revenues  | 10,804                                      | 1,062                                  | 224                      | 46       | (100)                        | 12,036      |
| <b>Operating Expenses</b>   |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power  | 3,292                                       | —                                      | —                        | —        | (42)                         | 3,250       |
| Cost of natural gas   | —   | 403                                    | —                        | —        | —                            | 403         |
| Operation, maintenance and other  | 2,600                                       | 217                                    | 130                      | (39)     | (55)                         | 2,853       |
| Depreciation and amortization   | 1,898                                       | 128                                    | 80                       | 72       | —                            | 2,178       |
| Property and other taxes  | 598   | 60                                     | 12                       | 6        | 1                            | 677         |
| Impairment charges  | 4   | —                                      | —                        | —        | —                            | 4           |
| Total operating expenses  | 8,392                                       | 808                                    | 222                      | 39       | (96)                         | 9,365       |
| <b>Operating Income</b>   | 2,412                                       | 254                                    | 2                        | 7        | (4)                          | 2,671       |
| <b>Other Income and Expenses</b>  |   |  |                          |          |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates                                    | 6   | 64                                     | (2)                      | 18       | 1                            | 87          |
| Other income and expenses, net  | 174   | 13                                     | (8)                      | 56       | (31)                         | 204         |
| Total Other Income and Expenses   | 180   | 77                                     | (10)                     | 74       | (30)                         | 291         |
| <b>Interest Expense</b>   | 668   | 57                                     | 43                       | 351      | (34)                         | 1,085       |
| <b>Income (Loss) from Continuing Operations Before Income Taxes</b>                         | 1,924                                       | 274                                    | (51)                     | (270)    | —                            | 1,877       |
| <b>Income Tax Expense (Benefit) from Continuing Operations</b>                              | 365   | 8                                      | (59)                     | (78)     | —                            | 236         |
| <b>Income (Loss) from Continuing Operations</b>   | 1,559                                       | 266                                    | 8                        | (192)    | —                            | 1,641       |
| <b>Less: Net Loss Attributable to Noncontrolling Interest<sup>(a)</sup></b>                 | —   | —                                      | (91)                     | —        | —                            | (91)        |
| <b>Less: Preferred Dividends</b>  | —   | —                                      | —                        | 12       | —                            | 12          |
| <b>Segment Income / Other Net Loss / Net Income Attributable to Duke Energy Corporation</b> | \$ 1,559                                    | \$ 266                                 | \$ 99                    | \$ (204) | \$ —                         | \$ 1,720    |

(a) Includes the allocation of losses to noncontrolling members primarily due to a new solar tax equity project being placed in service.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Three Months Ended June 30, 2018            |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |   |  |                          |          |                              |             |
| Regulated electric   | \$ 5,223                                    | \$ —                                   | \$ —                     | \$ —     | (45)                         | \$ 5,178    |
| Regulated natural gas  | —   | 315                                    | —                        | —        | (24)                         | 291         |
| Nonregulated electric and other  | —   | 3                                      | 119                      | 32       | 20                           | 174         |
| Total operating revenues   | 5,223                                       | 318                                    | 119                      | 32       | (49)                         | 5,643       |
| <b>Operating Expenses</b>  |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power                   | 1,582                                       | —                                      | —                        | 15       | (23)                         | 1,574       |
| Cost of natural gas  | —   | 89                                     | —                        | —        | —                            | 89          |
| Operation, maintenance and other                                       | 1,395                                       | 103                                    | 69                       | 3        | (26)                         | 1,544       |
| Depreciation and amortization  | 838   | 60                                     | 38                       | 37       | —                            | 973         |
| Property and other taxes   | 279   | 26                                     | 6                        | 4        | —                            | 315         |
| Impairment charges   | 172   | —                                      | —                        | —        | —                            | 172         |
| Total operating expenses   | 4,266                                       | 278                                    | 113                      | 59       | (49)                         | 4,667       |
| <b>Gains on Sales of Other Assets and Other, net</b>                   | —   | —                                      | —                        | 2        | 1                            | 3           |
| <b>Operating Income (Loss)</b>   | 957   | 40                                     | 6                        | (25)     | 1                            | 979         |
| <b>Other Income and Expenses</b>                                       |   |  |                          |          |                              |             |
| Equity in earnings of unconsolidated affiliates                        | 2   | 17                                     | 2                        | 16       | (1)                          | 36          |
| Other income and expenses, net   | 89  | 5                                      | 16                       | 11       | (11)                         | 110         |
| Total Other Income and Expenses  | 91  | 22                                     | 18                       | 27       | (12)                         | 146         |
| <b>Interest Expense</b>  | 316   | 26                                     | 23                       | 164      | (11)                         | 518         |
| <b>Income (Loss) from Continuing Operations Before Income Taxes</b>    | 732   | 36                                     | 1                        | (162)    | —                            | 607         |
| <b>Income Tax Expense (Benefit) from Continuing Operations</b>         | 157   | 8                                      | (36)                     | (28)     | (1)                          | 100         |
| <b>Income (Loss) from Continuing Operations</b>                        | 575   | 28                                     | 37                       | (134)    | 1                            | 507         |
| <b>Less: Net (Loss) Income Attributable to Noncontrolling Interest</b> | —   | —                                      | (1)                      | 2        | 1                            | 2           |
| <b>Segment Income / Other Net Loss</b>                                 | \$ 575                                      | \$ 28                                  | \$ 38                    | \$ (136) | \$ —                         | \$ 505      |
| <b>Loss from Discontinued Operations, net of tax</b>                   |   |  |                          |          |                              | (5)         |
| <b>Net Income Attributable to Duke Energy Corporation</b>              |   |  |                          |          |                              | \$ 500      |
| <b>Segment Income / Other Net Loss</b>                                 | \$ 575                                      | \$ 28                                  | \$ 38                    | \$ (136) | \$ —                         | \$ 505      |
| <b>Special Items</b>   | 136   | —                                      | —                        | 15       | —                            | 151         |
| <b>Adjusted Earnings<sup>(a)</sup></b>                                 | \$ 711                                      | \$ 28                                  | \$ 38                    | \$ (121) | \$ —                         | \$ 656      |

(a) See Reported To Adjusted Earnings Reconciliation above for a detailed reconciliation of Segment Income / Other Net Loss to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Six Months Ended June 30, 2018              |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |   |  |                          |          |                              |             |
| Regulated electric   | \$ 10,546                                   | \$ —                                   | \$ —                     | \$ —     | (84)                         | \$ 10,462   |
| Regulated natural gas  | —   | 1,040                                  | —                        | —        | (49)                         | 991         |
| Nonregulated electric and other  | —   | 5                                      | 220                      | 67       | 33                           | 325         |
| Total operating revenues   | 10,546                                      | 1,045                                  | 220                      | 67       | (100)                        | 11,778      |
| <b>Operating Expenses</b>  |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power                   | 3,267                                       | —                                      | —                        | 29       | (46)                         | 3,250       |
| Cost of natural gas  | —   | 402                                    | —                        | —        | —                            | 402         |
| Operation, maintenance and other                                       | 2,720                                       | 211                                    | 124                      | 6        | (53)                         | 3,008       |
| Depreciation and amortization  | 1,673                                       | 121                                    | 76                       | 70       | —                            | 1,940       |
| Property and other taxes   | 553   | 57                                     | 13                       | 8        | —                            | 631         |
| Impairment charges   | 215   | —                                      | —                        | —        | —                            | 215         |
| Total operating expenses   | 8,428                                       | 791                                    | 213                      | 113      | (99)                         | 9,446       |
| <b>Gains (Losses) on Sales of Other Assets and Other, net</b>          | 1   | —                                      | —                        | (99)     | 1                            | (97)        |
| <b>Operating Income (Loss)</b>   | 2,119                                       | 254                                    | 7                        | (145)    | —                            | 2,235       |
| <b>Other Income and Expenses</b>                                       |   |  |                          |          |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates               | 4   | (23)                                   | 2                        | 29       | —                            | 12          |
| Other income and expenses, net   | 175   | 10                                     | 18                       | 12       | (19)                         | 196         |
| Total Other Income and Expenses  | 179   | (13)                                   | 20                       | 41       | (19)                         | 208         |
| <b>Interest Expense</b>  | 633   | 53                                     | 45                       | 321      | (19)                         | 1,033       |
| <b>Income (Loss) from Continuing Operations Before Income Taxes</b>    | 1,665                                       | 188                                    | (18)                     | (425)    | —                            | 1,410       |
| <b>Income Tax Expense (Benefit) from Continuing Operations</b>         | 340   | 44                                     | (75)                     | (27)     | (1)                          | 281         |
| <b>Income (Loss) from Continuing Operations</b>                        | 1,325                                       | 144                                    | 57                       | (398)    | 1                            | 1,129       |
| <b>Less: Net (Loss) Income Attributable to Noncontrolling Interest</b> | —   | —                                      | (1)                      | 4        | 1                            | 4           |
| <b>Segment Income / Other Net Loss</b>                                 | \$ 1,325                                    | \$ 144                                 | \$ 58                    | \$ (402) | \$ —                         | \$ 1,125    |
| <b>Loss from Discontinued Operations, net of tax</b>                   |   |  |                          |          |                              | (5)         |
| <b>Net Income Attributable to Duke Energy Corporation</b>              |   |  |                          |          |                              | \$ 1,120    |
| <b>Segment Income / Other Net Loss</b>                                 | \$ 1,325                                    | \$ 144                                 | \$ 58                    | \$ (402) | \$ —                         | \$ 1,125    |
| <b>Special Items</b>   | 202   | 42                                     | —                        | 186      | —                            | 430         |
| <b>Adjusted Earnings<sup>(a)</sup></b>                                 | \$ 1,527                                    | \$ 186                                 | \$ 58                    | \$ (216) | \$ —                         | \$ 1,555    |

(a) See Reported To Adjusted Earnings Reconciliation above for a detailed reconciliation of Segment Income / Other Net Loss to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING BALANCE SHEETS — ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2019                               |  |                          |                 |                              |                   |
|--|---|--|--------------------------|-----------------|------------------------------|-------------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other           | Eliminations/<br>Adjustments | Duke Energy       |
| <b>Current Assets</b>                                      |   |  |                          |                 |                              |                   |
| Cash and cash equivalents                                  | \$ 76                                       | \$ 2                                   | \$ 17                    | \$ 241          | \$ —                         | \$ 336            |
| Receivables, net   | 441   | 92                                     | 86                       | 28              | (1)                          | 646               |
| Receivables of variable interest entities, net             | 2,153                                       | —                                      | —                        | —               | —                            | 2,153             |
| Receivables from affiliated companies                      | 79  | 13                                     | 905                      | 438             | (1,435)                      | —                 |
| Notes receivable from affiliated companies                 | 7   | 15                                     | —                        | 1,800           | (1,822)                      | —                 |
| Inventory  | 3,056                                       | 68                                     | 39                       | 26              | —                            | 3,189             |
| Regulatory assets  | 1,773                                       | 32                                     | —                        | 113             | —                            | 1,918             |
| Other  | 156   | 58                                     | 106                      | 983             | (36)                         | 1,267             |
| Total current assets                                       | 7,741                                       | 280                                    | 1,153                    | 3,629           | (3,294)                      | 9,509             |
| <b>Property, Plant and Equipment</b>                       |   |  |                          |                 |                              |                   |
| Cost   | 122,876                                     | 11,141                                 | 5,118                    | 2,269           | (41)                         | 141,363           |
| Accumulated depreciation and amortization                  | (39,916)                                    | (2,423)                                | (929)                    | (1,215)         | 1                            | (44,482)          |
| Generation facilities to be retired, net                   | 317   | —                                      | —                        | —               | —                            | 317               |
| Net property, plant and equipment                          | 83,277                                      | 8,718                                  | 4,189                    | 1,054           | (40)                         | 97,198            |
| <b>Other Noncurrent Assets</b>                             |   |  |                          |                 |                              |                   |
| Goodwill   | 17,379                                      | 1,924                                  | —                        | —               | —                            | 19,303            |
| Regulatory assets  | 12,266                                      | 635                                    | —                        | 492             | —                            | 13,393            |
| Nuclear decommissioning trust funds                        | 7,621                                       | —                                      | —                        | —               | —                            | 7,621             |
| Operating lease right-of-use assets, net                   | 1,317                                       | 26                                     | 98                       | 294             | —                            | 1,735             |
| Investments in equity method unconsolidated affiliates     | 125   | 1,268                                  | 198                      | 124             | —                            | 1,715             |
| Investment in consolidated subsidiaries                    | 254   | 17                                     | 3                        | 61,071          | (61,345)                     | —                 |
| Other  | 2,105                                       | 83                                     | 138                      | 1,282           | (633)                        | 2,975             |
| Total other noncurrent assets                              | 41,067                                      | 3,953                                  | 437                      | 63,263          | (61,978)                     | 46,742            |
| <b>Total Assets</b>  | <b>132,085</b>                              | <b>12,951</b>                          | <b>5,779</b>             | <b>67,946</b>   | <b>(65,312)</b>              | <b>153,449</b>    |
| Segment reclassifications, intercompany balances and other | (445)                                       | (8)                                    | (909)                    | (64,131)        | 65,493                       | —                 |
| <b>Segment Assets</b>                                      | <b>\$ 131,640</b>                           | <b>\$ 12,943</b>                       | <b>\$ 4,870</b>          | <b>\$ 3,815</b> | <b>\$ 181</b>                | <b>\$ 153,449</b> |

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING BALANCE SHEETS — LIABILITIES AND EQUITY**  
(Unaudited)

|  | June 30, 2019                               |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
| (In millions)  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Current Liabilities</b>                                 |   |  |                          |          |                              |             |
| Accounts payable   | \$ 1,784                                    | \$ 195                                 | \$ 95                    | \$ 438   | \$ —                         | \$ 2,512    |
| Accounts payable to affiliated companies                   | 559   | 53                                     | 22                       | 739      | (1,373)                      | —           |
| Notes payable to affiliated companies                      | 1,735                                       | 77                                     | 15                       | 3        | (1,830)                      | —           |
| Notes payable and commercial paper                         | —   | —                                      | 10                       | 3,783    | —                            | 3,793       |
| Taxes accrued  | 611   | 26                                     | (24)                     | (92)     | —                            | 521         |
| Interest accrued   | 368   | 41                                     | 1                        | 155      | (1)                          | 564         |
| Current maturities of long-term debt                       | 1,294                                       | 26                                     | 178                      | 1,199    | 1                            | 2,698       |
| Asset retirement obligations                               | 739   | —                                      | —                        | —        | —                            | 739         |
| Regulatory liabilities                                     | 507   | 91                                     | —                        | 2        | —                            | 600         |
| Other  | 1,564                                       | 65                                     | 29                       | 453      | (91)                         | 2,020       |
| Total current liabilities                                  | 9,161                                       | 574                                    | 326                      | 6,680    | (3,294)                      | 13,447      |
| <b>Long-Term Debt</b>                                      | 32,634                                      | 3,020                                  | 1,611                    | 17,118   | (41)                         | 54,342      |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 618   | 7                                      | 9                        | —        | (634)                        | —           |
| <b>Other Noncurrent Liabilities</b>                        |   |  |                          |          |                              |             |
| Deferred income taxes                                      | 9,845                                       | 934                                    | (285)                    | (1,963)  | 1                            | 8,532       |
| Asset retirement obligations                               | 11,706                                      | 57                                     | 125                      | —        | 1                            | 11,889      |
| Regulatory liabilities                                     | 13,708                                      | 1,559                                  | —                        | 27       | —                            | 15,294      |
| Operating lease liabilities                                | 1,184                                       | 25                                     | 98                       | 194      | 1                            | 1,502       |
| Accrued pension and other post-retirement benefit costs    | 635   | 32                                     | 3                        | 289      | —                            | 959         |
| Investment tax credits                                     | 567   | 2                                      | —                        | —        | —                            | 569         |
| Other  | 848   | 196                                    | 296                      | 301      | (58)                         | 1,583       |
| Total other noncurrent liabilities                         | 38,493                                      | 2,805                                  | 237                      | (1,152)  | (55)                         | 40,328      |
| <b>Equity</b>  |   |  |                          |          |                              |             |
| Total Duke Energy Corporation stockholders' equity         | 51,179                                      | 6,545                                  | 3,479                    | 45,298   | (61,288)                     | 45,213      |
| Noncontrolling interests                                   | —   | —                                      | 117                      | 2        | —                            | 119         |
| Total equity   | 51,179                                      | 6,545                                  | 3,596                    | 45,300   | (61,288)                     | 45,332      |
| <b>Total Liabilities and Equity</b>                        | 132,085                                     | 12,951                                 | 5,779                    | 67,946   | (65,312)                     | 153,449     |
| Segment reclassifications, intercompany balances and other | (445)                                       | (8)                                    | (909)                    | (64,131) | 65,493                       | —           |
| <b>Segment Liabilities and Equity</b>                      | \$ 131,640                                  | \$ 12,943                              | \$ 4,870                 | \$ 3,815 | \$ 181                       | \$ 153,449  |



**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)   | Three Months Ended June 30, 2019 |                            |                           |                                       |                           |                        |   |
|---|----------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|------------------------|---|
|   | Duke<br>Energy<br>Carolinas      | Duke<br>Energy<br>Progress | Duke<br>Energy<br>Florida | Duke<br>Energy<br>Ohio <sup>(a)</sup> | Duke<br>Energy<br>Indiana | Eliminations/<br>Other | Electric<br>Utilities and<br>Infrastructure |
| <b>Operating Revenues</b>                                     | \$ 1,713                         | \$ 1,387                   | \$ 1,353                  | \$ 336                                | \$ 714                    | \$ (28)                | \$ 5,475                                    |
| <b>Operating Expenses</b>                                     |                                  |                            |                           |                                       |                           |                        |   |
| Fuel used in electric generation and purchased power          | 395                              | 479                        | 509                       | 86                                    | 229                       | (36)                   | 1,662                                       |
| Operation, maintenance and other                              | 434                              | 355                        | 242                       | 96                                    | 187                       | 4                      | 1,318                                       |
| Depreciation and amortization                                 | 346                              | 251                        | 175                       | 45                                    | 132                       | 2                      | 951   |
| Property and other taxes                                      | 75                               | 41                         | 103                       | 59                                    | 20                        | (1)                    | 297   |
| Impairment charges  | 5                                | —                          | —                         | —                                     | —                         | (1)                    | 4   |
| Total operating expenses                                      | 1,255                            | 1,126                      | 1,029                     | 286                                   | 568                       | (32)                   | 4,232                                       |
| <b>(Losses) Gains on Sales of Other Assets and Other, net</b> | —                                | —                          | (1)                       | —                                     | 3                         | 1                      | 3   |
| <b>Operating Income</b>                                       | 458                              | 261                        | 323                       | 50                                    | 149                       | 5                      | 1,246                                       |
| <b>Other Income and Expenses, net<sup>(b)</sup></b>           | 41                               | 24                         | 12                        | 5                                     | 8                         | (1)                    | 89  |
| <b>Interest Expense</b>                                       | 117                              | 81                         | 83                        | 18                                    | 28                        | 3                      | 330   |
| <b>Income Before Income Taxes</b>                             | 382                              | 204                        | 252                       | 37                                    | 129                       | 1                      | 1,005                                       |
| <b>Income Tax Expense</b>                                     | 76                               | 32                         | 50                        | 6                                     | 31                        | 1                      | 196   |
| <b>Segment Income</b>   | \$ 306                           | \$ 172                     | \$ 202                    | \$ 31                                 | \$ 98                     | \$ —                   | \$ 809                                      |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes an equity component of allowance for funds used during construction of \$11 million for Duke Energy Carolinas, \$14 million for Duke Energy Progress, \$1 million for Duke Energy Florida, \$3 million for Duke Energy Ohio and \$5 million for Duke Energy Indiana.

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)   | Six Months Ended June 30, 2019 |                            |                           |                                       |                           |                        |   |
|---|--------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|------------------------|---|
|   | Duke<br>Energy<br>Carolinas    | Duke<br>Energy<br>Progress | Duke<br>Energy<br>Florida | Duke<br>Energy<br>Ohio <sup>(a)</sup> | Duke<br>Energy<br>Indiana | Eliminations/<br>Other | Electric<br>Utilities and<br>Infrastructure |
| <b>Operating Revenues</b>                             | \$ 3,457                       | \$ 2,871                   | \$ 2,439                  | \$ 691                                | \$ 1,482                  | \$ (136)               | \$ 10,804                                   |
| <b>Operating Expenses</b>                             |                                |                            |                           |                                       |                           |                        |   |
| Fuel used in electric generation and purchased power  | 867                            | 994                        | 919                       | 179                                   | 486                       | (153)                  | 3,292                                       |
| Operation, maintenance and other                      | 869                            | 686                        | 470                       | 197                                   | 374                       | 4                      | 2,600                                       |
| Depreciation and amortization                         | 663                            | 541                        | 340                       | 86                                    | 263                       | 5                      | 1,898                                       |
| Property and other taxes                              | 155                            | 85                         | 196                       | 123                                   | 39                        | —                      | 598   |
| Impairment charges                                    | 5                              | —                          | —                         | —                                     | —                         | (1)                    | 4   |
| Total operating expenses                              | 2,559                          | 2,306                      | 1,925                     | 585                                   | 1,162                     | (145)                  | 8,392                                       |
| <b>Losses on Sales of Other Assets and Other, net</b> | —                              | —                          | (1)                       | —                                     | —                         | 1                      | —   |
| <b>Operating Income</b>                               | 898                            | 565                        | 513                       | 106                                   | 320                       | 10                     | 2,412                                       |
| <b>Other Income and Expenses, net<sup>(b)</sup></b>   | 72                             | 48                         | 25                        | 11                                    | 27                        | (3)                    | 180   |
| <b>Interest Expense</b>                               | 227                            | 158                        | 165                       | 40                                    | 71                        | 7                      | 668   |
| <b>Income Before Income Taxes</b>                     | 743                            | 455                        | 373                       | 77                                    | 276                       | —                      | 1,924                                       |
| <b>Income Tax Expense</b>                             | 140                            | 78                         | 73                        | 10                                    | 67                        | (3)                    | 365   |
| <b>Segment Income</b>                                 | \$ 603                         | \$ 377                     | \$ 300                    | \$ 67                                 | \$ 209                    | \$ 3                   | \$ 1,559                                    |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes an equity component of allowance for funds used during construction of \$21 million for Duke Energy Carolinas, \$28 million for Duke Energy Progress, \$2 million for Duke Energy Florida, \$6 million for Duke Energy Ohio and \$9 million for Duke Energy Indiana.

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS — ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2019         |                      |                     |                                 |                     |   |                                       |
|--|-----------------------|----------------------|---------------------|---------------------------------|---------------------|---|---------------------------------------|
|  | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/<br>Adjustments <sup>(b)</sup> | Electric Utilities and Infrastructure |
| <b>Current Assets</b>                                      |                       |                      |                     |                                 |                     |   |                                       |
| Cash and cash equivalents                                  | \$ 15                 | \$ 28                | \$ 16               | \$ 6                            | \$ 12               | (1)   | \$ 76                                 |
| Receivables, net   | 164                   | 53                   | 84                  | 88                              | 49                  | 3   | 441                                   |
| Receivables of variable interest entities, net             | 671                   | 518                  | 479                 | —                               | —                   | 485   | 2,153                                 |
| Receivables from affiliated companies                      | 101                   | 40                   | 18                  | 39                              | 83                  | (202)                                       | 79                                    |
| Notes receivable from affiliated companies                 | —                     | —                    | —                   | —                               | —                   | 7   | 7                                     |
| Inventory  | 1,025                 | 980                  | 499                 | 88                              | 463                 | 1   | 3,056                                 |
| Regulatory assets  | 605                   | 572                  | 452                 | 16                              | 130                 | (2)   | 1,773                                 |
| Other  | 17                    | 34                   | 47                  | 17                              | 42                  | (1)   | 156                                   |
| Total current assets                                       | 2,598                 | 2,225                | 1,595               | 254                             | 779                 | 290   | 7,741                                 |
| <b>Property, Plant and Equipment</b>                       |                       |                      |                     |                                 |                     |   |                                       |
| Cost   | 47,249                | 33,288               | 19,461              | 6,586                           | 15,831              | 461   | 122,876                               |
| Accumulated depreciation and amortization                  | (16,046)              | (11,728)             | (5,073)             | (1,958)                         | (5,104)             | (7)   | (39,916)                              |
| Generation facilities to be retired, net                   | —                     | 317                  | —                   | —                               | —                   | —   | 317                                   |
| Net property, plant and equipment                          | 31,203                | 21,877               | 14,388              | 4,628                           | 10,727              | 454   | 83,277                                |
| <b>Other Noncurrent Assets</b>                             |                       |                      |                     |                                 |                     |   |                                       |
| Goodwill   | —                     | —                    | —                   | 596                             | —                   | 16,783                                      | 17,379                                |
| Regulatory assets  | 3,392                 | 4,124                | 2,299               | 381                             | 1,038               | 1,032                                       | 12,266                                |
| Nuclear decommissioning trust funds                        | 4,059                 | 2,833                | 729                 | —                               | —                   | —   | 7,621                                 |
| Operating lease right-of-use assets, net                   | 141                   | 407                  | 432                 | 22                              | 60                  | 255   | 1,317                                 |
| Investments in equity method unconsolidated affiliates     | —                     | —                    | —                   | —                               | —                   | 125   | 125                                   |
| Investment in consolidated subsidiaries                    | 48                    | 13                   | 2                   | 190                             | 1                   | —   | 254                                   |
| Other  | 1,084                 | 587                  | 311                 | 37                              | 203                 | (117)                                       | 2,105                                 |
| Total other noncurrent assets                              | 8,724                 | 7,964                | 3,773               | 1,226                           | 1,302               | 18,078                                      | 41,067                                |
| <b>Total Assets</b>  | <b>42,525</b>         | <b>32,066</b>        | <b>19,756</b>       | <b>6,108</b>                    | <b>12,808</b>       | <b>18,822</b>                               | <b>132,085</b>                        |
| Segment reclassifications, intercompany balances and other | (270)                 | (101)                | (53)                | (194)                           | (69)                | 242   | (445)                                 |
| <b>Reportable Segment Assets</b>                           | <b>\$ 42,255</b>      | <b>\$ 31,965</b>     | <b>\$ 19,703</b>    | <b>\$ 5,914</b>                 | <b>\$ 12,739</b>    | <b>\$ 19,064</b>                            | <b>\$ 131,640</b>                     |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances, purchase accounting adjustments and restricted receivables related to Cinergy Receivables Company.

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS — LIABILITIES AND EQUITY**  
(Unaudited)

| (In millions)  | June 30, 2019         |                      |                     |                                 |                     |   |                                       |
|--|-----------------------|----------------------|---------------------|---------------------------------|---------------------|---|---------------------------------------|
|  | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/Adjustments <sup>(b)</sup> | Electric Utilities and Infrastructure |
| <b>Current Liabilities</b>                                 |                       |                      |                     |                                 |                     |   |                                       |
| Accounts payable   | \$ 640                | \$ 315               | \$ 403              | \$ 200                          | \$ 224              | \$ 2                                    | \$ 1,784                              |
| Accounts payable to affiliated companies                   | 189                   | 182                  | 62                  | 21                              | 66                  | 39                                      | 559                                   |
| Notes payable to affiliated companies                      | 804                   | 127                  | 477                 | 126                             | 165                 | 36                                      | 1,735                                 |
| Taxes accrued  | 210                   | 107                  | 148                 | 126                             | 26                  | (6)                                     | 611                                   |
| Interest accrued   | 106                   | 110                  | 70                  | 23                              | 59                  | —                                       | 368                                   |
| Current maturities of long-term debt                       | 456                   | 6                    | 671                 | 74                              | 3                   | 84                                      | 1,294                                 |
| Asset retirement obligations                               | 203                   | 413                  | 3                   | 6                               | 115                 | (1)                                     | 739                                   |
| Regulatory liabilities                                     | 191                   | 167                  | 83                  | 42                              | 24                  | —                                       | 507                                   |
| Other  | 500                   | 395                  | 462                 | 71                              | 119                 | 17                                      | 1,564                                 |
| Total current liabilities                                  | 3,299                 | 1,822                | 2,379               | 689                             | 801                 | 171                                     | 9,161                                 |
| <b>Long-Term Debt</b>                                      | 10,208                | 8,893                | 6,542               | 1,895                           | 3,570               | 1,526                                   | 32,634                                |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 300                   | 150                  | —                   | 18                              | 150                 | —                                       | 618                                   |
| <b>Other Noncurrent Liabilities</b>                        |                       |                      |                     |                                 |                     |   |                                       |
| Deferred income taxes                                      | 3,826                 | 2,193                | 2,106               | 620                             | 1,085               | 15                                      | 9,845                                 |
| Asset retirement obligations                               | 5,139                 | 5,203                | 574                 | 45                              | 604                 | 141                                     | 11,706                                |
| Regulatory liabilities                                     | 6,392                 | 4,150                | 1,040               | 431                             | 1,693               | 2                                       | 13,708                                |
| Operating lease liabilities                                | 117                   | 377                  | 370                 | 21                              | 56                  | 243                                     | 1,184                                 |
| Accrued pension and other post-retirement benefit costs    | 90                    | 232                  | 248                 | 68                              | 142                 | (145)                                   | 635                                   |
| Investment tax credits                                     | 234                   | 141                  | 42                  | 3                               | 147                 | —                                       | 567                                   |
| Other  | 644                   | 93                   | 61                  | 65                              | 14                  | (29)                                    | 848                                   |
| Total other noncurrent liabilities                         | 16,442                | 12,389               | 4,441               | 1,253                           | 3,741               | 227                                     | 38,493                                |
| <b>Equity</b>  | 12,276                | 8,812                | 6,394               | 2,253                           | 4,546               | 16,898                                  | 51,179                                |
| <b>Total Liabilities and Equity</b>                        | 42,525                | 32,066               | 19,756              | 6,108                           | 12,808              | 18,822                                  | 132,085                               |
| Segment reclassifications, intercompany balances and other | (270)                 | (101)                | (53)                | (194)                           | (69)                | 242                                     | (445)                                 |
| <b>Reportable Segment Liabilities and Equity</b>           | \$ 42,255             | \$ 31,965            | \$ 19,703           | \$ 5,914                        | \$ 12,739           | \$ 19,064                               | \$ 131,640                            |

- (a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.  
(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)                                   | Three Months Ended June 30, 2019 |                          |  |                           |                                  |
|---|----------------------------------|--------------------------|--|---------------------------|----------------------------------|
|   | Duke Energy Ohio <sup>(a)</sup>  | Piedmont Natural Gas LDC | Midstream Pipelines and Storage <sup>(b)</sup> | Eliminations/ Adjustments | Gas Utilities and Infrastructure |
| <b>Operating Revenues</b>                       | \$ 97                            | \$ 209                   | \$ —   | \$ —                      | \$ 306                           |
| <b>Operating Expenses</b>                       |                                  |                          |  |                           |                                  |
| Cost of natural gas                             | 10                               | 65                       | —  | 1                         | 76                               |
| Operation, maintenance and other                | 25                               | 80                       | 1  | 1                         | 107                              |
| Depreciation and amortization                   | 22                               | 42                       | —  | (1)                       | 63                               |
| Property and other taxes                        | 14                               | 13                       | —  | —                         | 27                               |
| Total operating expenses                        | 71                               | 200                      | 1  | 1                         | 273                              |
| <b>Operating Income (Loss)</b>                  | 26                               | 9                        | (1)  | (1)                       | 33                               |
| <b>Other Income and Expenses</b>                |                                  |                          |  |                           |                                  |
| Equity in earnings of unconsolidated affiliates | —                                | —                        | 31   | —                         | 31                               |
| Other income and expenses, net                  | 2                                | 4                        | —  | —                         | 6                                |
| Total other income and expenses                 | 2                                | 4                        | 31   | —                         | 37                               |
| <b>Interest Expense</b>                         | 6                                | 21                       | —  | —                         | 27                               |
| <b>Income Before Income Taxes</b>               | 22                               | (8)                      | 30   | (1)                       | 43                               |
| <b>Income Tax Expense</b>                       | 5                                | (1)                      | —  | (1)                       | 3                                |
| <b>Segment Income</b>                           | \$ 17                            | \$ (7)                   | \$ 30  | \$ —                      | \$ 40                            |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes earnings from investments in ACP, Sabal Trail, Constitution and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)                                   | Six Months Ended June 30, 2019  |                          |  |                           |                                  |
|---|---------------------------------|--------------------------|--|---------------------------|----------------------------------|
|   | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage <sup>(b)</sup> | Eliminations/ Adjustments | Gas Utilities and Infrastructure |
| <b>Operating Revenues</b>                       | \$ 273                          | \$ 788                   | \$ —   | \$ 1                      | \$ 1,062                         |
| <b>Operating Expenses</b>                       |                                 |                          |  |                           |                                  |
| Cost of natural gas                             | 64                              | 338                      | —  | 1                         | 403                              |
| Operation, maintenance and other                | 56                              | 159                      | 3  | (1)                       | 217                              |
| Depreciation and amortization                   | 44                              | 84                       | —  | —                         | 128                              |
| Property and other taxes                        | 34                              | 25                       | —  | 1                         | 60                               |
| Total operating expenses                        | 198                             | 606                      | 3  | 1                         | 808                              |
| <b>Operating Income (Loss)</b>                  | 75                              | 182                      | (3)  | —                         | 254                              |
| <b>Other Income and Expenses</b>                |                                 |                          |  |                           |                                  |
| Equity in earnings of unconsolidated affiliates | —                               | —                        | 64   | —                         | 64                               |
| Other income and expenses, net                  | 5                               | 8                        | —  | —                         | 13                               |
| Total other income and expenses                 | 5                               | 8                        | 64   | —                         | 77                               |
| <b>Interest Expense</b>                         | 13                              | 43                       | —  | 1                         | 57                               |
| <b>Income Before Income Taxes</b>               | 67                              | 147                      | 61   | (1)                       | 274                              |
| <b>Income Tax Expense</b>                       | 15                              | 35                       | (38)   | (4)                       | 8                                |
| <b>Segment Income</b>                           | \$ 52                           | \$ 112                   | \$ 99  | \$ 3                      | \$ 266                           |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes earnings from investments in ACP, Sabal Trail, Constitution and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS — ASSETS**  
(Unaudited)

|  | June 30, 2019                         |                                |                                       |   |  |
|--|---------------------------------------|--------------------------------|---------------------------------------|---|--|
| (In millions)  | Duke<br>Energy<br>Ohio <sup>(a)</sup> | Piedmont<br>Natural Gas<br>LDC | Midstream<br>Pipelines and<br>Storage | Eliminations/<br>Adjustments <sup>(b)</sup> | Gas<br>Utilities and<br>Infrastructure |
| <b>Current Assets</b>                                      |                                       |                                |                                       |   |  |
| Cash and cash equivalents                                  | \$ 2                                  | \$ —                           | \$ —                                  | \$ —  | 2                                      |
| Receivables, net   | (9)                                   | 100                            | —                                     | 1   | 92                                     |
| Receivables from affiliated companies                      | 5                                     | 94                             | —                                     | (86)  | 13                                     |
| Notes receivable from affiliated companies                 | —                                     | 16                             | —                                     | (1)   | 15                                     |
| Inventory  | 35                                    | 33                             | —                                     | —   | 68                                     |
| Regulatory assets  | 2                                     | 30                             | —                                     | —   | 32                                     |
| Other  | 2                                     | 57                             | —                                     | (1)   | 58                                     |
| Total current assets                                       | 37                                    | 330                            | —                                     | (87)  | 280                                    |
| <b>Property, Plant and Equipment</b>                       |                                       |                                |                                       |   |  |
| Cost   | 3,190                                 | 7,951                          | —                                     | —   | 11,141                                 |
| Accumulated depreciation and amortization                  | (804)                                 | (1,620)                        | —                                     | 1   | (2,423)                                |
| Net property, plant and equipment                          | 2,386                                 | 6,331                          | —                                     | 1   | 8,718                                  |
| <b>Other Noncurrent Assets</b>                             |                                       |                                |                                       |   |  |
| Goodwill   | 324                                   | 49                             | —                                     | 1,551                                       | 1,924                                  |
| Regulatory assets  | 193                                   | 280                            | —                                     | 162   | 635                                    |
| Operating lease right-of-use assets, net                   | —                                     | 26                             | —                                     | —   | 26                                     |
| Investments in equity method unconsolidated affiliates     | —                                     | —                              | 1,268                                 | —   | 1,268                                  |
| Investment in consolidated subsidiaries                    | —                                     | —                              | —                                     | 17  | 17                                     |
| Other  | 8                                     | 60                             | 17                                    | (2)   | 83                                     |
| Total other noncurrent assets                              | 525                                   | 415                            | 1,285                                 | 1,728                                       | 3,953                                  |
| <b>Total Assets</b>  | 2,948                                 | 7,076                          | 1,285                                 | 1,642                                       | 12,951                                 |
| Segment reclassifications, intercompany balances and other | —                                     | (53)                           | (10)                                  | 55  | (8)                                    |
| <b>Reportable Segment Assets</b>                           | \$ 2,948                              | \$ 7,023                       | \$ 1,275                              | \$ 1,697                                    | \$ 12,943                              |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.



**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS — LIABILITIES AND EQUITY**  
(Unaudited)

|  | June 30, 2019                   |                          |                                 |  |                                  |
|--|---------------------------------|--------------------------|---------------------------------|--|----------------------------------|
| (In millions)  | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage | Eliminations/ Adjustments <sup>(b)</sup> | Gas Utilities and Infrastructure |
| <b>Current Liabilities</b>                                 |                                 |                          |                                 |  |                                  |
| Accounts payable   | \$ 40                           | \$ 156                   | \$ —                            | \$ (1)                                   | \$ 195                           |
| Accounts payable to affiliated companies                   | 5                               | 58                       | 78                              | (88)                                     | 53                               |
| Notes payable to affiliated companies                      | 78                              | —                        | —                               | (1)                                      | 77                               |
| Taxes accrued  | 1                               | 25                       | —                               | —  | 26                               |
| Interest accrued   | 8                               | 33                       | —                               | —  | 41                               |
| Current maturities of long-term debt                       | 26                              | —                        | —                               | —  | 26                               |
| Regulatory liabilities                                     | 25                              | 65                       | —                               | 1  | 91                               |
| Other  | 3                               | 60                       | (1)                             | 3  | 65                               |
| Total current liabilities                                  | 186                             | 397                      | 77                              | (86)                                     | 574                              |
| <b>Long-Term Debt</b>                                      | 490                             | 2,384                    | —                               | 146                                      | 3,020                            |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 7                               | —                        | —                               | —  | 7                                |
| <b>Other Noncurrent Liabilities</b>                        |                                 |                          |                                 |  |                                  |
| Deferred income taxes                                      | 265                             | 578                      | 92                              | (1)                                      | 934                              |
| Asset retirement obligations                               | 38                              | 19                       | —                               | —  | 57                               |
| Regulatory liabilities                                     | 370                             | 1,174                    | —                               | 15                                       | 1,559                            |
| Operating lease liabilities                                | —                               | 25                       | —                               | —  | 25                               |
| Accrued pension and other post-retirement benefit costs    | 26                              | 6                        | —                               | —  | 32                               |
| Investment tax credits                                     | 2                               | 1                        | —                               | (1)                                      | 2                                |
| Other  | 40                              | 141                      | 15                              | —  | 196                              |
| Total other noncurrent liabilities                         | 741                             | 1,944                    | 107                             | 13                                       | 2,805                            |
| <b>Equity</b>  | 1,524                           | 2,351                    | 1,100                           | 1,570                                    | 6,545                            |
| <b>Total Liabilities and Equity</b>                        | 2,948                           | 7,076                    | 1,284                           | 1,643                                    | 12,951                           |
| Segment reclassifications, intercompany balances and other | —                               | (53)                     | (9)                             | 54                                       | (8)                              |
| <b>Reportable Segment Liabilities and Equity</b>           | \$ 2,948                        | \$ 7,023                 | \$ 1,275                        | \$ 1,697                                 | \$ 12,943                        |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**Electric Utilities and Infrastructure**  
**Quarterly Highlights**  
**June 2019**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2019                        | 2018      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2019                      | 2018      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>Gigawatt-hour (GWh) Sales <sup>(a)</sup></b>                           |                             |           |               |   |                           |           |               |   |
| Residential   | 18,823                      | 19,159    | (1.8%)        | 0.6%  | 41,041                    | 42,900    | (4.3%)        | (0.4%)                                      |
| General Service   | 19,015                      | 19,026    | (0.1%)        | (0.2%)                                      | 36,932                    | 37,466    | (1.4%)        | (0.7%)                                      |
| Industrial  | 12,763                      | 13,070    | (2.3%)        | (1.5%)                                      | 24,811                    | 25,174    | (1.4%)        | (0.7%)                                      |
| Other Energy Sales  | 145                         | 141       | 2.8%          |   | 290                       | 281       | 3.2%          |   |
| Unbilled Sales  | 1,537                       | 1,640     | (6.3%)        | n/a   | 201                       | (235)     | 185.5%        | n/a   |
| Total Retail Sales  | 52,283                      | 53,036    | (1.4%)        | (0.2)%                                      | 103,275                   | 105,586   | (2.2%)        | (0.5%)                                      |
| Wholesale and Other   | 9,791                       | 9,884     | (0.9%)        |   | 19,493                    | 20,863    | (6.6%)        |   |
| Total Consolidated Electric Sales — Electric Utilities and Infrastructure | 62,074                      | 62,920    | (1.3%)        |   | 122,768                   | 126,449   | (2.9%)        |   |
| <b>Average Number of Customers (Electric)</b>                             |                             |           |               |   |                           |           |               |   |
| Residential   | 6,725,599                   | 6,619,271 | 1.6%          |   | 6,717,342                 | 6,611,543 | 1.6%          |   |
| General Service   | 988,506                     | 982,634   | 0.6%          |   | 988,471                   | 980,927   | 0.8%          |   |
| Industrial  | 17,339                      | 17,530    | (1.1%)        |   | 17,369                    | 17,567    | (1.1%)        |   |
| Other Energy Sales  | 28,636                      | 23,527    | 21.7%         |   | 28,597                    | 23,501    | 21.7%         |   |
| Total Retail Customers  | 7,760,080                   | 7,642,962 | 1.5%          |   | 7,751,779                 | 7,633,538 | 1.5%          |   |
| Wholesale and Other   | 47                          | 57        | (17.5%)       |   | 49                        | 55        | (10.9%)       |   |
| Total Average Number of Customers — Electric Utilities and Infrastructure | 7,760,127                   | 7,643,019 | 1.5%          |   | 7,751,828                 | 7,633,593 | 1.5%          |   |
| <b>Sources of Electric Energy (GWh)</b>                                   |                             |           |               |   |                           |           |               |   |
| Generated — Net Output <sup>(c)</sup>                                     |                             |           |               |   |                           |           |               |   |
| Coal  | 13,007                      | 15,458    | (15.9%)       |   | 25,178                    | 33,196    | (24.2%)       |   |
| Nuclear   | 18,138                      | 17,595    | 3.1%          |   | 36,728                    | 36,100    | 1.7%          |   |
| Hydro   | 779                         | 982       | (20.7%)       |   | 1,832                     | 1,736     | 5.5%          |   |
| Oil and Natural Gas   | 18,191                      | 17,697    | 2.8%          |   | 35,845                    | 34,014    | 5.4%          |   |
| Renewable Energy  | 197                         | 148       | 33.1%         |   | 322                       | 244       | 32.0%         |   |
| Total Generation <sup>(d)</sup>   | 50,312                      | 51,880    | (3.0%)        |   | 99,905                    | 105,290   | (5.1%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>                        | 15,825                      | 14,761    | 7.2%          |   | 30,047                    | 28,681    | 4.8%          |   |
| Total Sources of Energy   | 66,137                      | 66,641    | (0.8%)        |   | 129,952                   | 133,971   | (3.0%)        |   |
| Less: Line Loss and Other   | 4,063                       | 3,721     | 9.2%          |   | 7,184                     | 7,522     | (4.5%)        |   |
| Total GWh Sources   | 62,074                      | 62,920    | (1.3%)        |   | 122,768                   | 126,449   | (2.9%)        |   |
| <b>Owned Megawatt (MW) Capacity <sup>(c)</sup></b>                        |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 50,888                    | 49,934    |               |   |
| Winter  |                             |           |               |   | 54,583                    | 53,503    |               |   |
| <b>Nuclear Capacity Factor (%) <sup>(f)</sup></b>                         |                             |           |               |   | 96                        | 94        |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100 percent of jointly owned stations.

**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2019**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2019                        | 2018      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2019                      | 2018      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales <sup>(a)</sup></b>                           |                             |           |               |   |                           |           |               |   |
| Residential   | 6,168                       | 6,324     | (2.5%)        |   | 13,923                    | 14,608    | (4.7%)        |   |
| General Service   | 7,171                       | 7,193     | (0.3%)        |   | 13,993                    | 14,139    | (1.0%)        |   |
| Industrial  | 5,402                       | 5,519     | (2.1%)        |   | 10,336                    | 10,503    | (1.6%)        |   |
| Other Energy Sales  | 79                          | 75        | 5.3%          |   | 159                       | 150       | 6.0%          |   |
| Unbilled Sales  | 344                         | 426       | (19.2%)       |   | (11)                      | (97)      | 88.7%         |   |
| Total Retail Sales  | 19,164                      | 19,537    | (1.9%)        | (0.9%)                                      | 38,400                    | 39,303    | (2.3%)        | (0.9%)                                      |
| Wholesale and Other                                       | 2,440                       | 2,735     | (10.8%)       |   | 5,032                     | 5,596     | (10.1%)       |   |
| Total Consolidated Electric Sales — Duke Energy Carolinas | 21,604                      | 22,272    | (3.0%)        |   | 43,432                    | 44,899    | (3.3%)        |   |
| <b>Average Number of Customers</b>                        |                             |           |               |   |                           |           |               |   |
| Residential   | 2,257,042                   | 2,209,018 | 2.2%          |   | 2,250,978                 | 2,205,938 | 2.0%          |   |
| General Service   | 361,962                     | 357,583   | 1.2%          |   | 361,073                   | 356,842   | 1.2%          |   |
| Industrial  | 6,128                       | 6,181     | (0.9%)        |   | 6,130                     | 6,194     | (1.0%)        |   |
| Other Energy Sales  | 20,580                      | 15,536    | 32.5%         |   | 20,551                    | 15,508    | 32.5%         |   |
| Total Retail Customers                                    | 2,645,712                   | 2,588,318 | 2.2%          |   | 2,638,732                 | 2,584,482 | 2.1%          |   |
| Wholesale and Other                                       | 15                          | 26        | (42.3%)       |   | 18                        | 24        | (25.0%)       |   |
| Total Average Number of Customers — Duke Energy Carolinas | 2,645,727                   | 2,588,344 | 2.2%          |   | 2,638,750                 | 2,584,506 | 2.1%          |   |
| <b>Sources of Electric Energy (GWh)</b>                   |                             |           |               |   |                           |           |               |   |
| Generated — Net Output <sup>(c)</sup>                     |                             |           |               |   |                           |           |               |   |
| Coal  | 5,070                       | 6,029     | (15.9%)       |   | 8,292                     | 12,279    | (32.5%)       |   |
| Nuclear   | 11,015                      | 11,083    | (0.6%)        |   | 22,481                    | 22,721    | (1.1%)        |   |
| Hydro   | 540                         | 714       | (24.4%)       |   | 1,319                     | 1,239     | 6.5%          |   |
| Oil and Natural Gas                                       | 3,807                       | 4,051     | (6.0%)        |   | 7,888                     | 7,203     | 9.5%          |   |
| Renewable Energy  | 44                          | 56        | (21.4%)       |   | 78                        | 85        | (8.2%)        |   |
| Total Generation <sup>(d)</sup>                           | 20,476                      | 21,933    | (6.6%)        |   | 40,058                    | 43,527    | (8.0%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>        | 2,941                       | 1,517     | 93.9%         |   | 5,843                     | 3,834     | 52.4%         |   |
| Total Sources of Energy                                   | 23,417                      | 23,450    | (0.1%)        |   | 45,901                    | 47,361    | (3.1%)        |   |
| Less: Line Loss and Other                                 | 1,813                       | 1,178     | 53.9%         |   | 2,469                     | 2,462     | 0.3%          |   |
| Total GWh Sources   | 21,604                      | 22,272    | (3.0%)        |   | 43,432                    | 44,899    | (3.3%)        |   |
| <b>Owned MW Capacity <sup>(c)</sup></b>                   |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 20,209                    | 20,188    |               |   |
| Winter  |                             |           |               |   | 21,146                    | 21,068    |               |   |
| <b>Nuclear Capacity Factor (%) <sup>(f)</sup></b>         |                             |           |               |   | 98                        | 97        |               |   |
| <b>Heating and Cooling Degree Days</b>                    |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>   |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                       | 127                         | 208       | (38.9%)       |   | 1,730                     | 1,929     | (10.3%)       |   |
| Cooling Degree Days                                       | 632                         | 638       | (0.9%)        |   | 636                       | 648       | (1.9%)        |   |
| <b>Variance from Normal</b>                               |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                       | (41.3%)                     | (5.8%)    |               |   | (10.7%)                   | (1.8%)    |               |   |
| Cooling Degree Days                                       | 28.9%                       | 30.0%     |               |   | 27.8%                     | 30.3%     |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100 percent of jointly owned stations.

**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2019**

|  | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|--|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|  | 2019                        | 2018      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2019                      | 2018      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales <sup>(a)</sup></b>                          |                             |           |               |   |                           |           |               |   |
| Residential  | 3,910                       | 4,032     | (3.0%)        |   | 8,808                     | 9,532     | (7.6%)        |   |
| General Service  | 3,718                       | 3,771     | (1.4%)        |   | 7,256                     | 7,503     | (3.3%)        |   |
| Industrial   | 2,614                       | 2,640     | (1.0%)        |   | 5,115                     | 5,077     | 0.7%          |   |
| Other Energy Sales                                       | 20                          | 20        | —%            |   | 39                        | 39        | —%            |   |
| Unbilled Sales   | 545                         | 295       | 84.7%         |   | 181                       | (272)     | 166.5%        |   |
| Total Retail Sales                                       | 10,807                      | 10,758    | 0.5%          | 1.3%  | 21,399                    | 21,879    | (2.2%)        | (0.3%)                                      |
| Wholesale and Other                                      | 5,415                       | 5,138     | 5.4%          |   | 11,171                    | 11,243    | (0.6%)        |   |
| Total Consolidated Electric Sales — Duke Energy Progress | 16,222                      | 15,896    | 2.1%          |   | 32,570                    | 33,122    | (1.7%)        |   |
| <b>Average Number of Customers</b>                       |                             |           |               |   |                           |           |               |   |
| Residential  | 1,346,348                   | 1,328,158 | 1.4%          |   | 1,344,117                 | 1,325,644 | 1.4%          |   |
| General Service  | 236,523                     | 234,703   | 0.8%          |   | 235,974                   | 234,005   | 0.8%          |   |
| Industrial   | 4,029                       | 4,055     | (0.6%)        |   | 4,038                     | 4,057     | (0.5%)        |   |
| Other Energy Sales                                       | 1,416                       | 1,444     | (1.9%)        |   | 1,417                     | 1,447     | (2.1%)        |   |
| Total Retail Customers                                   | 1,588,316                   | 1,568,360 | 1.3%          |   | 1,585,546                 | 1,565,153 | 1.3%          |   |
| Wholesale and Other                                      | 14                          | 14        | —%            |   | 14                        | 14        | —%            |   |
| Total Average Number of Customers — Duke Energy Progress | 1,588,330                   | 1,568,374 | 1.3%          |   | 1,585,560                 | 1,565,167 | 1.3%          |   |
| <b>Sources of Electric Energy (GWh)</b>                  |                             |           |               |   |                           |           |               |   |
| Generated — Net Output <sup>(c)</sup>                    |                             |           |               |   |                           |           |               |   |
| Coal   | 1,911                       | 2,023     | (5.5%)        |   | 3,692                     | 4,326     | (14.7%)       |   |
| Nuclear  | 7,123                       | 6,512     | 9.4%          |   | 14,247                    | 13,379    | 6.5%          |   |
| Hydro  | 207                         | 236       | (12.3%)       |   | 459                       | 445       | 3.1%          |   |
| Oil and Natural Gas                                      | 4,428                       | 5,027     | (11.9%)       |   | 9,866                     | 11,226    | (12.1%)       |   |
| Renewable Energy   | 79                          | 74        | 6.8%          |   | 125                       | 128       | (2.3%)        |   |
| Total Generation <sup>(d)</sup>                          | 13,748                      | 13,872    | (0.9%)        |   | 28,389                    | 29,504    | (3.8%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>       | 2,981                       | 2,734     | 9.0%          |   | 5,182                     | 4,969     | 4.3%          |   |
| Total Sources of Energy                                  | 16,729                      | 16,606    | 0.7%          |   | 33,571                    | 34,473    | (2.6%)        |   |
| Less: Line Loss and Other                                | 507                         | 710       | (28.6%)       |   | 1,001                     | 1,351     | (25.9%)       |   |
| Total GWh Sources  | 16,222                      | 15,896    | 2.1%          |   | 32,570                    | 33,122    | (1.7%)        |   |
| <b>Owned MW Capacity <sup>(c)</sup></b>                  |                             |           |               |   |                           |           |               |   |
| Summer   |                             |           |               |   | 12,779                    | 12,760    |               |   |
| Winter   |                             |           |               |   | 13,942                    | 14,016    |               |   |
| <b>Nuclear Capacity Factor (%) <sup>(f)</sup></b>        |                             |           |               |   |                           |           |               |   |
|  |                             |           |               |   | 92                        | 87        |               |   |
| <b>Heating and Cooling Degree Days</b>                   |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>  |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                      | 117                         | 191       | (38.7%)       |   | 1,600                     | 1,805     | (11.4%)       |   |
| Cooling Degree Days                                      | 715                         | 696       | 2.7%          |   | 721                       | 719       | 0.3%          |   |
| <b>Variance from Normal</b>                              |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                      | (36.5%)                     | 1.1%      |               |   | (10.7%)                   | 0.1%      |               |   |
| Cooling Degree Days                                      | 33.0%                       | 30.3%     |               |   | 31.5%                     | 32.1%     |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100 percent of jointly owned stations.

**Duke Energy Florida**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2019**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2019                        | 2018      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2019                      | 2018      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales <sup>(a)</sup></b>                         |                             |           |               |   |                           |           |               |   |
| Residential   | 5,168                       | 4,663     | 10.8%         |   | 9,382                     | 9,191     | 2.1%          |   |
| General Service   | 3,954                       | 3,699     | 6.9%          |   | 7,227                     | 7,139     | 1.2%          |   |
| Industrial  | 770                         | 781       | (1.4%)        |   | 1,447                     | 1,539     | (6.0%)        |   |
| Other Energy Sales                                      | 6                           | 6         | —%            |   | 12                        | 12        | —%            |   |
| Unbilled Sales  | 414                         | 573       | (27.7%)       |   | 182                       | 388       | (53.1%)       |   |
| Total Retail Sales                                      | 10,312                      | 9,722     | 6.1%          | 2.2%  | 18,250                    | 18,269    | (0.1%)        | 0.1%  |
| Wholesale and Other                                     | 839                         | 582       | 44.2%         |   | 1,222                     | 1,154     | 5.9%          |   |
| Total Electric Sales — Duke Energy Florida              | 11,151                      | 10,304    | 8.2%          |   | 19,472                    | 19,423    | 0.3%          |   |
| <b>Average Number of Customers</b>                      |                             |           |               |   |                           |           |               |   |
| Residential   | 1,620,392                   | 1,594,538 | 1.6%          |   | 1,618,343                 | 1,591,724 | 1.7%          |   |
| General Service   | 200,593                     | 200,657   | —%            |   | 201,651                   | 200,432   | 0.6%          |   |
| Industrial  | 2,031                       | 2,082     | (2.4%)        |   | 2,035                     | 2,096     | (2.9%)        |   |
| Other Energy Sales                                      | 1,500                       | 1,511     | (0.7%)        |   | 1,502                     | 1,514     | (0.8%)        |   |
| Total Retail Customers                                  | 1,824,516                   | 1,798,788 | 1.4%          |   | 1,823,531                 | 1,795,766 | 1.5%          |   |
| Wholesale and Other                                     | 13                          | 11        | 18.2%         |   | 12                        | 11        | 9.1%          |   |
| Total Average Number of Customers — Duke Energy Florida | 1,824,529                   | 1,798,799 | 1.4%          |   | 1,823,543                 | 1,795,777 | 1.5%          |   |
| <b>Sources of Electric Energy (GWh)</b>                 |                             |           |               |   |                           |           |               |   |
| Generated — Net Output <sup>(c)</sup>                   |                             |           |               |   |                           |           |               |   |
| Coal  | 1,133                       | 1,877     | (39.6%)       |   | 1,751                     | 3,998     | (56.2%)       |   |
| Oil and Natural Gas                                     | 9,419                       | 7,238     | 30.1%         |   | 16,906                    | 13,329    | 26.8%         |   |
| Renewable Energy  | 65                          | 9         | 622.2%        |   | 106                       | 17        | 523.5%        |   |
| Total Generation <sup>(d)</sup>                         | 10,617                      | 9,124     | 16.4%         |   | 18,763                    | 17,344    | 8.2%          |   |
| Purchased Power and Net Interchange <sup>(e)</sup>      | 1,336                       | 1,901     | (29.7%)       |   | 2,196                     | 3,279     | (33.0%)       |   |
| Total Sources of Energy                                 | 11,953                      | 11,025    | 8.4%          |   | 20,959                    | 20,623    | 1.6%          |   |
| Less: Line Loss and Other                               | 802                         | 721       | 11.2%         |   | 1,487                     | 1,200     | 23.9%         |   |
| Total GWh Sources                                       | 11,151                      | 10,304    | 8.2%          |   | 19,472                    | 19,423    | 0.3%          |   |
| <b>Owned MW Capacity <sup>(c)</sup></b>                 |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 10,218                    | 9,304     |               |   |
| Winter  |                             |           |               |   | 11,308                    | 10,255    |               |   |
| <b>Heating and Cooling Degree Days</b>                  |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>   |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                     | —                           | 2         | (100.0%)      |   | 271                       | 385       | (29.6%)       |   |
| Cooling Degree Days                                     | 1,159                       | 1,052     | 10.2%         |   | 1,403                     | 1,316     | 6.6%          |   |
| <b>Variance from Normal</b>                             |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                     | (100.0%)                    | (81.9%)   |               |   | (28.6%)                   | (1.3%)    |               |   |
| Cooling Degree Days                                     | 11.0%                       | 1.2%      |               |   | 13.6%                     | 7.5%      |               |   |

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2019**

|  | Three Months Ended June 30, |         |               |   | Six Months Ended June 30, |         |               |   |
|--|-----------------------------|---------|---------------|---|---------------------------|---------|---------------|---|
|  | 2019                        | 2018    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2019                      | 2018    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales <sup>(a)</sup></b>                      |                             |         |               |   |                           |         |               |   |
| Residential  | 1,761                       | 2,052   | (14.2%)       |   | 4,284                     | 4,615   | (7.2%)        |   |
| General Service                                      | 2,223                       | 2,341   | (5.0%)        |   | 4,498                     | 4,660   | (3.5%)        |   |
| Industrial   | 1,404                       | 1,471   | (4.6%)        |   | 2,798                     | 2,858   | (2.1%)        |   |
| Other Energy Sales                                   | 27                          | 27      | —%            |   | 54                        | 54      | —%            |   |
| Unbilled Sales                                       | 139                         | 206     | (32.5%)       |   | (58)                      | (118)   | 50.8%         |   |
| Total Retail Sales                                   | 5,554                       | 6,097   | (8.9%)        | (2.9%)                                      | 11,576                    | 12,069  | (4.1%)        | (0.6%)                                      |
| Wholesale and Other                                  | 106                         | 50      | 112.0%        |   | 248                       | 150     | 65.3%         |   |
| Total Electric Sales — Duke Energy Ohio              | 5,660                       | 6,147   | (7.9%)        |   | 11,824                    | 12,219  | (3.2%)        |   |
| <b>Average Number of Customers</b>                   |                             |         |               |   |                           |         |               |   |
| Residential  | 769,572                     | 765,215 | 0.6%          |   | 771,163                   | 766,081 | 0.7%          |   |
| General Service                                      | 87,914                      | 88,214  | (0.3%)        |   | 88,203                    | 88,238  | —%            |   |
| Industrial   | 2,461                       | 2,492   | (1.2%)        |   | 2,471                     | 2,497   | (1.0%)        |   |
| Other Energy Sales                                   | 3,391                       | 3,332   | 1.8%          |   | 3,384                     | 3,332   | 1.6%          |   |
| Total Retail Customers                               | 863,338                     | 859,253 | 0.5%          |   | 865,221                   | 860,148 | 0.6%          |   |
| Wholesale and Other                                  | 1                           | 1       | —%            |   | 1                         | 1       | —%            |   |
| Total Average Number of Customers — Duke Energy Ohio | 863,339                     | 859,254 | 0.5%          |   | 865,222                   | 860,149 | 0.6%          |   |
| <b>Sources of Electric Energy (GWh)</b>              |                             |         |               |   |                           |         |               |   |
| Generated — Net Output <sup>(c)</sup>                |                             |         |               |   |                           |         |               |   |
| Coal   | 642                         | 143     | 349.0%        |   | 1,698                     | 819     | 107.3%        |   |
| Oil and Natural Gas                                  | 26                          | 49      | (46.9%)       |   | 32                        | 69      | (53.6%)       |   |
| Total Generation <sup>(d)</sup>                      | 668                         | 192     | 247.9%        |   | 1,730                     | 888     | 94.8%         |   |
| Purchased Power and Net Interchange <sup>(e)</sup>   | 5,596                       | 6,549   | (14.6%)       |   | 11,507                    | 12,884  | (10.7%)       |   |
| Total Sources of Energy                              | 6,264                       | 6,741   | (7.1%)        |   | 13,237                    | 13,772  | (3.9%)        |   |
| Less: Line Loss and Other                            | 604                         | 594     | 1.7%          |   | 1,413                     | 1,553   | (9.0%)        |   |
| Total GWh Sources                                    | 5,660                       | 6,147   | (7.9%)        |   | 11,824                    | 12,219  | (3.2%)        |   |
| <b>Owned MW Capacity <sup>(c)</sup></b>              |                             |         |               |   |                           |         |               |   |
| Summer   |                             |         |               |   | 1,076                     | 1,076   |               |   |
| Winter   |                             |         |               |   | 1,164                     | 1,164   |               |   |
| <b>Heating and Cooling Degree Days</b>               |                             |         |               |   |                           |         |               |   |
| <b>Actual</b>  |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                  | 347                         | 497     | (30.2%)       |   | 2,918                     | 3,066   | (4.8%)        |   |
| Cooling Degree Days                                  | 333                         | 539     | (38.2%)       |   | 333                       | 543     | (38.7%)       |   |
| <b>Variance from Normal</b>                          |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                  | (22.7%)                     | 9.9%    |               |   | (2.9%)                    | 1.4%    |               |   |
| Cooling Degree Days                                  | 2.8%                        | 64.2%   |               |   | 1.7%                      | 63.5%   |               |   |

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

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**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2019**

|   | Three Months Ended June 30, |         |               |   | Six Months Ended June 30, |         |               |   |
|---|-----------------------------|---------|---------------|---|---------------------------|---------|---------------|---|
|   | 2019                        | 2018    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2019                      | 2018    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales <sup>(a)</sup></b>                         |                             |         |               |   |                           |         |               |   |
| Residential   | 1,816                       | 2,088   | (13.0%)       |   | 4,644                     | 4,954   | (6.3%)        |   |
| General Service   | 1,949                       | 2,022   | (3.6%)        |   | 3,958                     | 4,025   | (1.7%)        |   |
| Industrial  | 2,573                       | 2,659   | (3.2%)        |   | 5,115                     | 5,197   | (1.6%)        |   |
| Other Energy Sales                                      | 13                          | 13      | —%            |   | 26                        | 26      | —%            |   |
| Unbilled Sales  | 95                          | 140     | (32.1%)       |   | (93)                      | (136)   | (31.6%)       |   |
| Total Retail Sales                                      | 6,446                       | 6,922   | (6.9%)        | (2.1%)                                      | 13,650                    | 14,066  | (3.0%)        | (0.8%)                                      |
| Wholesale and Other                                     | 991                         | 1,379   | (28.1%)       |   | 1,820                     | 2,720   | (33.1%)       |   |
| Total Electric Sales — Duke Energy Indiana              | 7,437                       | 8,301   | (10.4%)       |   | 15,470                    | 16,786  | (7.8%)        |   |
| <b>Average Number of Customers</b>                      |                             |         |               |   |                           |         |               |   |
| Residential   | 732,245                     | 722,342 | 1.4%          |   | 732,741                   | 722,156 | 1.5%          |   |
| General Service   | 101,514                     | 101,477 | —%            |   | 101,570                   | 101,410 | 0.2%          |   |
| Industrial  | 2,690                       | 2,720   | (1.1%)        |   | 2,695                     | 2,723   | (1.0%)        |   |
| Other Energy Sales                                      | 1,749                       | 1,704   | 2.6%          |   | 1,743                     | 1,700   | 2.5%          |   |
| Total Retail Customers                                  | 838,198                     | 828,243 | 1.2%          |   | 838,749                   | 827,989 | 1.3%          |   |
| Wholesale and Other                                     | 4                           | 5       | (20.0%)       |   | 4                         | 5       | (20.0%)       |   |
| Total Average Number of Customers — Duke Energy Indiana | 838,202                     | 828,248 | 1.2%          |   | 838,753                   | 827,994 | 1.3%          |   |
| <b>Sources of Electric Energy (GWh)</b>                 |                             |         |               |   |                           |         |               |   |
| Generated — Net Output <sup>(c)</sup>                   |                             |         |               |   |                           |         |               |   |
| Coal  | 4,251                       | 5,386   | (21.1%)       |   | 9,745                     | 11,774  | (17.2%)       |   |
| Hydro   | 32                          | 32      | —%            |   | 54                        | 52      | 3.8%          |   |
| Oil and Natural Gas                                     | 511                         | 1,332   | (61.6%)       |   | 1,153                     | 2,187   | (47.3%)       |   |
| Renewable Energy  | 9                           | 9       | —%            |   | 13                        | 14      | (7.1%)        |   |
| Total Generation <sup>(d)</sup>                         | 4,803                       | 6,759   | (28.9%)       |   | 10,965                    | 14,027  | (21.8%)       |   |
| Purchased Power and Net Interchange <sup>(e)</sup>      | 2,971                       | 2,060   | 44.2%         |   | 5,319                     | 3,715   | 43.2%         |   |
| Total Sources of Energy                                 | 7,774                       | 8,819   | (11.8%)       |   | 16,284                    | 17,742  | (8.2%)        |   |
| Less: Line Loss and Other                               | 337                         | 518     | (34.9%)       |   | 814                       | 956     | (14.9%)       |   |
| Total GWh Sources                                       | 7,437                       | 8,301   | (10.4%)       |   | 15,470                    | 16,786  | (7.8%)        |   |
| <b>Owned MW Capacity <sup>(c)</sup></b>                 |                             |         |               |   |                           |         |               |   |
| Summer  |                             |         |               |   | 6,606                     | 6,606   |               |   |
| Winter  |                             |         |               |   | 7,023                     | 7,000   |               |   |
| <b>Heating and Cooling Degree Days</b>                  |                             |         |               |   |                           |         |               |   |
| <b>Actual</b>   |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                     | 474                         | 547     | (13.3%)       |   | 3,358                     | 3,378   | (0.6%)        |   |
| Cooling Degree Days                                     | 294                         | 557     | (47.2%)       |   | 294                       | 561     | (47.6%)       |   |
| <b>Variance from Normal</b>                             |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                     | (4.3%)                      | 11.0%   |               |   | 3.3%                      | 3.7%    |               |   |
| Cooling Degree Days                                     | (11.3%)                     | 68.9%   |               |   | (12.1%)                   | 68.4%   |               |   |

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

## Gas Utilities and Infrastructure

## Quarterly Highlights

June 2019

|  | Three Months Ended June 30, |             |               | Six Months Ended June 30, |             |               |
|--|-----------------------------|-------------|---------------|---------------------------|-------------|---------------|
|  | 2019                        | 2018        | % Inc. (Dec.) | 2019                      | 2018        | % Inc. (Dec.) |
| <b>Total Sales</b>   |                             |             |               |                           |             |               |
| Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup> | 104,684,733                 | 116,839,962 | (10.4%)       | 256,350,657               | 271,741,341 | (5.7%)        |
| Duke Energy Midwest LDC throughput (Mcf)   | 13,742,907                  | 15,615,050  | (12.0%)       | 52,281,179                | 52,741,115  | (0.9%)        |
| <b>Average Number of Customers — Piedmont Natural Gas</b>                                    |                             |             |               |                           |             |               |
| Residential  | 980,822                     | 968,046     | 1.3%          | 982,131                   | 969,356     | 1.3%          |
| Commercial   | 104,238                     | 103,543     | 0.7%          | 104,479                   | 104,189     | 0.3%          |
| Industrial   | 970                         | 961         | 0.9%          | 968                       | 962         | 0.6%          |
| Power Generation   | 16                          | 17          | (5.9%)        | 16                        | 17          | (5.9%)        |
| Total Average Number of Gas Customers — Piedmont Natural Gas                                 | 1,086,046                   | 1,072,567   | 1.3%          | 1,087,594                 | 1,074,524   | 1.2%          |
| <b>Average Number of Customers — Duke Energy Midwest</b>                                     |                             |             |               |                           |             |               |
| Residential  | 489,728                     | 486,015     | 0.8%          | 491,448                   | 487,434     | 0.8%          |
| General Service  | 43,111                      | 43,157      | (0.1%)        | 44,229                    | 44,219      | —%            |
| Industrial   | 1,551                       | 1,574       | (1.5%)        | 1,615                     | 1,618       | (0.2%)        |
| Other  | 135                         | 138         | (2.2%)        | 135                       | 138         | (2.2%)        |
| Total Average Number of Gas Customers — Duke Energy Midwest                                  | 534,525                     | 530,884     | 0.7%          | 537,427                   | 533,409     | 0.8%          |

- (a) Piedmont has a margin decoupling mechanism in North Carolina and weather normalization mechanisms in South Carolina and Tennessee that significantly eliminate the impact of throughput changes on earnings. Duke Energy Ohio's rate design also serves to offset this impact.

## Commercial Renewables

## Quarterly Highlights

June 2019

|  | Three Months Ended June 30, |       |               | Six Months Ended June 30, |       |               |
|--|-----------------------------|-------|---------------|---------------------------|-------|---------------|
|  | 2019                        | 2018  | % Inc. (Dec.) | 2019                      | 2018  | % Inc. (Dec.) |
| Renewable Plant Production, GWh                          | 2,314                       | 2,471 | (6.4)%        | 4,382                     | 4,651 | (5.8)%        |
| Net Proportional MW Capacity in Operation <sup>(a)</sup> | n/a                         | n/a   |               | 3,157                     | 2,951 | 7.0 %         |

- (a) Includes 100 percent tax equity project capacity.



**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 6, 2019**

**Adjusted Diluted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of adjusted diluted EPS for the quarter and year-to-date periods ended June 30, 2019 and 2018.

The non-GAAP financial measure, adjusted diluted EPS, represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. For the quarter and year-to-date periods ended June 30, 2019 adjusted diluted EPS equals reported diluted EPS attributable to Duke Energy Corporation common stockholders. Accordingly, there is no reconciliation of adjusted diluted EPS for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted diluted EPS for the quarter and year-to-date periods ended June 30, 2018, to the most directly comparable GAAP measure is included herein.

Special items for the quarter and year-to-date periods ended June 30, 2018, include the following items, which management believes do not reflect ongoing costs:

- Costs to Achieve Piedmont Merger represents charges that resulted from the Piedmont acquisition.
- Regulatory and Legislative Impacts represent charges related to rate case orders, settlements or other actions of regulators or legislative bodies.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impairment of Equity Method Investment represents an OTTI of an investment in Constitution.
- Impacts of the Tax Act represents an AMT valuation allowance recognized related to the Tax Act.

**Adjusted Diluted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a reference to adjusted diluted EPS guidance range of \$4.80 - \$5.20 per share. The materials also reference the long-term range of annual growth of 4% - 6% through 2023 off the midpoint of 2019 adjusted EPS guidance range of \$5.00. Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, adjusted for the per share impact of special items (as discussed above under Adjusted Diluted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## Adjusted Segment Income and Adjusted Other Net Loss

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2018 and a discussion of 2019 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income and other net loss adjusted for special items (as discussed above under Adjusted Diluted EPS). When a per share impact is provided for a segment income driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure and Gas Utilities and Infrastructure, segment statutory tax rate of 23% for Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average diluted shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income and adjusted other net loss are reported segment income and other net loss, which represents segment income and other net loss from continuing operations, including any special items. For the quarter and year-to-date periods ended June 30, 2019, adjusted segment income and adjusted other net loss equal reported segment income and other net loss. Accordingly, there is no reconciliation of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2018, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted Diluted EPS Guidance.

## Dividend Payout Ratio

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of Duke Energy's forecasted dividend payout ratio of 65% - 75% based upon adjusted diluted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted diluted EPS from continuing operations attributable to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted Diluted EPS. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

## **Effective Tax Rate Including Impacts of Noncontrolling Interests and Preferred Dividends and Excluding Special Items**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter and year-to-date periods ended June 30, 2019. The materials also include a discussion of the 2019 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the 2019 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

## **Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 6, 2019, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2019, to the most directly comparable GAAP measure is included herein.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended June 30, 2018  
(Dollars in millions, except per-share amounts)

|   |                   | Special Items                    |                                    |                         |                   |                   |  |
|---|-------------------|----------------------------------|------------------------------------|-------------------------|-------------------|-------------------|--|
|   | Reported Earnings | Costs to Achieve Piedmont Merger | Regulatory and Legislative Impacts | Discontinued Operations | Total Adjustments | Adjusted Earnings |  |
| <b>SEGMENT INCOME</b>                                       |                   |                                  |                                    |                         |                   |                   |  |
| Electric Utilities and Infrastructure                       | \$ 575            | \$ —                             | \$ 136                             | B \$ —                  | \$ 136            | \$ 711            |  |
| Gas Utilities and Infrastructure                            | 28                | —                                | —                                  | —                       | —                 | 28                |  |
| Commercial Renewables                                       | 38                | —                                | —                                  | —                       | —                 | 38                |  |
| <b>Total Reportable Segment Income</b>                      | <b>641</b>        | <b>—</b>                         | <b>136</b>                         | <b>—</b>                | <b>136</b>        | <b>777</b>        |  |
| Other   | (136)             | 15                               | A —                                | —                       | 15                | (121)             |  |
| Discontinued Operations                                     | (5)               | —                                | —                                  | 5                       | C 5               | —                 |  |
| <b>Net Income Attributable to Duke Energy Corporation</b>   | <b>\$ 500</b>     | <b>\$ 15</b>                     | <b>\$ 136</b>                      | <b>\$ 5</b>             | <b>\$ 156</b>     | <b>\$ 656</b>     |  |
| <b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b> | <b>\$ 0.71</b>    | <b>\$ 0.02</b>                   | <b>\$ 0.19</b>                     | <b>\$ 0.01</b>          | <b>\$ 0.22</b>    | <b>\$ 0.93</b>    |  |

**A** — Net of \$5 million tax benefit. \$20 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** — Net of \$43 million tax benefit at Duke Energy Carolinas. \$175 million recorded within Impairment charges and \$4 million recorded within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.

**C** — Recorded in Loss from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) — 704 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2018**  
(Dollars in millions, except per-share amounts)

|   | Reported Earnings | Special Items                    |                                    |                       |  |                        | Discontinued Operations | Total Adjustments | Adjusted Earnings |
|---|-------------------|----------------------------------|------------------------------------|-----------------------|--|------------------------|-------------------------|-------------------|-------------------|
|   |                   | Costs to Achieve Piedmont Merger | Regulatory and Legislative Impacts | Sale of Retired Plant | Impairment of Equity Method Investment | Impacts of the Tax Act |                         |                   |                   |
| <b>SEGMENT INCOME</b>                                       |                   |                                  |                                    |                       |  |                        |                         |                   |                   |
| Electric Utilities and Infrastructure                       | \$ 1,325          | \$ —                             | \$ 202                             | B \$ —                | \$ —                                   | \$ —                   | \$ —                    | \$ 202            | \$ 1,527          |
| Gas Utilities and Infrastructure                            | 144               | —                                | —                                  | —                     | 42                                     | D —                    | —                       | 42                | 186               |
| Commercial Renewables                                       | 58                | —                                | —                                  | —                     | —                                      | —                      | —                       | —                 | 58                |
| <b>Total Reportable Segment Income</b>                      | <b>1,527</b>      | <b>—</b>                         | <b>202</b>                         | <b>—</b>              | <b>42</b>                              | <b>—</b>               | <b>—</b>                | <b>244</b>        | <b>1,771</b>      |
| Other   | (402)             | 28                               | A —                                | 82                    | C —                                    | 76                     | E —                     | 186               | (216)             |
| Discontinued Operations                                     | (5)               | —                                | —                                  | —                     | —                                      | —                      | 5                       | F 5               | —                 |
| Net Income Attributable to Duke Energy Corporation          | \$ 1,120          | \$ 28                            | \$ 202                             | \$ 82                 | \$ 42                                  | \$ 76                  | \$ 5                    | \$ 435            | \$ 1,555          |
| <b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b> | <b>\$ 1.59</b>    | <b>\$ 0.04</b>                   | <b>\$ 0.29</b>                     | <b>\$ 0.12</b>        | <b>\$ 0.06</b>                         | <b>\$ 0.11</b>         | <b>\$ 0.01</b>          | <b>\$ 0.63</b>    | <b>\$ 2.22</b>    |

**A** — Net of \$9 million tax benefit. \$37 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** — Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas.

- On the Duke Energy Progress' Condensed Consolidated Statements of Operations, \$32 million is recorded within Impairment charges, \$31 million within Operations, maintenance and other, \$6 million within Interest Expense and \$(1) million within Depreciation and amortization.

- On the Duke Energy Carolinas' Condensed Consolidated Statements of Operations, \$188 million is recorded within Impairment charges, \$8 million within Operations, maintenance and other, and \$1 million within Depreciation and amortization.

**C** — Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Condensed Consolidated Statements of Operations.

**D** — Net of \$13 million tax benefit. \$55 million recorded within Other Income and Expenses on the Condensed Consolidated Statements of Operations.

**E** — \$76 million AMT valuation allowance within Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**F** — Recorded in Loss from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) — 702 million**

**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2019  
(Dollars in millions)

|   | Three Months Ended<br>June 30, 2019 |                    | Six Months Ended<br>June 30, 2019 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income From Continuing Operations Before Income Taxes</b>           | \$ 889                              |                    | \$ 1,877                          |                    |
| Noncontrolling Interests  | 84                                  |                    | 91                                |                    |
| Preferred Dividends   | (12)                                |                    | (12)                              |                    |
| <b>Pretax Income including noncontrolling interests and preferred dividends</b> | <u>\$ 961</u>                       |                    | <u>\$ 1,956</u>                   |                    |
| <b>Reported Income Tax Expense From Continuing Operations</b>                   | \$ 141                              | 15.9%              | \$ 236                            | 12.6%              |
| <b>Tax Expense including noncontrolling interest and preferred dividends</b>    | <u>\$ 141</u>                       | 14.7%              | <u>\$ 236</u>                     | 12.1%              |

|   | Three Months Ended<br>June 30, 2018 |                    | Six Months Ended<br>June 30, 2018 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income From Continuing Operations Before Income Taxes</b>               | \$ 607                              |                    | \$ 1,410                          |                    |
| Costs to Achieve Piedmont Merger  | 20                                  |                    | 37                                |                    |
| Regulatory and Legislative Impacts  | 179                                 |                    | 265                               |                    |
| Sale of Retired Plant   | —                                   |                    | 107                               |                    |
| Impairment of Equity Method Investment  | —                                   |                    | 55                                |                    |
| Noncontrolling Interests  | (2)                                 |                    | (4)                               |                    |
| <b>Pretax Income including noncontrolling interests and excluding special items</b> | <u>\$ 804</u>                       |                    | <u>\$ 1,870</u>                   |                    |
| <b>Reported Income Tax Expense From Continuing Operations</b>                       | \$ 100                              | 16.5%              | \$ 281                            | 19.9%              |
| Costs to Achieve Piedmont Merger  | 5                                   |                    | 9                                 |                    |
| Regulatory and Legislative Impacts  | 43                                  |                    | 63                                |                    |
| Sale of Retired Plant   | —                                   |                    | 25                                |                    |
| Impairment of Equity Method Investment  | —                                   |                    | 13                                |                    |
| Impacts of the Tax Act  | —                                   |                    | (76)                              |                    |
| <b>Tax Expense including noncontrolling interest and excluding special items</b>    | <u>\$ 148</u>                       | 18.4%              | <u>\$ 315</u>                     | 16.8%              |

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2019**  
**(In millions)**

|  |                        |                           |
|--|------------------------|---------------------------|
| Cash and Cash Equivalents  | \$ 336                 |                           |
| Less: Certain Amounts Held in Foreign Jurisdictions                              | (31)                   |                           |
| Less: Unavailable Domestic Cash  | <u>(105)</u>           |                           |
|  | 200                    |                           |
| Plus: Remaining Availability under Master Credit Facilities and other facilities | <u>4,446</u>           |                           |
| Total Available Liquidity (a)  | <u><u>\$ 4,646</u></u> | approximately 4.6 billion |

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.





Duke Energy Carolinas, LLC  
Docket no. E-7, Sub 1276  
E1-21- Annual Reports  
For the Test Year ended December 31,  
2021

# Earnings Review & Business Update

SECOND QUARTER 2020

**Lynn Good** *Chair, President and CEO*  
**Steve Young** *Executive Vice President and CFO*

August 10, 2020

OFFICIAL COPY

Jan 19, 2023



## Safe Harbor statement

This presentation includes forward-looking statements within the meaning of the federal securities laws. Actual results could differ materially from such forward-looking statements. The factors that could cause actual results to differ are discussed herein and in Duke Energy's SEC filings, available at [www.sec.gov](http://www.sec.gov).

## Regulation G disclosure

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available in the Appendix herein and on our Investor Relations website at [www.duke-energy.com/investors/](http://www.duke-energy.com/investors/).

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to: The impact of the COVID-19 pandemic; State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process; The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; Costs and effects of legal and administrative proceedings, settlements, investigations and claims; Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies; Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs; Advancements in technology; Additional competition in electric and natural gas markets and continued industry consolidation; The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business; Operational interruptions to our natural gas distribution and transmission activities; The availability of adequate interstate pipeline transportation capacity and natural gas supply; The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions; Credit ratings of the Duke Energy Registrants may be different from what is expected; Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; The ability to control operation and maintenance costs; The level of creditworthiness of counterparties to transactions; The ability to obtain adequate insurance at acceptable costs; Employee workforce factors, including the potential inability to attract and retain key personnel; The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; The effect of accounting pronouncements issued periodically by accounting standard-setting bodies; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; and the ability to implement our business strategy, including enhancing existing technology systems.

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at [sec.gov](https://www.sec.gov). In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



2019 SUSTAINABILITY REPORT

Ready for what's



## ACHIEVING A NET **ZERO** CARBON FUTURE

Duke Energy 2020 Climate Report



BUILDING A SUSTAINABLE ENERGY FUTURE

## BUSINESS UPDATE

### Lynn Good, Chair, President & CEO

- 2020 financial overview, including COVID-19 impacts
- Rate case status and updates
- Long-term company outlook

## FINANCIAL UPDATE

### Steve Young, Executive VP & CFO

- Second-quarter 2020 earnings drivers
- Load growth and economic update
- 2020 cost mitigation update
- Early considerations regarding 2021 earnings
- Key investor considerations

(\$1.13)/\$1.08

2Q 2020 REPORTED/  
ADJUSTED EPS

COMPARED TO \$1.12 IN 2Q 2019

## EXPECT TO DELIVER

IN THE LOWER HALF OF 2020  
ADJUSTED EPS GUIDANCE  
RANGE OF \$5.05 - \$5.45

## EXCEPTIONAL BUSINESS

## FUNDAMENTALS

95% OF EARNINGS AND  
CAPITAL IN REGULATED  
ELECTRIC AND GAS UTILITIES

## SOLID SECOND-QUARTER RESULTS

- Adjusted EPS results for 2Q 2020 favorable to updated financial plan shared in May
- 2Q 2020 load results favorable to our original COVID-19 forecast
- Strong cost mitigation of \$0.17 EPS achieved year to date

## DELIVERING ON 2020 FINANCIAL COMMITMENTS

- Remain confident in our ability to deliver in the lower half of the range, overcoming significant headwinds
  - COVID-19 load impacts of (\$0.25-\$0.35) EPS forecasted for the full year
  - ACP cancellation results in loss of (\$0.13) EPS in second half of 2020
  - 2020 unfavorable weather and storms (\$0.16) EPS 2Q year-to-date
- Great confidence in achieving full-year cost mitigation of \$0.35-\$0.45 EPS

## FOCUSED ON LONG-TERM VALUE CREATION

- Committed to maximizing 2021 returns for shareholders using all tools at our disposal
- Regulated rate base CAGR of ~6% gives confidence in 4%-6% long-term EPS growth<sup>(1)</sup> rate, underscored by \$56 billion capital plan

*(1) Based on adjusted EPS*

DEDICATED TO EMPLOYEE ENGAGEMENT INCLUDING DIVERSITY, INCLUSION AND EQUALITY –  
SUPPORTING MOMENTUM FOR CHANGE IN OUR COMMUNITIES

## FAIR AND CONSTRUCTIVE OUTCOME IN INDIANA

- Indiana Utility Regulatory Commission approved:
  - Strategic investments to generate cleaner electricity and improve reliability
  - 9.7% ROE, 53% equity capital structure
  - Recovery of and on coal ash investments
  - Shortened depreciable lives for coal plants
  - Edwardsport book value and operating costs in base rates
  - Annual increase of \$159 million effective August 2020 (step 1) and 2Q 2021 (step 2)
    - Forward test year rate base of \$10.2 billion as of December 2020

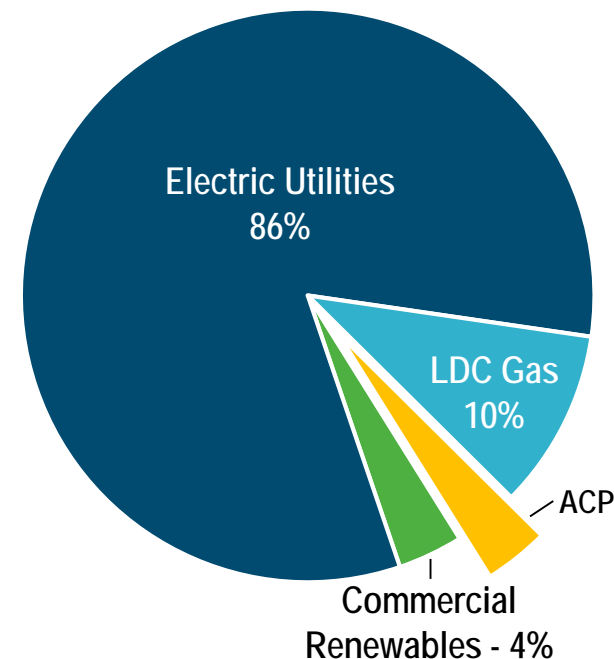
## NORTH CAROLINA RATE CASES UNDERWAY

- Hearings begin Aug. 24; expect final order by year-end 2020
- Favorable settlements with a broad group of intervenors highlight constructive regulatory environment in NC:
  - 9.6% ROE and 52% equity capital structure
  - Deferral treatment on ~\$1.3 billion in grid improvement investments
  - Flowback of unprotected EDIT over five years, mitigating customer rate impacts while accelerating growth in rate base
  - Capital investments and other key inputs updated through May 31, increasing revenue request by ~\$70 million
- Interim rates for DEC and DEP to be effective Aug. 2020 and Sept. 2020, respectively
  - Protects 2020 earnings from impact of rate case delay in hearings while keeping customer rates unchanged until final order is received

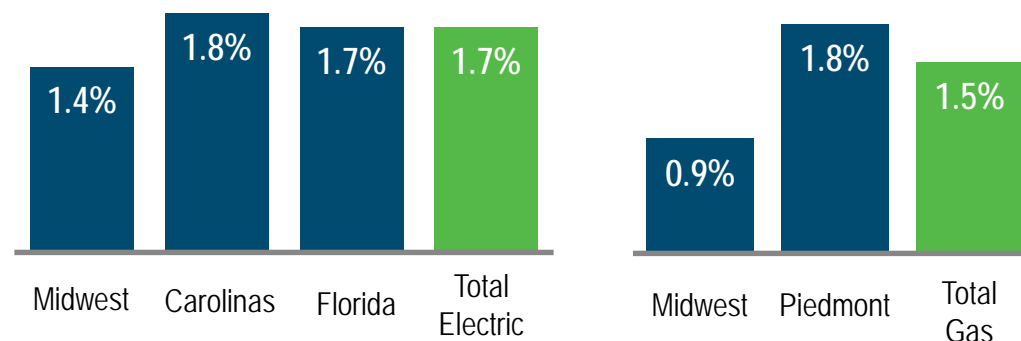
OUR REGULATORY JURISDICTIONS HAVE A TRACK RECORD OF BALANCING AFFORDABILITY FOR OUR CUSTOMERS AND SUPPORTING THE FINANCIAL HEALTH OF OUR UTILITIES

- \$56 billion capital plan drives shareholder value creation through 2024
  - ACP cancellation is a disappointing outcome for North Carolina, but the company is immediately adjusting to the evolving business conditions
- Emerging infrastructure needs
  - Piedmont Natural Gas LDC investments for the eastern part of NC
  - Grid upgrades and infrastructure across all of our jurisdictions
  - Additional solar investments from Florida's 750MW, Clean Energy Connection program
  - Increasing focus on fleet transition including renewables and battery storage
- Continued strong organic customer growth underlies 5-year capital plan
  - ~95% of \$56 billion capital plan dedicated to regulated electric and gas LDC businesses
  - Low-risk, smaller scale projects
  - Nearly 2% customer growth in the Southeast

## 5-YEAR \$56 BILLION CAPITAL PLAN



## YTD 2020 GROWTH IN NUMBER OF RESIDENTIAL CUSTOMERS



Upcoming Carolinas IRPs will illustrate multiple pathways to a cleaner energy future

Collaborating with Stakeholders to help shape path to achieve our climate goals

## PROGRESS ON THE PATH TO A NET ZERO-CARBON FUTURE

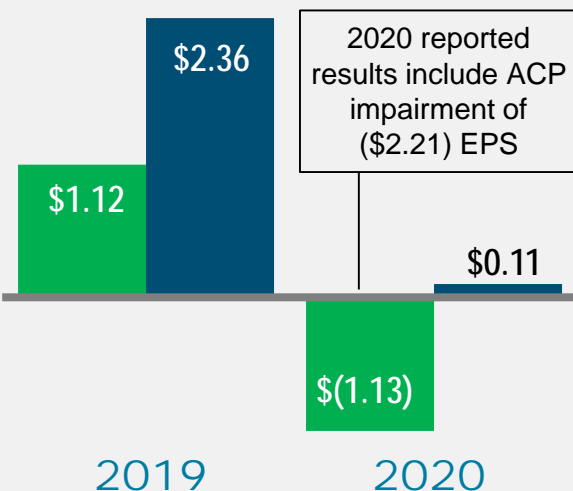
- Carolinas Integrated Resource Plans (IRP) to be filed Sept. 2020
  - IRPs will explore several solutions to further accelerate the realization of a cleaner energy future in NC and SC
  - Scenarios will include earlier retirement of coal plants as well as accelerated deployment of renewables and battery storage
  - Includes potential pathway to 70% carbon reductions by 2030, in line with the NC Governor's GHG reduction goal for electric sector
- All scenarios will maintain reliability standards
- Grid modernization will be key to the accelerated deployment of renewables and battery storage



DESTINATION  
=> 50% REDUCTION IN CO<sub>2</sub>  
EMISSIONS BY 2030 AND  
NET-ZERO BY 2050

ESG ANALYST DAY TO BE HELD VIA LIVE WEBCAST ON OCT. 9, 2020

## REPORTED EARNINGS PER SHARE



## ADJUSTED EARNINGS PER SHARE



## SEGMENT RESULTS VS. PRIOR YEAR QUARTER<sup>(1)</sup>

### Electric Utilities & Infrastructure, -\$56 M (-\$0.08 per share)

- ▲ O&M mitigation efforts (+0.11 per share)
- ▼ Unfavorable weather (-\$0.08 per share)
- ▼ Higher depreciation and amortization, primarily due to a growing asset base
- ▼ Lower retail volumes
- ▲ Contribution from grid riders in Midwest and base rate changes in SC and FL

### Gas Utilities & Infrastructure, +\$10 M (+\$0.01 per share)

- ▲ Contribution from base rate changes in NC and integrity management rider

### Commercial Renewables, +\$4 M (+\$0.01 per share)

- ▲ Growth from new projects

### Other, +\$31 M (+\$0.03 per share)

- ▲ Lower income tax expense
- ▲ Higher investment returns in non-qualified benefit plans

### Share Dilution (-\$0.01 per share)

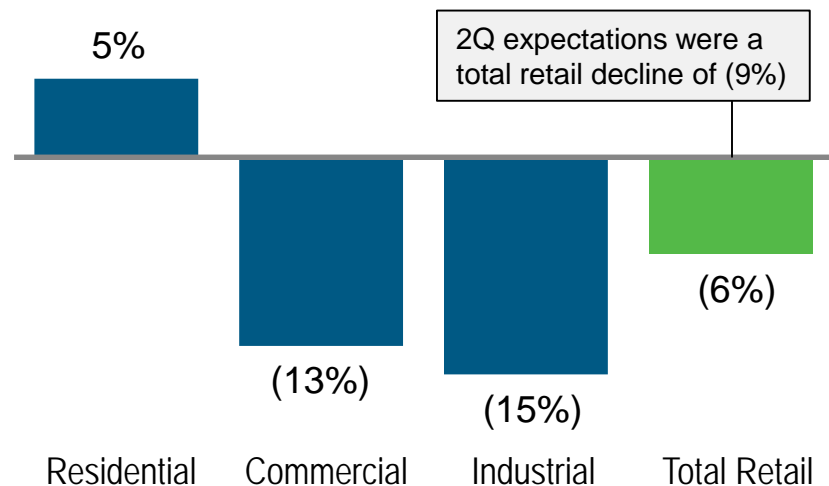
## 2020 SECOND HALF DRIVERS OF EPS GROWTH

- ▲ Base rate increases in FL, IN, NC, KY and Piedmont as well as Midwest riders
- ▼ ACP earnings
- ▼ Lower electric volumes
- ▲ Further cost mitigation
- ▲ July results

<sup>(1)</sup> Detailed drivers of adjusted segment income (loss) are available in the 2Q 2020 earnings release located on our Investor Relations website

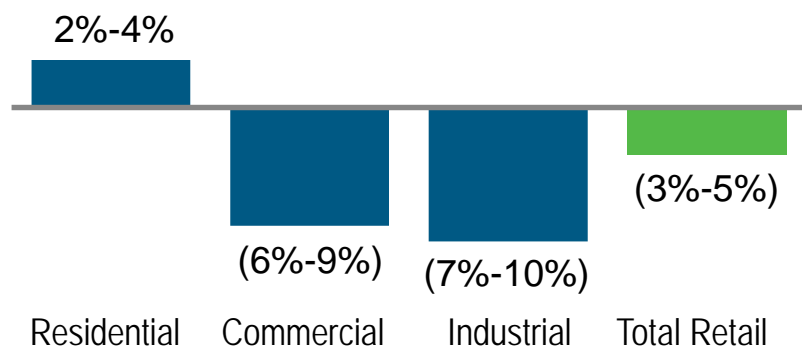


## 2Q 2020 RETAIL ELECTRIC VOLUMES<sup>(1)</sup>



## FORECASTED FULL YEAR 2020 RETAIL ELECTRIC VOLUMES<sup>(1)</sup>

(based on company's current economic assumptions)



(1) Compared to 2019 actuals

## 2Q 2020 VOLUME TRENDS

- 2Q 2020 results favorable to our original COVID-19 forecast shared in May
  - Higher margin residential volumes were strong, partially offsetting weak C&I load
- Approximately 3/4 of larger C&I customers that originally shut down in response to the pandemic are resuming operations
- July weather-normal total retail volumes compared to 2019 down (1.5%), favorable to COVID-impacted forecast
  - Residential volumes up ~6.5% compared to 2019

## 2020 FULL YEAR VOLUME EXPECTATIONS

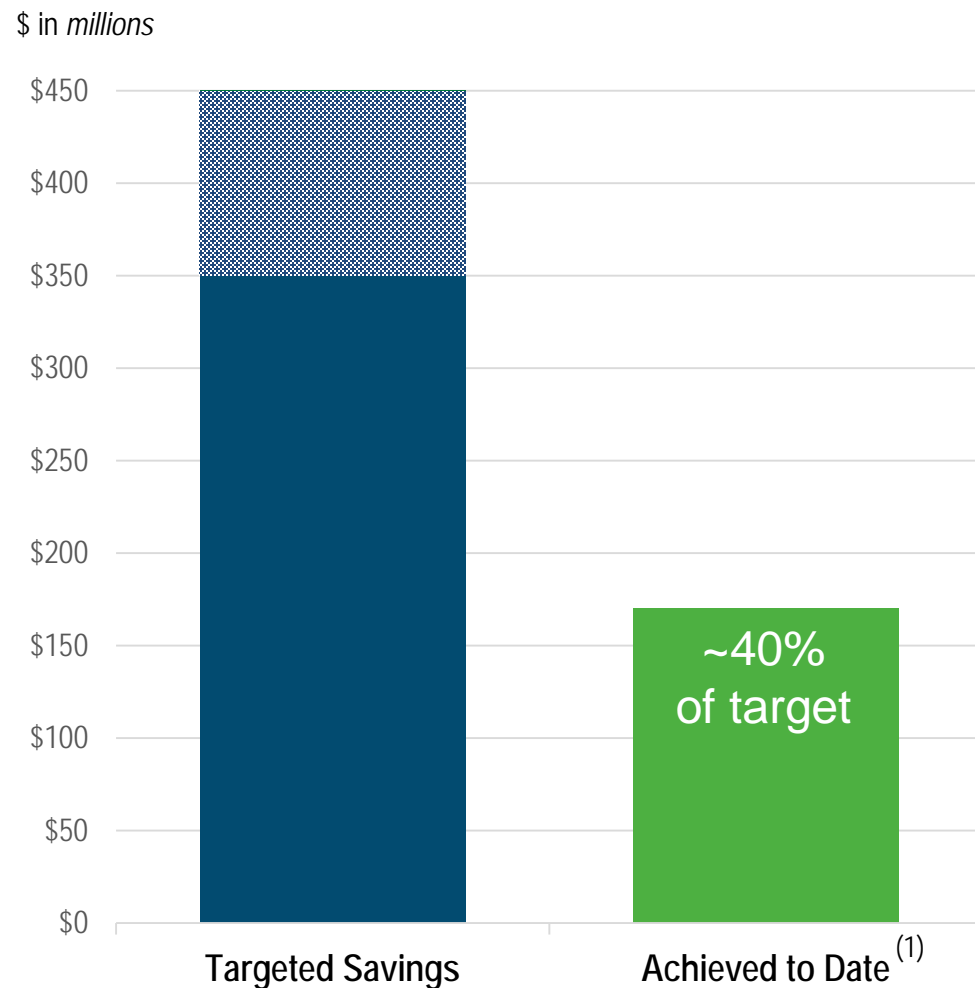
- Forecasting retail volumes to decline 3%-5% for full year 2020, but with potential upside based on 2Q results
  - Recent favorability compared to original COVID-19 expectations; with resurgence of virus cases, continue to monitor impact on economy
  - YTD impact of (\$0.08) EPS compared to Feb. plan
- Continue to estimate a (\$0.25-\$0.35) impact to 2020 EPS from retail load declines, based on current assumptions

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# O&M cost savings underway with measurable impacts to 2Q results

- Highly confident in achieving a \$350-\$450 million reduction in O&M and other expenses to mitigate 2020 headwinds
  - Unparalleled capability to mitigate headwinds given our size, scale and agility
- Clear line-of-sight of savings initiatives to achieve targets
  - Revised scope and timing of generation outages
  - Contract and employee labor costs, including overtime and variable compensation
  - Employee expenses reductions
  - Lower corporate costs such as IT expenditures
  - Lower interest expense due to well-timed capital market transactions
- Achieved \$170 million in savings through 2Q, with ability to deliver near the high end of mitigation range
  - Rapid response ability is a core competency
  - Business transformation team is developing solutions to make many of these initiatives sustainable for 2021 and beyond



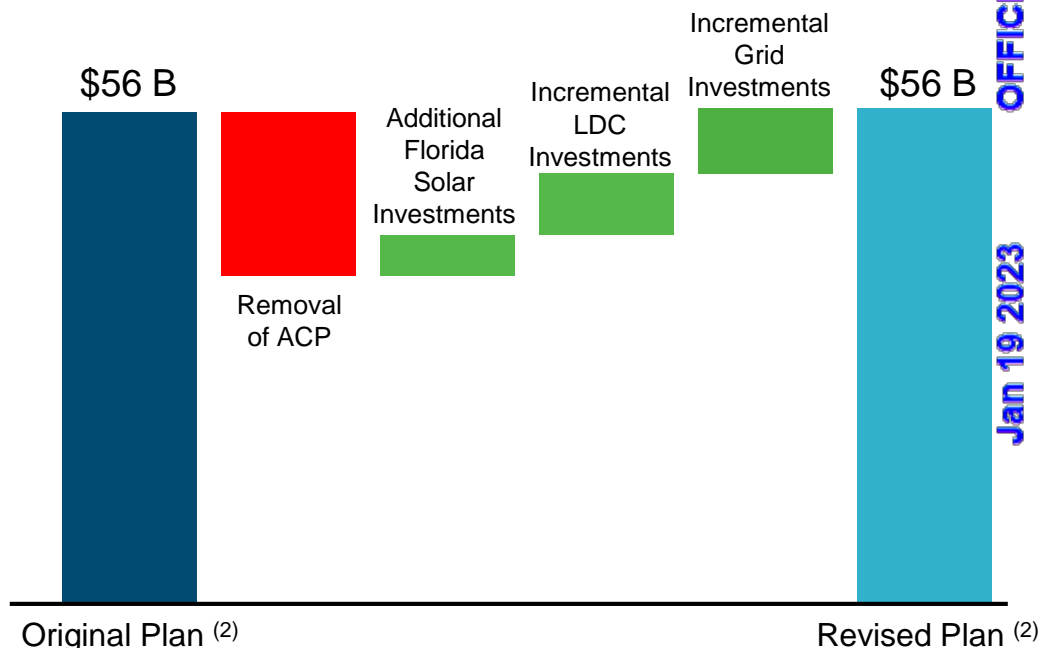
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DEMONSTRATED TRACK RECORD OF CONSISTENTLY DELIVERING O&M AND OTHER COST SAVINGS IN AN AGILE FASHION SINCE 2015

- 2021 earnings per share, prior to cancellation of ACP, were trending to ~\$5.50<sup>(1)</sup>
  - ACP was expected to contribute ~\$0.35 of EPS in 2021
  - Regulated utilities and commercial renewables operations remain on track for 2021<sup>(3)</sup>
- 2021 provides a clean slate for long-term EPS guidance
  - First full year without ACP uncertainty
  - Clarity from three major rate cases in 2020
  - Committed to offset COVID-19 economic effects, as we have in 2020
- We will provide 2021 earnings drivers in Nov. and an updated 2021 guidance range in Feb., along with detailed 5-year capital plan

## \$56 BILLION, 5-YEAR CAPITAL PLAN REMAINS INTACT



- Long-term earnings growth of 4% - 6% off a 2021 base is anchored by low-risk and highly visible regulated investments<sup>(1)</sup>
  - Regulated rate base CAGR of ~6% gives confidence in long-term earnings growth rate

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ANCHORED IN 2021, LONG-TERM GROWTH RATE IS HIGHLY VISIBLE WITH ~95% OF OUR EARNINGS COMING FROM OUR REGULATED ELECTRIC AND GAS UTILITIES

(1) Based on adjusted EPS

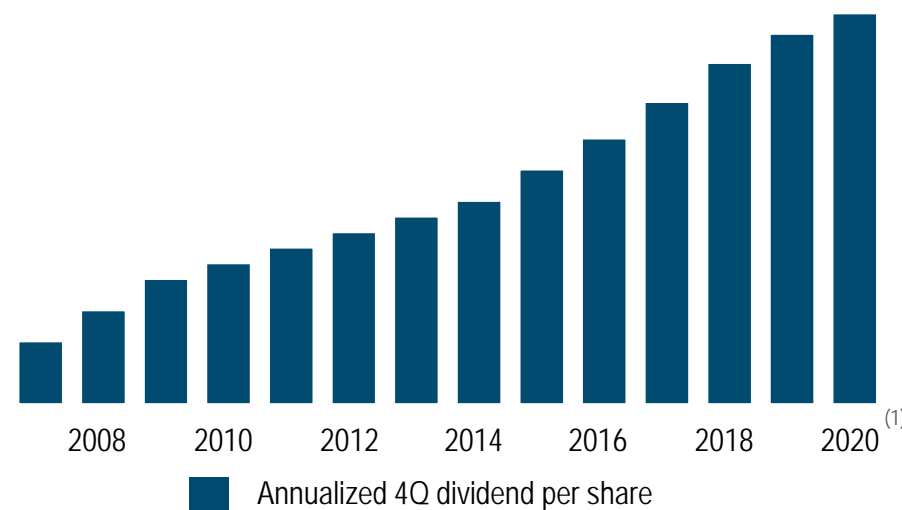
(2) For illustrative purposes, total amounts are not to scale

(3) Inclusive of dilution from \$2.5 billion equity, expected to be settled by year-end 2020

## KEY MESSAGES

- Strong available liquidity position of \$8.7 billion as of Jun. 30
- Stable outlooks at Moody's and S&P
- Expect to receive remaining refundable AMT credits of ~\$575 million in 2020
  - AMT credits and O&M reductions support consolidated FFO/Debt of ~15% in 2020
- Equity forward of \$2.5 billion priced in Nov. 2019 expected to be settled by year-end 2020
  - Sized to address a variety of scenarios including cancellation of ACP
- Continued annual equity issuances in our plan of \$500 million per year through 2022 via DRIP/ATM programs
- Pension plan is fully funded as of Jul. 2020

## INCREASED QUARTERLY DIVIDEND PAYMENT FOR THE 14<sup>TH</sup> CONSECUTIVE YEAR



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65% - 75%  
LONG-TERM TARGET DIVIDEND  
PAYOUT RATIO<sup>(2)</sup>

(1) 2% increase to quarterly dividend declared by the board of directors on July 7, 2020.

(2) Based on adjusted EPS

DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE



CONSTRUCTIVE JURISDICTIONS, LOW-RISK REGULATED  
INVESTMENTS AND BALANCE SHEET STRENGTH

(1) As of Aug.6, 2020

(2) Subject to approval by the Board of Directors.

(3) Total shareholder return proposition at a constant P/E ratio

(4) Based on adjusted EPS



## Appendix



## OUTSTANDING CUSTOMER SERVICE & OPERATIONAL PERFORMANCE

- Achieved all-time high in customer satisfaction measures in the second quarter, reinforcing the effectiveness of our customer and community outreach
- Successfully completed four nuclear refueling and 62 fossil-hydro outages since beginning of 2020 and amidst COVID-19 response
- Demonstrating excellence in executing on 2020 cost mitigation plans
- Avoided 250,000+ extended outages for customers through the implementation of our self-healing grid technology investments



## INVESTING IN OUR COMMUNITIES FOR A CLEANER ENERGY FUTURE

- Achieved COD on three commercial solar projects totaling 460 MW
- Announced or initiated construction of five new regulated solar plants in Florida and North Carolina, totaling ~325 MW
- Installed ~400,000 AMI meters in 2020 YTD, bringing total installed to 7.8 million across service territories
- Deployed \$5.4 billion of capital YTD, consistent with plan, keeping pace with continued strong customer growth and supporting the economies of our communities

PRIORITIZING HEALTH AND SAFETY OF CUSTOMERS, COMMUNITIES AND EMPLOYEES WHILE  
ADVANCING LONG-TERM STRATEGIC INVESTMENTS



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## 2020 financial supplement



# Key 2020 adjusted earnings guidance assumptions

| (\$ in millions)  | Original 2020 Assumptions <sup>(1)</sup> | 2020 YTD (thru 6/30/2020) |
|---|--|---------------------------|
| <b>Adjusted segment income/(expense) <sup>(2)</sup>:</b>  |  |                           |
| Electric Utilities & Infrastructure   | \$3,640                                  | \$1,458                   |
| Gas Utilities & Infrastructure  | \$530                                    | \$299                     |
| Commercial Renewables   | \$240                                    | \$147                     |
| Other   | (\$540)                                  | (\$271)                   |
| Duke Energy Consolidated  | \$3,870                                  | \$1,633                   |
| <b>Additional consolidated information:</b>   |  |                           |
| Effective tax rate including noncontrolling interests and preferred dividends and excluding special items | 11-13%                                   | 9.5%                      |
| AFUDC equity (excludes ACP)   | \$138                                    | \$76                      |
| Capital expenditures <sup>(3)(4)</sup>  | \$11,825                                 | \$5,386                   |
| Weighted-average shares outstanding – basic   | ~737 million                             | 734 million               |

(1) Full year amounts for 2020, as disclosed on Feb. 13, 2020

(2) Adjusted net income for 2020 assumptions is based upon the midpoint of the adjusted EPS guidance range of \$5.05 to \$5.45

(3) Includes debt AFUDC and capitalized interest

(4) 2020 YTD actual (through 06/30/20) includes coal ash closure spend of ~\$280 million that was included in operating cash flows and excludes tax equity funding of Commercial Renewables projects of ~\$160 million. 2020 Assumptions include ~\$750 million of projected coal ash closure spend.

# Electric utilities quarterly weather impacts

| Weather segment income to normal: | 2020          |                      |                                      | 2019          |                      |                                      |
|-----------------------------------|---------------|----------------------|--------------------------------------|---------------|----------------------|--------------------------------------|
|                                   | Pretax impact | Weighted avg. shares | EPS impact favorable / (unfavorable) | Pretax impact | Weighted avg. shares | EPS impact favorable / (unfavorable) |
| First Quarter                     | (\$110)       | 734                  | (\$0.11)                             | (\$55)        | 727                  | (\$0.06)                             |
| Second Quarter                    | (\$8)         | 735                  | (\$0.01)                             | \$80          | 728                  | \$0.08                               |
| Third Quarter                     |               |                      |                                      | \$145         | 729                  | \$0.15                               |
| Fourth Quarter                    |               |                      |                                      | \$30          | 731                  | \$0.03                               |
| Year-to-Date <sup>(1)</sup>       | (\$118)       | 734                  | (\$0.12)                             | \$200         | 729                  | \$0.20                               |

| 2Q 2020                                    | Duke Energy Carolinas |         | Duke Energy Progress |         | Duke Energy Florida |       | Duke Energy Indiana |         | Duke Energy Ohio/KY |         |
|--|-----------------------|---------|----------------------|---------|---------------------|-------|---------------------|---------|---------------------|---------|
| Heating degree days / Variance from normal | 308                   | 43.1%   | 224                  | 23.4%   | -                   | -     | 633                 | 28.1%   | 590                 | 31.0%   |
| Cooling degree days / Variance from normal | 412                   | (17.5%) | 461                  | (16.1%) | 1,190               | 11.8% | 343                 | 4.2%    | 347                 | 4.8%    |
| 2Q 2019                                    | Duke Energy Carolinas |         | Duke Energy Progress |         | Duke Energy Florida |       | Duke Energy Indiana |         | Duke Energy Ohio/KY |         |
| Heating degree days / Variance from normal | 127                   | (41.3%) | 117                  | (36.5%) | -                   | -     | 474                 | (4.3%)  | 347                 | (22.7%) |
| Cooling degree days / Variance from normal | 632                   | 28.9%   | 715                  | 33.0%   | 1,159               | 11.0% | 294                 | (11.3%) | 333                 | 2.8%    |

(1) Year-to-date amounts may not foot due to differences in weighted-average shares outstanding and/or rounding.

# COVID-related cost and waived fees update

| State          | Existing Rider for Bad Debts           | Reporting Incremental COVID-Related Costs | Regulatory Actions Underway / Recently Ordered  | Expect to Resume Normal Credit Practices |
|----------------|--|---|---|--|
| North Carolina | ✓<br>Gas Business                      | ✓   | Filed a joint petition (DEC & DEP) in August with the NCUC for deferral treatment of incremental COVID-related expenses                       | Under Evaluation                         |
| South Carolina | ✓<br>Gas Business                      | ✓   | Evaluating a filing for 3Q for a joint petition (DEC & DEP) in 3Q with the PSCSC for deferral treatment of incremental COVID-related expenses | Under Evaluation                         |
| Florida        |  | ✓   | Continuing to monitor   | August                                   |
| Ohio           | ✓<br>Gas Business<br>Electric Business | ✓   | The PUCO recently issued an order granting deferral authority for incremental expenses and waived fee revenues, and to track all savings      | August                                   |
| Indiana        |  | ✓   | Phase 1 order received Jun. 29, 2020 allowed regulatory accounting for utility fees and bad debt expense                                      | August                                   |

| Driver                              |   | EPS Impact                    |
|-------------------------------------|---|-------------------------------|
| Electric Utilities & Infrastructure | 1% change in earned return on equity  | +/- \$0.52                    |
|                                     | \$1 billion change in rate base   | +/- \$0.07                    |
|                                     | 1% change in retail volumes:<br>Industrial +/- \$0.02 <sup>(2)</sup><br>Commercial +/- \$0.05 <sup>(2)</sup><br>Residential +/- \$0.08 <sup>(2)</sup> | +/- \$0.15 <sup>(1) (2)</sup> |
| Gas Utilities & Infrastructure      | 1% change in earned return on equity  | +/- \$0.07                    |
|                                     | \$200 million change in rate base   | +/- \$0.01                    |
|                                     | 1% change in number of new customers  | +/- \$0.01                    |
| Consolidated                        | 1% change in interest rates <sup>(3)</sup>  | +/- \$0.10                    |

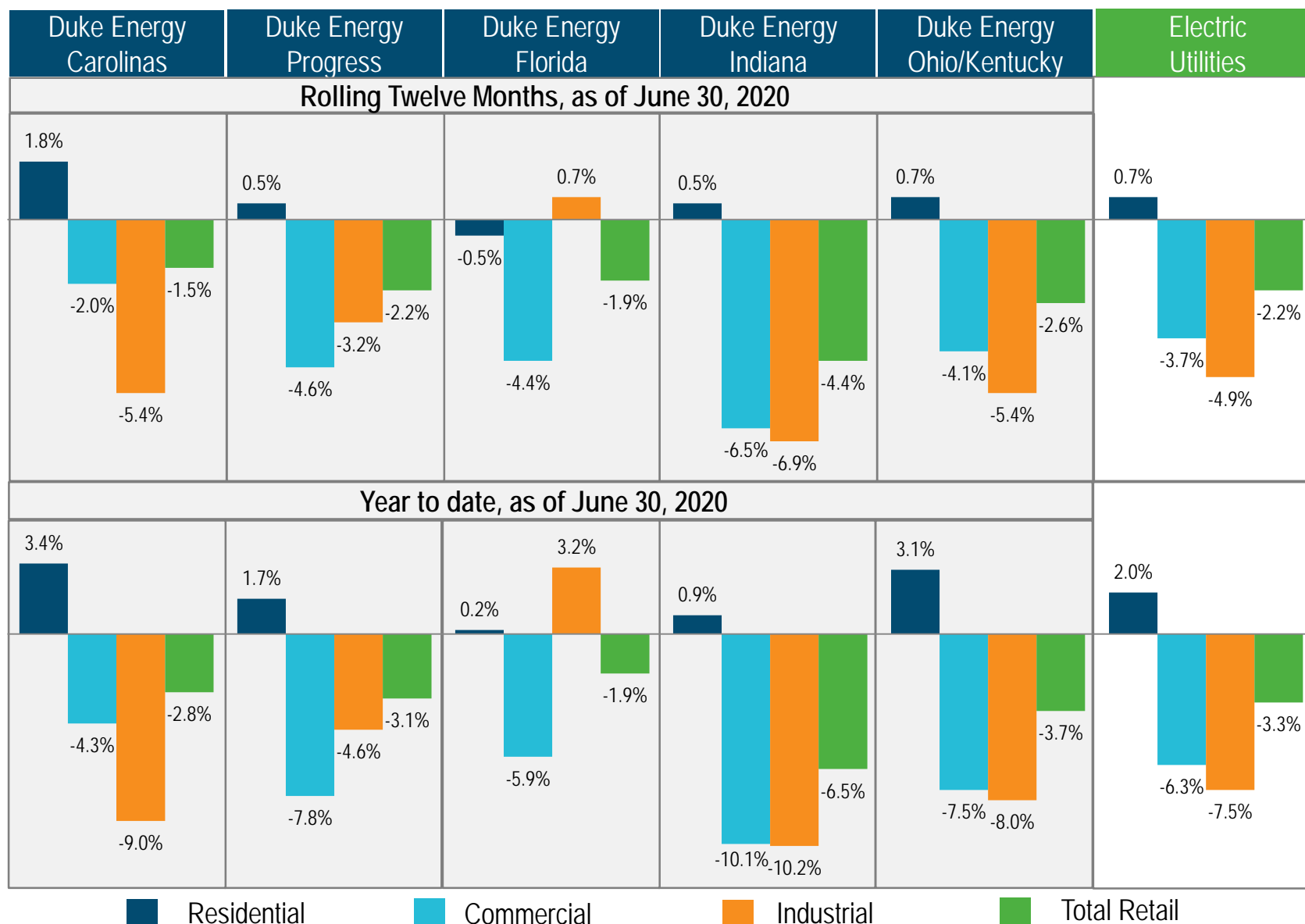
*Note: EPS amounts based on forecasted 2020 basic share count of ~737 million shares*

<sup>(1)</sup> Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins

<sup>(2)</sup> Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted.

<sup>(3)</sup> Based on average variable-rate debt outstanding throughout the year. There was \$8.6 billion in floating rate debt as of December 31, 2019.

# Weather normalized volume trends, by electric jurisdiction





## Financing plan update and current liquidity

| Issuer          | Planned Amount<br>(\$ in millions) | Security  | Completed<br>(\$ in millions) | Date Issued | Term                              | Rate                           | 2020<br>Maturities <sup>(4)</sup> |
|-----------------|------------------------------------|---|-------------------------------|-------------|-----------------------------------|--------------------------------|-----------------------------------|
| Holding Company | \$1,000 - \$1,500                  | Senior Notes or other LT securities (excludes bank loan borrowings in 1Q) | \$500                         | May 2020    | 10-Year                           | 2.45%                          | \$350<br>(June, 2020)             |
| Holding Company | \$500                              | Common Equity (ATM/DRIP) <sup>(2)</sup>                                   | \$160 – ATM<br>\$111 – DRIP   | YTD         | -                                 | -                              | -                                 |
| DE Carolinas    | \$800 - \$1,000                    | Senior Debt   | \$500<br>\$400                | Jan. 2020   | 10-year<br>30-year <sup>(3)</sup> | Fixed – 2.45%<br>Fixed – 3.20% | \$450<br>(June, 2020)             |
| DE Progress     | \$500 - \$700                      | Senior Debt   | -                             | -           | -                                 | -                              | \$1,000<br>(Sept. & Dec. 2020)    |
| DE Florida      | \$400 - \$600                      | Senior Debt   | \$500                         | June 2020   | 10-Year                           | 1.75%                          | \$500<br>(Jan. & April 2020)      |
| DE Indiana      | \$450 - \$650                      | Senior Debt   | \$550                         | March 2020  | 30-year                           | 2.75%                          | \$500<br>(July 2020)              |
| DE Ohio         | \$300 - \$500                      | Senior Debt   | \$400                         | May 2020    | 10-Year                           | 2.125%                         | -                                 |
| Piedmont        | \$300 - \$500                      | Senior Debt   | \$400                         | May 2020    | 30-Year                           | 3.35%                          | -                                 |
| DE Kentucky     | \$50 - \$70                        | Senior Debt   | \$70                          | June 2020   | 10-year<br>30-year                | Fixed – 2.65%<br>Fixed – 3.66% | -                                 |

(1) Excludes financings at Commercial Renewables and other non-regulated entities

(2) The common equity figure for 2020 represents new issuance of common stock via the company's DRIP and ATM program. Additionally, the Company intends to physically settle the ~\$2.5 billion equity forward transaction that priced in November 2019 by December 31, 2020.

(3) Reopened the existing 3.20% 2049s

(4) Excludes amortization of noncash purchase accounting adjustments and CR3 securitization

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# Liquidity summary (as of June 30, 2020)

(\$ in millions)

|   | Duke Energy | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Indiana | Duke Energy Ohio | Duke Energy Kentucky | Piedmont Natural Gas | Total           |
|---|-------------|-----------------------|----------------------|---------------------|---------------------|------------------|----------------------|----------------------|-----------------|
| Master Credit Facility <sup>(1)</sup>                   | \$ 2,650    | \$ 1,500              | \$ 1,250             | \$ 800              | \$ 600              | \$ 450           | \$ 150               | \$ 600               | \$ 8,000        |
| Less: Notes payable and commercial paper <sup>(2)</sup> | (1,248)     | (388)                 | (323)                | (156)               | (150)               | -                | (79)                 | (135)                | (2,479)         |
| Outstanding letters of credit (LOCs)                    | (40)        | (4)                   | (2)                  | -                   | -                   | -                | -                    | (2)                  | (47)            |
| Tax-exempt bonds  | -           | -                     | -                    | -                   | (81)                | -                | -                    | -                    | (81)            |
| Available capacity                                      | \$ 1,362    | \$ 1,108              | \$ 925               | \$ 644              | \$ 369              | \$ 450           | \$ 71                | \$ 463               | \$ 5,392        |
| Funded Revolver and Term Loan <sup>(3)</sup>            | \$ 2,688    |                       | \$ 700               |                     |                     |                  |                      |                      | \$ 3,388        |
| Less: Borrowings Under Credit Facilities                | (2,188)     |                       | (700)                |                     |                     |                  |                      |                      | (2,888)         |
| Available capacity                                      | \$ 500      | \$ -                  | \$ -                 | \$ -                | \$ -                | \$ -             | \$ -                 | \$ -                 | \$ 500          |
| Equity Forwards   | \$ 2,579    |                       |                      |                     |                     |                  |                      |                      | \$ 2,579        |
| Cash & short-term investments                           |             |                       |                      |                     |                     |                  |                      |                      | 244             |
| <b>Total available liquidity</b>                        |             |                       |                      |                     |                     |                  |                      |                      | <b>\$ 8,715</b> |

(1) Duke Energy's master credit facility supports Tax-Exempt Bonds, LOCs and the Duke Energy CP program of \$6 billion.

(2) Includes permanent layer of commercial paper of \$625 million, which is classified as long-term debt

(3) Duke Energy Corp 3-year funded revolver of \$1B and term loan of \$1.6875B and Duke Energy Progress 2-year term loan of \$700M.



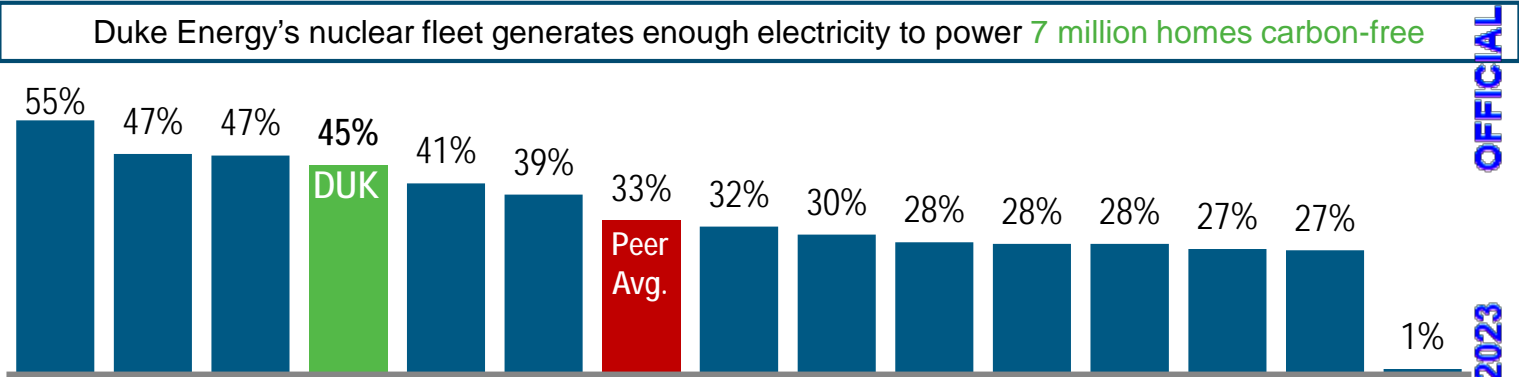


## Sustainability / Environmental Social and Governance (ESG)

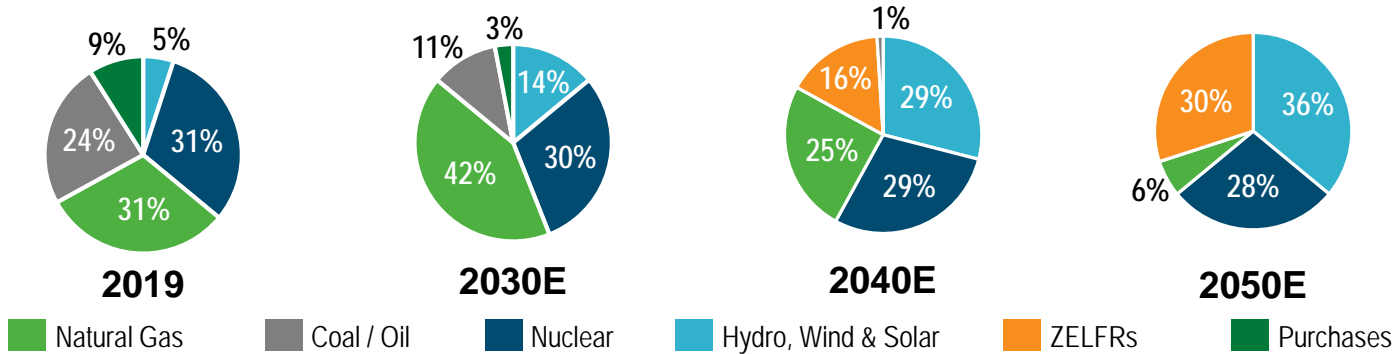
DUKE ENERGY  
IS A LEADER IN  
CARBON-FREE  
GENERATION

DECARBONIZING  
GENERATION  
FLEET TO MEET  
NET ZERO CARBON  
GOAL

Carbon-free Generation (%) (MWh) <sup>(1)</sup>



Regulated Electric Fuel Diversity (MWh) <sup>(2)</sup>



(1) Represents renewables (commercial and regulated, including conventional hydro) + nuclear capacity and includes PPAs in addition to owned generation  
(2) Represents 2019 actual regulated electric utility generation mix and potential 2030, 2040 and 2050 generation mixes under a net-zero carbon scenario. 2030, 2040 and 2050 estimates and year to year reductions will be influenced by customer demand for electricity, weather, fuel and purchased power prices, and other factors. Renewables includes hydro, wind, solar, landfill gas and biomass, etc. ZELFRs are Zero-emitting load following resources.

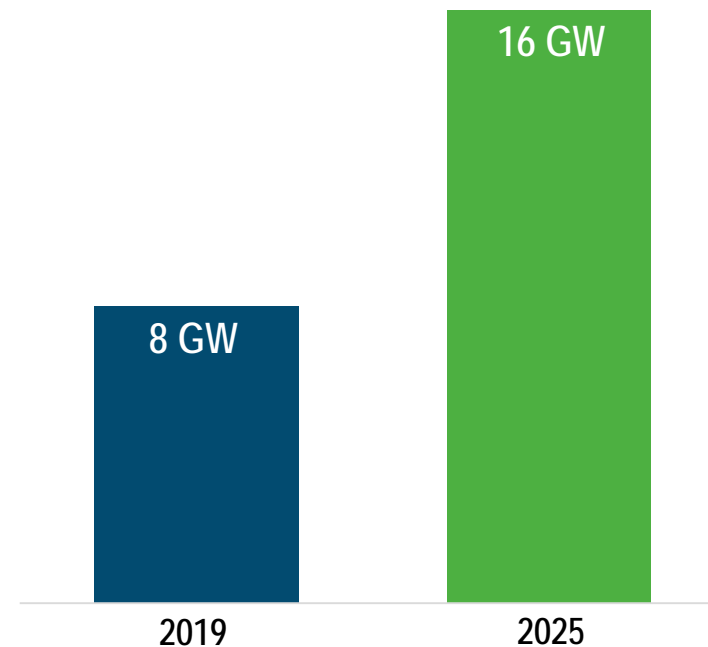
DECREASED CO<sub>2</sub> EMISSIONS 39% FROM 2005 LEVELS

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## 2020 RENEWABLES PROJECTS

| Site                       | Megawatts  |            |           | COD      | Business   |
|----------------------------|------------|------------|-----------|----------|------------|
|                            | Solar      | Wind       | Fuel Cell |          |            |
| Columbia                   | 74.9       | -          | -         | Mar 2020 | Regulated  |
| DeBary                     | 74.5       | -          | -         | May 2020 | Regulated  |
| Palmer                     | 60         | -          | -         | Apr 2020 | Commercial |
| Holstein                   | 200        | -          | -         | Jun 2020 | Commercial |
| Rambler                    | 200        | -          | -         | Jul 2020 | Commercial |
| Bloom                      | -          | -          | 18        | Various  | Commercial |
| <b>Year-to-date 2020</b>   | <b>610</b> | <b>-</b>   | <b>18</b> |          |            |
| Catawba County             | 69         | -          | -         | 4Q 2020  | Regulated  |
| Gaston County              | 25         | -          | -         | 4Q 2020  | Regulated  |
| Maryneal                   | -          | 180        | -         | 4Q 2020  | Commercial |
| Frontier II                | -          | 350        | -         | 4Q 2020  | Commercial |
| Bloom                      | -          | -          | 9         | Various  | Commercial |
| <b>Expected 2020 Total</b> | <b>704</b> | <b>530</b> | <b>27</b> |          |            |

## COMMITTED TO DOUBLE RENEWABLES PORTFOLIO BY 2025



### DUKE ENERGY FLORIDA CLEAN ENERGY CONNECTION

- 750 MW, \$1 billion shared solar program proposed to the FPSC July 1st
- Allows customers to lower their carbon footprint by sharing in the company's solar production on a voluntary basis
  - Subscribers pay a fixed monthly fee and receive bill credits for solar energy produced
  - Bill credits expected to exceed total subscription fees paid over time

COMMITTED TO DOUBLE OUR OWNERSHIP, OPERATION OR CONTRACTING OF SOLAR, WIND AND BIOMASS TO 16,000 MEGAWATTS BY 2025

## PATH TO A LOW-CARBON FUTURE



Collaborate and align with our states and stakeholders as we transform



Accelerate transition to cleaner energy solutions



Modernize our electric grid



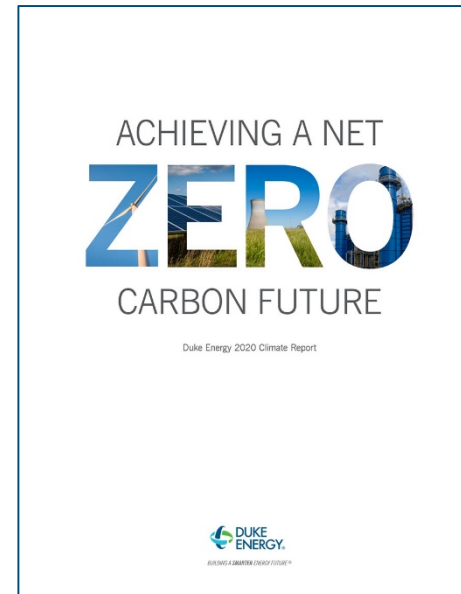
Continue to operate existing carbon-free technologies, including nuclear and renewables



Advocate for sound public policy that advances technology and innovation

## DUKE ENERGY'S CLIMATE REPORT HIGHLIGHTS

- Updated report informed by new carbon reduction goals announced Sept. 2019
  - Reduce CO2 emissions by at least 50% by 2030<sup>(1)</sup> and achieve net zero by 2050
  - Significantly expand renewables throughout this transition
- Utilizes Task Force on Climate-related Financial Disclosures (“TCFD”) framework
- Major findings of scenario analysis show we are on track to achieve our goals



See more at: [www.duke-energy.com/\\_/media/pdfs/our-company/climate-report-2020](https://www.duke-energy.com/_/media/pdfs/our-company/climate-report-2020)

*(1) From 2005 levels in electricity generation. 2030 estimate and year to year reductions will be influenced by customer demand for electricity, weather, fuel and purchased power prices, and other factors*

## 2019 SUSTAINABILITY REPORT HIGHLIGHTS



### CUSTOMERS

- Reached a cumulative, multiyear reduction in customer energy consumption of ~19,000 GWH and reduction in peak demand of 6,700 MW

### CHARITABLE GIVING

- The Duke Energy Foundation contributed \$31.3 million to our communities, and our employees and retirees volunteered over 136,000 hours

### RENEWABLES

- Announced a new goal to own, operate or contract 16,000 megawatts of solar, wind and biomass by 2025 <sup>(1)</sup>

### OPERATIONS

- Remained one of the electric utility industry's top leaders in safety performance for fifth year in a row with a Total Incident Case Rate of 0.38
- Since 2005, decreased CO<sub>2</sub> emissions by 39%, sulfur dioxide emissions by 97% and nitrogen oxides emissions by 79%

### EMPLOYEES

- Increased female representation in the workforce to 23.7% and increased minority representation to 18.8%

see more at: [www.duke-energy.com/our-company/sustainability](http://www.duke-energy.com/our-company/sustainability)

(1) Includes 100% of the capacity of majority-owned assets that Duke Energy operates.

## 2019/2020 RECOGNITION

- For the 14th consecutive year, Duke Energy was named to the Dow Jones Sustainability Index for North America.
- Duke Energy was named to Fortune magazine's "World's Most Admired Companies" list in 2020 for the third consecutive year.
- Forbes magazine named Duke Energy one of "America's Best Employers" in 2019.
- Labrador Advisory Services ranked Duke Energy No. 1 among U.S. utilities for investor transparency.
- Duke Energy was recognized for ethics and compliance excellence by the Ethisphere Institute with its "Compliance Leader Verification" designation for 2019 and 2020.
- Duke Energy received a "HIRE Vets Medallion Award" in 2019 from the U.S. Department of labor for recruiting, employing and retaining veterans.





## Upcoming events & other

| Event                 | Date                |
|-----------------------|---------------------|
| 2020 ESG Investor day | October 9, 2020     |
| 3Q 2020 earnings call | Early November 2020 |



### BRYAN BUCKLER, VICE PRESIDENT INVESTOR RELATIONS

- Bryan.Buckler@duke-energy.com
- (704) 382-2640

### CINDY LEE, DIRECTOR INVESTOR RELATIONS

- Cynthia.Lee@duke-energy.com
- (980) 373-4077



*BUILDING A **SMARTER** ENERGY FUTURE®*

For additional information on Duke Energy,  
please visit: [duke-energy.com/investors](https://duke-energy.com/investors)

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 10, 2020**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of adjusted EPS for the quarter and year-to-date periods ended June 30, 2020 and 2019.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. For the quarter and year-to-date periods ended June 30, 2019 adjusted EPS equals reported basic EPS available to Duke Energy Corporation common stockholders. Accordingly, there is no reconciliation of adjusted EPS for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted EPS for the quarter and year-to-date periods ended June 30, 2020, to the most directly comparable GAAP measure is included herein.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- ACP represents costs related to the abandonment of the ACP investment.
- Severance represents the reversal of 2018 costs which were deferred as a result of the partial settlement in the Duke Energy Carolinas 2019 North Carolina rate case.

**Adjusted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a reference to the forecasted 2020 adjusted EPS guidance range of \$5.05 to \$5.45 per share and the midpoint of forecasted 2020 adjusted EPS guidance range. In addition, the materials reference the midpoint of forecasted 2021 adjusted EPS prior to the cancellation of ACP of approximately \$5.50 less the \$0.35 per share contribution from ACP for a preliminary estimate of 2021 Adjusted EPS of approximately \$5.15, with refinements to the estimate to be made through the rest of the year, considering analysis of economic conditions and other factors. The materials also reference the long-term range of annual growth of 4% - 6% off 2021 earnings. The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2020 and a discussion of 2020 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. For the quarter and year-to-date periods ended June 30, 2019 adjusted segment income and adjusted other net loss equal reported segment income and reported other net loss. Accordingly, there is no reconciliation of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2020, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

## **Effective Tax Rate Including Impacts of Noncontrolling Interests and Preferred Dividends and Excluding Special Items**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the six months ended June 30, 2020. The materials also include a discussion of the 2020 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the six months ended June 30, 2020, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility and available equity forwards as of June 30, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2020, to the most directly comparable GAAP measure is included herein.

### **Dividend Payout Ratio**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of Duke Energy's forecasted dividend payout ratio of 65% - 75% based upon adjusted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Funds From Operations ("FFO") Ratio**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020 include a reference to the expected 2020 FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, imputed operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Business Mix Percentage**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, reference ninety-five percent of earnings coming from the regulated electric and gas utilities as a percentage of the total projected 2020 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's regulated electric and gas utilities are included in the Electric Utilities and Infrastructure and Gas Utilities and Infrastructure segments, respectively.

Adjusted segment income (loss) is a non-GAAP financial measure, as it represents reported segment income (loss) adjusted for special items as discussed above. Due to the forward-looking nature of any forecasted adjusted segment income (loss), information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended June 30, 2020  
(Dollars in millions, except per share amounts)

|   |                      | <u>Special Item</u> |                          |                          |
|---|----------------------|---------------------|--------------------------|--------------------------|
|   | <u>Reported Loss</u> | <u>ACP</u>          | <u>Total Adjustments</u> | <u>Adjusted Earnings</u> |
| <b>SEGMENT INCOME (LOSS)</b>  |                      |                     |                          |                          |
| Electric Utilities and Infrastructure   | \$ 753               | \$ —                | \$ —                     | \$ 753                   |
| Gas Utilities and Infrastructure  | (1,576)              | 1,626               | A 1,626                  | 50                       |
| Commercial Renewables   | 90                   | —                   | —                        | 90                       |
| <b>Total Reportable Segment (Loss) Income</b>   | <b>(733)</b>         | <b>1,626</b>        | <b>1,626</b>             | <b>893</b>               |
| Other   | (84)                 | —                   | —                        | (84)                     |
| <b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>         | <b>\$ (817)</b>      | <b>\$ 1,626</b>     | <b>\$ 1,626</b>          | <b>\$ 809</b>            |
| <b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b> | <b>\$ (1.13)</b>     | <b>\$ 2.21</b>      | <b>\$ 2.21</b>           | <b>\$ 1.08</b>           |

**Note:** (Loss) Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** - Net of \$374 million tax benefit. \$2,000 million recorded within Equity in (losses) earnings of unconsolidated affiliates on the Condensed Consolidated Statements of Operations

**Weighted Average Shares (reported and adjusted) – 735 million**

DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Six Months Ended June 30, 2020  
(Dollars in millions, except per-share amounts)

|  | Reported<br>Earnings | Special Items   |                  | Total<br>Adjustments | Adjusted<br>Earnings |
|--|----------------------|-----------------|------------------|----------------------|----------------------|
|  |                      | ACP             | Severance        |                      |                      |
| <b>SEGMENT INCOME</b>  |                      |                 |                  |                      |                      |
| Electric Utilities and Infrastructure                                      | \$ 1,458             | \$ —            | \$ —             | \$ —                 | \$ 1,458             |
| Gas Utilities and Infrastructure   | (1,327)              | 1,626           | A                | 1,626                | 299                  |
| Commercial Renewables  | 147                  | —               | —                | —                    | 147                  |
| <b>Total Reportable Segment Income</b>                                     | <b>278</b>           | <b>1,626</b>    | <b>—</b>         | <b>1,626</b>         | <b>1,904</b>         |
| Other  | (196)                | —               | (75) B           | (75)                 | (271)                |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 82</b>         | <b>\$ 1,626</b> | <b>\$ (75)</b>   | <b>\$ 1,551</b>      | <b>\$ 1,633</b>      |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.11</b>       | <b>\$ 2.21</b>  | <b>\$ (0.10)</b> | <b>\$ 2.11</b>       | <b>\$ 2.22</b>       |

A - Net of \$374 million tax benefit. \$2,000 million recorded within Equity in (losses) earnings of unconsolidated affiliates on the Condensed Consolidated Statements of Operations

B - Net of \$23 million tax expense. \$98 million reversal of 2018 charges recorded within Operations, maintenance and other on the Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 734 million

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2020  
(Dollars in millions)

|   | Three Months Ended<br>June 30, 2020 |                    | Six Months Ended<br>June 30, 2020 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Loss Before Income Taxes</b>  | \$ (1,208)                          |                    | \$ (181)                          |                    |
| ACP   | 2,000                               |                    | 2,000                             |                    |
| Severance   | —                                   |                    | (98)                              |                    |
| Noncontrolling Interests  | 90                                  |                    | 138                               |                    |
| Preferred Dividends   | (15)                                |                    | (54)                              |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <b>\$ 867</b>                       |                    | <b>\$ 1,805</b>                   |                    |
| <b>Reported Income Tax Benefit</b>  | \$ (316)                            | 26.2%              | \$ (179)                          | 98.9%              |
| ACP   | 374                                 |                    | 374                               |                    |
| Severance   | —                                   |                    | (23)                              |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <b>\$ 58</b>                        | <b>6.7%</b>        | <b>\$ 172</b>                     | <b>9.5%</b>        |

|   | Three Months Ended<br>June 30, 2019 |                    | Six Months Ended<br>June 30, 2019 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>                                      | \$ 889                              |                    | \$ 1,877                          |                    |
| Noncontrolling Interests  | 84                                  |                    | 91                                |                    |
| Preferred Dividends   | (12)                                |                    | (12)                              |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends</b> | <b>\$ 961</b>                       |                    | <b>\$ 1,956</b>                   |                    |
| <b>Reported Income Tax Expense</b>  | \$ 141                              | 15.9%              | \$ 236                            | 12.6%              |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends</b>   | <b>\$ 141</b>                       | <b>14.7%</b>       | <b>\$ 236</b>                     | <b>12.1%</b>       |

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Jan 19 2023

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2020**  
**(In millions)**

|  |                 |                           |
|--|-----------------|---------------------------|
| Cash and Cash Equivalents  | \$ 341          |                           |
| Less: Certain Amounts Held in Foreign Jurisdictions                              | (10)            |                           |
| Less: Unavailable Domestic Cash  | <u>(87)</u>     |                           |
|  | 244             |                           |
| Plus: Remaining Availability under Master Credit Facilities and other facilities | <u>5,892</u>    |                           |
| Plus: Remaining Availability from Equity Forwards                                | <u>2,579</u>    |                           |
| Total Available Liquidity (a), June 30, 2020                                     | <u>\$ 8,715</u> | approximately 8.7 billion |

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility and available equity forwards as of June 30, 2020. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

## News Release



Media Contact: Catherine Butler  
24-Hour: 800.559.3853

Analyst Contact: Bryan Buckler  
Office: 704.382.2640

Aug. 10, 2020

### Duke Energy reports second quarter 2020 financial results

- **Achieved \$170 million of cost mitigation during the quarter offsetting lower volumes and higher costs related to the pandemic**
- **Five-year, \$56-billion capital plan remains intact, underpinning company's clean energy investment plan and carbon reduction target of net-zero by 2050**
- **Continuing robust response to COVID-19, providing customers with assistance and helping to protect employees**
- **Company reaffirms 2020 adjusted EPS guidance range of \$5.05 to \$5.45**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced second quarter 2020 reported loss per share of \$(1.13), prepared in accordance with Generally Accepted Accounting Principles (GAAP) and reflecting costs related to the abandonment of the ACP investment. Adjusted earnings per share (EPS), which exclude the impact of the ACP impairment, were \$1.08. These results compare to reported and adjusted EPS of \$1.12 for the second quarter of 2019.

During the second quarter, Commercial Renewables experienced growth from new projects placed in-service and Gas Utilities and Infrastructure saw higher results from the Piedmont North Carolina rate case and lower O&M. This favorability was offset by lower results at Electric Utilities and Infrastructure driven by mild weather, lower volumes from commercial and industrial customers and higher depreciation on a growing asset base.

These drivers were partially offset by over \$170 million of cost mitigation towards our full year goal of \$350 million to \$450 million, increased demand from higher-margin residential customers, and contributions from base rate increases in South Carolina and Florida. Results at Other were also favorable, primarily due to lower income tax expense. Second quarter 2020 results reflect the initial impacts of COVID-19 on our businesses and demonstrate our ability to adapt quickly to mitigate the effects of the economic downturn.

"Despite challenges the first half of 2020 has presented, we've demonstrated resiliency and agility, delivering solid second-quarter results and on pace to meet our 2020 financial commitments," said Lynn Good, Duke Energy chair, president and chief executive officer. "We're already realizing savings from our impressive cost mitigation efforts and are on pace to produce more this year, going to extraordinary lengths to help customers with billing and payments, maintaining reliable service and helping protect our employees. What the quarter underscores is our ability to mitigate headwinds, given our size, scale and agility. Even in the

midst of the COVID-19 pandemic, our workforce has risen to the challenge, enabling us to advance our strategy to build a smarter, cleaner energy future for our communities.

We have clear line of sight to critical infrastructure investments to improve the energy grid and generate cleaner energy – which support our 2050 net-zero carbon emissions target. The complementary nature of our electric and gas businesses, robust five-year capital plan and financial strength position us to deliver in the lower half of our original 2020 EPS guidance range of \$5.05 to \$5.45 and strong long-term earnings over the next five years.”

### **Business segment results**

In addition to the following summary of second quarter 2020 business segment performance, comprehensive tables with detailed EPS drivers for the second quarter compared to prior year are provided at the end of this news release.

The discussion below of second quarter results includes both GAAP segment income (loss) and adjusted segment income, which is a non-GAAP financial measure. The tables at the end of this news release present a full reconciliation of GAAP reported results to adjusted results.

### **Electric Utilities and Infrastructure**

On a reported and adjusted basis, Electric Utilities and Infrastructure recognized second quarter 2020 segment income of \$753 million, compared to \$809 million in the second quarter of 2019. This represents a decrease of \$0.08 per share, excluding share dilution of \$0.01 per share.

Lower quarterly results were primarily due to mild weather (-\$0.08 per share), higher depreciation and amortization on a growing asset base (-\$0.06 per share) and decreased volumes (-\$0.03 per share).

These results were partially offset by lower O&M expenses (+\$0.11 per share) and base rate case growth in South Carolina and Florida (+0.03 per share). Lower O&M is primarily driven by lower employee expenses, plant outage costs and other cost mitigation efforts in response to the anticipated COVID-19 economic impact and mild weather to date.

### **Gas Utilities and Infrastructure**

On a reported basis, Gas Utilities and Infrastructure recognized second quarter 2020 segment loss of \$1,576 million, compared to segment income of \$40 million in the second quarter of 2019. In addition to the drivers outlined below, lower second quarter 2020 results were due to costs related to the abandonment of the ACP investment. These charges were treated as a special item and excluded from adjusted earnings.

On an adjusted basis, Gas Utilities and Infrastructure recognized second quarter 2020 adjusted segment income of \$50 million, compared to \$40 million in the second quarter of 2019, an increase of \$0.01 per share. Higher quarterly results were driven by contributions from the Piedmont North Carolina rate case (+\$0.01 per share) and favorable O&M expenses (+\$0.01 per share), partially offset by higher interest expense (-\$0.01 per share).

## Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized second quarter 2020 segment income of \$90 million, compared to \$86 million in the second quarter of 2019. This represents an increase of \$0.01 per share. Higher quarterly results were primarily driven by growth from renewable projects placed in service during the quarter (+\$0.01 per share).

## Other

Other primarily includes interest expense on holding company debt, other unallocated corporate costs and results from Duke Energy's captive insurance company.

On a reported and adjusted basis, Other recognized a second quarter 2020 net loss of \$84 million, compared to a net loss of \$115 million in the second quarter of 2019. Higher quarterly results at Other were primarily due to lower income tax expense (+\$0.05 per share) and unrealized investment gains on non-pension executive benefit trusts (+\$0.02 per share). These favorable drivers were partially offset by higher financing costs (-\$0.01 per share).

## Effective tax rate

Duke Energy's consolidated reported effective tax rate for the second quarter of 2020 was 26.2% compared to 15.9% in the second quarter of 2019. The increase in the effective tax rate was primarily due to the impact of the abandonment of the ACP investment and an increase in the amortization of excess deferred taxes.

The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the second quarter of 2020 was 6.7% compared to the effective tax rate including impacts of noncontrolling interests and preferred dividends of 14.7% in the second quarter of 2019. The decrease was primarily due to an increase in the amortization of excess deferred taxes and lower state income tax expense.

The tables at the end of this news release present a reconciliation of the reported effective tax rate to the effective tax rate including noncontrolling interests and preferred dividends and excluding special items.

## Earnings conference call for analysts

An earnings conference call for analysts is scheduled from 10 to 11 a.m. ET today to discuss second quarter 2020 financial results. The conference call will be hosted by Lynn Good, chair, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](http://duke-energy.com/investors)) of Duke Energy's website or by dialing 800.458.4121 in the United States or 323.794.2093 outside the United States. The confirmation code is 1877808. Please call in 10 to 15 minutes prior to the scheduled start time.

A replay of the conference call will be available until 1 p.m. ET, Aug. 20, 2020, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 1877808. An audio replay and transcript will also be available by accessing the investors section of the company's website.

### Special Items and Non-GAAP Reconciliation

The following table presents a reconciliation of GAAP reported loss per share to adjusted EPS for second quarter 2020 financial results:

| (In millions, except per share amounts) | After-Tax Amount | 2Q 2020 (Loss) Earnings per Share |
|---|------------------|-----------------------------------|
| Loss per share, as reported             |                  | \$ (1.13)                         |
| Adjustments to reported loss per share: |                  |                                   |
| <b>Second Quarter 2020</b>              |                  |                                   |
| ACP                                     | \$ 1,626         | 2.21                              |
| Total adjustments                       |                  | \$ 2.21                           |
| EPS, adjusted                           |                  | \$ 1.08                           |

### Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Adjusted earnings and adjusted EPS represent income (loss) from continuing operations available to Duke Energy Corporation common stockholders in dollar and per share amounts, adjusted for the dollar and per share impact of special items. The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is calculated using pretax earnings and income tax expense, both as adjusted for the impact of noncontrolling interests, preferred dividends and special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. The most directly comparable GAAP measures for adjusted earnings, adjusted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items are Net Income (Loss) Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss)), Basic earnings (loss) per share Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss) per share), and the reported effective tax rate, respectively.

The periods presented include a special item for the costs related to the abandonment of the ACP investment. Management believes the special item does not reflect ongoing costs.

Due to the forward-looking nature of any forecasted adjusted earnings guidance, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods (such as legal settlements, the impact of regulatory orders or asset impairments).

Management evaluates segment performance based on segment income (loss) and other net loss. Segment income (loss) is defined as income (loss) from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income (loss) includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income as a measure of historical and anticipated future segment performance. Adjusted segment income is a non-GAAP financial measure, as it is based upon segment income (loss) adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income (loss) and other net loss.

Due to the forward-looking nature of any forecasted adjusted segment income or adjusted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as the company is unable to forecast all special items, as discussed above.

Duke Energy's adjusted earnings, adjusted EPS and adjusted segment income may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

## **Duke Energy**

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of the largest energy holding companies in the U.S. It employs 29,000 people and has an electric generating capacity of 51,000 megawatts through its regulated utilities and 2,300 megawatts through its nonregulated Duke Energy Renewables unit.

Duke Energy is transforming its customers' experience, modernizing the energy grid, generating cleaner energy and expanding natural gas infrastructure to create a smarter energy future for the people and communities it serves. The Electric Utilities and Infrastructure unit's regulated utilities serve 7.8 million retail electric customers in six states: North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky. The Gas Utilities and Infrastructure unit distributes natural gas to 1.6 million customers in five states: North Carolina, South Carolina, Tennessee, Ohio and Kentucky. The Duke Energy Renewables unit operates wind and solar generation facilities across the U.S., as well as energy storage and microgrid projects.



Duke Energy was named to Fortune's 2020 "World's Most Admired Companies" list and Forbes' "America's Best Employers" list. More information about the company is available at [duke-energy.com](http://duke-energy.com). The [Duke Energy News Center](#) contains news releases, fact sheets, photos, videos and other materials. Duke Energy's [illumination](#) features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on [Twitter](#), [LinkedIn](#), [Instagram](#) and [Facebook](#).

## Forward-Looking Information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- The impact of the COVID-19 pandemic;
- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;

- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values; and
- The ability to implement our business strategy, including enhancing existing technology systems.

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at [sec.gov](https://www.sec.gov). In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Three Months Ended June 30, 2020  
 (Dollars in millions, except per share amounts)

|   |                  | <u>Special Item</u> |                      |                      |
|---|------------------|---------------------|----------------------|----------------------|
|   | Reported Loss    | ACP                 | Total<br>Adjustments | Adjusted<br>Earnings |
| <b>SEGMENT INCOME (LOSS)</b>  |                  |                     |                      |                      |
| Electric Utilities and Infrastructure   | \$ 753           | \$ —                | \$ —                 | \$ 753               |
| Gas Utilities and Infrastructure  | (1,576)          | 1,626 A             | 1,626                | 50                   |
| Commercial Renewables   | 90               | —                   | —                    | 90                   |
| <b>Total Reportable Segment (Loss) Income</b>   | <b>(733)</b>     | <b>1,626</b>        | <b>1,626</b>         | <b>893</b>           |
| Other   | (84)             | —                   | —                    | (84)                 |
| <b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>         | <b>\$ (817)</b>  | <b>\$ 1,626</b>     | <b>\$ 1,626</b>      | <b>\$ 809</b>        |
| <b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b> | <b>\$ (1.13)</b> | <b>\$ 2.21</b>      | <b>\$ 2.21</b>       | <b>\$ 1.08</b>       |

**Note:** (Loss) Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** - Net of \$374 million tax benefit. \$2,000 million recorded within Equity in (losses) earnings of unconsolidated affiliates on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

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Jan 19 2023

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2020**  
(Dollars in millions, except per-share amounts)

|  | Reported<br>Earnings | Special Items   |                  | Total<br>Adjustments | Adjusted<br>Earnings |
|--|----------------------|-----------------|------------------|----------------------|----------------------|
|  |                      | ACP             | Severance        |                      |                      |
| <b>SEGMENT INCOME</b>  |                      |                 |                  |                      |                      |
| Electric Utilities and Infrastructure                                      | \$ 1,458             | \$ —            | \$ —             | \$ —                 | \$ 1,458             |
| Gas Utilities and Infrastructure   | (1,327)              | 1,626 A         | —                | 1,626                | 299                  |
| Commercial Renewables  | 147                  | —               | —                | —                    | 147                  |
| <b>Total Reportable Segment Income</b>                                     | <b>278</b>           | <b>1,626</b>    | <b>—</b>         | <b>1,626</b>         | <b>1,904</b>         |
| Other  | (196)                | —               | (75) B           | (75)                 | (271)                |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 82</b>         | <b>\$ 1,626</b> | <b>\$ (75)</b>   | <b>\$ 1,551</b>      | <b>\$ 1,633</b>      |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.11</b>       | <b>\$ 2.21</b>  | <b>\$ (0.10)</b> | <b>\$ 2.11</b>       | <b>\$ 2.22</b>       |

**A** - Net of \$374 million tax benefit. \$2,000 million recorded within Equity in (losses) earnings of unconsolidated affiliates on the Condensed Consolidated Statements of Operations.

**B** - Net of \$23 million tax expense. \$98 million reversal of 2018 charges recorded within Operations, maintenance and other on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 734 million**

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2020  
(Dollars in millions)

|   | Three Months Ended<br>June 30, 2020 |                    | Six Months Ended<br>June 30, 2020 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Loss Before Income Taxes</b>  | \$ (1,208)                          |                    | \$ (181)                          |                    |
| ACP   | 2,000                               |                    | 2,000                             |                    |
| Severance   | —                                   |                    | (98)                              |                    |
| Noncontrolling Interests  | 90                                  |                    | 138                               |                    |
| Preferred Dividends   | (15)                                |                    | (54)                              |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <b>\$ 867</b>                       |                    | <b>\$ 1,805</b>                   |                    |
| <b>Reported Income Tax Benefit</b>  | \$ (316)                            | 26.2%              | \$ (179)                          | 98.9%              |
| ACP   | 374                                 |                    | 374                               |                    |
| Severance   | —                                   |                    | (23)                              |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <b>\$ 58</b>                        | <b>6.7%</b>        | <b>\$ 172</b>                     | <b>9.5%</b>        |

|   | Three Months Ended<br>June 30, 2019 |                    | Six Months Ended<br>June 30, 2019 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>                                      | \$ 889                              |                    | \$ 1,877                          |                    |
| Noncontrolling Interests  | 84                                  |                    | 91                                |                    |
| Preferred Dividends   | (12)                                |                    | (12)                              |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends</b> | <b>\$ 961</b>                       |                    | <b>\$ 1,956</b>                   |                    |
| <b>Reported Income Tax Expense</b>  | \$ 141                              | 15.9%              | \$ 236                            | 12.6%              |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends</b>   | <b>\$ 141</b>                       | <b>14.7%</b>       | <b>\$ 236</b>                     | <b>12.1%</b>       |

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2020 QTD vs. Prior Year

| (Dollars per share)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other            | Consolidated     |
|--|---------------------------------------|----------------------------------|-----------------------|------------------|------------------|
| <b>2019 QTD Reported Earnings Per Share</b>                    | <b>\$ 1.11</b>                        | <b>\$ 0.06</b>                   | <b>\$ 0.12</b>        | <b>\$ (0.17)</b> | <b>\$ 1.12</b>   |
| Weather  | (0.08)                                | —                                | —                     | —                | (0.08)           |
| Volume   | (0.03)                                | —                                | —                     | —                | (0.03)           |
| Riders and Other Retail Margin <sup>(a)</sup>                  | (0.04)                                | —                                | —                     | —                | (0.04)           |
| Rate case impacts, net <sup>(b)</sup>                          | 0.03                                  | 0.01                             | —                     | —                | 0.04             |
| Wholesale  | (0.01)                                | —                                | —                     | —                | (0.01)           |
| Operations and maintenance, net of recoverables <sup>(c)</sup> | 0.11                                  | 0.01                             | —                     | —                | 0.12             |
| Duke Energy Renewables   | —                                     | —                                | 0.01                  | —                | 0.01             |
| Interest Expense   | (0.01)                                | (0.01)                           | —                     | 0.01             | (0.01)           |
| Depreciation and amortization <sup>(d)</sup>                   | (0.06)                                | —                                | —                     | —                | (0.06)           |
| Preferred Dividends  | —                                     | —                                | —                     | (0.02)           | (0.02)           |
| Other <sup>(e)</sup>   | 0.01                                  | —                                | —                     | 0.04             | 0.05             |
| Total variance before share count                              | \$ (0.08)                             | \$ 0.01                          | \$ 0.01               | \$ 0.03          | \$ (0.03)        |
| Change in share count  | (0.01)                                | —                                | —                     | —                | (0.01)           |
| <b>2020 QTD Adjusted Earnings Per Share</b>                    | <b>\$ 1.02</b>                        | <b>\$ 0.07</b>                   | <b>\$ 0.13</b>        | <b>\$ (0.14)</b> | <b>\$ 1.08</b>   |
| ACP  | —                                     | (2.21)                           | —                     | —                | (2.21)           |
| <b>2020 QTD Reported Earnings Per Share</b>                    | <b>\$ 1.02</b>                        | <b>\$ (2.14)</b>                 | <b>\$ 0.13</b>        | <b>\$ (0.14)</b> | <b>\$ (1.13)</b> |

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 728 million shares to 735 million.

- (a) Electric Utilities and Infrastructure is primarily driven by a prior year favorable fuel deferral true up, lower late payment fees due to COVID-19 and a disallowance of purchased power at a DEF plant (-\$0.06), partially offset by higher energy efficiency and grid modernization rider programs (+\$0.02).
- (b) Electric Utilities and Infrastructure includes the net impact of the DEC and DEP South Carolina rate cases, effective June 2019, and the DEF SBRA and multi-year rate plan, partially offset by higher depreciation and amortization expense. Gas Utilities and Infrastructure includes the net impact of the Piedmont North Carolina rate case, effective November 1, 2019.
- (c) Includes lower employee related expenses, lower outage costs and other savings due to mitigation efforts, partially offset by increased COVID-19 related expenses and higher storm costs at DEC and DEP.
- (d) Excludes rate case impacts.
- (e) Electric Utilities and Infrastructure and Other includes lower income tax expense.

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2020 YTD vs. Prior Year

| (Dollars per share)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other            | Consolidated   |
|--|---------------------------------------|----------------------------------|-----------------------|------------------|----------------|
| <b>2019 YTD Reported Earnings Per Share</b>                    | <b>\$ 2.14</b>                        | <b>\$ 0.37</b>                   | <b>\$ 0.14</b>        | <b>\$ (0.29)</b> | <b>\$ 2.36</b> |
| Weather  | (0.13)                                | —                                | —                     | —                | (0.13)         |
| Volume   | (0.02)                                | —                                | —                     | —                | (0.02)         |
| Riders and Other Retail Margin                                 | 0.01                                  | 0.02                             | —                     | —                | 0.03           |
| Rate case impacts, net <sup>(a)</sup>                          | 0.05                                  | 0.06                             | —                     | —                | 0.11           |
| Operations and maintenance, net of recoverables <sup>(b)</sup> | 0.07                                  | 0.01                             | —                     | —                | 0.08           |
| Midstream Gas Pipelines <sup>(c)</sup>                         | —                                     | (0.05)                           | —                     | —                | (0.05)         |
| Duke Energy Renewables <sup>(d)</sup>                          | —                                     | —                                | 0.07                  | —                | 0.07           |
| Interest Expense   | (0.01)                                | —                                | —                     | 0.02             | 0.01           |
| Depreciation and amortization <sup>(e)</sup>                   | (0.12)                                | (0.01)                           | —                     | —                | (0.13)         |
| Preferred Dividends  | —                                     | —                                | —                     | (0.06)           | (0.06)         |
| Other <sup>(f)</sup>   | 0.01                                  | 0.01                             | —                     | (0.05)           | (0.03)         |
| Total variance before share count                              | \$ (0.14)                             | \$ 0.04                          | \$ 0.07               | \$ (0.09)        | \$ (0.12)      |
| Change in share count  | (0.02)                                | —                                | —                     | —                | (0.02)         |
| <b>2020 YTD Adjusted Earnings Per Share</b>                    | <b>\$ 1.98</b>                        | <b>\$ 0.41</b>                   | <b>\$ 0.21</b>        | <b>\$ (0.38)</b> | <b>\$ 2.22</b> |
| ACP  | —                                     | (2.21)                           | —                     | —                | (2.21)         |
| Severance  | —                                     | —                                | —                     | 0.10             | 0.10           |
| <b>2020 YTD Reported Earnings Per Share</b>                    | <b>\$ 1.98</b>                        | <b>\$ (1.80)</b>                 | <b>\$ 0.21</b>        | <b>\$ (0.28)</b> | <b>\$ 0.11</b> |

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 728 million shares to 734 million.

- (a) Electric Utilities and Infrastructure includes the net impact of the DEC and DEP South Carolina rate cases, effective June 2019, and the DEF SBRA and multi-year rate plan, partially offset by higher depreciation and amortization expense. Gas Utilities and Infrastructure includes the net impact of the Piedmont North Carolina rate case, effective November 1, 2019.
- (b) Primarily due to lower employee related expenses, lower outage costs and customer delivery charges, and other savings due to mitigation efforts, partially offset by increased COVID-19 expenses and higher storm costs at DEC and DEP.
- (c) Primarily related to a favorable income tax adjustment for equity method investments in the prior year.
- (d) Primarily includes new renewable projects placed in service (+\$0.05).
- (e) Excludes rate case impacts.
- (f) Other includes unrealized investment losses on non-pension executive benefit trusts and higher loss experience at the captive insurer, partially offset by lower income tax expense.



**June 2020**  
**QUARTERLY HIGHLIGHTS**  
**(Unaudited)**

|  | Three Months Ended<br>June 30, |          | Six Months Ended<br>June 30, |           |
|--|--------------------------------|----------|------------------------------|-----------|
|  | 2020                           | 2019     | 2020                         | 2019      |
| <i>(In millions, except per share amounts and where noted)</i>                       |                                |          |                              |           |
| <b>Earnings (Loss) Per Share – Basic and Diluted</b>                                 |                                |          |                              |           |
| Net income (loss) per share available to Duke Energy Corporation common stockholders |                                |          |                              |           |
| Basic and Diluted  | \$ (1.13)                      | \$ 1.12  | \$ 0.11                      | \$ 2.36   |
| Weighted average shares outstanding  |                                |          |                              |           |
| Basic  | 735                            | 728      | 734                          | 728       |
| Diluted  | 735                            | 728      | 735                          | 728       |
| <b>INCOME (LOSS) BY BUSINESS SEGMENT</b>   |                                |          |                              |           |
| Electric Utilities and Infrastructure  | \$ 753                         | \$ 809   | \$ 1,458                     | \$ 1,559  |
| Gas Utilities and Infrastructure <sup>(a)</sup>                                      | (1,576)                        | 40       | (1,327)                      | 266       |
| Commercial Renewables  | 90                             | 86       | 147                          | 99        |
| Total Reportable Segment (Loss) Income   | (733)                          | 935      | 278                          | 1,924     |
| Other <sup>(b)</sup>   | (84)                           | (115)    | (196)                        | (204)     |
| Net (Loss) Income Available to Duke Energy Corporation common stockholders           | \$ (817)                       | \$ 820   | \$ 82                        | \$ 1,720  |
| <b>CAPITALIZATION</b>  |                                |          |                              |           |
| Total Common Equity (%)  |                                |          | 42%                          | 43%       |
| Total Debt (%)   |                                |          | 58%                          | 57%       |
| Total Debt   |                                |          | \$ 64,684                    | \$ 60,833 |
| Book Value Per Share   |                                |          | \$ 63.42                     | \$ 62.27  |
| Actual Shares Outstanding  |                                |          | 735                          | 728       |
| <b>CAPITAL AND INVESTMENT EXPENDITURES</b>   |                                |          |                              |           |
| Electric Utilities and Infrastructure  | \$ 1,768                       | \$ 2,073 | \$ 3,828                     | \$ 4,186  |
| Gas Utilities and Infrastructure   | 277                            | 383      | 604                          | 747       |
| Commercial Renewables  | 246                            | 483      | 697                          | 573       |
| Other  | 67                             | 58       | 138                          | 121       |
| Total Capital and Investment Expenditures  | \$ 2,358                       | \$ 2,997 | \$ 5,267                     | \$ 5,627  |

- (a) Includes \$2.0 billion (after tax \$1.6 billion) of costs related to the abandonment of the ACP investment for the three and six months ended June 30, 2020.
- (b) Includes a \$98 million (after tax \$75 million) reversal of 2018 severance costs due to the partial settlement of the Duke Energy Carolina's 2019 North Carolina rate case for the six months ended June 30, 2020.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(In millions, except per share amounts)

|   | Three Months Ended<br>June 30, |          | Six Months Ended<br>June 30, |           |
|---|--------------------------------|----------|------------------------------|-----------|
|   | 2020                           | 2019     | 2020                         | 2019      |
| <b>Operating Revenues</b>   |                                |          |                              |           |
| Regulated electric  | \$ 4,963                       | \$ 5,423 | \$ 10,087                    | \$ 10,708 |
| Regulated natural gas   | 263                            | 280      | 901                          | 1,008     |
| Nonregulated electric and other   | 195                            | 170      | 382                          | 320       |
| Total operating revenues  | 5,421                          | 5,873    | 11,370                       | 12,036    |
| <b>Operating Expenses</b>   |                                |          |                              |           |
| Fuel used in electric generation and purchased power                              | 1,349                          | 1,641    | 2,796                        | 3,250     |
| Cost of natural gas   | 59                             | 76       | 258                          | 403       |
| Operation, maintenance and other  | 1,353                          | 1,434    | 2,692                        | 2,853     |
| Depreciation and amortization   | 1,150                          | 1,089    | 2,280                        | 2,178     |
| Property and other taxes  | 334                            | 334      | 679                          | 677       |
| Impairment charges  | 6                              | 4        | 8                            | 4         |
| Total operating expenses  | 4,251                          | 4,578    | 8,713                        | 9,365     |
| <b>Gains on Sales of Other Assets and Other, net</b>                              | 7                              | 3        | 8                            | —         |
| <b>Operating Income</b>   | 1,177                          | 1,298    | 2,665                        | 2,671     |
| <b>Other Income and Expenses</b>  |                                |          |                              |           |
| Equity in (losses) earnings of unconsolidated affiliates                          | (1,968)                        | 44       | (1,924)                      | 87        |
| Other income and expenses, net  | 137                            | 89       | 183                          | 204       |
| Total other income and expenses   | (1,831)                        | 133      | (1,741)                      | 291       |
| <b>Interest Expense</b>   | 554                            | 542      | 1,105                        | 1,085     |
| <b>(Loss) Income Before Income Taxes</b>  | (1,208)                        | 889      | (181)                        | 1,877     |
| <b>Income Tax (Benefit) Expense</b>   | (316)                          | 141      | (179)                        | 236       |
| <b>Net (Loss) Income</b>  | (892)                          | 748      | (2)                          | 1,641     |
| <b>Add: Net Loss Attributable to Noncontrolling Interests</b>                     | 90                             | 84       | 138                          | 91        |
| <b>Net (Loss) Income Attributable to Duke Energy Corporation</b>                  | (802)                          | 832      | 136                          | 1,732     |
| <b>Less: Preferred Dividends</b>  | 15                             | 12       | 54                           | 12        |
| <b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b> | \$ (817)                       | \$ 820   | \$ 82                        | \$ 1,720  |
| <b>Earnings (Loss) Per Share – Basic and Diluted</b>                              |                                |          |                              |           |
| Net (loss) income available to Duke Energy Corporation common stockholders        |                                |          |                              |           |
| Basic and Diluted   | \$ (1.13)                      | \$ 1.12  | \$ 0.11                      | \$ 2.36   |
| Weighted average shares outstanding   |                                |          |                              |           |
| Basic   | 735                            | 728      | 734                          | 728       |
| Diluted   | 735                            | 728      | 735                          | 728       |

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**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

| (In millions)   | June 30, 2020     | December 31, 2019 |
|---|-------------------|-------------------|
| <b>ASSETS</b>   |                   |                   |
| <b>Current Assets</b>   |                   |                   |
| Cash and cash equivalents   | \$ 341            | \$ 311            |
| Receivables (net of allowance for doubtful accounts of \$23 at 2020 and \$22 at 2019)   | 753               | 1,066             |
| Receivables of VIEs (net of allowance for doubtful accounts of \$79 at 2020 and \$54 at 2019)   | 2,049             | 1,994             |
| Inventory   | 3,289             | 3,232             |
| Regulatory assets (includes \$53 at 2020 and \$52 at 2019 related to VIEs)  | 1,774             | 1,796             |
| Other (includes \$260 at 2020 and \$242 at 2019 related to VIEs)  | 1,031             | 764               |
| Total current assets  | 9,237             | 9,163             |
| <b>Property, Plant and Equipment</b>  |                   |                   |
| Cost  | 151,592           | 147,654           |
| Accumulated depreciation and amortization   | (47,295)          | (45,773)          |
| Generation facilities to be retired, net  | 28                | 246               |
| Net property, plant and equipment   | 104,325           | 102,127           |
| <b>Other Noncurrent Assets</b>  |                   |                   |
| Goodwill  | 19,303            | 19,303            |
| Regulatory assets (includes \$969 at 2020 and \$989 at 2019 related to VIEs)  | 13,285            | 13,222            |
| Nuclear decommissioning trust funds   | 8,000             | 8,140             |
| Operating lease right-of-use assets, net  | 1,580             | 1,658             |
| Investments in equity method unconsolidated affiliates  | 861               | 1,936             |
| Other (includes \$85 at 2020 and \$110 at 2019 related to VIEs)   | 3,458             | 3,289             |
| Total other noncurrent assets   | 46,487            | 47,548            |
| <b>Total Assets</b>   | <b>\$ 160,049</b> | <b>\$ 158,838</b> |
| <b>LIABILITIES AND EQUITY</b>   |                   |                   |
| <b>Current Liabilities</b>  |                   |                   |
| Accounts payable  | \$ 2,398          | \$ 3,487          |
| Notes payable and commercial paper  | 4,785             | 3,135             |
| Taxes accrued   | 657               | 392               |
| Interest accrued  | 569               | 565               |
| Current maturities of long-term debt (includes \$462 at 2020 and \$216 at 2019 related to VIEs)   | 3,756             | 3,141             |
| Asset retirement obligations  | 729               | 881               |
| Regulatory liabilities  | 898               | 784               |
| Other   | 2,898             | 2,367             |
| Total current liabilities   | 16,690            | 14,752            |
| <b>Long-Term Debt (includes \$3,643 at 2020 and \$3,997 at 2019 related to VIEs)</b>  | <b>56,143</b>     | <b>54,985</b>     |
| <b>Other Noncurrent Liabilities</b>   |                   |                   |
| Deferred income taxes   | 8,979             | 8,878             |
| Asset retirement obligations  | 12,539            | 12,437            |
| Regulatory liabilities  | 14,553            | 15,264            |
| Operating lease liabilities   | 1,377             | 1,432             |
| Accrued pension and other post-retirement benefit costs   | 911               | 934               |
| Investment tax credits  | 683               | 624               |
| Other (includes \$251 at 2020 and \$228 at 2019 related to VIEs)  | 1,563             | 1,581             |
| Total other noncurrent liabilities  | 40,605            | 41,150            |
| <b>Commitments and Contingencies</b>  |                   |                   |
| <b>Equity</b>   |                   |                   |
| Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2020 and 2019                          | 973               | 973               |
| Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2020 and 2019                                      | 989               | 989               |
| Common stock, \$0.001 par value, 2 billion shares authorized; 735 million shares outstanding at 2020 and 733 million shares outstanding at 2019 | 1                 | 1                 |
| Additional paid-in capital  | 40,997            | 40,881            |
| Retained earnings   | 2,707             | 4,108             |
| Accumulated other comprehensive loss  | (183)             | (130)             |
| Total Duke Energy Corporation stockholders' equity  | 45,484            | 46,822            |
| Noncontrolling interests  | 1,127             | 1,129             |
| Total equity  | 46,611            | 47,951            |
| <b>Total Liabilities and Equity</b>   | <b>\$ 160,049</b> | <b>\$ 158,838</b> |

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(In millions)

|  | Six Months Ended June 30, |          |
|--|---------------------------|----------|
|  | 2020                      | 2019     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                      |                           |          |
| Net Income   | \$ (2)                    | \$ 1,641 |
| Adjustments to reconcile net income to net cash provided by operating activities | 3,359                     | 1,415    |
| Net cash provided by operating activities  | 3,357                     | 3,056    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                      |                           |          |
| Net cash used in investing activities  | (5,471)                   | (5,788)  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                      |                           |          |
| Net cash provided by financing activities  | 2,182                     | 2,622    |
| Net increase (decrease) in cash, cash equivalents and restricted cash            | 68                        | (110)    |
| Cash, cash equivalents and restricted cash at beginning of period                | 573                       | 591      |
| Cash, cash equivalents and restricted cash at end of period                      | \$ 641                    | \$ 481   |

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Jan 19 2023

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Three Months Ended June 30, 2020      |                                  |                       |         |                           |             |
|--|---------------------------------------|----------------------------------|-----------------------|---------|---------------------------|-------------|
|  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other   | Eliminations/ Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |                                       |                                  |                       |         |                           |             |
| Regulated electric   | \$ 5,034                              | \$ —                             | \$ —                  | \$ —    | (71)                      | \$ 4,963    |
| Regulated natural gas  | —                                     | 287                              | —                     | —       | (24)                      | 263         |
| Nonregulated electric and other  | —                                     | 2                                | 123                   | 26      | 44                        | 195         |
| Total operating revenues   | 5,034                                 | 289                              | 123                   | 26      | (51)                      | 5,421       |
| <b>Operating Expenses</b>  |                                       |                                  |                       |         |                           |             |
| Fuel used in electric generation and purchased power   | 1,367                                 | —                                | —                     | —       | (18)                      | 1,349       |
| Cost of natural gas  | —                                     | 60                               | —                     | —       | (1)                       | 59          |
| Operation, maintenance and other   | 1,240                                 | 99                               | 63                    | (22)    | (27)                      | 1,353       |
| Depreciation and amortization  | 993                                   | 62                               | 48                    | 55      | (8)                       | 1,150       |
| Property and other taxes   | 296                                   | 26                               | 8                     | 4       | —                         | 334         |
| Impairment charges   | 1                                     | —                                | 6                     | —       | (1)                       | 6           |
| Total operating expenses   | 3,897                                 | 247                              | 125                   | 37      | (55)                      | 4,251       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 7                                     | —                                | —                     | —       | —                         | 7           |
| <b>Operating Income (Loss)</b>   | 1,144                                 | 42                               | (2)                   | (11)    | 4                         | 1,177       |
| <b>Other Income and Expenses</b>   |                                       |                                  |                       |         |                           |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 3                                     | (1,970)                          | —                     | (1)     | —                         | (1,968)     |
| Other income and expenses, net   | 86                                    | 14                               | 2                     | 46      | (11)                      | 137         |
| Total Other Income and Expenses  | 89                                    | (1,956)                          | 2                     | 45      | (11)                      | (1,831)     |
| <b>Interest Expense</b>  | 344                                   | 37                               | 13                    | 167     | (7)                       | 554         |
| <b>Income (Loss) Before Income Taxes</b>   | 889                                   | (1,951)                          | (13)                  | (133)   | —                         | (1,208)     |
| <b>Income Tax Expense (Benefit)</b>  | 136                                   | (375)                            | (13)                  | (64)    | —                         | (316)       |
| <b>Net Income (Loss)</b>   | 753                                   | (1,576)                          | —                     | (69)    | —                         | (892)       |
| <b>Add: Net Loss Attributable to Noncontrolling Interest<sup>(a)</sup></b>                         | —                                     | —                                | 90                    | —       | —                         | 90          |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>                                   | 753                                   | (1,576)                          | 90                    | (69)    | —                         | (802)       |
| <b>Less: Preferred Dividends</b>   | —                                     | —                                | —                     | 15      | —                         | 15          |
| <b>Segment Income (Loss) / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 753                                | \$ (1,576)                       | \$ 90                 | \$ (84) | \$ —                      | \$ (817)    |
| <b>Special Item</b>  | —                                     | 1,626                            | —                     | —       | —                         | 1,626       |
| <b>Adjusted Earnings<sup>(b)</sup></b>   | \$ 753                                | \$ 50                            | \$ 90                 | \$ (84) | \$ —                      | \$ 809      |

(a) Includes the allocation of losses to noncontrolling tax equity members.

(b) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income (Loss) to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Six Months Ended June 30, 2020              |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |   |  |                          |          |                              |             |
| Regulated electric   | \$ 10,217                                   | \$ —                                   | \$ 1                     | \$ —     | \$ (131)                     | \$ 10,087   |
| Regulated natural gas  | —   | 948                                    | —                        | —        | (47)                         | 901         |
| Nonregulated electric and other  | —   | 5                                      | 251                      | 49       | 77                           | 382         |
| Total operating revenues   | 10,217                                      | 953                                    | 252                      | 49       | (101)                        | 11,370      |
| <b>Operating Expenses</b>  |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power   | 2,834                                       | —                                      | —                        | —        | (38)                         | 2,796       |
| Cost of natural gas  | —   | 259                                    | —                        | —        | (1)                          | 258         |
| Operation, maintenance and other   | 2,565                                       | 209                                    | 132                      | (160)    | (54)                         | 2,692       |
| Depreciation and amortization  | 1,970                                       | 128                                    | 96                       | 100      | (14)                         | 2,280       |
| Property and other taxes   | 599   | 56                                     | 16                       | 8        | —                            | 679         |
| Impairment charges   | 3   | —                                      | 6                        | —        | (1)                          | 8           |
| Total operating expenses   | 7,971                                       | 652                                    | 250                      | (52)     | (108)                        | 8,713       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 8   | —                                      | —                        | —        | —                            | 8           |
| <b>Operating Income</b>  | 2,254                                       | 301                                    | 2                        | 101      | 7                            | 2,665       |
| <b>Other Income and Expenses</b>   |   |  |                          |          |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 5   | (1,933)                                | (2)                      | 6        | —                            | (1,924)     |
| Other income and expenses, net   | 169   | 26                                     | 3                        | 6        | (21)                         | 183         |
| Total Other Income and Expenses  | 174   | (1,907)                                | 1                        | 12       | (21)                         | (1,741)     |
| <b>Interest Expense</b>  | 683   | 68                                     | 31                       | 338      | (15)                         | 1,105       |
| <b>Income (Loss) Before Income Taxes</b>   | 1,745                                       | (1,674)                                | (28)                     | (225)    | 1                            | (181)       |
| <b>Income Tax Expense (Benefit)</b>  | 287   | (347)                                  | (37)                     | (83)     | 1                            | (179)       |
| <b>Net Income (Loss)</b>   | 1,458                                       | (1,327)                                | 9                        | (142)    | —                            | (2)         |
| <b>Add: Net Loss Attributable to Noncontrolling Interest<sup>(a)</sup></b>                         | —   | —                                      | 138                      | —        | —                            | 138         |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>                                   | 1,458                                       | (1,327)                                | 147                      | (142)    | —                            | 136         |
| <b>Less: Preferred Dividends</b>   | —   | —                                      | —                        | 54       | —                            | 54          |
| <b>Segment Income (Loss) / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 1,458                                    | \$ (1,327)                             | \$ 147                   | \$ (196) | \$ —                         | \$ 82       |
| <b>Special Items</b>   | —   | 1,626                                  | —                        | (75)     | —                            | 1,551       |
| <b>Adjusted Earnings<sup>(b)</sup></b>   | \$ 1,458                                    | \$ 299                                 | \$ 147                   | \$ (271) | \$ —                         | \$ 1,633    |

(a) Includes the allocation of losses to noncontrolling tax equity members.

(b) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income (Loss) to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Three Months Ended June 30, 2019            |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |   |  |                          |          |                              |             |
| Regulated electric   | \$ 5,475                                    | \$ —                                   | \$ —                     | \$ —     | (52)                         | \$ 5,423    |
| Regulated natural gas  | —   | 304                                    | —                        | —        | (24)                         | 280         |
| Nonregulated electric and other  | —   | 2                                      | 118                      | 25       | 25                           | 170         |
| Total operating revenues   | 5,475                                       | 306                                    | 118                      | 25       | (51)                         | 5,873       |
| <b>Operating Expenses</b>  |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power   | 1,662                                       | —                                      | —                        | —        | (21)                         | 1,641       |
| Cost of natural gas  | —   | 76                                     | —                        | —        | —                            | 76          |
| Operation, maintenance and other   | 1,318                                       | 107                                    | 64                       | (26)     | (29)                         | 1,434       |
| Depreciation and amortization  | 951   | 63                                     | 40                       | 34       | 1                            | 1,089       |
| Property and other taxes   | 297   | 27                                     | 6                        | 3        | 1                            | 334         |
| Impairment charges   | 4   | —                                      | —                        | —        | —                            | 4           |
| Total operating expenses   | 4,232                                       | 273                                    | 110                      | 11       | (48)                         | 4,578       |
| <b>Losses on Sales of Other Assets and Other, net</b>  | 3   | —                                      | —                        | —        | —                            | 3           |
| <b>Operating Income (Loss)</b>   | 1,246                                       | 33                                     | 8                        | 14       | (3)                          | 1,298       |
| <b>Other Income and Expenses</b>   |   |  |                          |          |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 4   | 31                                     | (1)                      | 9        | 1                            | 44          |
| Other income and expenses, net   | 85  | 6                                      | (7)                      | 21       | (16)                         | 89          |
| Total Other Income and Expenses  | 89  | 37                                     | (8)                      | 30       | (15)                         | 133         |
| <b>Interest Expense</b>  | 330   | 27                                     | 22                       | 180      | (17)                         | 542         |
| <b>Income (Loss) Before Income Taxes</b>   | 1,005                                       | 43                                     | (22)                     | (136)    | (1)                          | 889         |
| <b>Income Tax Expense (Benefit)</b>  | 196   | 3                                      | (24)                     | (33)     | (1)                          | 141         |
| <b>Net Income (Loss)</b>   | 809   | 40                                     | 2                        | (103)    | —                            | 748         |
| <b>Add: Net Loss Attributable to Noncontrolling Interest<sup>(a)</sup></b>                                   | —   | —                                      | 84                       | —        | —                            | 84          |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>   | 809   | 40                                     | 86                       | (103)    | —                            | 832         |
| <b>Less: Preferred Dividends</b>   | —   | —                                      | —                        | 12       | —                            | 12          |
| <b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 809                                      | \$ 40                                  | \$ 86                    | \$ (115) | \$ —                         | \$ 820      |

(a) Includes the allocation of losses to noncontrolling tax equity members.



**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Six Months Ended June 30, 2019              |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |   |  |                          |          |                              |             |
| Regulated electric   | \$ 10,804                                   | \$ —                                   | \$ —                     | \$ —     | (96)                         | \$ 10,708   |
| Regulated natural gas  | —   | 1,056                                  | —                        | —        | (48)                         | 1,008       |
| Nonregulated electric and other  | —   | 6                                      | 224                      | 46       | 44                           | 320         |
| Total operating revenues   | 10,804                                      | 1,062                                  | 224                      | 46       | (100)                        | 12,036      |
| <b>Operating Expenses</b>  |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power   | 3,292                                       | —                                      | —                        | —        | (42)                         | 3,250       |
| Cost of natural gas  | —   | 403                                    | —                        | —        | —                            | 403         |
| Operation, maintenance and other   | 2,600                                       | 217                                    | 130                      | (39)     | (55)                         | 2,853       |
| Depreciation and amortization  | 1,898                                       | 128                                    | 80                       | 72       | —                            | 2,178       |
| Property and other taxes   | 598   | 60                                     | 12                       | 6        | 1                            | 677         |
| Impairment charges   | 4   | —                                      | —                        | —        | —                            | 4           |
| Total operating expenses   | 8,392                                       | 808                                    | 222                      | 39       | (96)                         | 9,365       |
| <b>Operating Income</b>  | 2,412                                       | 254                                    | 2                        | 7        | (4)                          | 2,671       |
| <b>Other Income and Expenses</b>   |   |  |                          |          |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 6   | 64                                     | (2)                      | 18       | 1                            | 87          |
| Other income and expenses, net   | 174   | 13                                     | (8)                      | 56       | (31)                         | 204         |
| Total Other Income and Expenses  | 180   | 77                                     | (10)                     | 74       | (30)                         | 291         |
| <b>Interest Expense</b>  | 668   | 57                                     | 43                       | 351      | (34)                         | 1,085       |
| <b>Income (Loss) Before Income Taxes</b>   | 1,924                                       | 274                                    | (51)                     | (270)    | —                            | 1,877       |
| <b>Income Tax Expense (Benefit)</b>  | 365   | 8                                      | (59)                     | (78)     | —                            | 236         |
| <b>Net Income (Loss)</b>   | 1,559                                       | 266                                    | 8                        | (192)    | —                            | 1,641       |
| <b>Add: Net Loss Attributable to Noncontrolling Interest<sup>(a)</sup></b>                                   | —   | —                                      | 91                       | —        | —                            | 91          |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>   | 1,559                                       | 266                                    | 99                       | (192)    | —                            | 1,732       |
| <b>Less: Preferred Dividends</b>   | —   | —                                      | —                        | 12       | —                            | 12          |
| <b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 1,559                                    | \$ 266                                 | \$ 99                    | \$ (204) | \$ —                         | \$ 1,720    |

(a) Includes the allocation of losses to noncontrolling tax equity members.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2020                               |  |                          |                 |                              |                   |
|--|---|--|--------------------------|-----------------|------------------------------|-------------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other           | Eliminations/<br>Adjustments | Duke Energy       |
| <b>Current Assets</b>                                      |   |  |                          |                 |                              |                   |
| Cash and cash equivalents                                  | \$ 117                                      | \$ 2                                   | \$ 14                    | \$ 207          | \$ 1                         | \$ 341            |
| Receivables, net   | 548   | 86                                     | 107                      | 12              | —                            | 753               |
| Receivables of variable interest entities, net             | 2,049                                       | —                                      | —                        | —               | —                            | 2,049             |
| Receivables from affiliated companies                      | 80  | 14                                     | 599                      | 711             | (1,404)                      | —                 |
| Notes receivable from affiliated companies                 | 235   | 11                                     | —                        | 655             | (901)                        | —                 |
| Inventory  | 3,132                                       | 61                                     | 69                       | 26              | 1                            | 3,289             |
| Regulatory assets  | 1,558                                       | 119                                    | —                        | 97              | —                            | 1,774             |
| Other  | 142   | 54                                     | 202                      | 670             | (37)                         | 1,031             |
| Total current assets                                       | 7,861                                       | 347                                    | 991                      | 2,378           | (2,340)                      | 9,237             |
| <b>Property, Plant and Equipment</b>                       |   |  |                          |                 |                              |                   |
| Cost   | 130,778                                     | 12,166                                 | 6,431                    | 2,318           | (101)                        | 151,592           |
| Accumulated depreciation and amortization                  | (42,334)                                    | (2,584)                                | (1,123)                  | (1,253)         | (1)                          | (47,295)          |
| Generation facilities to be retired, net                   | 28  | —                                      | —                        | —               | —                            | 28                |
| Net property, plant and equipment                          | 88,472                                      | 9,582                                  | 5,308                    | 1,065           | (102)                        | 104,325           |
| <b>Other Noncurrent Assets</b>                             |   |  |                          |                 |                              |                   |
| Goodwill   | 17,379                                      | 1,924                                  | —                        | —               | —                            | 19,303            |
| Regulatory assets  | 12,118                                      | 665                                    | —                        | 502             | —                            | 13,285            |
| Nuclear decommissioning trust funds                        | 8,000                                       | —                                      | —                        | —               | —                            | 8,000             |
| Operating lease right-of-use assets, net                   | 1,176                                       | 22                                     | 107                      | 275             | —                            | 1,580             |
| Investments in equity method unconsolidated affiliates     | 117   | 211                                    | 424                      | 109             | —                            | 861               |
| Investment in consolidated subsidiaries                    | 438   | 6                                      | 2                        | 62,509          | (62,955)                     | —                 |
| Other  | 2,088                                       | 305                                    | 155                      | 1,545           | (635)                        | 3,458             |
| Total other noncurrent assets                              | 41,316                                      | 3,133                                  | 688                      | 64,940          | (63,590)                     | 46,487            |
| <b>Total Assets</b>  | <b>137,649</b>                              | <b>13,062</b>                          | <b>6,987</b>             | <b>68,383</b>   | <b>(66,032)</b>              | <b>160,049</b>    |
| Segment reclassifications, intercompany balances and other | (925)                                       | 10                                     | (601)                    | (64,509)        | 66,025                       | —                 |
| <b>Segment Assets</b>                                      | <b>\$ 136,724</b>                           | <b>\$ 13,072</b>                       | <b>\$ 6,386</b>          | <b>\$ 3,874</b> | <b>\$ (7)</b>                | <b>\$ 160,049</b> |

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

|  | June 30, 2020                               |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
| (In millions)  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Current Liabilities</b>                                 |   |  |                          |          |                              |             |
| Accounts payable   | \$ 1,700                                    | \$ 179                                 | \$ 129                   | \$ 391   | (1)                          | \$ 2,398    |
| Accounts payable to affiliated companies                   | 456   | 46                                     | 273                      | 578      | (1,353)                      | —           |
| Notes payable to affiliated companies                      | 468   | 222                                    | 48                       | 169      | (907)                        | —           |
| Notes payable and commercial paper                         | —   | —                                      | 157                      | 4,628    | —                            | 4,785       |
| Taxes accrued  | 662   | 67                                     | 378                      | (450)    | —                            | 657         |
| Interest accrued   | 383   | 42                                     | 2                        | 142      | —                            | 569         |
| Current maturities of long-term debt                       | 2,412                                       | 190                                    | 158                      | 999      | (3)                          | 3,756       |
| Asset retirement obligations                               | 729   | —                                      | —                        | —        | —                            | 729         |
| Regulatory liabilities                                     | 772   | 124                                    | —                        | 2        | —                            | 898         |
| Other  | 1,512                                       | 979                                    | 54                       | 432      | (79)                         | 2,898       |
| Total current liabilities                                  | 9,094                                       | 1,849                                  | 1,199                    | 6,891    | (2,343)                      | 16,690      |
| <b>Long-Term Debt</b>                                      | 34,907                                      | 3,292                                  | 1,457                    | 16,584   | (97)                         | 56,143      |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 618   | 7                                      | 9                        | —        | (634)                        | —           |
| <b>Other Noncurrent Liabilities</b>                        |   |  |                          |          |                              |             |
| Deferred income taxes                                      | 10,625                                      | 648                                    | (646)                    | (1,647)  | (1)                          | 8,979       |
| Asset retirement obligations                               | 12,338                                      | 55                                     | 146                      | —        | —                            | 12,539      |
| Regulatory liabilities                                     | 13,054                                      | 1,475                                  | —                        | 24       | —                            | 14,553      |
| Operating lease liabilities                                | 1,069                                       | 21                                     | 108                      | 178      | 1                            | 1,377       |
| Accrued pension and other post-retirement benefit costs    | 585   | 32                                     | 2                        | 292      | —                            | 911         |
| Investment tax credits                                     | 681   | 2                                      | —                        | —        | —                            | 683         |
| Other  | 809   | 170                                    | 276                      | 500      | (192)                        | 1,563       |
| Total other noncurrent liabilities                         | 39,161                                      | 2,403                                  | (114)                    | (653)    | (192)                        | 40,605      |
| <b>Equity</b>  |   |  |                          |          |                              |             |
| Total Duke Energy Corporation stockholders' equity         | 53,869                                      | 5,511                                  | 3,312                    | 45,558   | (62,766)                     | 45,484      |
| Noncontrolling interests                                   | —   | —                                      | 1,124                    | 3        | —                            | 1,127       |
| Total equity   | 53,869                                      | 5,511                                  | 4,436                    | 45,561   | (62,766)                     | 46,611      |
| <b>Total Liabilities and Equity</b>                        | 137,649                                     | 13,062                                 | 6,987                    | 68,383   | (66,032)                     | 160,049     |
| Segment reclassifications, intercompany balances and other | (925)                                       | 10                                     | (601)                    | (64,509) | 66,025                       | —           |
| <b>Segment Liabilities and Equity</b>                      | \$ 136,724                                  | \$ 13,072                              | \$ 6,386                 | \$ 3,874 | (7)                          | \$ 160,049  |

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)   | Three Months Ended June 30, 2020 |                            |                           |                                       |                           |                        |   |
|---|----------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|------------------------|---|
|   | Duke<br>Energy<br>Carolinas      | Duke<br>Energy<br>Progress | Duke<br>Energy<br>Florida | Duke<br>Energy<br>Ohio <sup>(a)</sup> | Duke<br>Energy<br>Indiana | Eliminations/<br>Other | Electric<br>Utilities and<br>Infrastructure |
| <b>Operating Revenues</b>                                     | \$ 1,610                         | \$ 1,243                   | \$ 1,250                  | \$ 330                                | \$ 617                    | \$ (16)                | \$ 5,034                                    |
| <b>Operating Expenses</b>                                     |                                  |                            |                           |                                       |                           |                        |   |
| Fuel used in electric generation and purchased power          | 376                              | 395                        | 382                       | 77                                    | 161                       | (24)                   | 1,367                                       |
| Operation, maintenance and other                              | 419                              | 311                        | 265                       | 72                                    | 169                       | 4                      | 1,240                                       |
| Depreciation and amortization                                 | 375                              | 257                        | 175                       | 49                                    | 134                       | 3                      | 993   |
| Property and other taxes                                      | 75                               | 44                         | 92                        | 63                                    | 20                        | 2                      | 296   |
| Impairment charges  | —                                | —                          | —                         | —                                     | —                         | 1                      | 1   |
| Total operating expenses                                      | 1,245                            | 1,007                      | 914                       | 261                                   | 484                       | (14)                   | 3,897                                       |
| <b>(Losses) Gains on Sales of Other Assets and Other, net</b> | (1)                              | 6                          | —                         | —                                     | —                         | 2                      | 7   |
| <b>Operating Income</b>                                       | 364                              | 242                        | 336                       | 69                                    | 133                       | —                      | 1,144                                       |
| <b>Other Income and Expenses, net<sup>(b)</sup></b>           | 43                               | 19                         | 15                        | 2                                     | 9                         | 1                      | 89  |
| <b>Interest Expense</b>                                       | 125                              | 68                         | 80                        | 20                                    | 42                        | 9                      | 344   |
| <b>Income Before Income Taxes</b>                             | 282                              | 193                        | 271                       | 51                                    | 100                       | (8)                    | 889   |
| <b>Income Tax Expense</b>                                     | 39                               | 29                         | 52                        | 7                                     | 17                        | (8)                    | 136   |
| <b>Segment Income</b>   | \$ 243                           | \$ 164                     | \$ 219                    | \$ 44                                 | \$ 83                     | \$ —                   | \$ 753                                      |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes an equity component of allowance for funds used during construction of \$15 million for Duke Energy Carolinas, \$9 million for Duke Energy Progress, \$2 million for Duke Energy Florida, \$1 million for Duke Energy Ohio and \$6 million for Duke Energy Indiana.

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)  | Six Months Ended June 30, 2020 |                            |                           |                                       |                           |                        |   |
|--|--------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|------------------------|---|
|  | Duke<br>Energy<br>Carolinas    | Duke<br>Energy<br>Progress | Duke<br>Energy<br>Florida | Duke<br>Energy<br>Ohio <sup>(a)</sup> | Duke<br>Energy<br>Indiana | Eliminations/<br>Other | Electric<br>Utilities and<br>Infrastructure |
| <b>Operating Revenues</b>                            | \$ 3,358                       | \$ 2,581                   | \$ 2,330                  | \$ 676                                | \$ 1,309                  | \$ (37)                | \$ 10,217                                   |
| <b>Operating Expenses</b>                            |                                |                            |                           |                                       |                           |                        |   |
| Fuel used in electric generation and purchased power | 829                            | 800                        | 740                       | 164                                   | 355                       | (54)                   | 2,834                                       |
| Operation, maintenance and other                     | 872                            | 648                        | 510                       | 166                                   | 354                       | 15                     | 2,565                                       |
| Depreciation and amortization                        | 718                            | 544                        | 340                       | 96                                    | 266                       | 6                      | 1,970                                       |
| Property and other taxes                             | 156                            | 91                         | 180                       | 128                                   | 42                        | 2                      | 599   |
| Impairment charges                                   | 2                              | —                          | —                         | —                                     | —                         | 1                      | 3   |
| Total operating expenses                             | 2,577                          | 2,083                      | 1,770                     | 554                                   | 1,017                     | (30)                   | 7,971                                       |
| <b>Gains on Sales of Other Assets and Other, net</b> | —                              | 5                          | —                         | —                                     | —                         | 3                      | 8   |
| <b>Operating Income</b>                              | 781                            | 503                        | 560                       | 122                                   | 292                       | (4)                    | 2,254                                       |
| <b>Other Income and Expenses, net<sup>(b)</sup></b>  | 86                             | 41                         | 25                        | 4                                     | 19                        | (1)                    | 174   |
| <b>Interest Expense</b>                              | 248                            | 137                        | 164                       | 40                                    | 85                        | 9                      | 683   |
| <b>Income Before Income Taxes</b>                    | 619                            | 407                        | 421                       | 86                                    | 226                       | (14)                   | 1,745                                       |
| <b>Income Tax Expense</b>                            | 89                             | 63                         | 82                        | 12                                    | 44                        | (3)                    | 287   |
| <b>Segment Income</b>                                | \$ 530                         | \$ 344                     | \$ 339                    | \$ 74                                 | \$ 182                    | \$ (11)                | \$ 1,458                                    |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes an equity component of allowance for funds used during construction of \$29 million for Duke Energy Carolinas, \$19 million for Duke Energy Progress, \$6 million for Duke Energy Florida, \$2 million for Duke Energy Ohio and \$12 million for Duke Energy Indiana.

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2020         |                      |                     |                                 |                     |   |                                       |
|--|-----------------------|----------------------|---------------------|---------------------------------|---------------------|---|---------------------------------------|
|  | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/Adjustments <sup>(b)</sup> | Electric Utilities and Infrastructure |
| <b>Current Assets</b>                                      |                       |                      |                     |                                 |                     |   |                                       |
| Cash and cash equivalents                                  | \$ 24                 | \$ 51                | \$ 20               | \$ 6                            | \$ 16               | \$ —                                    | \$ 117                                |
| Receivables, net   | 255                   | 77                   | 72                  | 98                              | 44                  | 2                                       | 548                                   |
| Receivables of variable interest entities, net             | 675                   | 451                  | 469                 | —                               | —                   | 454                                     | 2,049                                 |
| Receivables from affiliated companies                      | 78                    | 42                   | 2                   | 45                              | 59                  | (146)                                   | 80                                    |
| Notes receivable from affiliated companies                 | —                     | —                    | —                   | 23                              | 425                 | (213)                                   | 235                                   |
| Inventory  | 1,080                 | 980                  | 486                 | 97                              | 489                 | —                                       | 3,132                                 |
| Regulatory assets  | 490                   | 526                  | 432                 | 18                              | 90                  | 2                                       | 1,558                                 |
| Other  | 19                    | 37                   | 44                  | (1)                             | 45                  | (2)                                     | 142                                   |
| Total current assets                                       | 2,621                 | 2,164                | 1,525               | 286                             | 1,168               | 97                                      | 7,861                                 |
| <b>Property, Plant and Equipment</b>                       |                       |                      |                     |                                 |                     |   |                                       |
| Cost   | 50,068                | 35,120               | 21,290              | 7,122                           | 16,736              | 442                                     | 130,778                               |
| Accumulated depreciation and amortization                  | (17,098)              | (12,303)             | (5,394)             | (2,055)                         | (5,472)             | (12)                                    | (42,334)                              |
| Generation facilities to be retired, net                   | —                     | 28                   | —                   | —                               | —                   | —                                       | 28                                    |
| Net property, plant and equipment                          | 32,970                | 22,845               | 15,896              | 5,067                           | 11,264              | 430                                     | 88,472                                |
| <b>Other Noncurrent Assets</b>                             |                       |                      |                     |                                 |                     |   |                                       |
| Goodwill   | —                     | —                    | —                   | 596                             | —                   | 16,783                                  | 17,379                                |
| Regulatory assets  | 3,440                 | 4,448                | 1,860               | 363                             | 1,113               | 894                                     | 12,118                                |
| Nuclear decommissioning trust funds                        | 4,265                 | 3,023                | 711                 | —                               | —                   | 1                                       | 8,000                                 |
| Operating lease right-of-use assets, net                   | 125                   | 367                  | 370                 | 21                              | 56                  | 237                                     | 1,176                                 |
| Investments in equity method unconsolidated affiliates     | —                     | —                    | 1                   | —                               | —                   | 116                                     | 117                                   |
| Investment in consolidated subsidiaries                    | 49                    | 14                   | 2                   | 194                             | 1                   | 178                                     | 438                                   |
| Other  | 1,158                 | 687                  | 326                 | 47                              | 251                 | (381)                                   | 2,088                                 |
| Total other noncurrent assets                              | 9,037                 | 8,539                | 3,270               | 1,221                           | 1,421               | 17,828                                  | 41,316                                |
| <b>Total Assets</b>  | <b>44,628</b>         | <b>33,548</b>        | <b>20,691</b>       | <b>6,574</b>                    | <b>13,853</b>       | <b>18,355</b>                           | <b>137,649</b>                        |
| Segment reclassifications, intercompany balances and other | (210)                 | (89)                 | (74)                | (196)                           | (91)                | (265)                                   | (925)                                 |
| <b>Reportable Segment Assets</b>                           | <b>\$ 44,418</b>      | <b>\$ 33,459</b>     | <b>\$ 20,617</b>    | <b>\$ 6,378</b>                 | <b>\$ 13,762</b>    | <b>\$ 18,090</b>                        | <b>\$ 136,724</b>                     |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances, purchase accounting adjustments and restricted receivables related to Cinergy Receivables Company.

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

| (In millions)  | June 30, 2020         |                      |                     |                                 |                     |   |                                       |
|--|-----------------------|----------------------|---------------------|---------------------------------|---------------------|---|---------------------------------------|
|  | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/Adjustments <sup>(b)</sup> | Electric Utilities and Infrastructure |
| <b>Current Liabilities</b>                                 |                       |                      |                     |                                 |                     |   |                                       |
| Accounts payable   | \$ 615                | \$ 287               | \$ 388              | \$ 205                          | \$ 204              | \$ 1                                    | \$ 1,700                              |
| Accounts payable to affiliated companies                   | 147                   | 153                  | 80                  | 17                              | 74                  | (15)                                    | 456                                   |
| Notes payable to affiliated companies                      | 131                   | 257                  | 232                 | 56                              | —                   | (208)                                   | 468                                   |
| Taxes accrued  | 168                   | 89                   | 178                 | 180                             | 46                  | 1                                       | 662                                   |
| Interest accrued   | 127                   | 102                  | 67                  | 23                              | 64                  | —                                       | 383                                   |
| Current maturities of long-term debt                       | 508                   | 1,006                | 323                 | (26)                            | 503                 | 98                                      | 2,412                                 |
| Asset retirement obligations                               | 194                   | 357                  | —                   | 5                               | 172                 | 1                                       | 729                                   |
| Regulatory liabilities                                     | 293                   | 306                  | 82                  | 40                              | 51                  | —                                       | 772                                   |
| Other  | 488                   | 468                  | 372                 | 67                              | 104                 | 13                                      | 1,512                                 |
| Total current liabilities                                  | 2,671                 | 3,025                | 1,722               | 567                             | 1,218               | (109)                                   | 9,094                                 |
| <b>Long-Term Debt</b>                                      | 11,713                | 7,907                | 7,628               | 2,444                           | 3,950               | 1,265                                   | 34,907                                |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 300                   | 150                  | —                   | 18                              | 150                 | —                                       | 618                                   |
| <b>Other Noncurrent Liabilities</b>                        |                       |                      |                     |                                 |                     |   |                                       |
| Deferred income taxes                                      | 4,051                 | 2,497                | 2,182               | 678                             | 1,196               | 21                                      | 10,625                                |
| Asset retirement obligations                               | 5,566                 | 5,457                | 581                 | 38                              | 643                 | 53                                      | 12,338                                |
| Regulatory liabilities                                     | 6,232                 | 4,087                | 726                 | 369                             | 1,655               | (15)                                    | 13,054                                |
| Operating lease liabilities                                | 106                   | 339                  | 323                 | 20                              | 54                  | 227                                     | 1,069                                 |
| Accrued pension and other post-retirement benefit costs    | 77                    | 237                  | 211                 | 77                              | 150                 | (167)                                   | 585                                   |
| Investment tax credits                                     | 229                   | 134                  | 145                 | 3                               | 170                 | —                                       | 681                                   |
| Other  | 611                   | 105                  | 49                  | 68                              | 12                  | (36)                                    | 809                                   |
| Total other noncurrent liabilities                         | 16,872                | 12,856               | 4,217               | 1,253                           | 3,880               | 83                                      | 39,161                                |
| <b>Equity</b>  | 13,072                | 9,610                | 7,124               | 2,292                           | 4,655               | 17,116                                  | 53,869                                |
| <b>Total Liabilities and Equity</b>                        | 44,628                | 33,548               | 20,691              | 6,574                           | 13,853              | 18,355                                  | 137,649                               |
| Segment reclassifications, intercompany balances and other | (210)                 | (89)                 | (74)                | (196)                           | (91)                | (265)                                   | (925)                                 |
| <b>Reportable Segment Liabilities and Equity</b>           | \$ 44,418             | \$ 33,459            | \$ 20,617           | \$ 6,378                        | \$ 13,762           | \$ 18,090                               | \$ 136,724                            |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)                                 | Three Months Ended June 30, 2020 |                          |  |                           |                                  |
|---|----------------------------------|--------------------------|--|---------------------------|----------------------------------|
|   | Duke Energy Ohio <sup>(a)</sup>  | Piedmont Natural Gas LDC | Midstream Pipelines and Storage <sup>(b)</sup> | Eliminations/ Adjustments | Gas Utilities and Infrastructure |
| <b>Operating Revenues</b>                     | \$ 93                            | \$ 197                   | \$ —   | \$ (1)                    | \$ 289                           |
| <b>Operating Expenses</b>                     |                                  |                          |  |                           |                                  |
| Cost of natural gas                           | 6                                | 53                       | —  | 1                         | 60                               |
| Operation, maintenance and other              | 20                               | 79                       | 1  | (1)                       | 99                               |
| Depreciation and amortization                 | 19                               | 43                       | —  | —                         | 62                               |
| Property and other taxes                      | 15                               | 12                       | —  | (1)                       | 26                               |
| Total operating expenses                      | 60                               | 187                      | 1  | (1)                       | 247                              |
| <b>Operating Income (Loss)</b>                | 33                               | 10                       | (1)  | —                         | 42                               |
| <b>Other Income and Expenses</b>              |                                  |                          |  |                           |                                  |
| Equity in losses of unconsolidated affiliates | —                                | —                        | (1,970)  | —                         | (1,970)                          |
| Other income and expenses, net                | 2                                | 15                       | —  | (3)                       | 14                               |
| Total other income and expenses               | 2                                | 15                       | (1,970)  | (3)                       | (1,956)                          |
| <b>Interest Expense</b>                       | 6                                | 33                       | —  | (2)                       | 37                               |
| <b>Income (Loss) Before Income Taxes</b>      | 29                               | (8)                      | (1,971)  | (1)                       | (1,951)                          |
| <b>Income Tax Expense (Benefit)</b>           | 6                                | (18)                     | (372)  | 9                         | (375)                            |
| <b>Segment Loss</b>                           | \$ 23                            | \$ 10                    | \$ (1,599)                                     | \$ (10)                   | \$ (1,576)                       |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes (losses) earnings from investments in ACP, Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.



**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)                                 | Six Months Ended June 30, 2020  |                          |  |                          |                                  |
|---|---------------------------------|--------------------------|--|--------------------------|----------------------------------|
|   | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage <sup>(b)</sup> | Eliminations/Adjustments | Gas Utilities and Infrastructure |
| <b>Operating Revenues</b>                     | \$ 245                          | \$ 709                   | \$ —   | \$ (1)                   | \$ 953                           |
| <b>Operating Expenses</b>                     |                                 |                          |  |                          |                                  |
| Cost of natural gas                           | 43                              | 215                      | —  | 1                        | 259                              |
| Operation, maintenance and other              | 49                              | 158                      | 3  | (1)                      | 209                              |
| Depreciation and amortization                 | 40                              | 88                       | —  | —                        | 128                              |
| Property and other taxes                      | 33                              | 24                       | —  | (1)                      | 56                               |
| Total operating expenses                      | 165                             | 485                      | 3  | (1)                      | 652                              |
| <b>Operating Income (Loss)</b>                | 80                              | 224                      | (3)  | —                        | 301                              |
| <b>Other Income and Expenses</b>              |                                 |                          |  |                          |                                  |
| Equity in losses of unconsolidated affiliates | —                               | —                        | (1,933)  | —                        | (1,933)                          |
| Other income and expenses, net                | 3                               | 24                       | —  | (1)                      | 26                               |
| Total other income and expenses               | 3                               | 24                       | (1,933)  | (1)                      | (1,907)                          |
| <b>Interest Expense</b>                       | 10                              | 60                       | —  | (2)                      | 68                               |
| <b>Income (Loss) Before Income Taxes</b>      | 73                              | 188                      | (1,936)  | 1                        | (1,674)                          |
| <b>Income Tax Expense (Benefit)</b>           | 14                              | 10                       | (372)  | 1                        | (347)                            |
| <b>Segment Loss</b>                           | \$ 59                           | \$ 178                   | \$ (1,564)                                     | \$ —                     | \$ (1,327)                       |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes (losses) earnings from investments in ACP, Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2020                   |                          |                                 |   |                                  |
|--|---------------------------------|--------------------------|---------------------------------|---|----------------------------------|
|  | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage | Eliminations/Adjustments <sup>(b)</sup> | Gas Utilities and Infrastructure |
| <b>Current Assets</b>                                      |                                 |                          |                                 |   |                                  |
| Cash and cash equivalents                                  | \$ 2                            | \$ —                     | \$ —                            | \$ —                                    | 2                                |
| Receivables, net   | (16)                            | 102                      | —                               | —                                       | 86                               |
| Receivables from affiliated companies                      | 5                               | 75                       | —                               | (66)                                    | 14                               |
| Notes receivable from affiliated companies                 | 13                              | —                        | —                               | (2)                                     | 11                               |
| Inventory  | 32                              | 29                       | —                               | —                                       | 61                               |
| Regulatory assets  | 1                               | 118                      | —                               | —                                       | 119                              |
| Other  | —                               | 53                       | 1                               | —                                       | 54                               |
| Total current assets                                       | 37                              | 377                      | 1                               | (68)                                    | 347                              |
| <b>Property, Plant and Equipment</b>                       |                                 |                          |                                 |   |                                  |
| Cost   | 3,469                           | 8,697                    | —                               | —                                       | 12,166                           |
| Accumulated depreciation and amortization                  | (868)                           | (1,715)                  | —                               | (1)                                     | (2,584)                          |
| Net property, plant and equipment                          | 2,601                           | 6,982                    | —                               | (1)                                     | 9,582                            |
| <b>Other Noncurrent Assets</b>                             |                                 |                          |                                 |   |                                  |
| Goodwill   | 324                             | 49                       | —                               | 1,551                                   | 1,924                            |
| Regulatory assets  | 243                             | 280                      | —                               | 142                                     | 665                              |
| Operating lease right-of-use assets, net                   | —                               | 22                       | —                               | —                                       | 22                               |
| Investments in equity method unconsolidated affiliates     | —                               | —                        | 206                             | 5                                       | 211                              |
| Investment in consolidated subsidiaries                    | —                               | —                        | —                               | 6                                       | 6                                |
| Other  | 10                              | 277                      | 16                              | 2                                       | 305                              |
| Total other noncurrent assets                              | 577                             | 628                      | 222                             | 1,706                                   | 3,133                            |
| <b>Total Assets</b>  | 3,215                           | 7,987                    | 223                             | 1,637                                   | 13,062                           |
| Segment reclassifications, intercompany balances and other | (2)                             | (27)                     | (15)                            | 54                                      | 10                               |
| <b>Reportable Segment Assets</b>                           | \$ 3,213                        | \$ 7,960                 | \$ 208                          | \$ 1,691                                | \$ 13,072                        |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

|  | June 30, 2020                   |                          |                                 |  |                                  |
|--|---------------------------------|--------------------------|---------------------------------|--|----------------------------------|
| (In millions)  | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage | Eliminations/ Adjustments <sup>(b)</sup> | Gas Utilities and Infrastructure |
| <b>Current Liabilities</b>                                 |                                 |                          |                                 |  |                                  |
| Accounts payable   | \$ 41                           | \$ 138                   | \$ —                            | \$ —                                     | \$ 179                           |
| Accounts payable to affiliated companies                   | 6                               | 27                       | 79                              | (66)                                     | 46                               |
| Notes payable to affiliated companies                      | 23                              | 200                      | —                               | (1)                                      | 222                              |
| Taxes accrued  | 20                              | 24                       | 23                              | —  | 67                               |
| Interest accrued   | 8                               | 34                       | —                               | —  | 42                               |
| Current maturities of long-term debt                       | 26                              | 160                      | —                               | 4  | 190                              |
| Regulatory liabilities                                     | 26                              | 97                       | —                               | 1  | 124                              |
| Other  | 5                               | 56                       | 920                             | (2)                                      | 979                              |
| Total current liabilities                                  | 155                             | 736                      | 1,022                           | (64)                                     | 1,849                            |
| <b>Long-Term Debt</b>                                      | 549                             | 2,619                    | —                               | 124                                      | 3,292                            |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 7                               | —                        | —                               | —  | 7                                |
| <b>Other Noncurrent Liabilities</b>                        |                                 |                          |                                 |  |                                  |
| Deferred income taxes                                      | 291                             | 748                      | (392)                           | 1  | 648                              |
| Asset retirement obligations                               | 39                              | 17                       | —                               | (1)                                      | 55                               |
| Regulatory liabilities                                     | 383                             | 1,078                    | —                               | 14                                       | 1,475                            |
| Operating lease liabilities                                | —                               | 21                       | —                               | —  | 21                               |
| Accrued pension and other post-retirement benefit costs    | 25                              | 7                        | —                               | —  | 32                               |
| Investment tax credits                                     | 2                               | —                        | —                               | —  | 2                                |
| Other  | 27                              | 139                      | 1                               | 3  | 170                              |
| Total other noncurrent liabilities                         | 767                             | 2,010                    | (391)                           | 17                                       | 2,403                            |
| <b>Equity</b>  | 1,737                           | 2,622                    | (408)                           | 1,560                                    | 5,511                            |
| <b>Total Liabilities and Equity</b>                        | 3,215                           | 7,987                    | 223                             | 1,637                                    | 13,062                           |
| Segment reclassifications, intercompany balances and other | (2)                             | (27)                     | (15)                            | 54                                       | 10                               |
| <b>Reportable Segment Liabilities and Equity</b>           | \$ 3,213                        | \$ 7,960                 | \$ 208                          | \$ 1,691                                 | \$ 13,072                        |

- (a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.  
(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**Electric Utilities and Infrastructure**  
**Quarterly Highlights**  
**June 2020**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2020                        | 2019      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2020                      | 2019      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>                            |                             |           |               |   |                           |           |               |   |
| Residential   | 18,786                      | 18,823    | (0.2%)        | 5.3%  | 39,660                    | 41,041    | (3.4%)        | 2.0%  |
| General Service   | 16,468                      | 19,015    | (13.4%)       | (12.7%)                                     | 34,150                    | 36,932    | (7.5%)        | (6.3%)                                      |
| Industrial  | 10,938                      | 12,763    | (14.3%)       | (14.6%)                                     | 22,921                    | 24,811    | (7.6%)        | (7.5%)                                      |
| Other Energy Sales  | 147                         | 145       | 1.4%          | n/a   | 291                       | 290       | 0.3%          | n/a   |
| Unbilled Sales  | 1,537                       | 1,687     | (8.9%)        | n/a   | 952                       | 351       | 171.2%        | n/a   |
| Total Retail Sales  | 47,876                      | 52,433    | (8.7%)        | (6.5)%                                      | 97,974                    | 103,425   | (5.3%)        | (3.3%)                                      |
| Wholesale and Other   | 8,849                       | 9,791     | (9.6%)        |   | 17,703                    | 19,493    | (9.2%)        |   |
| Total Consolidated Electric Sales – Electric Utilities and Infrastructure | 56,725                      | 62,224    | (8.8%)        |   | 115,677                   | 122,918   | (5.9%)        |   |
| <b>Average Number of Customers (Electric)</b>                             |                             |           |               |   |                           |           |               |   |
| Residential   | 6,849,673                   | 6,725,599 | 1.8%          |   | 6,830,659                 | 6,717,342 | 1.7%          |   |
| General Service   | 1,000,295                   | 988,506   | 1.2%          |   | 998,542                   | 988,471   | 1.0%          |   |
| Industrial  | 17,299                      | 17,339    | (0.2%)        |   | 17,306                    | 17,369    | (0.4%)        |   |
| Other Energy Sales  | 31,041                      | 28,636    | 8.4%          |   | 30,985                    | 28,597    | 8.4%          |   |
| Total Retail Customers  | 7,898,308                   | 7,760,080 | 1.8%          |   | 7,877,492                 | 7,751,779 | 1.6%          |   |
| Wholesale and Other   | 38                          | 47        | (19.1%)       |   | 43                        | 49        | (12.2%)       |   |
| Total Average Number of Customers – Electric Utilities and Infrastructure | 7,898,346                   | 7,760,127 | 1.8%          |   | 7,877,535                 | 7,751,828 | 1.6%          |   |
| <b>Sources of Electric Energy (GWh)</b>                                   |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                                     |                             |           |               |   |                           |           |               |   |
| Coal  | 8,804                       | 13,007    | (32.3%)       |   | 15,956                    | 25,178    | (36.6%)       |   |
| Nuclear   | 18,234                      | 18,138    | 0.5%          |   | 37,038                    | 36,728    | 0.8%          |   |
| Hydro   | 883                         | 779       | 13.4%         |   | 1,904                     | 1,832     | 3.9%          |   |
| Oil and Natural Gas   | 17,574                      | 18,191    | (3.4%)        |   | 37,161                    | 35,845    | 3.7%          |   |
| Renewable Energy  | 345                         | 197       | 75.1%         |   | 560                       | 322       | 73.9%         |   |
| Total Generation <sup>(d)</sup>   | 45,840                      | 50,312    | (8.9%)        |   | 92,619                    | 99,905    | (7.3%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>                        | 13,647                      | 15,825    | (13.8%)       |   | 28,810                    | 30,047    | (4.1%)        |   |
| Total Sources of Energy   | 59,487                      | 66,137    | (10.1%)       |   | 121,429                   | 129,952   | (6.6%)        |   |
| Less: Line Loss and Other   | 2,762                       | 3,913     | (29.4%)       |   | 5,752                     | 7,034     | (18.2%)       |   |
| Total GWh Sources   | 56,725                      | 62,224    | (8.8%)        |   | 115,677                   | 122,918   | (5.9%)        |   |
| <b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>                         |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 50,752                    | 50,888    |               |   |
| Winter  |                             |           |               |   | 54,265                    | 54,583    |               |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>                          |                             |           |               |   | 94                        | 96        |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2020**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2020                        | 2019      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2020                      | 2019      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                            |                             |           |               |   |                           |           |               |   |
| Residential   | 5,861                       | 6,168     | (5.0%)        |   | 13,222                    | 13,923    | (5.0%)        |   |
| General Service   | 6,239                       | 7,171     | (13.0%)       |   | 13,054                    | 13,993    | (6.7%)        |   |
| Industrial  | 4,464                       | 5,402     | (17.4%)       |   | 9,339                     | 10,336    | (9.6%)        |   |
| Other Energy Sales  | 82                          | 79        | 3.8%          |   | 161                       | 159       | 1.3%          |   |
| Unbilled Sales  | 473                         | 344       | 37.5%         |   | 398                       | (11)      | 3,718.2%      |   |
| Total Retail Sales  | 17,119                      | 19,164    | (10.7%)       | (6.5%)                                      | 36,174                    | 38,400    | (5.8%)        | (2.8%)                                      |
| Wholesale and Other                                       | 1,964                       | 2,440     | (19.5%)       |   | 4,145                     | 5,032     | (17.6%)       |   |
| Total Consolidated Electric Sales – Duke Energy Carolinas | 19,083                      | 21,604    | (11.7%)       |   | 40,319                    | 43,432    | (7.2%)        |   |
| <b>Average Number of Customers</b>                        |                             |           |               |   |                           |           |               |   |
| Residential   | 2,298,766                   | 2,257,042 | 1.8%          |   | 2,291,939                 | 2,250,978 | 1.8%          |   |
| General Service   | 365,797                     | 361,962   | 1.1%          |   | 364,936                   | 361,073   | 1.1%          |   |
| Industrial  | 6,099                       | 6,128     | (0.5%)        |   | 6,106                     | 6,130     | (0.4%)        |   |
| Other Energy Sales  | 22,874                      | 20,580    | 11.1%         |   | 22,830                    | 20,551    | 11.1%         |   |
| Total Retail Customers                                    | 2,693,536                   | 2,645,712 | 1.8%          |   | 2,685,811                 | 2,638,732 | 1.8%          |   |
| Wholesale and Other                                       | 15                          | 15        | —%            |   | 20                        | 18        | 11.1%         |   |
| Total Average Number of Customers – Duke Energy Carolinas | 2,693,551                   | 2,645,727 | 1.8%          |   | 2,685,831                 | 2,638,750 | 1.8%          |   |
| <b>Sources of Electric Energy (GWh)</b>                   |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                     |                             |           |               |   |                           |           |               |   |
| Coal  | 3,188                       | 5,070     | (37.1%)       |   | 5,647                     | 8,292     | (31.9%)       |   |
| Nuclear   | 10,657                      | 11,015    | (3.3%)        |   | 22,179                    | 22,481    | (1.3%)        |   |
| Hydro   | 617                         | 540       | 14.3%         |   | 1,360                     | 1,319     | 3.1%          |   |
| Oil and Natural Gas                                       | 3,395                       | 3,807     | (10.8%)       |   | 8,263                     | 7,888     | 4.8%          |   |
| Renewable Energy  | 41                          | 44        | (6.8%)        |   | 85                        | 78        | 9.0%          |   |
| Total Generation <sup>(d)</sup>                           | 17,898                      | 20,476    | (12.6%)       |   | 37,534                    | 40,058    | (6.3%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>        | 2,283                       | 2,941     | (22.4%)       |   | 4,698                     | 5,843     | (19.6%)       |   |
| Total Sources of Energy                                   | 20,181                      | 23,417    | (13.8%)       |   | 42,232                    | 45,901    | (8.0%)        |   |
| Less: Line Loss and Other                                 | 1,098                       | 1,813     | (39.4%)       |   | 1,913                     | 2,469     | (22.5%)       |   |
| Total GWh Sources   | 19,083                      | 21,604    | (11.7%)       |   | 40,319                    | 43,432    | (7.2%)        |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                    |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 20,192                    | 20,209    |               |   |
| Winter  |                             |           |               |   | 21,127                    | 21,146    |               |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>          |                             |           |               |   | 94                        | 98        |               |   |
| <b>Heating and Cooling Degree Days</b>                    |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>   |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                       | 308                         | 127       | 142.5%        |   | 1,698                     | 1,730     | (1.8%)        |   |
| Cooling Degree Days                                       | 412                         | 632       | (34.8%)       |   | 447                       | 636       | (29.7%)       |   |
| <b>Variance from Normal</b>                               |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                       | 43.1%                       | (41.3%)   |               |   | (12.7%)                   | (10.7%)   |               |   |
| Cooling Degree Days                                       | (17.5%)                     | 28.9%     |               |   | (11.7%)                   | 27.8%     |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2020**

|  | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|--|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|  | 2020                        | 2019      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2020                      | 2019      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                           |                             |           |               |   |                           |           |               |   |
| Residential  | 3,660                       | 3,910     | (6.4%)        |   | 8,278                     | 8,808     | (6.0%)        |   |
| General Service  | 3,147                       | 3,718     | (15.4%)       |   | 6,618                     | 7,256     | (8.8%)        |   |
| Industrial   | 2,370                       | 2,614     | (9.3%)        |   | 4,867                     | 5,115     | (4.8%)        |   |
| Other Energy Sales                                       | 20                          | 20        | —%            |   | 39                        | 39        | —%            |   |
| Unbilled Sales   | 424                         | 545       | (22.2%)       |   | 69                        | 181       | (61.9%)       |   |
| Total Retail Sales                                       | 9,621                       | 10,807    | (11.0%)       | (6.0%)                                      | 19,871                    | 21,399    | (7.1%)        | (3.1%)                                      |
| Wholesale and Other                                      | 5,186                       | 5,415     | (4.2%)        |   | 10,606                    | 11,171    | (5.1%)        |   |
| Total Consolidated Electric Sales – Duke Energy Progress | 14,807                      | 16,222    | (8.7%)        |   | 30,477                    | 32,570    | (6.4%)        |   |
| <b>Average Number of Customers</b>                       |                             |           |               |   |                           |           |               |   |
| Residential  | 1,371,674                   | 1,346,348 | 1.9%          |   | 1,367,017                 | 1,344,117 | 1.7%          |   |
| General Service  | 238,549                     | 236,523   | 0.9%          |   | 238,013                   | 235,974   | 0.9%          |   |
| Industrial   | 4,002                       | 4,029     | (0.7%)        |   | 4,002                     | 4,038     | (0.9%)        |   |
| Other Energy Sales                                       | 1,415                       | 1,416     | (0.1%)        |   | 1,416                     | 1,417     | (0.1%)        |   |
| Total Retail Customers                                   | 1,615,640                   | 1,588,316 | 1.7%          |   | 1,610,448                 | 1,585,546 | 1.6%          |   |
| Wholesale and Other                                      | 9                           | 14        | (35.7%)       |   | 9                         | 14        | (35.7%)       |   |
| Total Average Number of Customers – Duke Energy Progress | 1,615,649                   | 1,588,330 | 1.7%          |   | 1,610,457                 | 1,585,560 | 1.6%          |   |
| <b>Sources of Electric Energy (GWh)</b>                  |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                    |                             |           |               |   |                           |           |               |   |
| Coal   | 825                         | 1,911     | (56.8%)       |   | 1,440                     | 3,692     | (61.0%)       |   |
| Nuclear  | 7,577                       | 7,123     | 6.4%          |   | 14,859                    | 14,247    | 4.3%          |   |
| Hydro  | 223                         | 207       | 7.7%          |   | 464                       | 459       | 1.1%          |   |
| Oil and Natural Gas                                      | 4,189                       | 4,428     | (5.4%)        |   | 10,080                    | 9,866     | 2.2%          |   |
| Renewable Energy   | 73                          | 79        | (7.6%)        |   | 125                       | 125       | —%            |   |
| Total Generation <sup>(d)</sup>                          | 12,887                      | 13,748    | (6.3%)        |   | 26,968                    | 28,389    | (5.0%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>       | 2,386                       | 2,981     | (20.0%)       |   | 4,485                     | 5,182     | (13.5%)       |   |
| Total Sources of Energy                                  | 15,273                      | 16,729    | (8.7%)        |   | 31,453                    | 33,571    | (6.3%)        |   |
| Less: Line Loss and Other                                | 466                         | 507       | (8.1%)        |   | 976                       | 1,001     | (2.5%)        |   |
| Total GWh Sources  | 14,807                      | 16,222    | (8.7%)        |   | 30,477                    | 32,570    | (6.4%)        |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                   |                             |           |               |   |                           |           |               |   |
| Summer   |                             |           |               |   | 12,526                    | 12,779    |               |   |
| Winter   |                             |           |               |   | 13,587                    | 13,942    |               |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>         |                             |           |               |   |                           |           |               |   |
|  |                             |           |               |   | 95                        | 92        |               |   |
| <b>Heating and Cooling Degree Days</b>                   |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>  |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                      | 224                         | 117       | 91.5%         |   | 1,410                     | 1,600     | (11.9%)       |   |
| Cooling Degree Days                                      | 461                         | 715       | (35.5%)       |   | 513                       | 721       | (28.8%)       |   |
| <b>Variance from Normal</b>                              |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                      | 23.4%                       | (36.5%)   |               |   | (20.8%)                   | (10.7%)   |               |   |
| Cooling Degree Days                                      | (16.1%)                     | 33.0%     |               |   | (8.5%)                    | 31.5%     |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

**Duke Energy Florida**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2020**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2020                        | 2019      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2020                      | 2019      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                          |                             |           |               |   |                           |           |               |   |
| Residential   | 5,434                       | 5,168     | 5.1%          |   | 9,494                     | 9,382     | 1.2%          |   |
| General Service   | 3,467                       | 3,954     | (12.3%)       |   | 6,752                     | 7,227     | (6.6%)        |   |
| Industrial  | 756                         | 770       | (1.8%)        |   | 1,525                     | 1,447     | 5.4%          |   |
| Other Energy Sales                                      | 5                           | 6         | (16.7%)       |   | 11                        | 12        | (8.3%)        |   |
| Unbilled Sales  | 361                         | 564       | (36.0%)       |   | 544                       | 332       | 63.9%         |   |
| Total Retail Sales                                      | 10,023                      | 10,462    | (4.2%)        | (4.0%)                                      | 18,326                    | 18,400    | (0.4%)        | (1.9%)                                      |
| Wholesale and Other                                     | 777                         | 839       | (7.4%)        |   | 1,091                     | 1,222     | (10.7%)       |   |
| Total Electric Sales – Duke Energy Florida              | 10,800                      | 11,301    | (4.4%)        |   | 19,417                    | 19,622    | (1.0%)        |   |
| <b>Average Number of Customers</b>                      |                             |           |               |   |                           |           |               |   |
| Residential   | 1,650,539                   | 1,620,392 | 1.9%          |   | 1,646,440                 | 1,618,343 | 1.7%          |   |
| General Service   | 204,353                     | 200,593   | 1.9%          |   | 204,269                   | 201,651   | 1.3%          |   |
| Industrial  | 2,000                       | 2,031     | (1.5%)        |   | 2,005                     | 2,035     | (1.5%)        |   |
| Other Energy Sales                                      | 1,494                       | 1,500     | (0.4%)        |   | 1,493                     | 1,502     | (0.6%)        |   |
| Total Retail Customers                                  | 1,858,386                   | 1,824,516 | 1.9%          |   | 1,854,207                 | 1,823,531 | 1.7%          |   |
| Wholesale and Other                                     | 9                           | 13        | (30.8%)       |   | 9                         | 12        | (25.0%)       |   |
| Total Average Number of Customers – Duke Energy Florida | 1,858,395                   | 1,824,529 | 1.9%          |   | 1,854,216                 | 1,823,543 | 1.7%          |   |
| <b>Sources of Electric Energy (GWh)</b>                 |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                   |                             |           |               |   |                           |           |               |   |
| Coal  | 764                         | 1,133     | (32.6%)       |   | 799                       | 1,751     | (54.4%)       |   |
| Oil and Natural Gas                                     | 9,028                       | 9,419     | (4.2%)        |   | 17,294                    | 16,906    | 2.3%          |   |
| Renewable Energy  | 222                         | 65        | 241.5%        |   | 336                       | 106       | 217.0%        |   |
| Total Generation <sup>(d)</sup>                         | 10,014                      | 10,617    | (5.7%)        |   | 18,429                    | 18,763    | (1.8%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>      | 1,170                       | 1,336     | (12.4%)       |   | 2,071                     | 2,196     | (5.7%)        |   |
| Total Sources of Energy                                 | 11,184                      | 11,953    | (6.4%)        |   | 20,500                    | 20,959    | (2.2%)        |   |
| Less: Line Loss and Other                               | 384                         | 652       | (41.1%)       |   | 1,083                     | 1,337     | (19.0%)       |   |
| Total GWh Sources                                       | 10,800                      | 11,301    | (4.4%)        |   | 19,417                    | 19,622    | (1.0%)        |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                  |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 10,335                    | 10,218    |               |   |
| Winter  |                             |           |               |   | 11,347                    | 11,308    |               |   |
| <b>Heating and Cooling Degree Days</b>                  |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>   |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                     | —                           | —         | —%            |   | 220                       | 271       | (18.8%)       |   |
| Cooling Degree Days                                     | 1,190                       | 1,159     | 2.7%          |   | 1,660                     | 1,403     | 18.3%         |   |
| <b>Variance from Normal</b>                             |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                     | (100.0%)                    | (100.0%)  |               |   | (10.8%)                   | (28.6%)   |               |   |
| Cooling Degree Days                                     | 11.8%                       | 11.0%     |               |   | 31.5%                     | 13.6%     |               |   |

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2020**

|  | Three Months Ended June 30, |         |               |   | Six Months Ended June 30, |         |               |   |
|--|-----------------------------|---------|---------------|---|---------------------------|---------|---------------|---|
|  | 2020                        | 2019    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2020                      | 2019    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                       |                             |         |               |   |                           |         |               |   |
| Residential  | 1,896                       | 1,761   | 7.7%          |   | 4,186                     | 4,284   | (2.3%)        |   |
| General Service                                      | 1,937                       | 2,223   | (12.9%)       |   | 4,135                     | 4,498   | (8.1%)        |   |
| Industrial   | 1,210                       | 1,404   | (13.8%)       |   | 2,575                     | 2,798   | (8.0%)        |   |
| Other Energy Sales                                   | 27                          | 27      | —%            |   | 54                        | 54      | —%            |   |
| Unbilled Sales                                       | 168                         | 139     | 20.9%         |   | 16                        | (58)    | 127.6%        |   |
| Total Retail Sales                                   | 5,238                       | 5,554   | (5.7%)        | (7.0%)                                      | 10,966                    | 11,576  | (5.3%)        | (3.7%)                                      |
| Wholesale and Other                                  | 24                          | 106     | (77.4%)       |   | 119                       | 248     | (52.0%)       |   |
| Total Electric Sales – Duke Energy Ohio              | 5,262                       | 5,660   | (7.0%)        |   | 11,085                    | 11,824  | (6.3%)        |   |
| <b>Average Number of Customers</b>                   |                             |         |               |   |                           |         |               |   |
| Residential  | 783,871                     | 769,572 | 1.9%          |   | 781,762                   | 771,163 | 1.4%          |   |
| General Service                                      | 89,138                      | 87,914  | 1.4%          |   | 89,004                    | 88,203  | 0.9%          |   |
| Industrial   | 2,498                       | 2,461   | 1.5%          |   | 2,494                     | 2,471   | 0.9%          |   |
| Other Energy Sales                                   | 3,445                       | 3,391   | 1.6%          |   | 3,438                     | 3,384   | 1.6%          |   |
| Total Retail Customers                               | 878,952                     | 863,338 | 1.8%          |   | 876,698                   | 865,221 | 1.3%          |   |
| Wholesale and Other                                  | 1                           | 1       | —%            |   | 1                         | 1       | —%            |   |
| Total Average Number of Customers – Duke Energy Ohio | 878,953                     | 863,339 | 1.8%          |   | 876,699                   | 865,222 | 1.3%          |   |
| <b>Sources of Electric Energy (GWh)</b>              |                             |         |               |   |                           |         |               |   |
| Generated – Net Output <sup>(c)</sup>                |                             |         |               |   |                           |         |               |   |
| Coal   | 271                         | 642     | (57.8%)       |   | 893                       | 1,698   | (47.4%)       |   |
| Oil and Natural Gas                                  | 8                           | 26      | (69.2%)       |   | 7                         | 32      | (78.1%)       |   |
| Total Generation <sup>(d)</sup>                      | 279                         | 668     | (58.2%)       |   | 900                       | 1,730   | (48.0%)       |   |
| Purchased Power and Net Interchange <sup>(e)</sup>   | 5,420                       | 5,596   | (3.1%)        |   | 11,294                    | 11,507  | (1.9%)        |   |
| Total Sources of Energy                              | 5,699                       | 6,264   | (9.0%)        |   | 12,194                    | 13,237  | (7.9%)        |   |
| Less: Line Loss and Other                            | 437                         | 604     | (27.6%)       |   | 1,109                     | 1,413   | (21.5%)       |   |
| Total GWh Sources                                    | 5,262                       | 5,660   | (7.0%)        |   | 11,085                    | 11,824  | (6.3%)        |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>               |                             |         |               |   |                           |         |               |   |
| Summer   |                             |         |               |   | 1,076                     | 1,076   |               |   |
| Winter   |                             |         |               |   | 1,164                     | 1,164   |               |   |
| <b>Heating and Cooling Degree Days</b>               |                             |         |               |   |                           |         |               |   |
| <b>Actual</b>  |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                  | 590                         | 347     | 70.0%         |   | 2,776                     | 2,918   | (4.9%)        |   |
| Cooling Degree Days                                  | 347                         | 333     | 4.2%          |   | 352                       | 333     | 5.7%          |   |
| <b>Variance from Normal</b>                          |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                  | 31.0%                       | (22.7%) |               |   | (8.2%)                    | (2.9%)  |               |   |
| Cooling Degree Days                                  | 4.8%                        | 2.8%    |               |   | 5.2%                      | 1.7%    |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.



**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2020**

|   | Three Months Ended June 30, |         |               |   | Six Months Ended June 30, |         |               |   |
|---|-----------------------------|---------|---------------|---|---------------------------|---------|---------------|---|
|   | 2020                        | 2019    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2020                      | 2019    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                          |                             |         |               |   |                           |         |               |   |
| Residential   | 1,935                       | 1,816   | 6.6%          |   | 4,480                     | 4,644   | (3.5%)        |   |
| General Service   | 1,678                       | 1,949   | (13.9%)       |   | 3,591                     | 3,958   | (9.3%)        |   |
| Industrial  | 2,138                       | 2,573   | (16.9%)       |   | 4,615                     | 5,115   | (9.8%)        |   |
| Other Energy Sales                                      | 13                          | 13      | —%            |   | 26                        | 26      | —%            |   |
| Unbilled Sales  | 111                         | 95      | 16.8%         |   | (75)                      | (93)    | (19.4%)       |   |
| Total Retail Sales                                      | 5,875                       | 6,446   | (8.9%)        | (10.3%)                                     | 12,637                    | 13,650  | (7.4%)        | (6.5%)                                      |
| Wholesale and Other                                     | 898                         | 991     | (9.4%)        |   | 1,742                     | 1,820   | (4.3%)        |   |
| Total Electric Sales – Duke Energy Indiana              | 6,773                       | 7,437   | (8.9%)        |   | 14,379                    | 15,470  | (7.1%)        |   |
| <b>Average Number of Customers</b>                      |                             |         |               |   |                           |         |               |   |
| Residential   | 744,823                     | 732,245 | 1.7%          |   | 743,501                   | 732,741 | 1.5%          |   |
| General Service   | 102,458                     | 101,514 | 0.9%          |   | 102,320                   | 101,570 | 0.7%          |   |
| Industrial  | 2,700                       | 2,690   | 0.4%          |   | 2,699                     | 2,695   | 0.1%          |   |
| Other Energy Sales                                      | 1,813                       | 1,749   | 3.7%          |   | 1,808                     | 1,743   | 3.7%          |   |
| Total Retail Customers                                  | 851,794                     | 838,198 | 1.6%          |   | 850,328                   | 838,749 | 1.4%          |   |
| Wholesale and Other                                     | 4                           | 4       | —%            |   | 4                         | 4       | —%            |   |
| Total Average Number of Customers – Duke Energy Indiana | 851,798                     | 838,202 | 1.6%          |   | 850,332                   | 838,753 | 1.4%          |   |
| <b>Sources of Electric Energy (GWh)</b>                 |                             |         |               |   |                           |         |               |   |
| Generated – Net Output <sup>(c)</sup>                   |                             |         |               |   |                           |         |               |   |
| Coal  | 3,756                       | 4,251   | (11.6%)       |   | 7,177                     | 9,745   | (26.4%)       |   |
| Hydro   | 43                          | 32      | 34.4%         |   | 80                        | 54      | 48.1%         |   |
| Oil and Natural Gas                                     | 954                         | 511     | 86.7%         |   | 1,517                     | 1,153   | 31.6%         |   |
| Renewable Energy  | 9                           | 9       | —%            |   | 14                        | 13      | 7.7%          |   |
| Total Generation <sup>(d)</sup>                         | 4,762                       | 4,803   | (0.9%)        |   | 8,788                     | 10,965  | (19.9%)       |   |
| Purchased Power and Net Interchange <sup>(e)</sup>      | 2,388                       | 2,971   | (19.6%)       |   | 6,262                     | 5,319   | 17.7%         |   |
| Total Sources of Energy                                 | 7,150                       | 7,774   | (8.0%)        |   | 15,050                    | 16,284  | (7.6%)        |   |
| Less: Line Loss and Other                               | 377                         | 337     | 11.9%         |   | 671                       | 814     | (17.6%)       |   |
| Total GWh Sources                                       | 6,773                       | 7,437   | (8.9%)        |   | 14,379                    | 15,470  | (7.1%)        |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                  |                             |         |               |   |                           |         |               |   |
| Summer  |                             |         |               |   | 6,623                     | 6,606   |               |   |
| Winter  |                             |         |               |   | 7,040                     | 7,023   |               |   |
| <b>Heating and Cooling Degree Days</b>                  |                             |         |               |   |                           |         |               |   |
| <b>Actual</b>   |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                     | 633                         | 474     | 33.5%         |   | 3,090                     | 3,358   | (8.0%)        |   |
| Cooling Degree Days                                     | 343                         | 294     | 16.7%         |   | 343                       | 294     | 16.7%         |   |
| <b>Variance from Normal</b>                             |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                     | 28.1%                       | (4.3%)  |               |   | (4.7%)                    | 3.3%    |               |   |
| Cooling Degree Days                                     | 4.2%                        | (11.3%) |               |   | 3.2%                      | (12.1%) |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

## Gas Utilities and Infrastructure

## Quarterly Highlights

June 2020

|  | Three Months Ended June 30, |             |               | Six Months Ended June 30, |             |               |
|--|-----------------------------|-------------|---------------|---------------------------|-------------|---------------|
|  | 2020                        | 2019        | % Inc. (Dec.) | 2020                      | 2019        | % Inc. (Dec.) |
| <b>Total Sales</b>   |                             |             |               |                           |             |               |
| Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup> | 96,807,940                  | 104,684,733 | (7.5%)        | 245,311,935               | 256,347,474 | (4.3%)        |
| Duke Energy Midwest LDC throughput (Mcf)   | 15,106,407                  | 13,742,907  | 9.9%          | 48,892,241                | 52,281,179  | (6.5%)        |
| <b>Average Number of Customers – Piedmont Natural Gas</b>                                    |                             |             |               |                           |             |               |
| Residential  | 1,001,289                   | 980,822     | 2.1%          | 999,778                   | 982,131     | 1.8%          |
| Commercial   | 105,038                     | 104,238     | 0.8%          | 105,249                   | 104,479     | 0.7%          |
| Industrial   | 970                         | 970         | —%            | 972                       | 968         | 0.4%          |
| Power Generation   | 19                          | 16          | 18.8%         | 18                        | 16          | 12.5%         |
| Total Average Number of Gas Customers – Piedmont Natural Gas                                 | 1,107,316                   | 1,086,046   | 2.0%          | 1,106,017                 | 1,087,594   | 1.7%          |
| <b>Average Number of Customers – Duke Energy Midwest</b>                                     |                             |             |               |                           |             |               |
| Residential  | 495,553                     | 489,728     | 1.2%          | 495,990                   | 491,448     | 0.9%          |
| General Service  | 43,251                      | 43,111      | 0.3%          | 44,191                    | 44,229      | (0.1%)        |
| Industrial   | 1,570                       | 1,551       | 1.2%          | 1,596                     | 1,615       | (1.2%)        |
| Other  | 132                         | 135         | (2.2%)        | 132                       | 135         | (2.2%)        |
| Total Average Number of Gas Customers – Duke Energy Midwest                                  | 540,506                     | 534,525     | 1.1%          | 541,909                   | 537,427     | 0.8%          |

- (a) Piedmont has a margin decoupling mechanism in North Carolina, weather normalization mechanisms in South Carolina and Tennessee and fixed-price contracts with most power generation customers that significantly eliminate the impact of throughput changes on earnings. Duke Energy Ohio's rate design also serves to offset this impact.

## Commercial Renewables

## Quarterly Highlights

June 2020

|  | Three Months Ended June 30, |       |               | Six Months Ended June 30, |       |               |
|--|-----------------------------|-------|---------------|---------------------------|-------|---------------|
|  | 2020                        | 2019  | % Inc. (Dec.) | 2020                      | 2019  | % Inc. (Dec.) |
| Renewable Plant Production, GWh                          | 2,660                       | 2,314 | 15.0%         | 5,097                     | 4,382 | 16.3%         |
| Net Proportional MW Capacity in Operation <sup>(a)</sup> | n/a                         | n/a   |               | 3,779                     | 3,157 | 19.7%         |

- (a) Includes 100% tax equity project capacity.

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 10, 2020**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of adjusted EPS for the quarter and year-to-date periods ended June 30, 2020 and 2019.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. For the quarter and year-to-date periods ended June 30, 2019 adjusted EPS equals reported basic EPS available to Duke Energy Corporation common stockholders. Accordingly, there is no reconciliation of adjusted EPS for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted EPS for the quarter and year-to-date periods ended June 30, 2020, to the most directly comparable GAAP measure is included herein.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- ACP represents costs related to the abandonment of the ACP investment.
- Severance represents the reversal of 2018 costs which were deferred as a result of the partial settlement in the Duke Energy Carolinas 2019 North Carolina rate case.

**Adjusted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a reference to the forecasted 2020 adjusted EPS guidance range of \$5.05 to \$5.45 per share and the midpoint of forecasted 2020 adjusted EPS guidance range. In addition, the materials reference the midpoint of forecasted 2021 adjusted EPS prior to the cancellation of ACP of approximately \$5.50 less the \$0.35 per share contribution from ACP for a preliminary estimate of 2021 Adjusted EPS of approximately \$5.15, with refinements to the estimate to be made through the rest of the year, considering analysis of economic conditions and other factors. The materials also reference the long-term range of annual growth of 4% - 6% off 2021 earnings. The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2020 and a discussion of 2020 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. For the quarter and year-to-date periods ended June 30, 2019 adjusted segment income and adjusted other net loss equal reported segment income and reported other net loss. Accordingly, there is no reconciliation of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2020, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

## **Effective Tax Rate Including Impacts of Noncontrolling Interests and Preferred Dividends and Excluding Special Items**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the six months ended June 30, 2020. The materials also include a discussion of the 2020 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the six months ended June 30, 2020, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility and available equity forwards as of June 30, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2020, to the most directly comparable GAAP measure is included herein.

### **Dividend Payout Ratio**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, include a discussion of Duke Energy's forecasted dividend payout ratio of 65% - 75% based upon adjusted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Funds From Operations ("FFO") Ratio**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020 include a reference to the expected 2020 FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, imputed operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Business Mix Percentage**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 10, 2020, reference ninety-five percent of earnings coming from the regulated electric and gas utilities as a percentage of the total projected 2020 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's regulated electric and gas utilities are included in the Electric Utilities and Infrastructure and Gas Utilities and Infrastructure segments, respectively.

Adjusted segment income (loss) is a non-GAAP financial measure, as it represents reported segment income (loss) adjusted for special items as discussed above. Due to the forward-looking nature of any forecasted adjusted segment income (loss), information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended June 30, 2020  
(Dollars in millions, except per share amounts)

|   |                      | <u>Special Item</u> |                          |                          |
|---|----------------------|---------------------|--------------------------|--------------------------|
|   | <u>Reported Loss</u> | <u>ACP</u>          | <u>Total Adjustments</u> | <u>Adjusted Earnings</u> |
| <b>SEGMENT INCOME (LOSS)</b>  |                      |                     |                          |                          |
| Electric Utilities and Infrastructure   | \$ 753               | \$ —                | \$ —                     | \$ 753                   |
| Gas Utilities and Infrastructure  | (1,576)              | 1,626               | A 1,626                  | 50                       |
| Commercial Renewables   | 90                   | —                   | —                        | 90                       |
| <b>Total Reportable Segment (Loss) Income</b>   | <b>(733)</b>         | <b>1,626</b>        | <b>1,626</b>             | <b>893</b>               |
| Other   | (84)                 | —                   | —                        | (84)                     |
| <b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>         | <b>\$ (817)</b>      | <b>\$ 1,626</b>     | <b>\$ 1,626</b>          | <b>\$ 809</b>            |
| <b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b> | <b>\$ (1.13)</b>     | <b>\$ 2.21</b>      | <b>\$ 2.21</b>           | <b>\$ 1.08</b>           |

**Note:** (Loss) Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** - Net of \$374 million tax benefit. \$2,000 million recorded within Equity in (losses) earnings of unconsolidated affiliates on the Condensed Consolidated Statements of Operations

**Weighted Average Shares (reported and adjusted) – 735 million**

DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Six Months Ended June 30, 2020  
(Dollars in millions, except per-share amounts)

|  | Reported<br>Earnings | Special Items   |                  | Total<br>Adjustments | Adjusted<br>Earnings |
|--|----------------------|-----------------|------------------|----------------------|----------------------|
|  |                      | ACP             | Severance        |                      |                      |
| <b>SEGMENT INCOME</b>  |                      |                 |                  |                      |                      |
| Electric Utilities and Infrastructure                                      | \$ 1,458             | \$ —            | \$ —             | \$ —                 | \$ 1,458             |
| Gas Utilities and Infrastructure   | (1,327)              | 1,626           | A                | 1,626                | 299                  |
| Commercial Renewables  | 147                  | —               | —                | —                    | 147                  |
| <b>Total Reportable Segment Income</b>                                     | <b>278</b>           | <b>1,626</b>    | <b>—</b>         | <b>1,626</b>         | <b>1,904</b>         |
| Other  | (196)                | —               | (75) B           | (75)                 | (271)                |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 82</b>         | <b>\$ 1,626</b> | <b>\$ (75)</b>   | <b>\$ 1,551</b>      | <b>\$ 1,633</b>      |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.11</b>       | <b>\$ 2.21</b>  | <b>\$ (0.10)</b> | <b>\$ 2.11</b>       | <b>\$ 2.22</b>       |

A - Net of \$374 million tax benefit. \$2,000 million recorded within Equity in (losses) earnings of unconsolidated affiliates on the Condensed Consolidated Statements of Operations

B - Net of \$23 million tax expense. \$98 million reversal of 2018 charges recorded within Operations, maintenance and other on the Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 734 million

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2020  
(Dollars in millions)

|   | Three Months Ended<br>June 30, 2020 |                    | Six Months Ended<br>June 30, 2020 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Loss Before Income Taxes</b>  | \$ (1,208)                          |                    | \$ (181)                          |                    |
| ACP   | 2,000                               |                    | 2,000                             |                    |
| Severance   | —                                   |                    | (98)                              |                    |
| Noncontrolling Interests  | 90                                  |                    | 138                               |                    |
| Preferred Dividends   | (15)                                |                    | (54)                              |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <u>\$ 867</u>                       |                    | <u>\$ 1,805</u>                   |                    |
| <b>Reported Income Tax Benefit</b>  | \$ (316)                            | 26.2%              | \$ (179)                          | 98.9%              |
| ACP   | 374                                 |                    | 374                               |                    |
| Severance   | —                                   |                    | (23)                              |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <u>\$ 58</u>                        | 6.7%               | <u>\$ 172</u>                     | 9.5%               |

|   | Three Months Ended<br>June 30, 2019 |                    | Six Months Ended<br>June 30, 2019 |                    |
|---|-------------------------------------|--------------------|-----------------------------------|--------------------|
|   | Balance                             | Effective Tax Rate | Balance                           | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>                                      | \$ 889                              |                    | \$ 1,877                          |                    |
| Noncontrolling Interests  | 84                                  |                    | 91                                |                    |
| Preferred Dividends   | (12)                                |                    | (12)                              |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends</b> | <u>\$ 961</u>                       |                    | <u>\$ 1,956</u>                   |                    |
| <b>Reported Income Tax Expense</b>  | \$ 141                              | 15.9%              | \$ 236                            | 12.6%              |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends</b>   | <u>\$ 141</u>                       | 14.7%              | <u>\$ 236</u>                     | 12.1%              |

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**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2020**  
**(In millions)**

|  |                 |                           |
|--|-----------------|---------------------------|
| Cash and Cash Equivalents  | \$ 341          |                           |
| Less: Certain Amounts Held in Foreign Jurisdictions                              | (10)            |                           |
| Less: Unavailable Domestic Cash  | <u>(87)</u>     |                           |
|  | 244             |                           |
| Plus: Remaining Availability under Master Credit Facilities and other facilities | <u>5,892</u>    |                           |
| Plus: Remaining Availability from Equity Forwards                                | <u>2,579</u>    |                           |
| Total Available Liquidity (a), June 30, 2020                                     | <u>\$ 8,715</u> | approximately 8.7 billion |

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility and available equity forwards as of June 30, 2020. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

Duke Energy Carolinas, LLC  
Docket no. E-7, Sub 1276  
E1-21- Annual Reports  
For the Test Year ended December 31, 2021



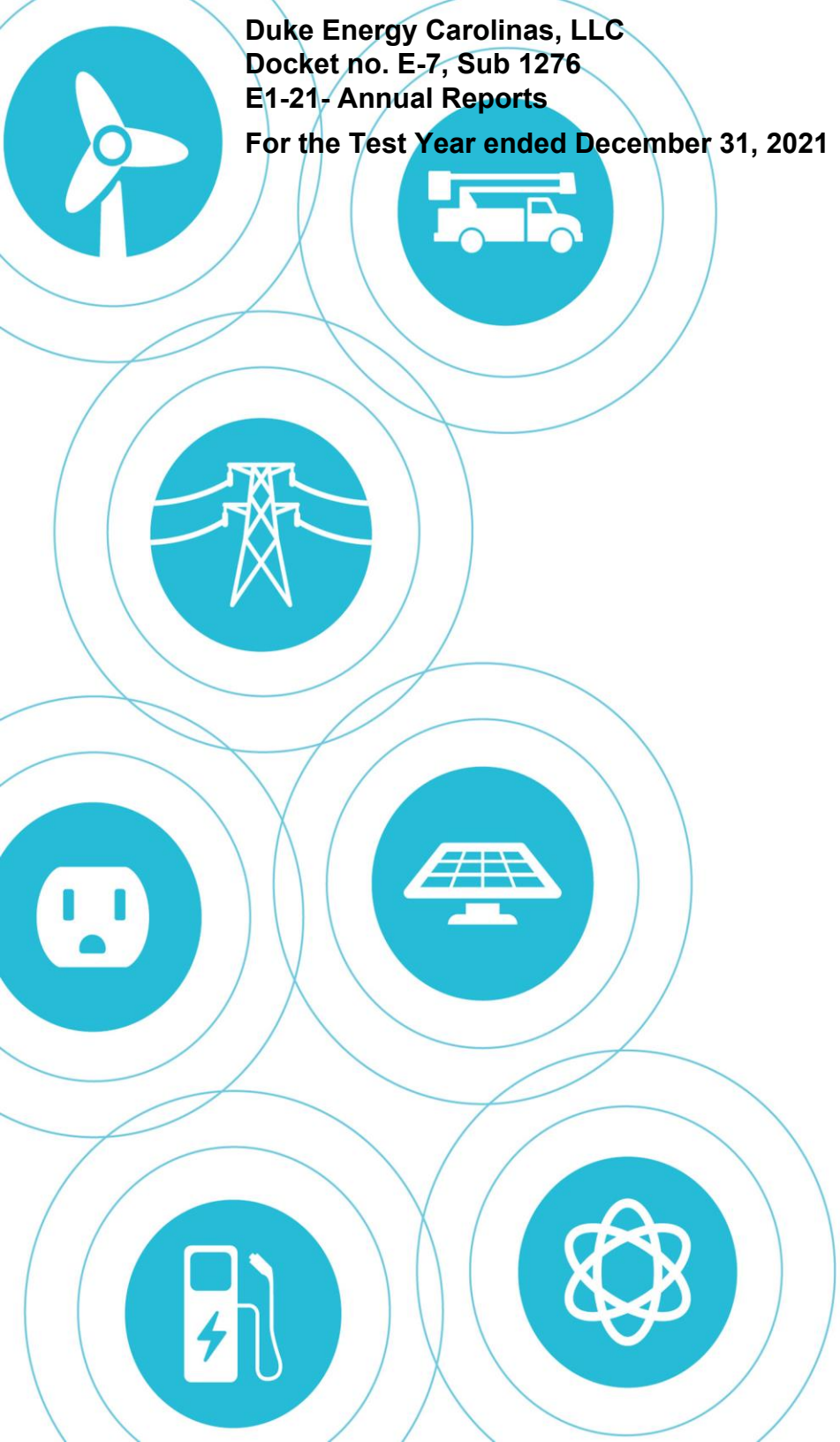
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Q2 / 2021

EARNINGS REVIEW AND BUSINESS  
**UPDATE**

*Lynn Good / Chair, President and CEO*  
*Steve Young / Executive Vice President and CFO*

**August 5, 2021**



## Safe Harbor statement

This presentation includes forward-looking statements within the meaning of the federal securities laws. Actual results could differ materially from such forward-looking statements. The factors that could cause actual results to differ are discussed herein and in Duke Energy's SEC filings, available at [www.sec.gov](http://www.sec.gov).

## Regulation G disclosure

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available in the Appendix herein and on our Investor Relations website at [www.duke-energy.com/investors/](http://www.duke-energy.com/investors/).

# Safe harbor statement

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to: The impact of the COVID-19 pandemic; State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process; The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; Costs and effects of legal and administrative proceedings, settlements, investigations and claims; Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies; Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs; Advancements in technology; Additional competition in electric and natural gas markets and continued industry consolidation; The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; Changing customer expectations and demands including heightened emphasis on environmental, social and governance concerns; The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; Operational interruptions to our natural gas distribution and transmission activities; The availability of adequate interstate pipeline transportation capacity and natural gas supply; The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions; Credit ratings of the Duke Energy Registrants may be different from what is expected; Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; The ability to control operation and maintenance costs; The level of creditworthiness of counterparties to transactions; The ability to obtain adequate insurance at acceptable costs; Employee workforce factors, including the potential inability to attract and retain key personnel; The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; The effect of accounting pronouncements issued periodically by accounting standard-setting bodies; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy, or cause fluctuations in the trading price of our common stock; and the ability to implement our business strategy, including enhancing existing technology systems.

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at [sec.gov](https://www.sec.gov). In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**\$0.96 / \$1.15**

**Q2 2021 REPORTED / ADJUSTED EPS  
GROWTH DRIVEN BY CONTINUED  
STRENGTH IN ELECTRIC UTILITIES**

**\$5.00 - \$5.30**

**REAFFIRMING 2021  
ADJUSTED EPS  
GUIDANCE RANGE**

**5% – 7%**

**REAFFIRMING GROWTH RATE  
THROUGH 2025 OFF 2021  
MIDPOINT OF \$5.15<sup>(1)</sup>**

<sup>(1)</sup> Based on adjusted EPS



## PASSED 10,000 MEGAWATTS OF RENEWABLE ENERGY

- Duke Energy Sustainable Solutions placed the 182 MW Maryneal wind and 144 MW Pflugerville solar projects in operation in July
- Duke Energy now owns or purchases more than 10,000 MW<sup>(1)</sup> of solar and wind energy from both its regulated and commercial businesses
- Continues progress towards target of 16,000 MW of renewables by 2025



Pflugerville Solar

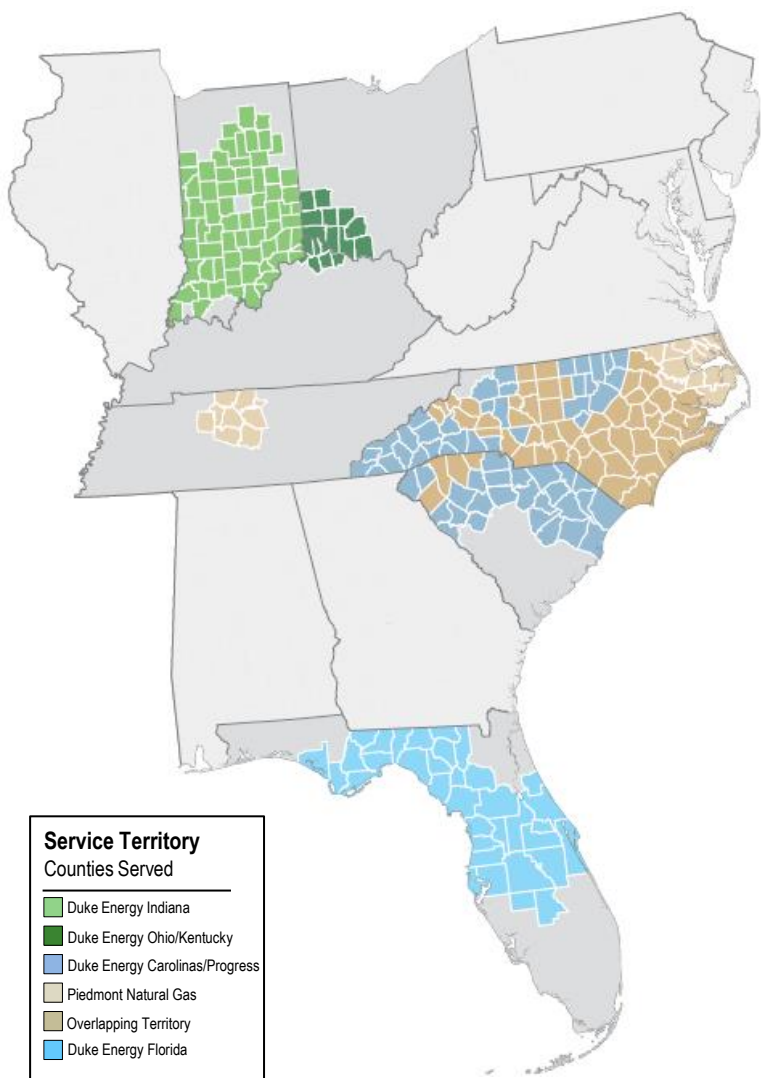
(1) Includes ~1,600 MWs co-owned with third parties that are operated by Duke Energy

## FILED OCONEE SUBSEQUENT LICENSE RENEWAL WITH NRC

- Filed an application in June to renew Oconee Nuclear Station's operating licenses for an additional 20 years
- Current licenses expire in the early 2030s; the renewal would extend the licenses to 2053 and 2054
- Duke Energy's largest nuclear station - 2,500 MW, enough to power 1.9 million homes with carbon-free generation
- Intend to seek renewal of operating licenses for all 11 reactors



Oconee Nuclear Station



## NEAR-TERM INITIATIVES

### Carolinas

- Collaborating with NC policymakers and stakeholders to support the state's energy transition
- Advancing IRP process in both states

### Florida

- MYRP order issued in June; advancing grid, solar and EV infrastructure

### Indiana

- Actively working with stakeholders as we prepare for comprehensive Nov. IRP filing
- Step 2 of rate case approved; rate change retroactive to Jan. 2021

### Natural Gas LDCs

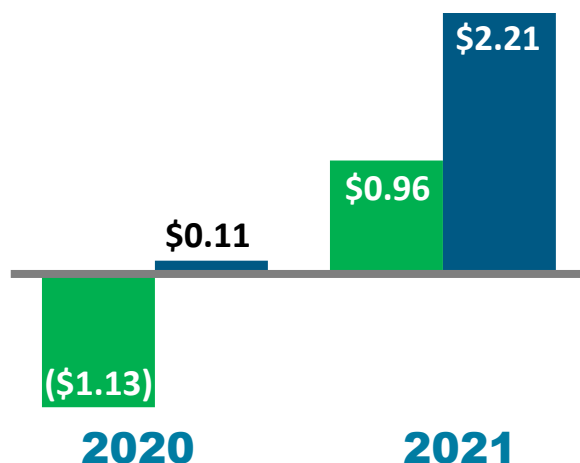
- North Carolina rate case filed in March
- Kentucky gas rate case filed in June

### Federal

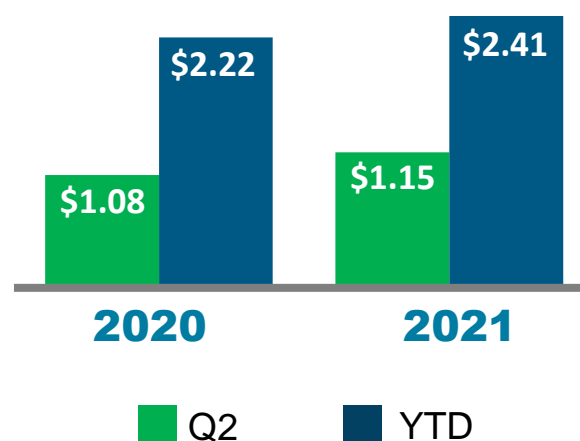
- Engaging policymakers to advance shared objectives on climate

# Q2 2021 EPS summary and primary drivers

## REPORTED EARNINGS PER SHARE



## ADJUSTED EARNINGS PER SHARE



## SEGMENT RESULTS VS. PRIOR YEAR QUARTER<sup>(1)</sup>

**Electric Utilities & Infrastructure, +\$182 M (+\$0.24 per share)<sup>(2)</sup>**

- ▲ Contribution from base rate changes
- ▲ Retail and wholesale electric volumes
- ▲ Riders and other margin
- ▲ Weather
- ▼ O&M expenses

**Gas Utilities & Infrastructure, -\$21 M (-\$0.03 per share)**

- ▼ ACP cancellation

**Commercial Renewables, -\$43 M (-\$0.06 per share)<sup>(2)</sup>**

- ▼ Fewer projects placed in-service

**Other, -\$29 M (-\$0.04 per share)<sup>(2)</sup>**

- ▼ Market returns and tax expense
- ▲ Financing costs

**Total Share Dilution (-\$0.04 per share)<sup>(2)</sup>**

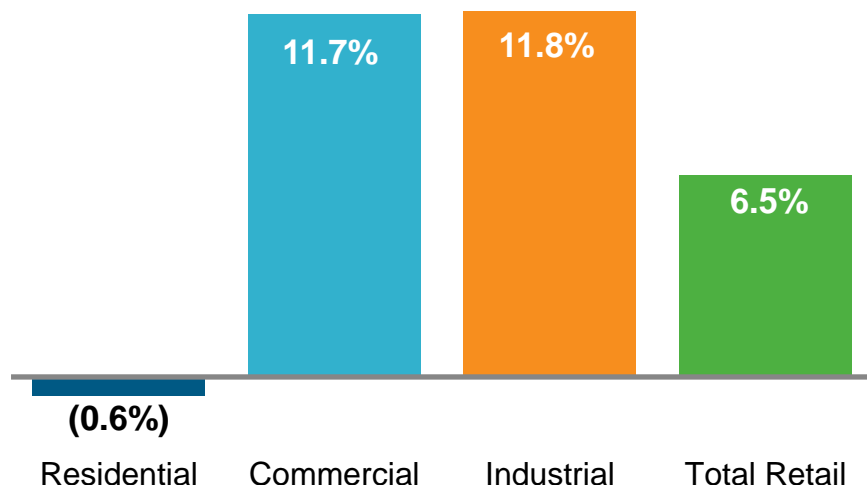
(1) Based on adjusted EPS

(2) Excludes share dilution impacts for each segment of Electric Utilities & Infrastructure (\$0.04), Commercial (\$0.01), and Other \$0.01. Total share dilution is (\$0.04) per share.

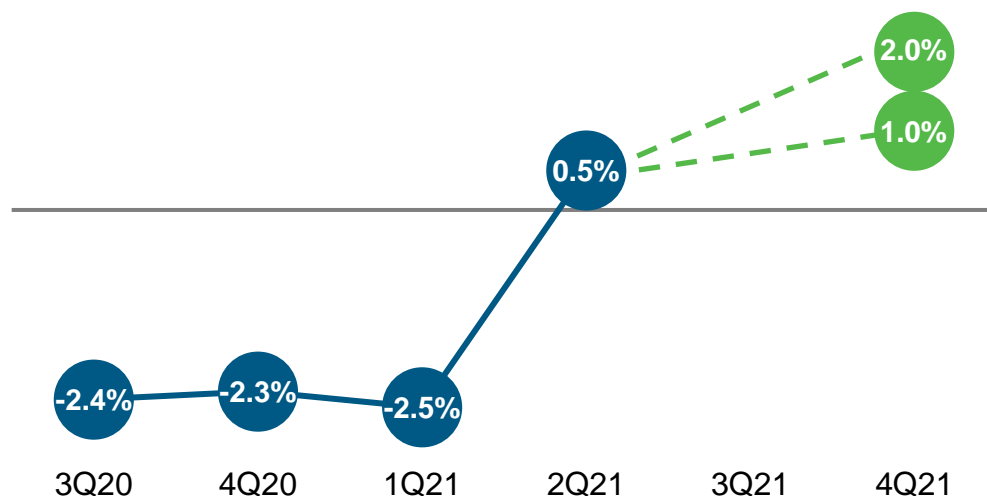


# Retail electric volumes

## Q2 2021 RETAIL ELECTRIC VOLUMES<sup>(1)</sup>



## ROLLING 12-MONTH RETAIL LOAD TRENDS



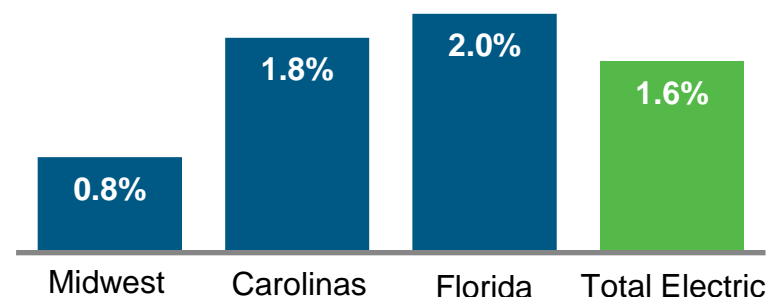
(1) Compared to Q2 2020 actuals.

(2) Source: Bureau of Labor Statistics.

## Q2 2021 RETAIL LOAD TRENDS

- ~15% of workers continue to work from home due to the pandemic<sup>(2)</sup>, supporting elevated residential volumes
  - Customer growth continues to trend above historical averages
- Retail and dining, leisure and recreation, and education continue to rebound
  - Further improvement expected as vaccination rates increase, and the labor market recovers
- Industrial volumes expected to further improve as supply chain bottlenecks are resolved

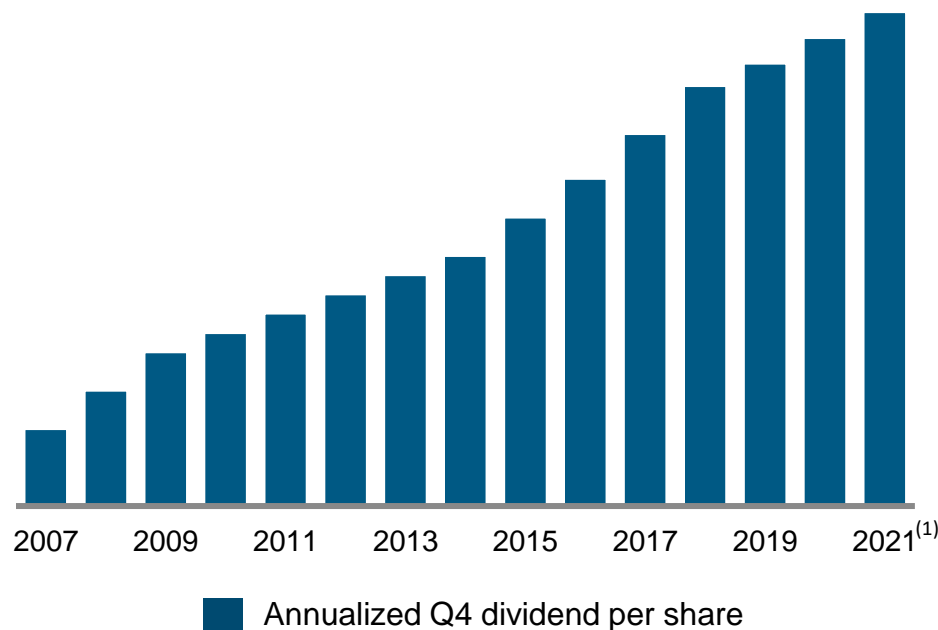
## ANNUAL RESIDENTIAL CUSTOMER GROWTH



## FINANCING PLAN ON TRACK

- Received CFIUS clearance for DEI minority interest sale in June
  - Awaiting FERC ruling
- No common equity issuances in 5-year plan
- NC storm cost securitization of ~\$1 billion on track to close this Fall
- Issued \$3 billion of holding company debt in June 2021 at attractive rates
  - Satisfies all holding company issuances for 2021

## 15<sup>TH</sup> CONSECUTIVE YEAR OF DIVIDEND GROWTH



**65 - 75%**  
**LONG-TERM TARGET DIVIDEND  
PAYOUT RATIO<sup>(2)</sup>**

(1) Subject to approval by the Board of Directors

(2) Based on adjusted EPS

## BUSINESS TRANSFORMATION CONTINUES TO PRODUCE SUSTAINABLE SAVINGS

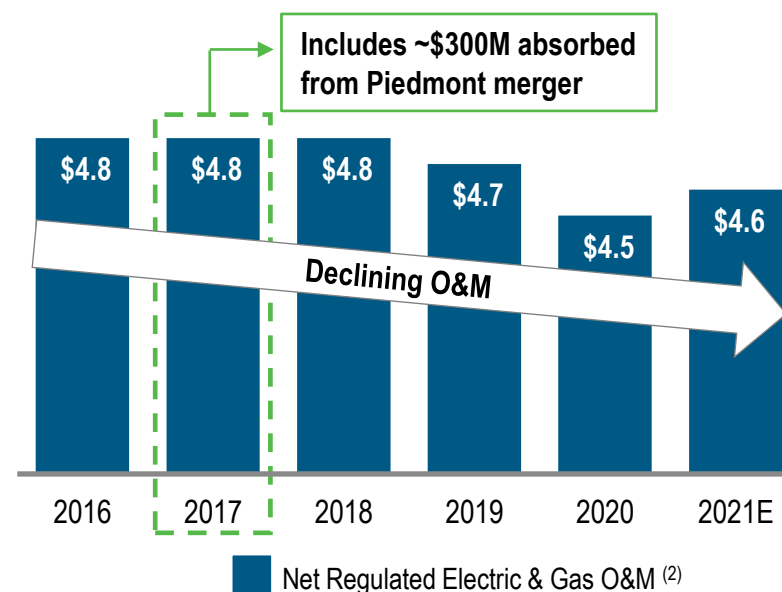
- Total 2020 O&M mitigation of ~\$320 million, of which ~\$200 million expected to be sustainable<sup>(1)</sup>
- In 2021, key mitigation drivers include a versatile workforce, enhanced digital capabilities, general business expenses, and real estate optimization
- Second half of 2021 shows favorability for load, but O&M expected to be unfavorable due to tactical mitigation achieved Q3 2020

### SHAPING CONSIDERATIONS COMPARED TO 2020

|  | 3Q21 | 4Q21 |
|--|------|------|
| Load   | ▲    | ▲    |
| O&M timing driven by 2020 mitigation efforts             | ▼    | ▲    |
| Other 2020 mitigation timing, including tax optimization | ▼    | --   |
| Q4 2020 storms   | --   | ▲    |

### O&M COST MANAGEMENT<sup>(2)</sup>

(\$ IN BILLIONS)



(1) 2020 O&M mitigation includes contract and employee labor costs including overtime and variable compensation, employee expenses, and operational efficiencies

(2) Net regulated Electric and Gas O&M is a non-GAAP measure. For a description of this non-GAAP item and a reconciliation to GAAP O&M, see accompanying materials at [www.duke-energy.com/investors](http://www.duke-energy.com/investors)

# Our investor value proposition

DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE

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**3.7%**

**DIVIDEND YIELD<sup>(1)</sup>**  
WITH LONG-TERM  
DIVIDEND **GROWTH**  
**COMMITMENT<sup>(2)</sup>**



**~10%**

ATTRACTIVE  
RISK-ADJUSTED  
**TOTAL SHAREHOLDER**  
**RETURN<sup>(3)</sup>**



**5-7%**

LONG-TERM  
**EPS GROWTH<sup>(4)</sup>**  
THROUGH 2025

**CONSTRUCTIVE JURISDICTIONS, LOWER-RISK REGULATED  
INVESTMENTS AND BALANCE SHEET STRENGTH**

(1) As of August 3, 2021

(2) Subject to approval by the Board of Directors.

(3) Total shareholder return proposition at a constant P/E ratio

(4) Based on adjusted EPS

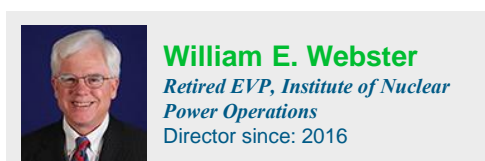
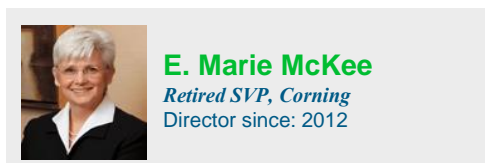
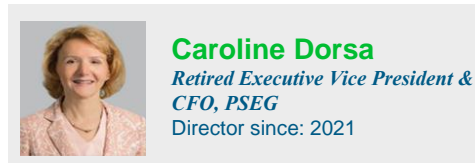
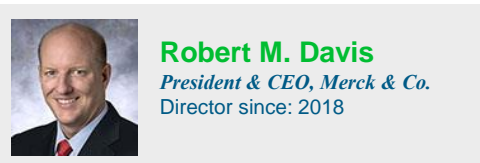
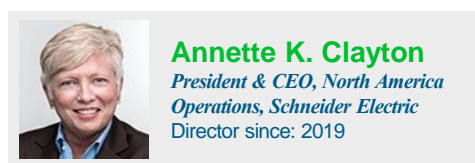
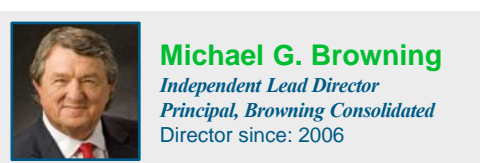


# APPENDIX

# Long-standing history of strong governance driven from diverse Board of Directors

## FOCUSED ON BOARD COMPOSITION TO OVERSEE THE COMPANY'S LONG-TERM STRATEGY

- 9 out of 13 directors were first appointed in the last five years<sup>(1)</sup>
- 12 out of 13 directors are independent (all directors except Chair, President and CEO)
- 5 out of 13 directors are female or identify as a part of a minority group



### Key Stats

38%

Racial, Gender and  
Ethnic Diversity

4.7

Years Average Tenure

### Key Skills & Experience

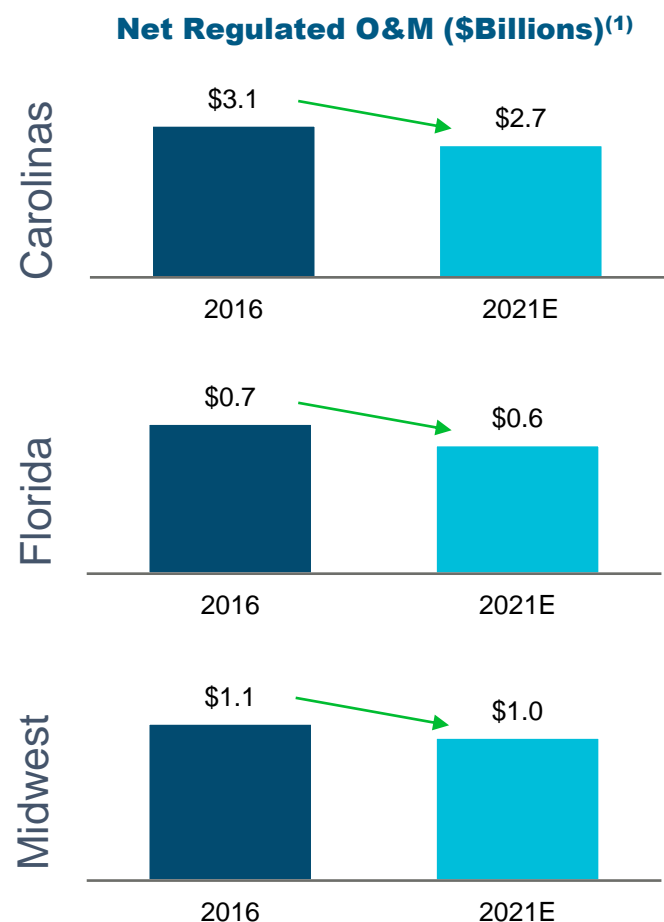
|                            |    |
|----------------------------|----|
| Risk Management            | 12 |
| Regulatory / Government    | 10 |
| Customer Service           | 9  |
| Environmental              | 9  |
| Industry                   | 9  |
| Cybersecurity / Technology | 8  |
| Human Capital Management   | 5  |
| Legal                      | 2  |

(1) As of most recent Annual Shareholder Meeting on May 6, 2021

# Cost management continues to be a core competency

## Sustained savings across all jurisdictions

- Lowered electric utility O&M by \$450 million since 2016, while growing earnings base \$20 billion



(1) Net regulated O&M is a non-GAAP measure. For a description of this non-GAAP item and a reconciliation to GAAP O&M, see accompanying materials included in the Appendix herein and at [www.duke-energy.com/investors](http://www.duke-energy.com/investors)

## Favorable O&M metrics benefit our customers

- Rank #2 across various operating metrics
- O&M efficiency keeps customer rates low and creates headroom for growth

| Key Metrics              | Electric non-generation O&M <sup>(2)</sup> / Customer | Electric non-generation O&M <sup>(2)</sup> / MWh | Distribution and Transmission O&M / Customer |
|--------------------------|---|--|--|
| PEER AVERAGE             | \$490   | \$24   | \$243  |
| DUKE ENERGY              | \$359   | \$14   | \$144  |
| DUKE RANKING (out of 10) | #2  | #2   | #2   |

Source: SNL FERC Form 1, annual filings and investor presentations; data as of YE 2020  
Peer group: AEP, SO, EXC, NEE, D, XEL, ED, ES, WEC

(2) Reflects total electric O&M net of power production O&M



# Transmission and distribution investments shaping our grid modernization

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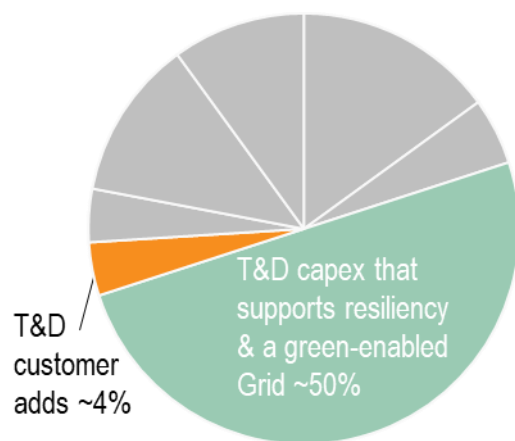
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## INVESTING OVER \$30 BILLION TO MODERNIZE OUR GRID

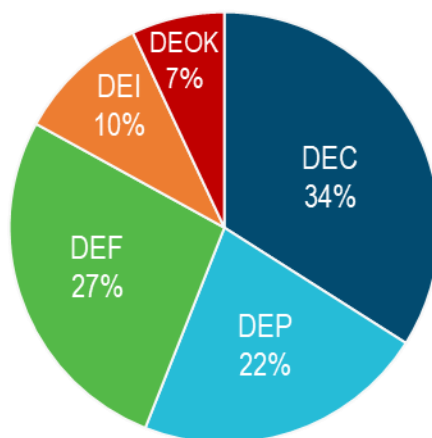
- Enables connectivity of clean energy resources
- Improves reliability and resiliency, including storm hardening
- Includes targeted investments that support state economic development efforts
- Strong investment opportunities focused on regulated jurisdictions








### \$59 BILLION CAPITAL PLAN



### ~\$30 BILLION T&D CAPITAL BY JURISDICTION



### PRIMARY RECOVERY MECHANISMS

|   |           |       |                          |
|---|-----------|-------|--------------------------|
|  | Carolinas | ..... | Deferral/Base rate cases |
|  | Florida   | ..... | MYRP/SPP rider           |
|  | Indiana   | ..... | TDSIC rider              |
|  | Ohio      | ..... | DCI/BTR riders           |
|  | Kentucky  | ..... | Base rate cases          |



# Operational excellence on behalf of our customers

## SAFETY

- Duke Energy was an industry leader for the sixth year in a row - Total incident case rate (TICR) of 0.33 in 2020
- TICR nearly 50% lower (better) than 2013 levels, the first full year after the Progress merger

## NUCLEAR PERFORMANCE

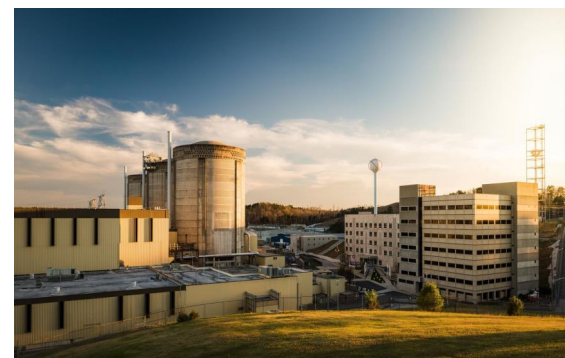
- 22<sup>nd</sup> consecutive year with a fleet capacity factor greater than 90% (94.42% in 2020)
- All six nuclear sites are recognized by the industry for exemplary performance

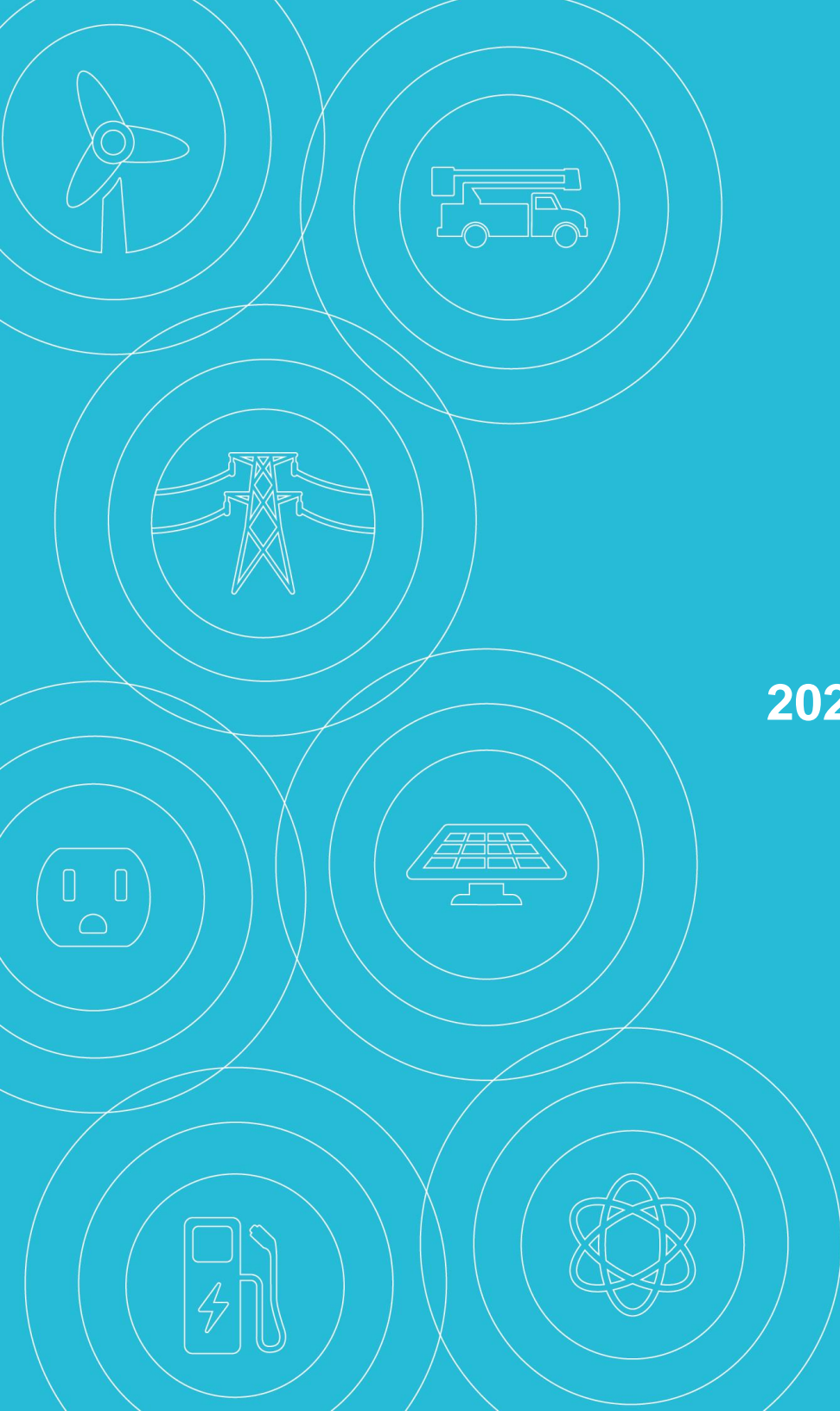
## STORM RESPONSE

- Duke Energy has received over 20 Emergency Response Awards since EEI began recognizing storm response in 1998 (includes 8 for assisting other utilities)
- Received 8 awards for storm response in our service territories over the past decade

## CUSTOMER SATISFACTION

- Beginning in 2017, developed and implemented an ecosystem of customer satisfaction measurement tools to understand and identify pain points in the current customer experience
- By focusing on improving our customers' actual experiences, we have seen improvements in customer satisfaction that have outpaced the industry (as measured by J.D. Power & Associates' Customer Satisfaction Index)
  - Residential J.D. Power CSI scores improved for all jurisdictions with DEP and DEF recognized as 'Top Movers' in 2020
  - DEC was recognized as a 'Top Mover' in the 2020 business study and finished in the top quartile nationally along with DEF





## 2021 guidance supplemental information

# Key 2021 adjusted earnings guidance assumptions

| (\$ in millions)  | Original 2021 Assumptions <sup>(1)</sup> | 2021 YTD (thru 6/30/2021) |
|---|--|---------------------------|
| <b>Adjusted segment income/ (expense) <sup>(2)</sup>:</b>   |  |                           |
| Electric Utilities & Infrastructure   | \$3,900                                  | \$1,755                   |
| Gas Utilities & Infrastructure  | \$415                                    | \$279                     |
| Commercial Renewables   | \$220                                    | \$74                      |
| Other   | (\$575)                                  | (\$252)                   |
| Duke Energy Consolidated  | \$3,960                                  | \$1,856                   |
| <b>Additional consolidated information:</b>   |  |                           |
| Effective tax rate including noncontrolling interests and preferred dividends and excluding special items | 6-8%                                     | 8.2%                      |
| AFUDC equity  | \$185                                    | \$82                      |
| Capital expenditures <sup>(3)(4)</sup>  | \$10,475                                 | \$4,550                   |
| Weighted-average shares outstanding – basic   | ~769 million                             | ~769 million              |

(1) Full-year amounts for 2021, as disclosed on Feb. 11, 2021

(2) Adjusted net income for 2021 assumptions is based upon the midpoint of the adjusted EPS guidance range of \$5.00 to \$5.30

(3) Includes debt AFUDC and capitalized interest

(4) 2021 full year assumptions include ~\$550 million of projected coal ash closure spend. 2021 YTD actual includes coal ash closure spend of ~\$200 million that was included in operating cash flows and excludes tax equity funding of Commercial Renewables projects of ~\$320 million

# Electric utilities quarterly weather impacts

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| Weather segment income to normal:          | 2021                  |         |                      |         |                                      |       | 2020                |       |                      |       |                                      |  |
|--|-----------------------|---------|----------------------|---------|--------------------------------------|-------|---------------------|-------|----------------------|-------|--------------------------------------|--|
|  | Pretax impact         |         | Weighted avg. shares |         | EPS impact favorable / (unfavorable) |       | Pretax impact       |       | Weighted avg. shares |       | EPS impact favorable / (unfavorable) |  |
| First Quarter                              | (\$17)                |         | 769                  |         | (\$0.02)                             |       | (\$110)             |       | 734                  |       | (\$0.11)                             |  |
| Second Quarter                             | \$7                   |         | 769                  |         | \$0.01                               |       | (\$8)               |       | 735                  |       | (\$0.01)                             |  |
| Third Quarter                              |                       |         |                      |         |                                      |       | \$67                |       | 735                  |       | \$0.07                               |  |
| Fourth Quarter                             |                       |         |                      |         |                                      |       | \$2                 |       | 742                  |       | --                                   |  |
| Year-to-Date <sup>(1)</sup>                | (\$10)                |         | 769                  |         | (\$0.01)                             |       | (\$48)              |       | 737                  |       | (\$0.05)                             |  |
| 2Q 2021                                    | Duke Energy Carolinas |         | Duke Energy Progress |         | Duke Energy Florida                  |       | Duke Energy Indiana |       | Duke Energy Ohio/KY  |       |                                      |  |
| Heating degree days / Variance from normal | 225                   | 8.0%    | 199                  | 13.5%   | 15                                   | 68.5% | 556                 | 13.4% | 514                  | 16.4% |                                      |  |
| Cooling degree days / Variance from normal | 466                   | (7.5%)  | 545                  | (1.9%)  | 1,092                                | 4%    | 355                 | 6%    | 360                  | 8.1%  |                                      |  |
| 2Q 2020                                    | Duke Energy Carolinas |         | Duke Energy Progress |         | Duke Energy Florida                  |       | Duke Energy Indiana |       | Duke Energy Ohio/KY  |       |                                      |  |
| Heating degree days / Variance from normal | 308                   | 43.1%   | 224                  | 23.4%   | -                                    | -     | 633                 | 28.1% | 590                  | 31%   |                                      |  |
| Cooling degree days / Variance from normal | 412                   | (17.5%) | 461                  | (16.1%) | 1,190                                | 11.8% | 343                 | 4.2%  | 347                  | 4.8%  |                                      |  |

(1) Year-to-date amounts may not foot due to differences in weighted-average shares outstanding and/or rounding.

# Key 2021 earnings sensitivities

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| Driver                              |   | EPS Impact                    |
|-------------------------------------|---|-------------------------------|
| Electric Utilities & Infrastructure | 1% change in earned return on equity  | +/- \$0.55                    |
|                                     | \$1 billion change in rate base   | +/- \$0.06                    |
|                                     | 1% change in retail volumes:<br>Industrial +/- \$0.02 <sup>(2)</sup><br>Commercial +/- \$0.05 <sup>(2)</sup><br>Residential +/- \$0.08 <sup>(2)</sup> | +/- \$0.15 <sup>(1) (2)</sup> |
| Gas Utilities & Infrastructure      | 1% change in earned return on equity  | +/- \$0.05                    |
|                                     | \$200 million change in rate base   | +/- \$0.01                    |
|                                     | 1% change in number of new customers  | +/- \$0.02                    |
| Consolidated                        | 1% change in interest rates <sup>(3)</sup>  | +/- \$0.10                    |

Note: EPS amounts based on forecasted 2021 basic share count of ~769 million shares

(1) Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins

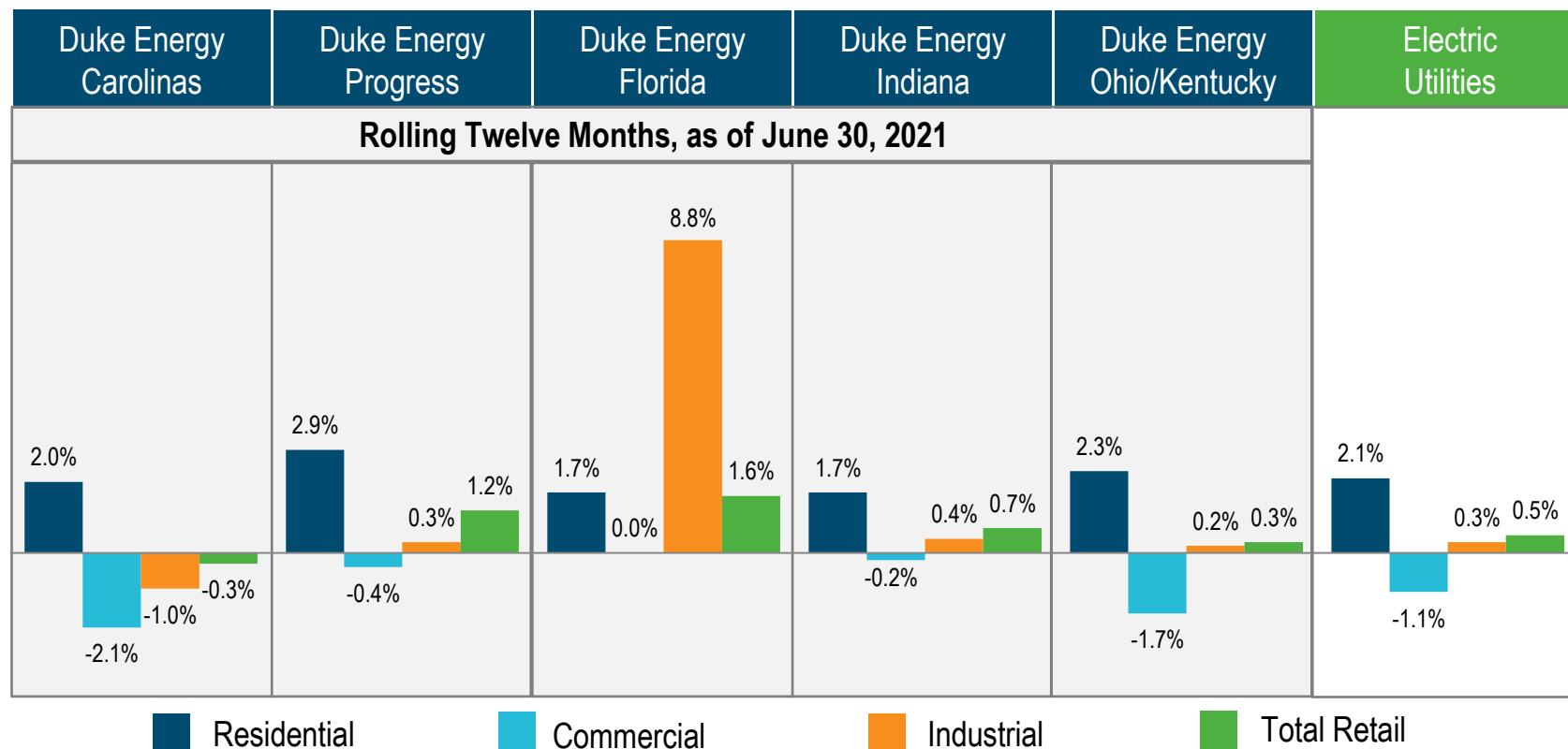
(2) Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted.

(3) Based on average variable-rate debt outstanding throughout the year. There was \$7.6 billion in floating rate debt as of December 31, 2020.

# Weather normalized volume trends, by electric jurisdiction

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Jan 19 2023







## Financing plan update and current liquidity

# 2021 Financing plan<sup>(1)</sup>

| Issuer          | Estimated / Actual Amount (\$ in millions) | Security             | Date Issued | Completed (\$ in millions)         | Term                                    | Rate   | 2021 Maturities <sup>(2)</sup> |
|-----------------|--|----------------------|-------------|------------------------------------|---|--|--------------------------------|
| Holding Company | \$3,000                                    | Senior Notes         | June 2021   | \$500<br>\$1,000<br>\$750<br>\$750 | 2-year<br>10-year<br>20-year<br>30-year | SOFR + 25 bps<br>Fixed – 2.55%<br>Fixed – 3.30%<br>Fixed – 3.50% | \$1,750<br>(May & Sept)        |
| DE Carolinas    | \$1,000                                    | First Mortgage Bonds | April 2021  | \$550<br>\$450                     | 10-year<br>30-year                      | Fixed – 2.55%<br>Fixed – 3.45%                                   | \$500<br>(June)                |
| DE Progress     | \$1,000 - \$1,200                          | -                    | -           | -                                  | -                                       | -  | \$1,300<br>(June & Sept.)      |
| DE Florida      | \$1,100 - \$1,300                          | -                    | -           | -                                  | -                                       | -  | \$500<br>(Aug. & Nov.)         |
| DE Indiana      | \$300 - \$400                              | -                    | -           | -                                  | -                                       | -  | -                              |
| Piedmont        | \$350                                      | Senior Notes         | March 2021  | \$350                              | 10-year                                 | 2.50%  | \$160<br>(June)                |
| DE Kentucky     | \$50 - \$100                               | -                    | -           | -                                  | -                                       | -  | -                              |
| <b>Total</b>    | <b>\$6,400 - \$7,750</b>                   | -                    | -           | <b>\$4,350</b>                     | -                                       | -  | <b>\$4,210</b>                 |

(1) Excludes financings at Commercial Renewables and other non-regulated entities and storm cost securitization at Duke Energy Carolinas and Duke Energy Progress

(2) Excludes amortization of noncash purchase accounting adjustments and CR3 securitization

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# Liquidity summary (as of June 30, 2021)

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Jan 19 2023

(\$ in millions)

|   | Duke Energy | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Indiana | Duke Energy Ohio | Duke Energy Kentucky | Piedmont Natural Gas | Total           |
|---|-------------|-----------------------|----------------------|---------------------|---------------------|------------------|----------------------|----------------------|-----------------|
| Master Credit Facility <sup>(1)</sup>                   | \$ 2,650    | \$ 1,325              | \$ 1,150             | \$ 850              | \$ 600              | \$ 550           | \$ 175               | \$ 700               | \$ 8,000        |
| Less: Notes payable and commercial paper <sup>(2)</sup> | (549)       | (767)                 | (418)                | (360)               | (150)               | (355)            | (56)                 | (92)                 | (2,747)         |
| Outstanding letters of credit (LOCs)                    | (25)        | (4)                   | (2)                  | -                   | -                   | -                | -                    | -                    | (31)            |
| Tax-exempt bonds  | -           | -                     | -                    | -                   | (81)                | -                | -                    | -                    | (81)            |
| Available capacity                                      | \$ 2,076    | \$ 554                | \$ 730               | \$ 490              | \$ 369              | \$ 195           | \$ 119               | \$ 608               | \$ 5,141        |
| Funded Revolver and Term Loan <sup>(3)</sup>            | \$ 1,000    |                       |                      |                     |                     |                  |                      |                      | \$ 1,000        |
| Less: Borrowings Under Credit Facilities                | (500)       |                       |                      |                     |                     |                  |                      |                      | (500)           |
| Available capacity                                      | \$ 500      | \$ -                  | \$ -                 | \$ -                | \$ -                | \$ -             | \$ -                 | \$ -                 | \$ 500          |
| Cash & short-term investments                           |             |                       |                      |                     |                     |                  |                      |                      | 259             |
| <b>Total available liquidity</b>                        |             |                       |                      |                     |                     |                  |                      |                      | <b>\$ 5,900</b> |

(1) Duke Energy's master credit facility supports Tax-Exempt Bonds, LOCs and the Duke Energy CP program of \$6 billion

(2) Includes permanent layer of commercial paper of \$625 million, which is classified as long-term debt

(3) Borrowings under these facilities will be used for general corporate purposes



## Upcoming Events & Other

## Upcoming events

| Event                             | Date             |
|-----------------------------------|------------------|
| 3Q 2021 earnings call (tentative) | November 4, 2021 |

### **JACK SULLIVAN, VICE PRESIDENT INVESTOR RELATIONS**

- Jack.Sullivan@duke-energy.com
- (980) 373-3564

### **CHRIS JACOBI, DIRECTOR INVESTOR RELATIONS**

- Christopher.Jacobi@duke-energy.com
- (704) 382-8397

### **LINDA MILLER, MANAGER INVESTOR RELATIONS**

- Linda.Miller@duke-energy.com
- (980) 373-2407



*BUILDING A **SMARTER** ENERGY FUTURE®*

For additional information on Duke Energy,  
please visit: [duke-energy.com/investors](https://duke-energy.com/investors)

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 5, 2021**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of adjusted EPS for the quarter and year-to-date periods ended June 30, 2021 and 2020.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended June 30, 2021 and 2020, to the most directly comparable GAAP measure are included herein.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit obligations.
- Severance represents the reversal of 2018 severance charges, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.
- Workplace and workforce realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.

**Adjusted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a reference to forecasted 2021 adjusted EPS guidance range of \$5.00 to \$5.30 per share and the midpoint of forecasted 2021 adjusted EPS guidance range of \$5.15. The materials also reference the long-term range of annual growth of 5% - 7% through 2025 off the midpoint of 2021 adjusted EPS guidance range of \$5.15. Forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2021 and a discussion of 2021 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2021, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

## **Dividend Payout Ratio**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's long-term target dividend payout ratio of 65% - 75% based upon adjusted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted basic EPS from continuing operations available to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

## **Net Regulated Electric and Gas O&M**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's net regulated Electric and Gas operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2020, 2019, 2018, 2017 and 2016, as well as the forecasted year-to-date period ended December 31, 2021.

Net regulated Electric and Gas O&M is a non-GAAP financial measure, as it represents reported O&M expenses adjusted for special items and expenses recovered through riders and excludes O&M expenses for Duke Energy's non-margin based Commercial businesses and non-regulated electric products and services supporting regulated operations.

Management believes the presentation of net regulated Electric and Gas O&M provides useful information to investors, as it provides a meaningful comparison of financial performance across periods. The most directly comparable GAAP financial measure for net regulated Electric and Gas O&M is reported operating, maintenance and other expenses. A reconciliation of net regulated Electric and Gas O&M for the year-to-date periods ended December 31, 2020, 2019, 2018, 2017 and 2016, as well as the forecasted year-to-date period ended December 31, 2021, to the most directly comparable GAAP measure are included here-in.

### **Effective Tax Rate Including Impacts of Noncontrolling Interests and Preferred Dividends and Excluding Special Items**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended June 30, 2021. The materials also include a discussion of the 2021 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended June 30, 2021, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of June 30, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2021, to the most directly comparable GAAP measure is included herein.



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

|  |                   | Special Items            |                                     |                   |                   |
|--|-------------------|--------------------------|-------------------------------------|-------------------|-------------------|
|  | Reported Earnings | Gas Pipeline Investments | Workplace and Workforce Realignment | Total Adjustments | Adjusted Earnings |
| <b>SEGMENT INCOME</b>  |                   |                          |                                     |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 935            | \$ —                     | \$ —                                | \$ —              | \$ 935            |
| Gas Utilities and Infrastructure   | 17                | 12 <b>A</b>              | —                                   | 12                | 29                |
| Commercial Renewables  | 47                | —                        | —                                   | —                 | 47                |
| <b>Total Reportable Segment Income</b>                                     | <b>999</b>        | <b>12</b>                | <b>—</b>                            | <b>12</b>         | <b>1,011</b>      |
| Other  | (248)             | —                        | 135 <b>B</b>                        | 135               | (113)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 751</b>     | <b>\$ 12</b>             | <b>\$ 135</b>                       | <b>\$ 147</b>     | <b>\$ 898</b>     |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.96</b>    | <b>\$ 0.01</b>           | <b>\$ 0.18</b>                      | <b>\$ 0.19</b>    | <b>\$ 1.15</b>    |

**Note:** Earnings Per Share amounts are adjusted for accumulated but not yet declared dividends for Series B Preferred Stock of \$(0.02).

**A** - Net of \$4 million tax benefit. \$16 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** - Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 769 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

|  | Reported<br>Earnings | Special Items               |  | Total<br>Adjustments | Adjusted<br>Earnings |
|--|----------------------|-----------------------------|--|----------------------|----------------------|
|  |                      | Gas Pipeline<br>Investments | Workplace<br>and<br>Workforce<br>Realignment |                      |                      |
| <b>SEGMENT INCOME</b>  |                      |                             |  |                      |                      |
| Electric Utilities and Infrastructure                                      | \$ 1,755             | \$ —                        | \$ —   | \$ —                 | \$ 1,755             |
| Gas Utilities and Infrastructure   | 262                  | 17 A                        | —  | 17                   | 279                  |
| Commercial Renewables  | 74                   | —                           | —  | —                    | 74                   |
| <b>Total Reportable Segment Income</b>                                     | <b>2,091</b>         | <b>17</b>                   | <b>—</b>                                     | <b>17</b>            | <b>2,108</b>         |
| Other  | (387)                | —                           | 135 B  | 135                  | (252)                |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 1,704</b>      | <b>\$ 17</b>                | <b>\$ 135</b>                                | <b>\$ 152</b>        | <b>\$ 1,856</b>      |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 2.21</b>       | <b>\$ 0.02</b>              | <b>\$ 0.18</b>                               | <b>\$ 0.20</b>       | <b>\$ 2.41</b>       |

**A** - Net of \$5 million tax benefit. \$22 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** - Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) - 769 million**

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DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Three Months Ended June 30, 2020  
(Dollars in millions, except per share amounts)

|   | Reported<br>Loss | Special Item<br>Gas Pipeline<br>Investments | Total<br>Adjustments | Adjusted<br>Earnings |
|---|------------------|---|----------------------|----------------------|
| <b>SEGMENT INCOME (LOSS)</b>  |                  |   |                      |                      |
| Electric Utilities and Infrastructure   | \$ 753           | \$ —  | \$ —                 | \$ 753               |
| Gas Utilities and Infrastructure  | (1,576)          | 1,626                                       | <b>A</b> 1,626       | 50                   |
| Commercial Renewables   | 90               | —   | —                    | 90                   |
| <b>Total Reportable Segment (Loss) Income</b>   | <b>(733)</b>     | <b>1,626</b>                                | <b>1,626</b>         | <b>893</b>           |
| Other   | (84)             | —   | —                    | (84)                 |
| <b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>         | <b>\$ (817)</b>  | <b>\$ 1,626</b>                             | <b>\$ 1,626</b>      | <b>\$ 809</b>        |
| <b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b> | <b>\$ (1.13)</b> | <b>\$ 2.21</b>                              | <b>\$ 2.21</b>       | <b>\$ 1.08</b>       |

**Note:** (Loss) Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** – Net of \$374 million tax benefit. \$2,000 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Six Months Ended June 30, 2020  
(Dollars in millions, except per share amounts)

|  | Reported Earnings | Special Items            |                  | Total Adjustments | Adjusted Earnings |
|--|-------------------|--------------------------|------------------|-------------------|-------------------|
|  |                   | Gas Pipeline Investments | Severance        |                   |                   |
| <b>SEGMENT INCOME (LOSS)</b>   |                   |                          |                  |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 1,458          | \$ —                     | \$ —             | \$ —              | \$ 1,458          |
| Gas Utilities and Infrastructure   | (1,327)           | 1,626                    | A                | 1,626             | 299               |
| Commercial Renewables  | 147               | —                        | —                | —                 | 147               |
| <b>Total Reportable Segment Income</b>                                     | <b>278</b>        | <b>1,626</b>             | <b>—</b>         | <b>1,626</b>      | <b>1,904</b>      |
| Other  | (196)             | —                        | (75) B           | (75)              | (271)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 82</b>      | <b>\$ 1,626</b>          | <b>\$ (75)</b>   | <b>\$ 1,551</b>   | <b>\$ 1,633</b>   |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.11</b>    | <b>\$ 2.21</b>           | <b>\$ (0.10)</b> | <b>\$ 2.11</b>    | <b>\$ 2.22</b>    |

**A** – Net of \$374 million tax benefit. \$2,000 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**B** – Net of \$23 million tax expense. \$98 million reversal of 2018 severance charges recorded within Operations, maintenance and other on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 734 million**

**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2021  
(Dollars in millions)

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2021      |                    | June 30, 2021    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>  | \$ 734             |                    | \$ 1,759         |                    |
| Gas Pipeline Investments  | 16                 |                    | 22               |                    |
| Workplace and Workforce Realignment   | 175                |                    | 175              |                    |
| Noncontrolling Interests  | 67                 |                    | 118              |                    |
| Preferred Dividends   | (14)               |                    | (53)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <b>\$ 978</b>      |                    | <b>\$ 2,021</b>  |                    |
| <b>Reported Income Tax Expense</b>  | \$ 36              | 4.9 %              | \$ 120           | 6.8 %              |
| Gas Pipeline Investments  | 4                  |                    | 5                |                    |
| Workplace Realignment   | 40                 |                    | 40               |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <b>\$ 80</b>       | <b>8.2%</b>        | <b>\$ 165</b>    | <b>8.2 %</b>       |

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2020      |                    | June 30, 2020    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Loss Before Income Taxes</b>  | \$ (1,208)         |                    | \$ (181)         |                    |
| Gas Pipeline Investments  | 2,000              |                    | 2,000            |                    |
| Severance   | —                  |                    | (98)             |                    |
| Noncontrolling Interests  | 90                 |                    | 138              |                    |
| Preferred Dividends   | (15)               |                    | (54)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <b>\$ 867</b>      |                    | <b>\$ 1,805</b>  |                    |
| <b>Reported Income Tax Benefit</b>  | \$ (316)           | 26.2 %             | (179)            | 98.9 %             |
| Gas Pipeline Investments  | 374                |                    | 374              |                    |
| Severance   | —                  |                    | (23)             |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <b>\$ 58</b>       | <b>6.7%</b>        | <b>\$ 172</b>    | <b>9.5 %</b>       |

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2021**  
(In millions)

|  |                 |                           |
|--|-----------------|---------------------------|
| Cash and Cash Equivalents  | \$ 367          |                           |
| Less: Certain Amounts Held in Foreign Jurisdictions                              | (6)             |                           |
| Less: Unavailable Domestic Cash  | <u>(102)</u>    |                           |
|  | 259             |                           |
| Plus: Remaining Availability under Master Credit Facilities and other facilities | <u>5,641</u>    |                           |
| Total Available Liquidity (a), June 30, 2021                                     | <u>\$ 5,900</u> | approximately 5.9 billion |

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of June 30, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

**Duke Energy Corporation**  
**Operations, Maintenance and Other Expense**  
(In millions)

|   | Actual<br>December 31, 2016 | Actual<br>December 31, 2017 | Actual<br>December 31, 2018 | Actual<br>December 31, 2019 | Actual<br>December 31, 2020 | Forecast <sup>(f)</sup><br>December 31, 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| <b>Operation, maintenance and other<sup>(a)</sup></b>                   | <b>\$6,223</b>              | <b>\$5,944</b>              | <b>\$6,463</b>              | <b>\$6,066</b>              | <b>\$5,788</b>              | <b>\$6,072</b>                               |
| Adjustments:  |                             |                             |                             |                             |                             |  |
| Costs to Achieve, Mergers <sup>(b)</sup>                                | (238)                       | (94)                        | (83)                        | —                           | —                           | —  |
| Severance <sup>(b)</sup>  | (92)                        | —                           | (187)                       | —                           | 98                          | —  |
| Regulatory settlement <sup>(b)</sup>                                    | —                           | (5)                         | (40)                        | —                           | (16)                        | —  |
| Energy Efficiency Recoverable <sup>(c)</sup>                            | (417)                       | (485)                       | (446)                       | (415)                       | (350)                       | (403)  |
| Other Deferrals <sup>(d)</sup> and Recoverable                          | (141)                       | (152)                       | (400)                       | (353)                       | (510)                       | (340)  |
| O&M for Commercial Businesses   | (351)                       | (267)                       | (304)                       | (298)                       | (285)                       | (477)  |
| Short-term incentive payments (over)/under budget                       | (90)                        | (22)                        | (30)                        | (112)                       | 33                          | —  |
| Non-regulated Electric Products and Services <sup>(e)</sup>             | (83)                        | (140)                       | (138)                       | (175)                       | (210)                       | (223)  |
| <b>Net Regulated Electric and Gas, operation, maintenance and other</b> | <b>\$4,811</b>              | <b>\$4,779</b>              | <b>\$4,835</b>              | <b>\$4,714</b>              | <b>\$4,548</b>              | <b>\$4,630</b>                               |

(a) As reported in the Consolidated Statements of Operations.

(b) Presented as a special item for the purpose of calculating adjusted earnings and adjusted diluted earnings per share.

(c) Primarily represents expenses to be deferred or recovered through rate riders.

(d) Prior periods have been recast to reflect a change in methodology to present certain deferrals which will be recovered through future rate cases as if they were included in base rates.

(e) Primarily represents non-regulated electric products and services expense in support of regulated operations.

(f) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Carolinas Jurisdictions**  
**Operations, Maintenance and Other Expense**  
(In millions)

|   | Actual<br>December 31, 2016 | Actual<br>December 31, 2017 | Actual<br>December 31, 2018 | Actual<br>December 31, 2019 | Actual<br>December 31, 2020 | Forecast <sup>(e)</sup><br>December 31, 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Carolinas</b> | <b>\$2,158</b>              | <b>\$2,021</b>              | <b>\$2,130</b>              | <b>\$1,868</b>              | <b>\$1,743</b>              | <b>\$1,801</b>                               |
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Progress</b>  | <b>1,565</b>                | <b>1,439</b>                | <b>1,578</b>                | <b>1,446</b>                | <b>1,332</b>                | <b>1,447</b>                                 |
| Adjustments:  |                             |                             |                             |                             |                             |  |
| Costs to Achieve, Mergers <sup>(b)</sup>                                      | (126)                       | (34)                        | (15)                        | —                           | —                           | —  |
| Severance <sup>(b)</sup>  | (62)                        | —                           | (154)                       | —                           | 98                          | —  |
| Regulatory settlement <sup>(b)</sup>  | —                           | (5)                         | (40)                        | —                           | (16)                        | —  |
| Energy Efficiency Recoverable <sup>(c)</sup>                                  | (210)                       | (279)                       | (270)                       | (248)                       | (180)                       | (238)  |
| Other Deferrals and Recoverable <sup>(c)</sup>                                | (87)                        | (74)                        | (119)                       | (71)                        | (74)                        | (52)   |
| Margin based O&M for Non-reg products/services                                | (40)                        | (76)                        | (69)                        | (99)                        | (130)                       | (131)  |
| DEBS Depreciation <sup>(d)</sup>  | (57)                        | (80)                        | (88)                        | (101)                       | (117)                       | (133)  |
| Short-term incentive payments (over)/under budget                             | (55)                        | (26)                        | (13)                        | (64)                        | 23                          | —  |
| <b>Net Regulated Electric and Gas, operation, maintenance and other</b>       | <b>\$3,086</b>              | <b>\$2,886</b>              | <b>\$2,940</b>              | <b>\$2,731</b>              | <b>\$2,679</b>              | <b>\$2,694</b>                               |

(a) As reported in the Consolidated Statements of Operations.

(b) Presented as a special item for the purpose of calculating adjusted earnings and adjusted diluted earnings per share.

(c) Primarily represents expenses to be deferred or recovered through rate riders.

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.



**Duke Energy - Florida**  
**Operations, Maintenance and Other Expense**  
(In millions)

|   | Actual<br>December 31, 2016 | Actual<br>December 31, 2017 | Actual<br>December 31, 2018 | Actual<br>December 31, 2019 | Actual<br>December 31, 2020 | Forecast <sup>(e)</sup><br>December 31, 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Florida</b> | <b>\$884</b>                | <b>\$853</b>                | <b>\$1,025</b>              | <b>\$1,034</b>              | <b>\$1,131</b>              | <b>\$1,016</b>                               |
| Adjustments:  |                             |                             |                             |                             |                             |  |
| Costs to Achieve, Mergers <sup>(b)</sup>                                    | (9)                         | (9)                         | (4)                         | —                           | —                           | —  |
| Severance <sup>(b)</sup>  | (17)                        | —                           | (17)                        | —                           | —                           | —  |
| Regulatory settlement <sup>(b)</sup>  | —                           | —                           | —                           | —                           | —                           | —  |
| Energy Efficiency Recoverable <sup>(c)</sup>                                | (99)                        | (95)                        | (105)                       | (99)                        | (116)                       | (121)  |
| Other Deferrals and Recoverable <sup>(c)</sup>                              | (37)                        | (34)                        | (191)                       | (183)                       | (325)                       | (182)  |
| Margin based O&M for Non-reg products/services                              | (27)                        | (38)                        | (43)                        | (39)                        | (38)                        | (45)   |
| DEBS Depreciation <sup>(d)</sup>  | (15)                        | (22)                        | (24)                        | (29)                        | (34)                        | (40)   |
| Short-term incentive payments (over)/under budget                           | (14)                        | (8)                         | (6)                         | (16)                        | 4                           | —  |
| <b>Net Regulated Electric and Gas, operation, maintenance and other</b>     | <b>\$666</b>                | <b>\$647</b>                | <b>\$635</b>                | <b>\$668</b>                | <b>\$622</b>                | <b>\$628</b>                                 |

(a) As reported in the Consolidated Statements of Operations.

(b) Presented as a special item for the purpose of calculating adjusted earnings and adjusted diluted earnings per share.

(c) Primarily represents expenses to be deferred or recovered through rate riders.

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Midwest Jurisdictions**  
**Operations, Maintenance and Other Expense**  
(In millions)

|   | Actual<br>December 31, 2016 | Actual<br>December 31, 2017 | Actual<br>December 31, 2018 | Actual<br>December 31, 2019 | Actual<br>December 31, 2020 | Forecast <sup>(e)</sup><br>December 31, 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Indiana</b> | <b>\$727</b>                | <b>\$743</b>                | <b>\$788</b>                | <b>\$790</b>                | <b>\$762</b>                | <b>\$782</b>                                 |
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Ohio</b>    | <b>514</b>                  | <b>530</b>                  | <b>480</b>                  | <b>520</b>                  | <b>463</b>                  | <b>471</b>                                   |
| Adjustments:  |                             |                             |                             |                             |                             |  |
| Costs to Achieve, Mergers <sup>(b)</sup>                                    | (10)                        | (12)                        | (16)                        | —                           | —                           | —  |
| Severance <sup>(b)</sup>  | (10)                        | —                           | (13)                        | —                           | —                           | —  |
| Regulatory settlement <sup>(b)</sup>  | —                           | —                           | —                           | —                           | —                           | —  |
| Energy Efficiency Recoverable <sup>(c)</sup>                                | (86)                        | (104)                       | (71)                        | (68)                        | (54)                        | (45)   |
| Other Deferrals and Recoverable <sup>(c)</sup>                              | (39)                        | (48)                        | (89)                        | (99)                        | (101)                       | (106)  |
| Margin based O&M for Non-reg products/services                              | (9)                         | (16)                        | (11)                        | (12)                        | (9)                         | (13)   |
| DEBS Depreciation <sup>(d)</sup>  | (16)                        | (23)                        | (25)                        | (30)                        | (34)                        | (40)   |
| Short-term incentive payments (over)/under budget                           | (5)                         | (7)                         | —                           | (21)                        | 8                           | —  |
| <b>Net Regulated Electric and Gas, operation, maintenance and other</b>     | <b>\$1,066</b>              | <b>\$1,063</b>              | <b>\$1,043</b>              | <b>\$1,080</b>              | <b>\$1,035</b>              | <b>\$1,049</b>                               |

(a) As reported in the Consolidated Statements of Operations.

(b) Presented as a special item for the purpose of calculating adjusted earnings and adjusted diluted earnings per share.

(c) Primarily represents expenses to be deferred or recovered through rate riders.

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

## News Release



Media Contact: Meredith Archie  
24-Hour: 800.559.3853

Analyst Contact: Jack Sullivan  
Office: 980.373.3564

August 5, 2021

### Duke Energy reports second-quarter 2021 financial results

- **Second-quarter 2021 reported EPS of \$0.96 and adjusted EPS of \$1.15**
- **Growth driven by continued strength in Electric Utilities and Infrastructure**
- **Surpassed 10,000 megawatts of renewable energy on path to net-zero carbon emissions by 2050**
- **Company reaffirms 2021 adjusted EPS guidance range of \$5.00 to \$5.30 and long-term adjusted EPS growth rate of 5% to 7% through 2025**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced second-quarter 2021 reported EPS of \$0.96, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of \$1.15. This is compared to a reported loss per share of \$(1.13) and adjusted EPS of \$1.08 for the second quarter of 2020.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. The difference between the second-quarter 2021 reported and adjusted EPS is due to workplace and workforce realignment costs and exit obligations from gas pipeline investments.

Higher second-quarter 2021 adjusted results were led by growth in Electric Utilities and Infrastructure from rate case contributions, higher volumes and higher wholesale earnings. These items were partially offset by higher O&M expenses, lower Commercial Renewables earnings, the loss of ACP earnings and share dilution.

“Our strong second-quarter results demonstrate the continued execution of our clean energy strategy,” said Lynn Good, Duke Energy chair, president and chief executive officer. “We recently passed 10,000 MW of renewable energy on our path to net-zero carbon emissions by 2050. We’re investing in our transmission and distribution assets to strengthen grid resiliency, accommodate more renewables and support state economic development efforts. And, we’re collaborating with stakeholders and policymakers to advance supportive energy policy. We expect 2021 adjusted earnings per share to be in the range of \$5.00 to \$5.30 and expect to grow earnings 5% to 7% through 2025, based off the \$5.15 midpoint.

“Moving forward, we’re leading the most ambitious clean energy transition in North America while providing safe, reliable and affordable energy solutions to our customers and communities across the Southeast and Midwest, enabled by our scope and scale.”

## Business segment results

In addition to the following summary of second-quarter 2021 business segment performance, comprehensive tables with detailed EPS drivers for the second quarter compared to prior year are provided at the end of this news release.

The discussion below of second-quarter results includes both GAAP segment income and adjusted segment income, which is a non-GAAP financial measure. The tables at the end of this news release present a full reconciliation of GAAP reported results to adjusted results.

### Electric Utilities and Infrastructure

On a reported and adjusted basis, Electric Utilities and Infrastructure recognized second-quarter 2021 segment income of \$935 million, compared to segment income of \$753 million in the second quarter of 2020, an increase of \$0.24 per share, excluding share dilution of \$0.04 per share. Higher quarterly results were primarily due to contributions from rate cases (+\$0.13 per share), higher volumes (+\$0.08 per share), higher wholesale earnings (+\$0.05 per share) and other margin (+\$0.04 per share). These results were partially offset by higher O&M expenses (-\$0.07 per share).

### Gas Utilities and Infrastructure

On a reported basis, Gas Utilities and Infrastructure recognized second-quarter 2021 segment income of \$17 million, compared to a loss of \$1,576 million in the second quarter of 2020. In addition to the drivers outlined below, second-quarter 2021 and 2020 results include costs related to the cancellation of the ACP investment. These charges were treated as special items and excluded from adjusted earnings.

On an adjusted basis, Gas Utilities and Infrastructure recognized second-quarter 2021 segment income of \$29 million, compared to \$50 million in the second quarter of 2020, a decrease of \$0.03 per share. Riders and margin expansion (+\$0.01 per share) and contributions from the Tennessee rate case (+\$0.01 per share) were offset by the loss of ACP earnings (-\$0.03 per share) and higher depreciation on a growing asset base and other taxes (-\$0.02 per share).

### Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized second-quarter 2021 segment income of \$47 million, compared to reported and adjusted segment income of \$90 million in the second quarter of 2020. This represents a decrease of \$0.06 per share, excluding share dilution of \$0.01 per share. Lower quarterly results were primarily due to certain renewable projects placed in service in the prior year (-\$0.05 per share).

## Other

Other primarily includes interest expense on holding company debt, other unallocated corporate costs and results from Duke Energy's captive insurance company.

On a reported basis, Other recognized a second-quarter 2021 net loss of \$248 million compared to a net loss of \$84 million in the second quarter of 2020. In addition to the drivers outlined below, second-quarter 2021 results include workplace and workforce realignment costs. This amount was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, Other recognized a second-quarter 2021 net loss of \$113 million. This is compared to an adjusted net loss of \$84 million in the second quarter of 2020, a decrease of \$0.04 per share, excluding share dilution of -\$0.01 per share. Lower quarterly results at Other were primarily due to higher income tax expense (-\$0.05 per share), partially offset by lower financing costs (+\$0.01 per share).

## Effective tax rate

Duke Energy's consolidated reported effective tax rate for the second quarter of 2021 was 4.9% compared to 26.2% in the second quarter of 2020. The decrease in the effective tax rate was primarily due to the impact of the cancellation of the ACP investment in the prior year.

The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the second quarter of 2021 was 8.2% compared to 6.7% in the second quarter of 2020. The increase was primarily due to lower state tax expense in the prior year.

The tables at the end of this news release present a reconciliation of the reported effective tax rate to the effective tax rate including noncontrolling interests and preferred dividends and excluding special items.

## Earnings conference call for analysts

An earnings conference call for analysts is scheduled from 10 to 11 a.m. ET today to discuss second-quarter 2021 financial results. The conference call will be hosted by Lynn Good, chair, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](http://duke-energy.com/investors)) of Duke Energy's website or by dialing 800.458.4121 in the United States or 323.794.2093 outside the United States. The confirmation code is 3383817. Please call in 10 to 15 minutes prior to the scheduled start time.

A replay of the conference call will be available until 1 p.m. ET, August 15, 2021, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 3383817. An audio replay and transcript will also be available by accessing the investors section of the company's website.

## Special Items and Non-GAAP Reconciliation

The following tables present a reconciliation of GAAP reported earnings (loss) per share to adjusted earnings per share for second-quarter 2021 and 2020 financial results:

| (In millions, except per share amounts)            | After-Tax Amount | 2Q 2021 Earnings per Share | 2Q 2020 (Loss) Earnings per Share |
|--|------------------|----------------------------|-----------------------------------|
| Earnings (loss) per share, as reported             |                  | \$ 0.96                    | \$ (1.13)                         |
| Adjustments to reported earnings (loss) per share: |                  |                            |                                   |
| <b>Second Quarter 2021</b>                         |                  |                            |                                   |
| Gas Pipeline Investments                           | \$ 12            | 0.01                       |                                   |
| Workplace and Workforce Realignment                | 135              | 0.18                       |                                   |
| <b>Second Quarter 2020</b>                         |                  |                            |                                   |
| Gas Pipeline Investments                           | \$ 1,626         |                            | 2.21                              |
| Total adjustments                                  |                  | \$ 0.19                    | \$ 2.21                           |
| EPS, adjusted                                      |                  | \$ 1.15                    | \$ 1.08                           |

## Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Adjusted earnings and adjusted EPS represent income (loss) from continuing operations available to Duke Energy Corporation common stockholders in dollar and per share amounts, adjusted for the dollar and per share impact of special items. The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is calculated using pretax earnings and income tax expense, both as adjusted for the impact of noncontrolling interests, preferred dividends and special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. The most directly comparable GAAP measures for adjusted earnings, adjusted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items are Net Income (Loss) Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss)), Basic earnings (loss) per share Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss) per share), and the reported effective tax rate, respectively.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- Gas Pipeline Investments represents costs related to the cancellation of the ACP investment and additional exit obligations.
- Workplace and Workforce Realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.

Due to the forward-looking nature of any forecasted adjusted earnings guidance, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods (such as legal settlements, the impact of regulatory orders or asset impairments).

Management evaluates segment performance based on segment income (loss) and other net loss. Segment income (loss) is defined as income (loss) from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income (loss) includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income as a measure of historical and anticipated future segment performance. Adjusted segment income is a non-GAAP financial measure, as it is based upon segment income (loss) adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income (loss) and other net loss.

Due to the forward-looking nature of any forecasted adjusted segment income or adjusted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as the company is unable to forecast all special items, as discussed above.

Duke Energy's adjusted earnings, adjusted EPS and adjusted segment income may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.



## Duke Energy

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of America's largest energy holding companies. Its electric utilities serve 7.9 million customers in North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky, and collectively own 51,000 megawatts of energy capacity. Its natural gas unit serves 1.6 million customers in North Carolina, South Carolina, Tennessee, Ohio and Kentucky. The company employs 27,500 people.

Duke Energy is executing an aggressive clean energy strategy to create a smarter energy future for its customers and communities – with goals of at least a 50% carbon reduction by 2030 and net-zero carbon emissions by 2050. The company is a top U.S. renewable energy provider, on track to operate or purchase 16,000 megawatts of renewable energy capacity by 2025. The company also is investing in major electric grid upgrades and expanded battery storage, and exploring zero-emitting power generation technologies such as hydrogen and advanced nuclear.

Duke Energy was named to Fortune's 2021 "World's Most Admired Companies" list and Forbes' "America's Best Employers" list. More information is available at [duke-energy.com](https://duke-energy.com). The Duke Energy News Center contains news releases, fact sheets, photos and videos. Duke Energy's illumination features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on Twitter, LinkedIn, Instagram and Facebook.

## Forward-Looking Information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- The impact of the COVID-19 pandemic;
- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies;



- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- Changing customer expectations and demands including heightened emphasis on environmental, social and governance concerns;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values;
- The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy or cause fluctuations in the trading price of our common stock; and

- The ability to implement our business strategy, including enhancing existing technology systems.

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at [sec.gov](https://www.sec.gov). In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

|  | Reported<br>Earnings | Special Items               |  | Total<br>Adjustments | Adjusted<br>Earnings |
|--|----------------------|-----------------------------|--|----------------------|----------------------|
|  |                      | Gas Pipeline<br>Investments | Workplace<br>and<br>Workforce<br>Realignment |                      |                      |
| <b>SEGMENT INCOME</b>  |                      |                             |  |                      |                      |
| Electric Utilities and Infrastructure                                      | \$ 935               | \$ —                        | \$ —   | \$ —                 | \$ 935               |
| Gas Utilities and Infrastructure   | 17                   | 12 <b>A</b>                 | —  | 12                   | 29                   |
| Commercial Renewables  | 47                   | —                           | —  | —                    | 47                   |
| <b>Total Reportable Segment Income</b>                                     | <b>999</b>           | <b>12</b>                   | <b>—</b>                                     | <b>12</b>            | <b>1,011</b>         |
| Other  | (248)                | —                           | 135 <b>B</b>                                 | 135                  | (113)                |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 751</b>        | <b>\$ 12</b>                | <b>\$ 135</b>                                | <b>\$ 147</b>        | <b>\$ 898</b>        |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.96</b>       | <b>\$ 0.01</b>              | <b>\$ 0.18</b>                               | <b>\$ 0.19</b>       | <b>\$ 1.15</b>       |

**Note:** Earnings Per Share amounts are adjusted for accumulated but not yet declared dividends for Series B Preferred Stock of \$(0.02).

**A** – Net of \$4 million tax benefit. \$16 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** – Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 769 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

|  | Reported Earnings | Special Items            |                                     | Total Adjustments | Adjusted Earnings |
|--|-------------------|--------------------------|-------------------------------------|-------------------|-------------------|
|  |                   | Gas Pipeline Investments | Workplace and Workforce Realignment |                   |                   |
| <b>SEGMENT INCOME</b>  |                   |                          |                                     |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 1,755          | \$ —                     | \$ —                                | \$ —              | \$ 1,755          |
| Gas Utilities and Infrastructure   | 262               | 17 A                     | —                                   | 17                | 279               |
| Commercial Renewables  | 74                | —                        | —                                   | —                 | 74                |
| <b>Total Reportable Segment Income</b>                                     | <b>2,091</b>      | <b>17</b>                | <b>—</b>                            | <b>17</b>         | <b>2,108</b>      |
| Other  | (387)             | —                        | 135 B                               | 135               | (252)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 1,704</b>   | <b>\$ 17</b>             | <b>\$ 135</b>                       | <b>\$ 152</b>     | <b>\$ 1,856</b>   |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 2.21</b>    | <b>\$ 0.02</b>           | <b>\$ 0.18</b>                      | <b>\$ 0.20</b>    | <b>\$ 2.41</b>    |

**A** – Net of \$5 million tax benefit. \$22 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** – Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 769 million**

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DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Three Months Ended June 30, 2020  
 (Dollars in millions, except per share amounts)

|   | Reported<br>Loss | Special Item<br>Gas Pipeline<br>Investments | Total<br>Adjustments | Adjusted<br>Earnings |
|---|------------------|---|----------------------|----------------------|
| <b>SEGMENT INCOME (LOSS)</b>  |                  |   |                      |                      |
| Electric Utilities and Infrastructure   | \$ 753           | \$ —  | \$ —                 | \$ 753               |
| Gas Utilities and Infrastructure  | (1,576)          | 1,626                                       | A 1,626              | 50                   |
| Commercial Renewables   | 90               | —   | —                    | 90                   |
| <b>Total Reportable Segment (Loss) Income</b>   | <b>(733)</b>     | <b>1,626</b>                                | <b>1,626</b>         | <b>893</b>           |
| Other   | (84)             | —   | —                    | (84)                 |
| <b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>         | <b>\$ (817)</b>  | <b>\$ 1,626</b>                             | <b>\$ 1,626</b>      | <b>\$ 809</b>        |
| <b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b> | <b>\$ (1.13)</b> | <b>\$ 2.21</b>                              | <b>\$ 2.21</b>       | <b>\$ 1.08</b>       |

**Note:** (Loss) Earnings Per Share amounts are adjusted for accumulated but not yet declared dividends for Series B Preferred Stock of \$(0.02).

**A** – Net of \$374 million tax benefit. \$2,000 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Six Months Ended June 30, 2020  
(Dollars in millions, except per share amounts)

|  | Reported<br>Earnings | Special Items               |                  | Total<br>Adjustments | Adjusted<br>Earnings |
|--|----------------------|-----------------------------|------------------|----------------------|----------------------|
|  |                      | Gas Pipeline<br>Investments | Severance        |                      |                      |
| <b>SEGMENT INCOME (LOSS)</b>   |                      |                             |                  |                      |                      |
| Electric Utilities and Infrastructure                                      | \$ 1,458             | \$ —                        | \$ —             | \$ —                 | \$ 1,458             |
| Gas Utilities and Infrastructure   | (1,327)              | 1,626                       | A                | 1,626                | 299                  |
| Commercial Renewables  | 147                  | —                           | —                | —                    | 147                  |
| <b>Total Reportable Segment Income</b>                                     | <b>278</b>           | <b>1,626</b>                | <b>—</b>         | <b>1,626</b>         | <b>1,904</b>         |
| Other  | (196)                | —                           | (75) B           | (75)                 | (271)                |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 82</b>         | <b>\$ 1,626</b>             | <b>\$ (75)</b>   | <b>\$ 1,551</b>      | <b>\$ 1,633</b>      |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.11</b>       | <b>\$ 2.21</b>              | <b>\$ (0.10)</b> | <b>\$ 2.11</b>       | <b>\$ 2.22</b>       |

**A** – Net of \$374 million tax benefit. \$2,000 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**B** – Net of \$23 million tax expense. \$98 million reversal of 2018 severance charges recorded within Operations, maintenance and other on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 734 million**

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2021  
(Dollars in millions)

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2021      |                    | June 30, 2021    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>  | \$ 734             |                    | \$ 1,759         |                    |
| Gas Pipeline Investments  | 16                 |                    | 22               |                    |
| Workplace and Workforce Realignment   | 175                |                    | 175              |                    |
| Noncontrolling Interests  | 67                 |                    | 118              |                    |
| Preferred Dividends   | (14)               |                    | (53)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <b>\$ 978</b>      |                    | <b>\$ 2,021</b>  |                    |
| <b>Reported Income Tax Expense</b>  | \$ 36              | 4.9 %              | \$ 120           | 6.8 %              |
| Gas Pipeline Investments  | 4                  |                    | 5                |                    |
| Workplace and Workforce Realignment   | 40                 |                    | 40               |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <b>\$ 80</b>       | <b>8.2%</b>        | <b>\$ 165</b>    | <b>8.2 %</b>       |

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2020      |                    | June 30, 2020    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Loss Before Income Taxes</b>  | \$ (1,208)         |                    | \$ (181)         |                    |
| Gas Pipeline Investments  | 2,000              |                    | 2,000            |                    |
| Severance   | —                  |                    | (98)             |                    |
| Noncontrolling Interests  | 90                 |                    | 138              |                    |
| Preferred Dividends   | (15)               |                    | (54)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <b>\$ 867</b>      |                    | <b>\$ 1,805</b>  |                    |
| <b>Reported Income Tax Benefit</b>  | \$ (316)           | 26.2 %             | (179)            | 98.9 %             |
| Gas Pipeline Investments  | 374                |                    | 374              |                    |
| Severance   | —                  |                    | (23)             |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <b>\$ 58</b>       | <b>6.7%</b>        | <b>\$ 172</b>    | <b>9.5 %</b>       |

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2021 QTD vs. Prior Year

| (Dollars per share)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other            | Consolidated     |
|--|---------------------------------------|----------------------------------|-----------------------|------------------|------------------|
| <b>2020 QTD Reported Earnings Per Share</b>                    | <b>\$ 1.02</b>                        | <b>\$ (2.14)</b>                 | <b>\$ 0.13</b>        | <b>\$ (0.14)</b> | <b>\$ (1.13)</b> |
| Gas Pipeline Investments                                       | —                                     | 2.21                             | —                     | —                | 2.21             |
| <b>2020 QTD Adjusted Earnings Per Share</b>                    | <b>\$ 1.02</b>                        | <b>\$ 0.07</b>                   | <b>\$ 0.13</b>        | <b>\$ (0.14)</b> | <b>\$ 1.08</b>   |
| Weather  | 0.01                                  | —                                | —                     | —                | 0.01             |
| Volume   | 0.08                                  | —                                | —                     | —                | 0.08             |
| Riders and Other Retail Margin <sup>(a)</sup>                  | 0.04                                  | 0.01                             | —                     | —                | 0.05             |
| Rate case impacts, net <sup>(b)</sup>                          | 0.13                                  | 0.01                             | —                     | —                | 0.14             |
| Wholesale <sup>(c)</sup>                                       | 0.05                                  | —                                | —                     | —                | 0.05             |
| Operations and maintenance, net of recoverables <sup>(d)</sup> | (0.07)                                | —                                | —                     | —                | (0.07)           |
| Midstream Gas Pipelines <sup>(e)</sup>                         | —                                     | (0.03)                           | —                     | —                | (0.03)           |
| Duke Energy Renewables <sup>(f)</sup>                          | —                                     | —                                | (0.06)                | —                | (0.06)           |
| Interest Expense   | —                                     | —                                | —                     | 0.01             | 0.01             |
| Depreciation and amortization <sup>(g)</sup>                   | 0.03                                  | (0.01)                           | —                     | —                | 0.02             |
| Other <sup>(h)</sup>   | (0.03)                                | (0.01)                           | —                     | (0.05)           | (0.09)           |
| Total variance before share count                              | \$ 0.24                               | \$ (0.03)                        | \$ (0.06)             | \$ (0.04)        | \$ 0.11          |
| Change in share count  | (0.04)                                | —                                | (0.01)                | 0.01             | (0.04)           |
| <b>2021 QTD Adjusted Earnings Per Share</b>                    | <b>\$ 1.22</b>                        | <b>\$ 0.04</b>                   | <b>\$ 0.06</b>        | <b>\$ (0.17)</b> | <b>\$ 1.15</b>   |
| Workplace and Workforce Realignment                            | —                                     | —                                | —                     | (0.18)           | (0.18)           |
| Gas Pipeline Investments                                       | —                                     | (0.01)                           | —                     | —                | (0.01)           |
| <b>2021 QTD Reported Earnings Per Share</b>                    | <b>\$ 1.22</b>                        | <b>\$ 0.03</b>                   | <b>\$ 0.06</b>        | <b>\$ (0.35)</b> | <b>\$ 0.96</b>   |

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 735 million shares to 769 million.

- (a) Electric Utilities and Infrastructure includes a disallowance of purchased power at a DEF plant in the prior year and higher late payment revenues due to waived fees in the prior year related to COVID-19.
- (b) Electric Utilities and Infrastructure includes the net impact of the DEC and DEP North Carolina interim rates, effective August and September 2020 (+\$0.09), respectively, DEI base rate increases, effective August 2020 (+\$0.03) and the DEF SBRA and multi-year rate plan (+0.01).
- (c) Includes higher volumes.
- (d) Primarily due to higher employee-related expenses and outage costs.
- (e) Primarily the loss of ACP earnings.
- (f) Primarily due to certain renewable projects placed in service in the prior year.
- (g) Excludes rate case impacts. Primarily due to a change in depreciation rates from the nuclear licensing extension, effective April 2021 (+0.04), partially offset by a higher depreciable base.
- (h) Electric Utilities and Infrastructure and Other includes higher income tax expense.



**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2021 YTD vs. Prior Year

| (Dollars per share)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other            | Consolidated   |
|--|---------------------------------------|----------------------------------|-----------------------|------------------|----------------|
| <b>2020 YTD Reported Earnings Per Share</b>                    | <b>\$ 1.98</b>                        | <b>\$ (1.80)</b>                 | <b>\$ 0.21</b>        | <b>\$ (0.28)</b> | <b>\$ 0.11</b> |
| Gas Pipeline Investments                                       | —                                     | 2.21                             | —                     | —                | 2.21           |
| Severance  | —                                     | —                                | —                     | (0.10)           | (0.10)         |
| <b>2020 YTD Adjusted Earnings Per Share</b>                    | <b>\$ 1.98</b>                        | <b>\$ 0.41</b>                   | <b>\$ 0.21</b>        | <b>\$ (0.38)</b> | <b>\$ 2.22</b> |
| Weather  | 0.10                                  | —                                | —                     | —                | 0.10           |
| Volume   | 0.07                                  | —                                | —                     | —                | 0.07           |
| Riders and Other Retail Margin <sup>(a)</sup>                  | 0.05                                  | 0.03                             | —                     | —                | 0.08           |
| Rate case impacts, net <sup>(b)</sup>                          | 0.23                                  | 0.02                             | —                     | —                | 0.25           |
| Wholesale <sup>(c)</sup>                                       | 0.03                                  | —                                | —                     | —                | 0.03           |
| Operations and maintenance, net of recoverables <sup>(d)</sup> | (0.04)                                | 0.01                             | —                     | —                | (0.03)         |
| Midstream Gas Pipelines <sup>(e)</sup>                         | —                                     | (0.07)                           | —                     | —                | (0.07)         |
| Duke Energy Renewables <sup>(f)</sup>                          | —                                     | —                                | (0.10)                | —                | (0.10)         |
| Interest Expense   | 0.01                                  | —                                | —                     | 0.03             | 0.04           |
| Depreciation and amortization <sup>(g)</sup>                   | (0.01)                                | (0.01)                           | —                     | —                | (0.02)         |
| Other <sup>(h)</sup>   | (0.05)                                | (0.01)                           | —                     | —                | (0.06)         |
| Total variance before share count                              | \$ 0.39                               | \$ (0.03)                        | \$ (0.10)             | \$ 0.03          | \$ 0.29        |
| Change in share count  | (0.09)                                | (0.02)                           | (0.01)                | 0.02             | (0.10)         |
| <b>2021 YTD Adjusted Earnings Per Share</b>                    | <b>\$ 2.28</b>                        | <b>\$ 0.36</b>                   | <b>\$ 0.10</b>        | <b>\$ (0.33)</b> | <b>\$ 2.41</b> |
| Workplace and Workforce Realignment                            | —                                     | —                                | —                     | (0.18)           | (0.18)         |
| Gas Pipeline Investments                                       | —                                     | (0.02)                           | —                     | —                | (0.02)         |
| <b>2021 YTD Reported Earnings Per Share</b>                    | <b>\$ 2.28</b>                        | <b>\$ 0.34</b>                   | <b>\$ 0.10</b>        | <b>\$ (0.51)</b> | <b>\$ 2.21</b> |

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 734 million shares to 769 million.

- (a) Electric Utilities and Infrastructure includes higher transmission revenues, a disallowance of purchased power at a DEF plant in the prior year and higher late payment revenues due to waived fees in the prior year related to COVID-19.
- (b) Electric Utilities and Infrastructure includes the net impact of DEC and DEP North Carolina interim rates effective August and September 2020, respectively (+0.17), DEI base rate increases, effective August 2020 (+0.04), DEF SBRA and multi-year rate plan (+0.01) and DEK base rates increases, effective April 2020 (+0.01). Gas Utilities and Infrastructure includes the net impact of the PNG Tennessee rate case, effective January 2021.
- (c) Primarily higher volumes.
- (d) Primarily due to higher employee-related expenses, partially offset by lower COVID-19 related expenses in excess of deferrals.
- (e) Primarily the loss of ACP earnings.
- (f) Primarily due to certain renewables projects placed in service in the prior year and Texas Storm Uri impacts (-0.04) in February 2021.
- (g) Excludes rate case impacts. Primarily due to a higher depreciable base, partially offset by a change in depreciation rates from the nuclear licensing extension, effective April 2021 (+0.04).
- (h) Primarily higher income tax expense.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(In millions, except per share amounts)

|   | Three Months Ended<br>June 30, |           | Six Months Ended<br>June 30, |           |
|---|--------------------------------|-----------|------------------------------|-----------|
|   | 2021                           | 2020      | 2021                         | 2020      |
| <b>Operating Revenues</b>   |                                |           |                              |           |
| Regulated electric  | \$ 5,258                       | \$ 4,963  | \$ 10,477                    | \$ 10,087 |
| Regulated natural gas   | 302                            | 263       | 1,051                        | 901       |
| Nonregulated electric and other   | 198                            | 195       | 380                          | 382       |
| Total operating revenues  | 5,758                          | 5,421     | 11,908                       | 11,370    |
| <b>Operating Expenses</b>   |                                |           |                              |           |
| Fuel used in electric generation and purchased power                              | 1,415                          | 1,349     | 2,858                        | 2,796     |
| Cost of natural gas   | 79                             | 59        | 355                          | 258       |
| Operation, maintenance and other  | 1,410                          | 1,353     | 2,812                        | 2,692     |
| Depreciation and amortization   | 1,207                          | 1,150     | 2,433                        | 2,280     |
| Property and other taxes  | 349                            | 334       | 702                          | 679       |
| Impairment of assets and other charges  | 131                            | 6         | 131                          | 8         |
| Total operating expenses  | 4,591                          | 4,251     | 9,291                        | 8,713     |
| <b>Gains on Sales of Other Assets and Other, net</b>                              | 2                              | 7         | 2                            | 8         |
| <b>Operating Income</b>   | 1,169                          | 1,177     | 2,619                        | 2,665     |
| <b>Other Income and Expenses</b>  |                                |           |                              |           |
| Equity in earnings (losses) of unconsolidated affiliates                          | 9                              | (1,968)   | (8)                          | (1,924)   |
| Other income and expenses, net  | 128                            | 137       | 255                          | 183       |
| Total other income and expenses   | 137                            | (1,831)   | 247                          | (1,741)   |
| <b>Interest Expense</b>   | 572                            | 554       | 1,107                        | 1,105     |
| <b>Income (Loss) Before Income Taxes</b>  | 734                            | (1,208)   | 1,759                        | (181)     |
| <b>Income Tax Expense (Benefit)</b>   | 36                             | (316)     | 120                          | (179)     |
| <b>Net Income (Loss)</b>  | 698                            | (892)     | 1,639                        | (2)       |
| <b>Add: Net Loss Attributable to Noncontrolling Interests</b>                     | 67                             | 90        | 118                          | 138       |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>                  | 765                            | (802)     | 1,757                        | 136       |
| <b>Less: Preferred Dividends</b>  | 14                             | 15        | 53                           | 54        |
| <b>Net Income (Loss) Available to Duke Energy Corporation Common Stockholders</b> | \$ 751                         | \$ (817)  | \$ 1,704                     | \$ 82     |
| <b>Earnings (Loss) Per Share – Basic and Diluted</b>                              |                                |           |                              |           |
| Net income (loss) available to Duke Energy Corporation common stockholders        |                                |           |                              |           |
| Basic and Diluted   | \$ 0.96                        | \$ (1.13) | \$ 2.21                      | \$ 0.11   |
| Weighted average shares outstanding   |                                |           |                              |           |
| Basic   | 769                            | 735       | 769                          | 734       |
| Diluted   | 769                            | 735       | 769                          | 735       |

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**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

| (In millions)  | June 30, 2021     | December 31, 2020 |
|--|-------------------|-------------------|
| <b>ASSETS</b>  |                   |                   |
| <b>Current Assets</b>  |                   |                   |
| Cash and cash equivalents  | \$ 367            | \$ 259            |
| Receivables (net of allowance for doubtful accounts of \$45 at 2021 and \$29 at 2020)                                  | 868               | 1,009             |
| Receivables of VIEs (net of allowance for doubtful accounts of \$78 at 2021 and \$117 at 2020)                         | 2,220             | 2,144             |
| Inventory  | 3,015             | 3,167             |
| Regulatory assets (includes \$54 at 2021 and \$53 at 2020 related to VIEs)   | 1,793             | 1,641             |
| Other (includes \$356 at 2021 and \$296 at 2020 related to VIEs)   | 722               | 462               |
| Total current assets   | 8,985             | 8,682             |
| <b>Property, Plant and Equipment</b>   |                   |                   |
| Cost   | 158,272           | 155,580           |
| Accumulated depreciation and amortization  | (49,752)          | (48,827)          |
| Facilities to be retired, net  | 121               | 29                |
| Net property, plant and equipment  | 108,641           | 106,782           |
| <b>Other Noncurrent Assets</b>   |                   |                   |
| Goodwill   | 19,303            | 19,303            |
| Regulatory assets (includes \$914 at 2021 and \$937 at 2020 related to VIEs)   | 12,485            | 12,421            |
| Nuclear decommissioning trust funds  | 9,886             | 9,114             |
| Operating lease right-of-use assets, net   | 1,495             | 1,524             |
| Investments in equity method unconsolidated affiliates   | 938               | 961               |
| Other (includes \$89 at 2021 and \$81 at 2020 related to VIEs)   | 3,652             | 3,601             |
| Total other noncurrent assets  | 47,759            | 46,924            |
| <b>Total Assets</b>  | <b>\$ 165,385</b> | <b>\$ 162,388</b> |
| <b>LIABILITIES AND EQUITY</b>  |                   |                   |
| <b>Current Liabilities</b>   |                   |                   |
| Accounts payable   | \$ 2,716          | \$ 3,144          |
| Notes payable and commercial paper   | 3,296             | 2,873             |
| Taxes accrued  | 692               | 482               |
| Interest accrued   | 537               | 537               |
| Current maturities of long-term debt (includes \$219 at 2021 and \$472 at 2020 related to VIEs)                        | 4,976             | 4,238             |
| Asset retirement obligations   | 691               | 718               |
| Regulatory liabilities   | 1,309             | 1,377             |
| Other  | 1,994             | 2,936             |
| Total current liabilities  | 16,211            | 16,305            |
| <b>Long-Term Debt (includes \$3,796 at 2021 and \$3,535 at 2020 related to VIEs)</b>                                   | <b>57,410</b>     | <b>55,625</b>     |
| <b>Other Noncurrent Liabilities</b>  |                   |                   |
| Deferred income taxes  | 9,644             | 9,244             |
| Asset retirement obligations   | 12,272            | 12,286            |
| Regulatory liabilities   | 15,414            | 15,029            |
| Operating lease liabilities  | 1,315             | 1,340             |
| Accrued pension and other post-retirement benefit costs  | 995               | 969               |
| Investment tax credits   | 770               | 687               |
| Other (includes \$352 at 2021 and \$316 at 2020 related to VIEs)   | 1,809             | 1,719             |
| Total other noncurrent liabilities   | 42,219            | 41,274            |
| <b>Commitments and Contingencies</b>   |                   |                   |
| <b>Equity</b>  |                   |                   |
| Preferred stock, Series A, \$0.001 par value, 40 million depository shares authorized and outstanding at 2021 and 2020 | 973               | 973               |
| Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2021 and 2020             | 989               | 989               |
| Common Stock, \$0.001 par value, 2 billion shares authorized; 769 million shares outstanding at 2021 and 2020          | 1                 | 1                 |
| Additional paid-in capital   | 43,788            | 43,767            |
| Retained earnings  | 2,687             | 2,471             |
| Accumulated other comprehensive loss   | (306)             | (237)             |
| Total Duke Energy Corporation stockholders' equity   | 48,132            | 47,964            |
| Noncontrolling interests   | 1,413             | 1,220             |
| Total equity   | 49,545            | 49,184            |
| <b>Total Liabilities and Equity</b>  | <b>\$ 165,385</b> | <b>\$ 162,388</b> |

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**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(In millions)

|  | Six Months Ended June 30, |         |
|--|---------------------------|---------|
|  | 2021                      | 2020    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                      |                           |         |
| Net Income   | \$ 1,639                  | \$ (2)  |
| Adjustments to reconcile net income to net cash provided by operating activities | 2,234                     | 3,359   |
| Net cash provided by operating activities  | 3,873                     | 3,357   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                      |                           |         |
| Net cash used in investing activities  | (5,614)                   | (5,471) |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                      |                           |         |
| Net cash provided by financing activities  | 1,750                     | 2,182   |
| Net increase in cash, cash equivalents and restricted cash                       | 9                         | 68      |
| Cash, cash equivalents and restricted cash at beginning of period                | 556                       | 573     |
| Cash, cash equivalents and restricted cash at end of period                      | \$ 565                    | \$ 641  |

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Jan 19 2023

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Three Months Ended June 30, 2021      |                                  |                       |          |                           |             |
|--|---------------------------------------|----------------------------------|-----------------------|----------|---------------------------|-------------|
|  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other    | Eliminations/ Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |                                       |                                  |                       |          |                           |             |
| Regulated electric   | \$ 5,335                              | \$ —                             | \$ —                  | \$ —     | (77)                      | \$ 5,258    |
| Regulated natural gas  | —                                     | 324                              | —                     | —        | (22)                      | 302         |
| Nonregulated electric and other  | —                                     | 3                                | 119                   | 27       | 49                        | 198         |
| Total operating revenues   | 5,335                                 | 327                              | 119                   | 27       | (50)                      | 5,758       |
| <b>Operating Expenses</b>  |                                       |                                  |                       |          |                           |             |
| Fuel used in electric generation and purchased power   | 1,434                                 | —                                | —                     | —        | (19)                      | 1,415       |
| Cost of natural gas  | —                                     | 79                               | —                     | —        | —                         | 79          |
| Operation, maintenance and other   | 1,262                                 | 98                               | 78                    | 1        | (29)                      | 1,410       |
| Depreciation and amortization  | 1,013                                 | 74                               | 56                    | 71       | (7)                       | 1,207       |
| Property and other taxes   | 308                                   | 27                               | 9                     | 5        | —                         | 349         |
| Impairment of assets and other charges   | 1                                     | —                                | —                     | 131      | (1)                       | 131         |
| Total operating expenses   | 4,018                                 | 278                              | 143                   | 208      | (56)                      | 4,591       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 2                                     | —                                | —                     | —        | —                         | 2           |
| <b>Operating Income (Loss)</b>   | 1,319                                 | 49                               | (24)                  | (181)    | 6                         | 1,169       |
| <b>Other Income and Expenses</b>   |                                       |                                  |                       |          |                           |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 2                                     | (8)                              | (1)                   | 16       | —                         | 9           |
| Other income and expenses, net   | 95                                    | 18                               | 4                     | 16       | (5)                       | 128         |
| Total Other Income and Expenses  | 97                                    | 10                               | 3                     | 32       | (5)                       | 137         |
| <b>Interest Expense</b>  | 361                                   | 35                               | 20                    | 156      | —                         | 572         |
| <b>Income (Loss) Before Income Taxes</b>   | 1,055                                 | 24                               | (41)                  | (305)    | 1                         | 734         |
| <b>Income Tax Expense (Benefit)</b>  | 120                                   | 7                                | (21)                  | (71)     | 1                         | 36          |
| <b>Net Income (Loss)</b>   | 935                                   | 17                               | (20)                  | (234)    | —                         | 698         |
| <b>Add: Net Loss Attributable to Noncontrolling Interest</b>   | —                                     | —                                | 67                    | —        | —                         | 67          |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>   | 935                                   | 17                               | 47                    | (234)    | —                         | 765         |
| <b>Less: Preferred Dividends</b>   | —                                     | —                                | —                     | 14       | —                         | 14          |
| <b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 935                                | \$ 17                            | \$ 47                 | \$ (248) | \$ —                      | \$ 751      |
| <b>Special Items</b>   | —                                     | 12                               | —                     | 135      | —                         | 147         |
| <b>Adjusted Earnings<sup>(a)</sup></b>   | \$ 935                                | \$ 29                            | \$ 47                 | \$ (113) | \$ —                      | \$ 898      |

(a) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income / Other Net Loss to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Six Months Ended June 30, 2021        |                                  |                       |          |                           |             |
|--|---------------------------------------|----------------------------------|-----------------------|----------|---------------------------|-------------|
|  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other    | Eliminations/ Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |                                       |                                  |                       |          |                           |             |
| Regulated electric   | \$ 10,616                             | \$ —                             | \$ —                  | \$ —     | (139)                     | \$ 10,477   |
| Regulated natural gas  | —                                     | 1,096                            | —                     | —        | (45)                      | 1,051       |
| Nonregulated electric and other  | —                                     | 6                                | 238                   | 53       | 83                        | 380         |
| Total operating revenues   | 10,616                                | 1,102                            | 238                   | 53       | (101)                     | 11,908      |
| <b>Operating Expenses</b>  |                                       |                                  |                       |          |                           |             |
| Fuel used in electric generation and purchased power   | 2,896                                 | —                                | —                     | —        | (38)                      | 2,858       |
| Cost of natural gas  | —                                     | 355                              | —                     | —        | —                         | 355         |
| Operation, maintenance and other   | 2,544                                 | 200                              | 150                   | (23)     | (59)                      | 2,812       |
| Depreciation and amortization  | 2,070                                 | 142                              | 109                   | 126      | (14)                      | 2,433       |
| Property and other taxes   | 619                                   | 62                               | 18                    | 2        | 1                         | 702         |
| Impairment of assets and other charges   | 1                                     | —                                | —                     | 131      | (1)                       | 131         |
| Total operating expenses   | 8,130                                 | 759                              | 277                   | 236      | (111)                     | 9,291       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 2                                     | —                                | —                     | —        | —                         | 2           |
| <b>Operating Income (Loss)</b>   | 2,488                                 | 343                              | (39)                  | (183)    | 10                        | 2,619       |
| <b>Other Income and Expenses</b>   |                                       |                                  |                       |          |                           |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 5                                     | (8)                              | (28)                  | 23       | —                         | (8)         |
| Other income and expenses, net   | 196                                   | 35                               | 6                     | 30       | (12)                      | 255         |
| Total Other Income and Expenses  | 201                                   | 27                               | (22)                  | 53       | (12)                      | 247         |
| <b>Interest Expense</b>  | 701                                   | 68                               | 33                    | 307      | (2)                       | 1,107       |
| <b>Income (Loss) Before Income Taxes</b>   | 1,988                                 | 302                              | (94)                  | (437)    | —                         | 1,759       |
| <b>Income Tax Expense (Benefit)</b>  | 233                                   | 40                               | (50)                  | (103)    | —                         | 120         |
| <b>Net Income (Loss)</b>   | 1,755                                 | 262                              | (44)                  | (334)    | —                         | 1,639       |
| <b>Add: Net Loss Attributable to Noncontrolling Interest</b>   | —                                     | —                                | 118                   | —        | —                         | 118         |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>   | 1,755                                 | 262                              | 74                    | (334)    | —                         | 1,757       |
| <b>Less: Preferred Dividends</b>   | —                                     | —                                | —                     | 53       | —                         | 53          |
| <b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 1,755                              | \$ 262                           | \$ 74                 | \$ (387) | \$ —                      | \$ 1,704    |
| <b>Special Item</b>  | —                                     | 17                               | —                     | 135      | —                         | 152         |
| <b>Adjusted Earnings<sup>(a)</sup></b>   | \$ 1,755                              | \$ 279                           | \$ 74                 | \$ (252) | \$ —                      | \$ 1,856    |

(a) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income / Other Net Loss to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Three Months Ended June 30, 2020      |                                  |                       |         |                           |             |
|--|---------------------------------------|----------------------------------|-----------------------|---------|---------------------------|-------------|
|  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other   | Eliminations/ Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |                                       |                                  |                       |         |                           |             |
| Regulated electric   | \$ 5,034                              | \$ —                             | \$ —                  | \$ —    | (71)                      | \$ 4,963    |
| Regulated natural gas  | —                                     | 287                              | —                     | —       | (24)                      | 263         |
| Nonregulated electric and other  | —                                     | 2                                | 123                   | 26      | 44                        | 195         |
| Total operating revenues   | 5,034                                 | 289                              | 123                   | 26      | (51)                      | 5,421       |
| <b>Operating Expenses</b>  |                                       |                                  |                       |         |                           |             |
| Fuel used in electric generation and purchased power   | 1,367                                 | —                                | —                     | —       | (18)                      | 1,349       |
| Cost of natural gas  | —                                     | 60                               | —                     | —       | (1)                       | 59          |
| Operation, maintenance and other   | 1,240                                 | 99                               | 63                    | (22)    | (27)                      | 1,353       |
| Depreciation and amortization  | 993                                   | 62                               | 48                    | 55      | (8)                       | 1,150       |
| Property and other taxes   | 296                                   | 26                               | 8                     | 4       | —                         | 334         |
| Impairment of assets and other charges   | 1                                     | —                                | 6                     | —       | (1)                       | 6           |
| Total operating expenses   | 3,897                                 | 247                              | 125                   | 37      | (55)                      | 4,251       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 7                                     | —                                | —                     | —       | —                         | 7           |
| <b>Operating Income (Loss)</b>   | 1,144                                 | 42                               | (2)                   | (11)    | 4                         | 1,177       |
| <b>Other Income and Expenses</b>   |                                       |                                  |                       |         |                           |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 3                                     | (1,970)                          | —                     | (1)     | —                         | (1,968)     |
| Other income and expenses, net   | 86                                    | 14                               | 2                     | 46      | (11)                      | 137         |
| Total Other Income and Expenses  | 89                                    | (1,956)                          | 2                     | 45      | (11)                      | (1,831)     |
| <b>Interest Expense</b>  | 344                                   | 37                               | 13                    | 167     | (7)                       | 554         |
| <b>Income (Loss) Before Income Taxes</b>   | 889                                   | (1,951)                          | (13)                  | (133)   | —                         | (1,208)     |
| <b>Income Tax Expense (Benefit)</b>  | 136                                   | (375)                            | (13)                  | (64)    | —                         | (316)       |
| <b>Net Income (Loss)</b>   | 753                                   | (1,576)                          | —                     | (69)    | —                         | (892)       |
| <b>Add: Net Loss Attributable to Noncontrolling Interest</b>                                       | —                                     | —                                | 90                    | —       | —                         | 90          |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>                                   | 753                                   | (1,576)                          | 90                    | (69)    | —                         | (802)       |
| <b>Less: Preferred Dividends</b>   | —                                     | —                                | —                     | 15      | —                         | 15          |
| <b>Segment Income (Loss) / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 753                                | \$ (1,576)                       | \$ 90                 | \$ (84) | \$ —                      | \$ (817)    |
| <b>Special Item</b>  | —                                     | 1,626                            | —                     | —       | —                         | 1,626       |
| <b>Adjusted Earnings<sup>(a)</sup></b>   | \$ 753                                | \$ 50                            | \$ 90                 | \$ (84) | \$ —                      | \$ 809      |

(a) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income (Loss) to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Six Months Ended June 30, 2020              |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |   |  |                          |          |                              |             |
| Regulated electric   | \$ 10,217                                   | \$ —                                   | \$ 1                     | \$ —     | \$ (131)                     | \$ 10,087   |
| Regulated natural gas  | —   | 948                                    | —                        | —        | (47)                         | 901         |
| Nonregulated electric and other  | —   | 5                                      | 251                      | 49       | 77                           | 382         |
| Total operating revenues   | 10,217                                      | 953                                    | 252                      | 49       | (101)                        | 11,370      |
| <b>Operating Expenses</b>  |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power   | 2,834                                       | —                                      | —                        | —        | (38)                         | 2,796       |
| Cost of natural gas  | —   | 259                                    | —                        | —        | (1)                          | 258         |
| Operation, maintenance and other   | 2,565                                       | 209                                    | 132                      | (160)    | (54)                         | 2,692       |
| Depreciation and amortization  | 1,970                                       | 128                                    | 96                       | 100      | (14)                         | 2,280       |
| Property and other taxes   | 599   | 56                                     | 16                       | 8        | —                            | 679         |
| Impairment of assets and other charges   | 3   | —                                      | 6                        | —        | (1)                          | 8           |
| Total operating expenses   | 7,971                                       | 652                                    | 250                      | (52)     | (108)                        | 8,713       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 8   | —                                      | —                        | —        | —                            | 8           |
| <b>Operating Income</b>  | 2,254                                       | 301                                    | 2                        | 101      | 7                            | 2,665       |
| <b>Other Income and Expenses</b>   |   |  |                          |          |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 5   | (1,933)                                | (2)                      | 6        | —                            | (1,924)     |
| Other income and expenses, net   | 169   | 26                                     | 3                        | 6        | (21)                         | 183         |
| Total Other Income and Expenses  | 174   | (1,907)                                | 1                        | 12       | (21)                         | (1,741)     |
| <b>Interest Expense</b>  | 683   | 68                                     | 31                       | 338      | (15)                         | 1,105       |
| <b>Income (Loss) Before Income Taxes</b>   | 1,745                                       | (1,674)                                | (28)                     | (225)    | 1                            | (181)       |
| <b>Income Tax Expense (Benefit)</b>  | 287   | (347)                                  | (37)                     | (83)     | 1                            | (179)       |
| <b>Net Income (Loss)</b>   | 1,458                                       | (1,327)                                | 9                        | (142)    | —                            | (2)         |
| <b>Add: Net Loss Attributable to Noncontrolling Interest</b>                                       | —   | —                                      | 138                      | —        | —                            | 138         |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>                                   | 1,458                                       | (1,327)                                | 147                      | (142)    | —                            | 136         |
| <b>Less: Preferred Dividends</b>   | —   | —                                      | —                        | 54       | —                            | 54          |
| <b>Segment Income (Loss) / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 1,458                                    | \$ (1,327)                             | \$ 147                   | \$ (196) | \$ —                         | \$ 82       |
| <b>Special Items</b>   | —   | 1,626                                  | —                        | (75)     | —                            | 1,551       |
| <b>Adjusted Earnings<sup>(a)</sup></b>   | \$ 1,458                                    | \$ 299                                 | \$ 147                   | \$ (271) | \$ —                         | \$ 1,633    |

(a) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income (Loss) to Adjusted Earnings.



**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2021                         |                                  |                       |                 |                           |                   |
|--|---------------------------------------|----------------------------------|-----------------------|-----------------|---------------------------|-------------------|
|  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other           | Eliminations/ Adjustments | Duke Energy       |
| <b>Current Assets</b>                                      |                                       |                                  |                       |                 |                           |                   |
| Cash and cash equivalents                                  | \$ 125                                | \$ 19                            | \$ 11                 | \$ 212          | \$ —                      | \$ 367            |
| Receivables, net   | 546                                   | 115                              | 199                   | 8               | —                         | 868               |
| Receivables of variable interest entities, net             | 2,220                                 | —                                | —                     | —               | —                         | 2,220             |
| Receivables from affiliated companies                      | 137                                   | 339                              | 655                   | 1,360           | (2,491)                   | —                 |
| Notes receivable from affiliated companies                 | 7                                     | —                                | —                     | 1,624           | (1,631)                   | —                 |
| Inventory  | 2,817                                 | 61                               | 89                    | 48              | —                         | 3,015             |
| Regulatory assets  | 1,568                                 | 127                              | —                     | 97              | 1                         | 1,793             |
| Other  | 327                                   | 62                               | 234                   | 140             | (41)                      | 722               |
| Total current assets                                       | 7,747                                 | 723                              | 1,188                 | 3,489           | (4,162)                   | 8,985             |
| <b>Property, Plant and Equipment</b>                       |                                       |                                  |                       |                 |                           |                   |
| Cost   | 135,612                               | 13,338                           | 7,037                 | 2,384           | (99)                      | 158,272           |
| Accumulated depreciation and amortization                  | (44,363)                              | (2,658)                          | (1,329)               | (1,404)         | 2                         | (49,752)          |
| Facilities to be retired, net                              | 121                                   | —                                | —                     | —               | —                         | 121               |
| Net property, plant and equipment                          | 91,370                                | 10,680                           | 5,708                 | 980             | (97)                      | 108,641           |
| <b>Other Noncurrent Assets</b>                             |                                       |                                  |                       |                 |                           |                   |
| Goodwill   | 17,379                                | 1,924                            | —                     | —               | —                         | 19,303            |
| Regulatory assets  | 11,220                                | 759                              | —                     | 506             | —                         | 12,485            |
| Nuclear decommissioning trust funds                        | 9,886                                 | —                                | —                     | —               | —                         | 9,886             |
| Operating lease right-of-use assets, net                   | 1,093                                 | 18                               | 123                   | 260             | 1                         | 1,495             |
| Investments in equity method unconsolidated affiliates     | 106                                   | 227                              | 479                   | 126             | —                         | 938               |
| Investment in consolidated subsidiaries                    | 599                                   | 3                                | (4)                   | 65,946          | (66,544)                  | —                 |
| Other  | 2,084                                 | 310                              | 114                   | 1,772           | (628)                     | 3,652             |
| Total other noncurrent assets                              | 42,367                                | 3,241                            | 712                   | 68,610          | (67,171)                  | 47,759            |
| <b>Total Assets</b>  | <b>141,484</b>                        | <b>14,644</b>                    | <b>7,608</b>          | <b>73,079</b>   | <b>(71,430)</b>           | <b>165,385</b>    |
| Segment reclassifications, intercompany balances and other | (893)                                 | (323)                            | (652)                 | (69,555)        | 71,423                    | —                 |
| <b>Segment Assets</b>                                      | <b>\$ 140,591</b>                     | <b>\$ 14,321</b>                 | <b>\$ 6,956</b>       | <b>\$ 3,524</b> | <b>\$ (7)</b>             | <b>\$ 165,385</b> |

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

|  | June 30, 2021                               |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
| (In millions)  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Current Liabilities</b>                                 |   |  |                          |          |                              |             |
| Accounts payable   | \$ 2,003                                    | \$ 204                                 | \$ 102                   | \$ 407   | \$ —                         | \$ 2,716    |
| Accounts payable to affiliated companies                   | 609   | 25                                     | 828                      | 946      | (2,408)                      | —           |
| Notes payable to affiliated companies                      | 1,365                                       | 225                                    | 50                       | 5        | (1,645)                      | —           |
| Notes payable and commercial paper                         | —   | —                                      | 83                       | 3,213    | —                            | 3,296       |
| Taxes accrued  | 667   | (3)                                    | (161)                    | 189      | —                            | 692         |
| Interest accrued   | 357   | 44                                     | 3                        | 132      | 1                            | 537         |
| Current maturities of long-term debt                       | 2,985                                       | 26                                     | 164                      | 1,804    | (3)                          | 4,976       |
| Asset retirement obligations                               | 691   | —                                      | —                        | —        | —                            | 691         |
| Regulatory liabilities                                     | 1,226                                       | 83                                     | —                        | 1        | (1)                          | 1,309       |
| Other  | 1,415                                       | 118                                    | 105                      | 467      | (111)                        | 1,994       |
| Total current liabilities                                  | 11,318                                      | 722                                    | 1,174                    | 7,164    | (4,167)                      | 16,211      |
| <b>Long-Term Debt</b>                                      | 34,242                                      | 3,645                                  | 1,497                    | 18,119   | (93)                         | 57,410      |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 618   | 7                                      | —                        | —        | (625)                        | —           |
| <b>Other Noncurrent Liabilities</b>                        |   |  |                          |          |                              |             |
| Deferred income taxes                                      | 10,767                                      | 1,177                                  | (589)                    | (1,711)  | —                            | 9,644       |
| Asset retirement obligations                               | 12,051                                      | 64                                     | 157                      | —        | —                            | 12,272      |
| Regulatory liabilities                                     | 13,975                                      | 1,417                                  | —                        | 22       | —                            | 15,414      |
| Operating lease liabilities                                | 1,002                                       | 16                                     | 127                      | 169      | 1                            | 1,315       |
| Accrued pension and other post-retirement benefit costs    | 443   | 34                                     | (28)                     | 546      | —                            | 995         |
| Investment tax credits                                     | 768   | 2                                      | —                        | —        | —                            | 770         |
| Other  | 788   | 284                                    | 380                      | 547      | (190)                        | 1,809       |
| Total other noncurrent liabilities                         | 39,794                                      | 2,994                                  | 47                       | (427)    | (189)                        | 42,219      |
| <b>Equity</b>  |   |  |                          |          |                              |             |
| Total Duke Energy Corporation stockholders' equity         | 55,512                                      | 7,276                                  | 3,480                    | 48,220   | (66,356)                     | 48,132      |
| Noncontrolling interests                                   | —   | —                                      | 1,410                    | 3        | —                            | 1,413       |
| Total equity   | 55,512                                      | 7,276                                  | 4,890                    | 48,223   | (66,356)                     | 49,545      |
| <b>Total Liabilities and Equity</b>                        | 141,484                                     | 14,644                                 | 7,608                    | 73,079   | (71,430)                     | 165,385     |
| Segment reclassifications, intercompany balances and other | (893)                                       | (323)                                  | (652)                    | (69,555) | 71,423                       | —           |
| <b>Segment Liabilities and Equity</b>                      | \$ 140,591                                  | \$ 14,321                              | \$ 6,956                 | \$ 3,524 | \$ (7)                       | \$ 165,385  |

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)   | Three Months Ended June 30, 2021 |                      |                     |                                 |                     |                     |                                       |
|---|----------------------------------|----------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------------------------|
|   | Duke Energy Carolinas            | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/ Other | Electric Utilities and Infrastructure |
| <b>Operating Revenues</b>                                     | \$ 1,610                         | \$ 1,349             | \$ 1,325            | \$ 343                          | \$ 735              | \$ (27)             | \$ 5,335                              |
| <b>Operating Expenses</b>                                     |                                  |                      |                     |                                 |                     |                     |                                       |
| Fuel used in electric generation and purchased power          | 344                              | 409                  | 424                 | 93                              | 201                 | (37)                | 1,434                                 |
| Operation, maintenance and other                              | 413                              | 353                  | 243                 | 81                              | 187                 | (15)                | 1,262                                 |
| Depreciation and amortization                                 | 363                              | 236                  | 205                 | 53                              | 152                 | 4                   | 1,013                                 |
| Property and other taxes                                      | 74                               | 41                   | 92                  | 70                              | 20                  | 11                  | 308                                   |
| Impairment of assets and other charges                        | 1                                | —                    | —                   | —                               | —                   | —                   | 1                                     |
| Total operating expenses                                      | 1,195                            | 1,039                | 964                 | 297                             | 560                 | (37)                | 4,018                                 |
| <b>Gains (Losses) on Sales of Other Assets and Other, net</b> | 2                                | 1                    | —                   | —                               | (1)                 | —                   | 2                                     |
| <b>Operating Income</b>                                       | 417                              | 311                  | 361                 | 46                              | 174                 | 10                  | 1,319                                 |
| <b>Other Income and Expenses, net<sup>(b)</sup></b>           | 46                               | 22                   | 16                  | 3                               | 11                  | (1)                 | 97                                    |
| <b>Interest Expense</b>                                       | 139                              | 78                   | 80                  | 21                              | 49                  | (6)                 | 361                                   |
| <b>Income Before Income Taxes</b>                             | 324                              | 255                  | 297                 | 28                              | 136                 | 15                  | 1,055                                 |
| <b>Income Tax Expense</b>                                     | 23                               | 14                   | 58                  | 4                               | 23                  | (2)                 | 120                                   |
| <b>Segment Income</b>   | \$ 301                           | \$ 241               | \$ 239              | \$ 24                           | \$ 113              | \$ 17               | \$ 935                                |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes an equity component of allowance for funds used during construction of \$14 million for Duke Energy Carolinas, \$7 million for Duke Energy Progress, \$3 million for Duke Energy Florida, \$1 million for Duke Energy Ohio and \$7 million for Duke Energy Indiana.

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Jan 19 2023

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)   | Six Months Ended June 30, 2021 |                            |                           |                                       |                           |                        |   |
|---|--------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|------------------------|---|
|   | Duke<br>Energy<br>Carolinas    | Duke<br>Energy<br>Progress | Duke<br>Energy<br>Florida | Duke<br>Energy<br>Ohio <sup>(a)</sup> | Duke<br>Energy<br>Indiana | Eliminations/<br>Other | Electric<br>Utilities and<br>Infrastructure |
| <b>Operating Revenues</b>                                     | \$ 3,326                       | \$ 2,750                   | \$ 2,426                  | \$ 706                                | \$ 1,480                  | \$ (72)                | \$ 10,616                                   |
| <b>Operating Expenses</b>                                     |                                |                            |                           |                                       |                           |                        |   |
| Fuel used in electric generation and purchased power          | 766                            | 845                        | 783                       | 175                                   | 418                       | (91)                   | 2,896                                       |
| Operation, maintenance and other                              | 845                            | 705                        | 481                       | 162                                   | 363                       | (12)                   | 2,544                                       |
| Depreciation and amortization                                 | 722                            | 521                        | 405                       | 107                                   | 304                       | 11                     | 2,070                                       |
| Property and other taxes                                      | 157                            | 90                         | 185                       | 141                                   | 41                        | 5                      | 619   |
| Impairment of assets and other charges                        | 1                              | —                          | —                         | —                                     | —                         | —                      | 1   |
| Total operating expenses                                      | 2,491                          | 2,161                      | 1,854                     | 585                                   | 1,126                     | (87)                   | 8,130                                       |
| <b>Gains (Losses) on Sales of Other Assets and Other, net</b> | 2                              | 1                          | —                         | —                                     | (1)                       | —                      | 2   |
| <b>Operating Income</b>                                       | 837                            | 590                        | 572                       | 121                                   | 353                       | 15                     | 2,488                                       |
| <b>Other Income and Expenses, net<sup>(b)</sup></b>           | 94                             | 46                         | 34                        | 7                                     | 20                        | —                      | 201   |
| <b>Interest Expense</b>                                       | 263                            | 147                        | 160                       | 43                                    | 99                        | (11)                   | 701   |
| <b>Income Before Income Taxes</b>                             | 668                            | 489                        | 446                       | 85                                    | 274                       | 26                     | 1,988                                       |
| <b>Income Tax Expense</b>                                     | 48                             | 35                         | 88                        | 11                                    | 47                        | 4                      | 233   |
| <b>Segment Income</b>   | \$ 620                         | \$ 454                     | \$ 358                    | \$ 74                                 | \$ 227                    | \$ 22                  | \$ 1,755                                    |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes an equity component of allowance for funds used during construction of \$30 million for Duke Energy Carolinas, \$15 million for Duke Energy Progress, \$8 million for Duke Energy Florida, \$3 million for Duke Energy Ohio and \$12 million for Duke Energy Indiana.

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Jan 19 2023

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2021         |                      |                     |                                 |                     |   |                                       |
|--|-----------------------|----------------------|---------------------|---------------------------------|---------------------|---|---------------------------------------|
|  | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/Adjustments <sup>(b)</sup> | Electric Utilities and Infrastructure |
| <b>Current Assets</b>                                      |                       |                      |                     |                                 |                     |   |                                       |
| Cash and cash equivalents                                  | \$ 36                 | \$ 46                | \$ 22               | \$ 9                            | \$ 12               | \$ —                                    | \$ 125                                |
| Receivables, net   | 180                   | 129                  | 91                  | 87                              | 69                  | (10)                                    | 546                                   |
| Receivables of variable interest entities, net             | 769                   | 473                  | 451                 | —                               | —                   | 527                                     | 2,220                                 |
| Receivables from affiliated companies                      | 111                   | 63                   | 8                   | 94                              | 95                  | (234)                                   | 137                                   |
| Notes receivable from affiliated companies                 | —                     | —                    | —                   | —                               | 18                  | (11)                                    | 7                                     |
| Inventory  | 1,013                 | 858                  | 440                 | 93                              | 412                 | 1                                       | 2,817                                 |
| Regulatory assets  | 458                   | 502                  | 407                 | 25                              | 173                 | 3                                       | 1,568                                 |
| Other  | 88                    | 141                  | 59                  | (5)                             | 46                  | (2)                                     | 327                                   |
| Total current assets                                       | 2,655                 | 2,212                | 1,478               | 303                             | 825                 | 274                                     | 7,747                                 |
| <b>Property, Plant and Equipment</b>                       |                       |                      |                     |                                 |                     |   |                                       |
| Cost   | 51,220                | 36,291               | 22,933              | 7,569                           | 17,213              | 386                                     | 135,612                               |
| Accumulated depreciation and amortization                  | (17,709)              | (13,134)             | (5,746)             | (2,249)                         | (5,514)             | (11)                                    | (44,363)                              |
| Facilities to be retired, net                              | 93                    | 28                   | —                   | —                               | —                   | —                                       | 121                                   |
| Net property, plant and equipment                          | 33,604                | 23,185               | 17,187              | 5,320                           | 11,699              | 375                                     | 91,370                                |
| <b>Other Noncurrent Assets</b>                             |                       |                      |                     |                                 |                     |   |                                       |
| Goodwill   | —                     | —                    | —                   | 596                             | —                   | 16,783                                  | 17,379                                |
| Regulatory assets  | 2,970                 | 4,056                | 1,701               | 348                             | 1,310               | 835                                     | 11,220                                |
| Nuclear decommissioning trust funds                        | 5,446                 | 3,842                | 598                 | —                               | —                   | —                                       | 9,886                                 |
| Operating lease right-of-use assets, net                   | 100                   | 377                  | 323                 | 20                              | 53                  | 220                                     | 1,093                                 |
| Investments in equity method unconsolidated affiliates     | —                     | —                    | 1                   | —                               | —                   | 105                                     | 106                                   |
| Investment in consolidated subsidiaries                    | 64                    | 16                   | 6                   | 273                             | 2                   | 238                                     | 599                                   |
| Other  | 1,237                 | 722                  | 340                 | 61                              | 268                 | (544)                                   | 2,084                                 |
| Total other noncurrent assets                              | 9,817                 | 9,013                | 2,969               | 1,298                           | 1,633               | 17,637                                  | 42,367                                |
| <b>Total Assets</b>  | <b>46,076</b>         | <b>34,410</b>        | <b>21,634</b>       | <b>6,921</b>                    | <b>14,157</b>       | <b>18,286</b>                           | <b>141,484</b>                        |
| Segment reclassifications, intercompany balances and other | (285)                 | (125)                | (116)               | (276)                           | (63)                | (28)                                    | (893)                                 |
| <b>Reportable Segment Assets</b>                           | <b>\$ 45,791</b>      | <b>\$ 34,285</b>     | <b>\$ 21,518</b>    | <b>\$ 6,645</b>                 | <b>\$ 14,094</b>    | <b>\$ 18,258</b>                        | <b>\$ 140,591</b>                     |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances, purchase accounting adjustments and restricted receivables related to Cinergy Receivables Company.

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

| (In millions)  | June 30, 2021         |                      |                     |                                 |                     |   |                                       |
|--|-----------------------|----------------------|---------------------|---------------------------------|---------------------|---|---------------------------------------|
|  | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/Adjustments <sup>(b)</sup> | Electric Utilities and Infrastructure |
| <b>Current Liabilities</b>                                 |                       |                      |                     |                                 |                     |   |                                       |
| Accounts payable   | \$ 675                | \$ 416               | \$ 487              | \$ 215                          | \$ 209              | \$ 1                                    | \$ 2,003                              |
| Accounts payable to affiliated companies                   | 195                   | 214                  | 129                 | 11                              | 59                  | 1                                       | 609                                   |
| Notes payable to affiliated companies                      | 471                   | 270                  | 363                 | 258                             | —                   | 3                                       | 1,365                                 |
| Taxes accrued  | 208                   | 91                   | 147                 | 163                             | 66                  | (8)                                     | 667                                   |
| Interest accrued   | 125                   | 90                   | 67                  | 23                              | 52                  | —                                       | 357                                   |
| Current maturities of long-term debt                       | 356                   | 1,806                | 575                 | 24                              | 123                 | 101                                     | 2,985                                 |
| Asset retirement obligations                               | 251                   | 250                  | —                   | 12                              | 176                 | 2                                       | 691                                   |
| Regulatory liabilities                                     | 489                   | 472                  | 85                  | 38                              | 141                 | 1                                       | 1,226                                 |
| Other  | 425                   | 413                  | 395                 | 66                              | 103                 | 13                                      | 1,415                                 |
| Total current liabilities                                  | 3,195                 | 4,022                | 2,248               | 810                             | 929                 | 114                                     | 11,318                                |
| <b>Long-Term Debt</b>                                      | 12,250                | 7,321                | 7,306               | 2,447                           | 3,819               | 1,099                                   | 34,242                                |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 300                   | 150                  | —                   | 18                              | 150                 | —                                       | 618                                   |
| <b>Other Noncurrent Liabilities</b>                        |                       |                      |                     |                                 |                     |   |                                       |
| Deferred income taxes                                      | 3,996                 | 2,467                | 2,289               | 721                             | 1,262               | 32                                      | 10,767                                |
| Asset retirement obligations                               | 5,116                 | 5,387                | 467                 | 56                              | 980                 | 45                                      | 12,051                                |
| Regulatory liabilities                                     | 6,810                 | 4,578                | 665                 | 345                             | 1,593               | (16)                                    | 13,975                                |
| Operating lease liabilities                                | 87                    | 354                  | 280                 | 19                              | 52                  | 210                                     | 1,002                                 |
| Accrued pension and other post-retirement benefit costs    | 67                    | 237                  | 227                 | 85                              | 172                 | (345)                                   | 443                                   |
| Investment tax credits                                     | 259                   | 130                  | 208                 | 3                               | 168                 | —                                       | 768                                   |
| Other  | 604                   | 79                   | 53                  | 59                              | 32                  | (39)                                    | 788                                   |
| Total other noncurrent liabilities                         | 16,939                | 13,232               | 4,189               | 1,288                           | 4,259               | (113)                                   | 39,794                                |
| <b>Equity</b>  | 13,392                | 9,685                | 7,891               | 2,358                           | 5,000               | 17,186                                  | 55,512                                |
| <b>Total Liabilities and Equity</b>                        | 46,076                | 34,410               | 21,634              | 6,921                           | 14,157              | 18,286                                  | 141,484                               |
| Segment reclassifications, intercompany balances and other | (285)                 | (125)                | (116)               | (276)                           | (63)                | (28)                                    | (893)                                 |
| <b>Reportable Segment Liabilities and Equity</b>           | \$ 45,791             | \$ 34,285            | \$ 21,518           | \$ 6,645                        | \$ 14,094           | \$ 18,258                               | \$ 140,591                            |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)                                 | Three Months Ended June 30, 2021 |                          |  |                          |                                  |
|---|----------------------------------|--------------------------|--|--------------------------|----------------------------------|
|   | Duke Energy Ohio <sup>(a)</sup>  | Piedmont Natural Gas LDC | Midstream Pipelines and Storage <sup>(b)</sup> | Eliminations/Adjustments | Gas Utilities and Infrastructure |
| <b>Operating Revenues</b>                     | \$ 113                           | \$ 215                   | \$ —   | \$ (1)                   | \$ 327                           |
| <b>Operating Expenses</b>                     |                                  |                          |  |                          |                                  |
| Cost of natural gas                           | 16                               | 63                       | —  | —                        | 79                               |
| Operation, maintenance and other              | 25                               | 72                       | 2  | (1)                      | 98                               |
| Depreciation and amortization                 | 22                               | 51                       | —  | 1                        | 74                               |
| Property and other taxes                      | 13                               | 14                       | —  | —                        | 27                               |
| Total operating expenses                      | 76                               | 200                      | 2  | —                        | 278                              |
| <b>Operating Income (Loss)</b>                | 37                               | 15                       | (2)  | (1)                      | 49                               |
| <b>Other Income and Expenses</b>              |                                  |                          |  |                          |                                  |
| Equity in losses of unconsolidated affiliates | —                                | —                        | (7)  | (1)                      | (8)                              |
| Other income and expenses, net                | 1                                | 16                       | —  | 1                        | 18                               |
| Total other income and expenses               | 1                                | 16                       | (7)  | —                        | 10                               |
| <b>Interest Expense</b>                       | 5                                | 30                       | —  | —                        | 35                               |
| <b>Income (Loss) Before Income Taxes</b>      | 33                               | 1                        | (9)  | (1)                      | 24                               |
| <b>Income Tax Expense (Benefit)</b>           | 10                               | (1)                      | (2)  | —                        | 7                                |
| <b>Segment Income (Loss)</b>                  | \$ 23                            | \$ 2                     | \$ (7)   | \$ (1)                   | \$ 17                            |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes losses from the cancellation of the ACP pipeline and earnings from investments in Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.

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Jan 19 2023

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)                                 | Six Months Ended June 30, 2021  |                          |  |                          |   |
|---|---------------------------------|--------------------------|--|--------------------------|---|
|   | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage <sup>(b)</sup> | Eliminations/Adjustments | Gas Utilities and Infrastructure <sup>(b)</sup> |
| <b>Operating Revenues</b>                     | \$ 282                          | \$ 821                   | \$ —   | \$ (1)                   | \$ 1,102  |
| <b>Operating Expenses</b>                     |                                 |                          |  |                          |   |
| Cost of natural gas                           | 67                              | 288                      | —  | —                        | 355   |
| Operation, maintenance and other              | 50                              | 149                      | 2  | (1)                      | 200   |
| Depreciation and amortization                 | 42                              | 99                       | —  | 1                        | 142   |
| Property and other taxes                      | 34                              | 28                       | —  | —                        | 62  |
| Total operating expenses                      | 193                             | 564                      | 2  | —                        | 759   |
| <b>Operating Income (Loss)</b>                | 89                              | 257                      | (2)  | (1)                      | 343   |
| <b>Other Income and Expenses</b>              |                                 |                          |  |                          |   |
| Equity in losses of unconsolidated affiliates | —                               | —                        | (7)  | (1)                      | (8)   |
| Other income and expenses, net                | 3                               | 31                       | —  | 1                        | 35  |
| Total other income and expenses               | 3                               | 31                       | (7)  | —                        | 27  |
| <b>Interest Expense</b>                       | 9                               | 59                       | —  | —                        | 68  |
| <b>Income (Loss) Before Income Taxes</b>      | 83                              | 229                      | (9)  | (1)                      | 302   |
| <b>Income Tax Expense (Benefit)</b>           | 17                              | 25                       | (2)  | —                        | 40  |
| <b>Segment Income (Loss)</b>                  | \$ 66                           | \$ 204                   | \$ (7)   | \$ (1)                   | \$ 262  |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes losses from the cancellation of the ACP pipeline and earnings from investments in Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.

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Jan 19 2023



**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2021                   |                          |                                 |   |                                  |
|--|---------------------------------|--------------------------|---------------------------------|---|----------------------------------|
|  | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage | Eliminations/Adjustments <sup>(b)</sup> | Gas Utilities and Infrastructure |
| <b>Current Assets</b>                                      |                                 |                          |                                 |   |                                  |
| Cash and cash equivalents                                  | \$ 3                            | \$ —                     | \$ 16                           | \$ —                                    | \$ 19                            |
| Receivables, net   | 9                               | 106                      | —                               | —                                       | 115                              |
| Receivables from affiliated companies                      | —                               | 80                       | 354                             | (95)                                    | 339                              |
| Inventory  | 19                              | 43                       | —                               | (1)                                     | 61                               |
| Regulatory assets  | 19                              | 108                      | —                               | —                                       | 127                              |
| Other  | 14                              | 47                       | 1                               | —                                       | 62                               |
| Total current assets                                       | 64                              | 384                      | 371                             | (96)                                    | 723                              |
| <b>Property, Plant and Equipment</b>                       |                                 |                          |                                 |   |                                  |
| Cost   | 3,783                           | 9,555                    | —                               | —                                       | 13,338                           |
| Accumulated depreciation and amortization                  | (820)                           | (1,838)                  | —                               | —                                       | (2,658)                          |
| Net property, plant and equipment                          | 2,963                           | 7,717                    | —                               | —                                       | 10,680                           |
| <b>Other Noncurrent Assets</b>                             |                                 |                          |                                 |   |                                  |
| Goodwill   | 324                             | 49                       | —                               | 1,551                                   | 1,924                            |
| Regulatory assets  | 300                             | 337                      | —                               | 122                                     | 759                              |
| Operating lease right-of-use assets, net                   | —                               | 18                       | —                               | —                                       | 18                               |
| Investments in equity method unconsolidated affiliates     | —                               | —                        | 222                             | 5                                       | 227                              |
| Investment in consolidated subsidiaries                    | —                               | —                        | —                               | 3                                       | 3                                |
| Other  | 16                              | 277                      | 16                              | 1                                       | 310                              |
| Total other noncurrent assets                              | 640                             | 681                      | 238                             | 1,682                                   | 3,241                            |
| <b>Total Assets</b>  | <b>3,667</b>                    | <b>8,782</b>             | <b>609</b>                      | <b>1,586</b>                            | <b>14,644</b>                    |
| Segment reclassifications, intercompany balances and other | 1                               | (45)                     | 5                               | (284)                                   | (323)                            |
| <b>Reportable Segment Assets</b>                           | <b>\$ 3,668</b>                 | <b>\$ 8,737</b>          | <b>\$ 614</b>                   | <b>\$ 1,302</b>                         | <b>\$ 14,321</b>                 |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

|  | June 30, 2021                         |                                |                                       |   |  |
|--|---------------------------------------|--------------------------------|---------------------------------------|---|--|
| (In millions)  | Duke<br>Energy<br>Ohio <sup>(a)</sup> | Piedmont<br>Natural Gas<br>LDC | Midstream<br>Pipelines and<br>Storage | Eliminations/<br>Adjustments <sup>(b)</sup> | Gas<br>Utilities and<br>Infrastructure |
| <b>Current Liabilities</b>                                 |                                       |                                |                                       |   |  |
| Accounts payable   | \$ 39                                 | \$ 165                         | \$ —                                  | \$ —  | \$ 204                                 |
| Accounts payable to affiliated companies                   | 17                                    | 48                             | 61                                    | (101)                                       | 25                                     |
| Notes payable to affiliated companies                      | 132                                   | 93                             | —                                     | —   | 225                                    |
| Taxes accrued  | 17                                    | 25                             | (46)                                  | 1   | (3)                                    |
| Interest accrued   | 8                                     | 36                             | —                                     | —   | 44                                     |
| Current maturities of long-term debt                       | 26                                    | —                              | —                                     | —   | 26                                     |
| Regulatory liabilities                                     | 26                                    | 57                             | —                                     | —   | 83                                     |
| Other  | 5                                     | 81                             | 34                                    | (2)   | 118                                    |
| Total current liabilities                                  | 270                                   | 505                            | 49                                    | (102)                                       | 722                                    |
| <b>Long-Term Debt</b>                                      | 569                                   | 2,967                          | —                                     | 109   | 3,645                                  |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 7                                     | —                              | —                                     | —   | 7                                      |
| <b>Other Noncurrent Liabilities</b>                        |                                       |                                |                                       |   |  |
| Deferred income taxes                                      | 300                                   | 846                            | 29                                    | 2   | 1,177                                  |
| Asset retirement obligations                               | 43                                    | 20                             | —                                     | 1   | 64                                     |
| Regulatory liabilities                                     | 396                                   | 1,007                          | —                                     | 14  | 1,417                                  |
| Operating lease liabilities                                | —                                     | 16                             | —                                     | —   | 16                                     |
| Accrued pension and other post-retirement benefit costs    | 28                                    | 6                              | —                                     | —   | 34                                     |
| Investment tax credits                                     | 1                                     | 1                              | —                                     | —   | 2                                      |
| Other  | 35                                    | 182                            | 69                                    | (2)   | 284                                    |
| Total other noncurrent liabilities                         | 803                                   | 2,078                          | 98                                    | 15  | 2,994                                  |
| <b>Equity</b>  | 2,018                                 | 3,232                          | 462                                   | 1,564                                       | 7,276                                  |
| <b>Total Liabilities and Equity</b>                        | 3,667                                 | 8,782                          | 609                                   | 1,586                                       | 14,644                                 |
| Segment reclassifications, intercompany balances and other | 1                                     | (45)                           | 5                                     | (284)                                       | (323)                                  |
| <b>Reportable Segment Liabilities and Equity</b>           | \$ 3,668                              | \$ 8,737                       | \$ 614                                | \$ 1,302                                    | \$ 14,321                              |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**Electric Utilities and Infrastructure**  
**Quarterly Highlights**  
**June 2021**

|   | Three Months Ended June 30, |           |              |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|--------------|---|---------------------------|-----------|---------------|---|
|   | 2021                        | 2020      | % Inc.(Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2021                      | 2020      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>                            |                             |           |              |   |                           |           |               |   |
| Residential   | 18,742                      | 18,786    | (0.2%)       | (0.6%)                                      | 42,511                    | 39,660    | 7.2%          | 1.1%  |
| General Service   | 17,657                      | 16,468    | 7.2%         | 11.7%                                       | 34,965                    | 34,150    | 2.4%          | 3.1%  |
| Industrial  | 11,931                      | 10,938    | 9.1%         | 11.8%                                       | 23,700                    | 22,921    | 3.4%          | 4.6%  |
| Other Energy Sales  | 134                         | 147       | (8.8%)       | n/a   | 273                       | 291       | (6.2%)        | n/a   |
| Unbilled Sales  | 2,343                       | 1,537     | 52.4%        | n/a   | 261                       | 952       | (72.6%)       | n/a   |
| Total Retail Sales  | 50,807                      | 47,876    | 6.1%         | 6.5 %                                       | 101,710                   | 97,974    | 3.8%          | 2.6%  |
| Wholesale and Other   | 9,652                       | 8,849     | 9.1%         |   | 19,532                    | 17,703    | 10.3%         |   |
| Total Consolidated Electric Sales – Electric Utilities and Infrastructure | 60,459                      | 56,725    | 6.6%         |   | 121,242                   | 115,677   | 4.8%          |   |
| <b>Average Number of Customers (Electric)</b>                             |                             |           |              |   |                           |           |               |   |
| Residential   | 6,953,886                   | 6,849,673 | 1.5%         |   | 6,942,781                 | 6,830,659 | 1.6%          |   |
| General Service   | 1,014,717                   | 1,000,295 | 1.4%         |   | 1,024,217                 | 998,542   | 2.6%          |   |
| Industrial  | 17,176                      | 17,299    | (0.7%)       |   | 17,048                    | 17,306    | (1.5%)        |   |
| Other Energy Sales  | 30,675                      | 31,041    | (1.2%)       |   | 26,237                    | 30,985    | (15.3%)       |   |
| Total Retail Customers  | 8,016,454                   | 7,898,308 | 1.5%         |   | 8,010,283                 | 7,877,492 | 1.7%          |   |
| Wholesale and Other   | 38                          | 38        | —%           |   | 39                        | 43        | (9.3%)        |   |
| Total Average Number of Customers – Electric Utilities and Infrastructure | 8,016,492                   | 7,898,346 | 1.5%         |   | 8,010,322                 | 7,877,535 | 1.7%          |   |
| <b>Sources of Electric Energy (GWh)</b>                                   |                             |           |              |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                                     |                             |           |              |   |                           |           |               |   |
| Coal  | 11,028                      | 8,804     | 25.3%        |   | 24,099                    | 15,956    | 51.0%         |   |
| Nuclear   | 18,513                      | 18,234    | 1.5%         |   | 37,485                    | 37,038    | 1.2%          |   |
| Hydro   | 663                         | 883       | (24.9%)      |   | 1,626                     | 1,904     | (14.6%)       |   |
| Natural Gas and Oil   | 18,343                      | 17,574    | 4.4%         |   | 35,927                    | 37,161    | (3.3%)        |   |
| Renewable Energy  | 469                         | 345       | 35.9%        |   | 770                       | 560       | 37.5%         |   |
| Total Generation <sup>(d)</sup>   | 49,016                      | 45,840    | 6.9%         |   | 99,907                    | 92,619    | 7.9%          |   |
| Purchased Power and Net Interchange <sup>(e)</sup>                        | 18,745                      | 13,647    | 37.4%        |   | 32,435                    | 28,810    | 12.6%         |   |
| Total Sources of Energy   | 67,761                      | 59,487    | 13.9%        |   | 132,342                   | 121,429   | 9.0%          |   |
| Less: Line Loss and Other   | 7,302                       | 2,762     | 164.4%       |   | 11,100                    | 5,752     | 93.0%         |   |
| Total GWh Sources   | 60,459                      | 56,725    | 6.6%         |   | 121,242                   | 115,677   | 4.8%          |   |
| <b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>                         |                             |           |              |   |                           |           |               |   |
| Summer  |                             |           |              |   | 50,137                    | 50,752    |               |   |
| Winter  |                             |           |              |   | 53,545                    | 54,265    |               |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>                          |                             |           |              |   | 96                        | 94        |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

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Jan 19 2023

**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

|   | Three Months Ended June 30, |           |              |   | Six Months Ended June 30, |           |              |   |
|---|-----------------------------|-----------|--------------|---|---------------------------|-----------|--------------|---|
|   | 2021                        | 2020      | % Inc.(Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2021                      | 2020      | % Inc.(Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                            |                             |           |              |   |                           |           |              |   |
| Residential   | 6,069                       | 5,861     | 3.5%         |   | 14,423                    | 13,222    | 9.1%         |   |
| General Service   | 6,542                       | 6,239     | 4.9%         |   | 13,112                    | 13,054    | 0.4%         |   |
| Industrial  | 4,734                       | 4,464     | 6.0%         |   | 9,492                     | 9,339     | 1.6%         |   |
| Other Energy Sales  | 71                          | 82        | (13.4%)      |   | 146                       | 161       | (9.3%)       |   |
| Unbilled Sales  | 622                         | 473       | 31.5%        |   | 267                       | 398       | (32.9%)      |   |
| Total Retail Sales  | 18,038                      | 17,119    | 5.4%         | 6.1%  | 37,440                    | 36,174    | 3.5%         | 2.1%  |
| Wholesale and Other                                       | 2,324                       | 1,964     | 18.3%        |   | 4,884                     | 4,145     | 17.8%        |   |
| Total Consolidated Electric Sales – Duke Energy Carolinas | 20,362                      | 19,083    | 6.7%         |   | 42,324                    | 40,319    | 5.0%         |   |
| <b>Average Number of Customers</b>                        |                             |           |              |   |                           |           |              |   |
| Residential   | 2,333,701                   | 2,298,766 | 1.5%         |   | 2,330,698                 | 2,291,939 | 1.7%         |   |
| General Service   | 371,039                     | 365,797   | 1.4%         |   | 382,056                   | 364,936   | 4.7%         |   |
| Industrial  | 6,070                       | 6,099     | (0.5%)       |   | 5,936                     | 6,106     | (2.8%)       |   |
| Other Energy Sales  | 22,453                      | 22,874    | (1.8%)       |   | 18,018                    | 22,830    | (21.1%)      |   |
| Total Retail Customers                                    | 2,733,263                   | 2,693,536 | 1.5%         |   | 2,736,708                 | 2,685,811 | 1.9%         |   |
| Wholesale and Other                                       | 19                          | 15        | 26.7%        |   | 19                        | 20        | (5.0%)       |   |
| Total Average Number of Customers – Duke Energy Carolinas | 2,733,282                   | 2,693,551 | 1.5%         |   | 2,736,727                 | 2,685,831 | 1.9%         |   |
| <b>Sources of Electric Energy (GWh)</b>                   |                             |           |              |   |                           |           |              |   |
| Generated – Net Output <sup>(c)</sup>                     |                             |           |              |   |                           |           |              |   |
| Coal  | 4,000                       | 3,188     | 25.5%        |   | 8,118                     | 5,647     | 43.8%        |   |
| Nuclear   | 11,692                      | 10,657    | 9.7%         |   | 23,343                    | 22,179    | 5.2%         |   |
| Hydro   | 393                         | 617       | (36.3%)      |   | 1,012                     | 1,360     | (25.6%)      |   |
| Natural Gas and Oil                                       | 3,923                       | 3,395     | 15.6%        |   | 8,419                     | 8,263     | 1.9%         |   |
| Renewable Energy  | 88                          | 41        | 114.6%       |   | 155                       | 85        | 82.4%        |   |
| Total Generation <sup>(d)</sup>                           | 20,096                      | 17,898    | 12.3%        |   | 41,047                    | 37,534    | 9.4%         |   |
| Purchased Power and Net Interchange <sup>(e)</sup>        | 1,851                       | 2,283     | (18.9%)      |   | 4,010                     | 4,698     | (14.6%)      |   |
| Total Sources of Energy                                   | 21,947                      | 20,181    | 8.8%         |   | 45,057                    | 42,232    | 6.7%         |   |
| Less: Line Loss and Other                                 | 1,585                       | 1,098     | 44.4%        |   | 2,733                     | 1,913     | 42.9%        |   |
| Total GWh Sources   | 20,362                      | 19,083    | 6.7%         |   | 42,324                    | 40,319    | 5.0%         |   |
| <b>Owned MW Capacity<sup>(e)</sup></b>                    |                             |           |              |   |                           |           |              |   |
| Summer  |                             |           |              |   | 20,001                    | 20,192    |              |   |
| Winter  |                             |           |              |   | 20,877                    | 21,127    |              |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>          |                             |           |              |   |                           |           |              |   |
|   |                             |           |              |   | 98                        | 94        |              |   |
| <b>Heating and Cooling Degree Days</b>                    |                             |           |              |   |                           |           |              |   |
| <b>Actual</b>   |                             |           |              |   |                           |           |              |   |
| Heating Degree Days                                       | 225                         | 308       | (26.9%)      |   | 1,908                     | 1,698     | 12.4%        |   |
| Cooling Degree Days                                       | 466                         | 412       | 13.1%        |   | 471                       | 447       | 5.4%         |   |
| <b>Variance from Normal</b>                               |                             |           |              |   |                           |           |              |   |
| Heating Degree Days                                       | 8.0%                        | 43.1%     |              |   | (0.9%)                    | (12.7%)   |              |   |
| Cooling Degree Days                                       | (7.5%)                      | (17.5%)   |              |   | (7.8%)                    | (11.7%)   |              |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

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Jan 19 2023

**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

|  | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|--|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|  | 2021                        | 2020      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2021                      | 2020      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                           |                             |           |               |   |                           |           |               |   |
| Residential  | 3,796                       | 3,660     | 3.7%          |   | 9,277                     | 8,278     | 12.1%         |   |
| General Service  | 3,448                       | 3,147     | 9.6%          |   | 6,889                     | 6,618     | 4.1%          |   |
| Industrial   | 2,471                       | 2,370     | 4.3%          |   | 4,923                     | 4,867     | 1.2%          |   |
| Other Energy Sales                                       | 20                          | 20        | —%            |   | 39                        | 39        | —%            |   |
| Unbilled Sales   | 801                         | 424       | 88.9%         |   | 210                       | 69        | 204.3%        |   |
| Total Retail Sales                                       | 10,536                      | 9,621     | 9.5%          | 7.4%  | 21,338                    | 19,871    | 7.4%          | 3.3%  |
| Wholesale and Other                                      | 5,263                       | 5,186     | 1.5%          |   | 10,998                    | 10,606    | 3.7%          |   |
| Total Consolidated Electric Sales – Duke Energy Progress | 15,799                      | 14,807    | 6.7%          |   | 32,336                    | 30,477    | 6.1%          |   |
| <b>Average Number of Customers</b>                       |                             |           |               |   |                           |           |               |   |
| Residential  | 1,398,081                   | 1,371,674 | 1.9%          |   | 1,394,593                 | 1,367,017 | 2.0%          |   |
| General Service  | 243,417                     | 238,549   | 2.0%          |   | 242,444                   | 238,013   | 1.9%          |   |
| Industrial   | 3,993                       | 4,002     | (0.2%)        |   | 3,995                     | 4,002     | (0.2%)        |   |
| Other Energy Sales                                       | 1,415                       | 1,415     | —%            |   | 1,415                     | 1,416     | (0.1%)        |   |
| Total Retail Customers                                   | 1,646,906                   | 1,615,640 | 1.9%          |   | 1,642,447                 | 1,610,448 | 2.0%          |   |
| Wholesale and Other                                      | 8                           | 9         | (11.1%)       |   | 8                         | 9         | (11.1%)       |   |
| Total Average Number of Customers – Duke Energy Progress | 1,646,914                   | 1,615,649 | 1.9%          |   | 1,642,455                 | 1,610,457 | 2.0%          |   |
| <b>Sources of Electric Energy (GWh)</b>                  |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                    |                             |           |               |   |                           |           |               |   |
| Coal   | 663                         | 825       | (19.6%)       |   | 2,870                     | 1,440     | 99.3%         |   |
| Nuclear  | 6,821                       | 7,577     | (10.0%)       |   | 14,142                    | 14,859    | (4.8%)        |   |
| Hydro  | 189                         | 223       | (15.2%)       |   | 469                       | 464       | 1.1%          |   |
| Natural Gas and Oil                                      | 5,476                       | 4,189     | 30.7%         |   | 10,908                    | 10,080    | 8.2%          |   |
| Renewable Energy   | 78                          | 73        | 6.8%          |   | 127                       | 125       | 1.6%          |   |
| Total Generation <sup>(d)</sup>                          | 13,227                      | 12,887    | 2.6%          |   | 28,516                    | 26,968    | 5.7%          |   |
| Purchased Power and Net Interchange <sup>(e)</sup>       | 2,932                       | 2,386     | 22.9%         |   | 4,743                     | 4,485     | 5.8%          |   |
| Total Sources of Energy                                  | 16,159                      | 15,273    | 5.8%          |   | 33,259                    | 31,453    | 5.7%          |   |
| Less: Line Loss and Other                                | 360                         | 466       | (22.7%)       |   | 923                       | 976       | (5.4%)        |   |
| Total GWh Sources  | 15,799                      | 14,807    | 6.7%          |   | 32,336                    | 30,477    | 6.1%          |   |
| <b>Owned MW Capacity<sup>(e)</sup></b>                   |                             |           |               |   |                           |           |               |   |
| Summer   |                             |           |               |   | 12,468                    | 12,526    |               |   |
| Winter   |                             |           |               |   | 13,609                    | 13,587    |               |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>         |                             |           |               |   | 91                        | 95        |               |   |
| <b>Heating and Cooling Degree Days</b>                   |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>  |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                      | 199                         | 224       | (11.2%)       |   | 1,747                     | 1,410     | 23.9%         |   |
| Cooling Degree Days                                      | 545                         | 461       | 18.2%         |   | 559                       | 513       | 9.0%          |   |
| <b>Variance from Normal</b>                              |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                      | 13.5%                       | 23.4%     |               |   | (0.8%)                    | (20.8%)   |               |   |
| Cooling Degree Days                                      | (1.9%)                      | (16.1%)   |               |   | (1.3%)                    | (8.5%)    |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

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Jan 19 2023

**Duke Energy Florida**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2021                        | 2020      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2021                      | 2020      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                          |                             |           |               |   |                           |           |               |   |
| Residential   | 5,203                       | 5,434     | (4.3%)        |   | 9,691                     | 9,494     | 2.1%          |   |
| General Service   | 3,739                       | 3,467     | 7.8%          |   | 6,955                     | 6,752     | 3.0%          |   |
| Industrial  | 852                         | 756       | 12.7%         |   | 1,664                     | 1,525     | 9.1%          |   |
| Other Energy Sales                                      | 5                           | 5         | —%            |   | 11                        | 11        | —%            |   |
| Unbilled Sales  | 525                         | 361       | 45.4%         |   | 123                       | 544       | (77.4%)       |   |
| Total Retail Sales                                      | 10,324                      | 10,023    | 3.0%          | 5.5%  | 18,444                    | 18,326    | 0.6%          | 3.1%  |
| Wholesale and Other                                     | 870                         | 777       | 12.0%         |   | 1,304                     | 1,091     | 19.5%         |   |
| Total Electric Sales – Duke Energy Florida              | 11,194                      | 10,800    | 3.6%          |   | 19,748                    | 19,417    | 1.7%          |   |
| <b>Average Number of Customers</b>                      |                             |           |               |   |                           |           |               |   |
| Residential   | 1,683,964                   | 1,650,539 | 2.0%          |   | 1,679,603                 | 1,646,440 | 2.0%          |   |
| General Service   | 207,432                     | 204,353   | 1.5%          |   | 207,111                   | 204,269   | 1.4%          |   |
| Industrial  | 1,946                       | 2,000     | (2.7%)        |   | 1,949                     | 2,005     | (2.8%)        |   |
| Other Energy Sales                                      | 1,486                       | 1,494     | (0.5%)        |   | 1,487                     | 1,493     | (0.4%)        |   |
| Total Retail Customers                                  | 1,894,828                   | 1,858,386 | 2.0%          |   | 1,890,150                 | 1,854,207 | 1.9%          |   |
| Wholesale and Other                                     | 6                           | 9         | (33.3%)       |   | 7                         | 9         | (22.2%)       |   |
| Total Average Number of Customers – Duke Energy Florida | 1,894,834                   | 1,858,395 | 2.0%          |   | 1,890,157                 | 1,854,216 | 1.9%          |   |
| <b>Sources of Electric Energy (GWh)</b>                 |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                   |                             |           |               |   |                           |           |               |   |
| Coal  | 1,879                       | 764       | 145.9%        |   | 2,915                     | 799       | 264.8%        |   |
| Natural Gas and Oil                                     | 8,203                       | 9,028     | (9.1%)        |   | 15,379                    | 17,294    | (11.1%)       |   |
| Renewable Energy  | 295                         | 222       | 32.9%         |   | 479                       | 336       | 42.6%         |   |
| Total Generation <sup>(d)</sup>                         | 10,377                      | 10,014    | 3.6%          |   | 18,773                    | 18,429    | 1.9%          |   |
| Purchased Power and Net Interchange <sup>(e)</sup>      | 1,227                       | 1,170     | 4.9%          |   | 2,064                     | 2,071     | (0.3%)        |   |
| Total Sources of Energy                                 | 11,604                      | 11,184    | 3.8%          |   | 20,837                    | 20,500    | 1.6%          |   |
| Less: Line Loss and Other                               | 410                         | 384       | 6.8%          |   | 1,089                     | 1,083     | 0.6%          |   |
| Total GWh Sources                                       | 11,194                      | 10,800    | 3.6%          |   | 19,748                    | 19,417    | 1.7%          |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                  |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 10,246                    | 10,335    |               |   |
| Winter  |                             |           |               |   | 11,114                    | 11,347    |               |   |
| <b>Heating and Cooling Degree Days</b>                  |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>   |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                     | 15                          | —         | —%            |   | 310                       | 220       | 40.9%         |   |
| Cooling Degree Days                                     | 1,092                       | 1,190     | (8.2%)        |   | 1,360                     | 1,660     | (18.1%)       |   |
| <b>Variance from Normal</b>                             |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                     | 68.5%                       | (100.0%)  |               |   | (18.2%)                   | (10.8%)   |               |   |
| Cooling Degree Days                                     | 4.0%                        | 11.8%     |               |   | 9.6%                      | 31.5%     |               |   |

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

|  | Three Months Ended June 30, |         |               |   | Six Months Ended June 30, |         |               |   |
|--|-----------------------------|---------|---------------|---|---------------------------|---------|---------------|---|
|  | 2021                        | 2020    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2021                      | 2020    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                       |                             |         |               |   |                           |         |               |   |
| Residential  | 1,829                       | 1,896   | (3.5%)        |   | 4,416                     | 4,186   | 5.5%          |   |
| General Service                                      | 2,111                       | 1,937   | 9.0%          |   | 4,283                     | 4,135   | 3.6%          |   |
| Industrial   | 1,366                       | 1,210   | 12.9%         |   | 2,701                     | 2,575   | 4.9%          |   |
| Other Energy Sales                                   | 26                          | 27      | (3.7%)        |   | 52                        | 54      | (3.7%)        |   |
| Unbilled Sales                                       | 206                         | 168     | 22.6%         |   | (115)                     | 16      | (818.8%)      |   |
| Total Retail Sales                                   | 5,538                       | 5,238   | 5.7%          | 5.7%  | 11,337                    | 10,966  | 3.4%          | 1.5%  |
| Wholesale and Other                                  | 200                         | 24      | 733.3%        |   | 405                       | 119     | 240.3%        |   |
| Total Electric Sales – Duke Energy Ohio              | 5,738                       | 5,262   | 9.0%          |   | 11,742                    | 11,085  | 5.9%          |   |
| <b>Average Number of Customers</b>                   |                             |         |               |   |                           |         |               |   |
| Residential  | 785,909                     | 783,871 | 0.3%          |   | 785,948                   | 781,762 | 0.5%          |   |
| General Service                                      | 89,881                      | 89,138  | 0.8%          |   | 89,767                    | 89,004  | 0.9%          |   |
| Industrial   | 2,480                       | 2,498   | (0.7%)        |   | 2,479                     | 2,494   | (0.6%)        |   |
| Other Energy Sales                                   | 3,461                       | 3,445   | 0.5%          |   | 3,459                     | 3,438   | 0.6%          |   |
| Total Retail Customers                               | 881,731                     | 878,952 | 0.3%          |   | 881,653                   | 876,698 | 0.6%          |   |
| Wholesale and Other                                  | 1                           | 1       | —%            |   | 1                         | 1       | —%            |   |
| Total Average Number of Customers – Duke Energy Ohio | 881,732                     | 878,953 | 0.3%          |   | 881,654                   | 876,699 | 0.6%          |   |
| <b>Sources of Electric Energy (GWh)</b>              |                             |         |               |   |                           |         |               |   |
| Generated – Net Output <sup>(c)</sup>                |                             |         |               |   |                           |         |               |   |
| Coal   | 872                         | 271     | 221.8%        |   | 1,838                     | 893     | 105.8%        |   |
| Natural Gas and Oil                                  | 26                          | 8       | 225.0%        |   | 28                        | 7       | 300.0%        |   |
| Total Generation <sup>(d)</sup>                      | 898                         | 279     | 221.9%        |   | 1,866                     | 900     | 107.3%        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>   | 5,402                       | 5,420   | (0.3%)        |   | 11,183                    | 11,294  | (1.0%)        |   |
| Total Sources of Energy                              | 6,300                       | 5,699   | 10.5%         |   | 13,049                    | 12,194  | 7.0%          |   |
| Less: Line Loss and Other                            | 562                         | 437     | 28.6%         |   | 1,307                     | 1,109   | 17.9%         |   |
| Total GWh Sources                                    | 5,738                       | 5,262   | 9.0%          |   | 11,742                    | 11,085  | 5.9%          |   |
| <b>Owned MW Capacity<sup>(e)</sup></b>               |                             |         |               |   |                           |         |               |   |
| Summer   |                             |         |               |   | 1,076                     | 1,076   |               |   |
| Winter   |                             |         |               |   | 1,164                     | 1,164   |               |   |
| <b>Heating and Cooling Degree Days</b>               |                             |         |               |   |                           |         |               |   |
| <b>Actual</b>  |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                  | 514                         | 590     | (12.9%)       |   | 3,014                     | 2,776   | 8.6%          |   |
| Cooling Degree Days                                  | 360                         | 347     | 3.7%          |   | 360                       | 352     | 2.3%          |   |
| <b>Variance from Normal</b>                          |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                  | 16.4%                       | 31.0%   |               |   | 0.5%                      | (8.2%)  |               |   |
| Cooling Degree Days                                  | 8.1%                        | 4.8%    |               |   | 7.1%                      | 5.2%    |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

|   | Three Months Ended June 30, |         |               |   | Six Months Ended June 30, |         |               |   |
|---|-----------------------------|---------|---------------|---|---------------------------|---------|---------------|---|
|   | 2021                        | 2020    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2021                      | 2020    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                          |                             |         |               |   |                           |         |               |   |
| Residential   | 1,845                       | 1,935   | (4.7%)        |   | 4,704                     | 4,480   | 5.0%          |   |
| General Service   | 1,817                       | 1,678   | 8.3%          |   | 3,726                     | 3,591   | 3.8%          |   |
| Industrial  | 2,508                       | 2,138   | 17.3%         |   | 4,920                     | 4,615   | 6.6%          |   |
| Other Energy Sales                                      | 12                          | 13      | (7.7%)        |   | 25                        | 26      | (3.8%)        |   |
| Unbilled Sales  | 189                         | 111     | 70.3%         |   | (224)                     | (75)    | (198.7%)      |   |
| Total Retail Sales                                      | 6,371                       | 5,875   | 8.4%          | 8.8%  | 13,151                    | 12,637  | 4.1%          | 3.2%  |
| Wholesale and Other                                     | 995                         | 898     | 10.8%         |   | 1,941                     | 1,742   | 11.4%         |   |
| Total Electric Sales – Duke Energy Indiana              | 7,366                       | 6,773   | 8.8%          |   | 15,092                    | 14,379  | 5.0%          |   |
| <b>Average Number of Customers</b>                      |                             |         |               |   |                           |         |               |   |
| Residential   | 752,231                     | 744,823 | 1.0%          |   | 751,939                   | 743,501 | 1.1%          |   |
| General Service   | 102,948                     | 102,458 | 0.5%          |   | 102,839                   | 102,320 | 0.5%          |   |
| Industrial  | 2,687                       | 2,700   | (0.5%)        |   | 2,689                     | 2,699   | (0.4%)        |   |
| Other Energy Sales                                      | 1,860                       | 1,813   | 2.6%          |   | 1,858                     | 1,808   | 2.8%          |   |
| Total Retail Customers                                  | 859,726                     | 851,794 | 0.9%          |   | 859,325                   | 850,328 | 1.1%          |   |
| Wholesale and Other                                     | 4                           | 4       | —%            |   | 4                         | 4       | —%            |   |
| Total Average Number of Customers – Duke Energy Indiana | 859,730                     | 851,798 | 0.9%          |   | 859,329                   | 850,332 | 1.1%          |   |
| <b>Sources of Electric Energy (GWh)</b>                 |                             |         |               |   |                           |         |               |   |
| Generated – Net Output <sup>(c)</sup>                   |                             |         |               |   |                           |         |               |   |
| Coal  | 3,614                       | 3,756   | (3.8%)        |   | 8,358                     | 7,177   | 16.5%         |   |
| Hydro   | 81                          | 43      | 88.4%         |   | 145                       | 80      | 81.3%         |   |
| Natural Gas and Oil                                     | 715                         | 954     | (25.1%)       |   | 1,193                     | 1,517   | (21.4%)       |   |
| Renewable Energy  | 8                           | 9       | (11.1%)       |   | 9                         | 14      | (35.7%)       |   |
| Total Generation <sup>(d)</sup>                         | 4,418                       | 4,762   | (7.2%)        |   | 9,705                     | 8,788   | 10.4%         |   |
| Purchased Power and Net Interchange <sup>(e)</sup>      | 7,333                       | 2,388   | 207.1%        |   | 10,435                    | 6,262   | 66.6%         |   |
| Total Sources of Energy                                 | 11,751                      | 7,150   | 64.3%         |   | 20,140                    | 15,050  | 33.8%         |   |
| Less: Line Loss and Other                               | 4,385                       | 377     | 1,063.1%      |   | 5,048                     | 671     | 652.3%        |   |
| Total GWh Sources                                       | 7,366                       | 6,773   | 8.8%          |   | 15,092                    | 14,379  | 5.0%          |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                  |                             |         |               |   |                           |         |               |   |
| Summer  |                             |         |               |   | 6,346                     | 6,623   |               |   |
| Winter  |                             |         |               |   | 6,781                     | 7,040   |               |   |
| <b>Heating and Cooling Degree Days</b>                  |                             |         |               |   |                           |         |               |   |
| <b>Actual</b>   |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                     | 556                         | 633     | (12.2%)       |   | 3,261                     | 3,090   | 5.5%          |   |
| Cooling Degree Days                                     | 355                         | 343     | 3.5%          |   | 355                       | 343     | 3.5%          |   |
| <b>Variance from Normal</b>                             |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                     | 13.4%                       | 28.1%   |               |   | 0.7%                      | (4.7%)  |               |   |
| Cooling Degree Days                                     | 6.0%                        | 4.2%    |               |   | 5.1%                      | 3.2%    |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.



## Gas Utilities and Infrastructure

## Quarterly Highlights

June 2021

|  | Three Months Ended June 30, |            |               | Six Months Ended June 30, |             |               |
|--|-----------------------------|------------|---------------|---------------------------|-------------|---------------|
|  | 2021                        | 2020       | % Inc. (Dec.) | 2021                      | 2020        | % Inc. (Dec.) |
| <b>Total Sales</b>   |                             |            |               |                           |             |               |
| Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup> | 106,034,615                 | 96,807,940 | 9.5%          | 255,661,197               | 245,311,935 | 4.2%          |
| Duke Energy Midwest LDC throughput (Mcf)   | 14,842,906                  | 15,106,405 | (1.7%)        | 51,951,909                | 48,892,191  | 6.3%          |
| <b>Average Number of Customers – Piedmont Natural Gas</b>                                    |                             |            |               |                           |             |               |
| Residential  | 1,024,921                   | 1,001,289  | 2.4%          | 1,023,389                 | 999,778     | 2.4%          |
| Commercial   | 105,602                     | 105,038    | 0.5%          | 105,829                   | 105,249     | 0.6%          |
| Industrial   | 959                         | 970        | (1.1%)        | 962                       | 972         | (1.0%)        |
| Power Generation   | 19                          | 19         | —%            | 19                        | 18          | 5.6%          |
| Total Average Number of Gas Customers – Piedmont Natural Gas                                 | 1,131,501                   | 1,107,316  | 2.2%          | 1,130,199                 | 1,106,017   | 2.2%          |
| <b>Average Number of Customers – Duke Energy Midwest</b>                                     |                             |            |               |                           |             |               |
| Residential  | 499,877                     | 495,553    | 0.9%          | 500,569                   | 495,990     | 0.9%          |
| General Service  | 43,473                      | 43,251     | 0.5%          | 44,051                    | 44,191      | (0.3%)        |
| Industrial   | 1,564                       | 1,570      | (0.4%)        | 1,587                     | 1,596       | (0.6%)        |
| Other  | 130                         | 132        | (1.5%)        | 130                       | 132         | (1.5%)        |
| Total Average Number of Gas Customers – Duke Energy Midwest                                  | 545,044                     | 540,506    | 0.8%          | 546,337                   | 541,909     | 0.8%          |

- (a) Piedmont has a margin decoupling mechanism in North Carolina, weather normalization mechanisms in South Carolina and Tennessee and fixed-price contracts with most power generation customers that significantly eliminate the impact of throughput changes on earnings. Duke Energy Ohio's rate design also serves to offset this impact.

## Commercial Renewables

## Quarterly Highlights

June 2021

|  | Three Months Ended June 30, |       |               | Six Months Ended June 30, |       |               |
|--|-----------------------------|-------|---------------|---------------------------|-------|---------------|
|  | 2021                        | 2020  | % Inc. (Dec.) | 2021                      | 2020  | % Inc. (Dec.) |
| Renewable Plant Production, GWh                          | 2,787                       | 2,660 | 4.8 %         | 5,375                     | 5,097 | 5.5 %         |
| Net Proportional MW Capacity in Operation <sup>(a)</sup> | n/a                         | n/a   |               | 4,474                     | 3,779 | 18.4 %        |

- (a) Includes 100% tax equity project capacity.

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 5, 2021**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of adjusted EPS for the quarter and year-to-date periods ended June 30, 2021 and 2020.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended June 30, 2021 and 2020, to the most directly comparable GAAP measure are included herein.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit obligations.
- Severance represents the reversal of 2018 severance charges, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.
- Workplace and workforce realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.

**Adjusted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a reference to forecasted 2021 adjusted EPS guidance range of \$5.00 to \$5.30 per share and the midpoint of forecasted 2021 adjusted EPS guidance range of \$5.15. The materials also reference the long-term range of annual growth of 5% - 7% through 2025 off the midpoint of 2021 adjusted EPS guidance range of \$5.15. Forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2021 and a discussion of 2021 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2021, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

## **Dividend Payout Ratio**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's long-term target dividend payout ratio of 65% - 75% based upon adjusted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted basic EPS from continuing operations available to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

## **Net Regulated Electric and Gas O&M**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's net regulated Electric and Gas operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2020, 2019, 2018, 2017 and 2016, as well as the forecasted year-to-date period ended December 31, 2021.

Net regulated Electric and Gas O&M is a non-GAAP financial measure, as it represents reported O&M expenses adjusted for special items and expenses recovered through riders and excludes O&M expenses for Duke Energy's non-margin based Commercial businesses and non-regulated electric products and services supporting regulated operations.

Management believes the presentation of net regulated Electric and Gas O&M provides useful information to investors, as it provides a meaningful comparison of financial performance across periods. The most directly comparable GAAP financial measure for net regulated Electric and Gas O&M is reported operating, maintenance and other expenses. A reconciliation of net regulated Electric and Gas O&M for the year-to-date periods ended December 31, 2020, 2019, 2018, 2017 and 2016, as well as the forecasted year-to-date period ended December 31, 2021, to the most directly comparable GAAP measure are included here-in.

### **Effective Tax Rate Including Impacts of Noncontrolling Interests and Preferred Dividends and Excluding Special Items**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended June 30, 2021. The materials also include a discussion of the 2021 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended June 30, 2021, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of June 30, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2021, to the most directly comparable GAAP measure is included herein.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

|  | Reported<br>Earnings | Special Items               |  | Total<br>Adjustments | Adjusted<br>Earnings |
|--|----------------------|-----------------------------|--|----------------------|----------------------|
|  |                      | Gas Pipeline<br>Investments | Workplace<br>and<br>Workforce<br>Realignment |                      |                      |
| <b>SEGMENT INCOME</b>  |                      |                             |  |                      |                      |
| Electric Utilities and Infrastructure                                      | \$ 935               | \$ —                        | \$ —   | \$ —                 | \$ 935               |
| Gas Utilities and Infrastructure   | 17                   | 12 <b>A</b>                 | —  | 12                   | 29                   |
| Commercial Renewables  | 47                   | —                           | —  | —                    | 47                   |
| <b>Total Reportable Segment Income</b>                                     | <b>999</b>           | <b>12</b>                   | <b>—</b>                                     | <b>12</b>            | <b>1,011</b>         |
| Other  | (248)                | —                           | 135 <b>B</b>                                 | 135                  | (113)                |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 751</b>        | <b>\$ 12</b>                | <b>\$ 135</b>                                | <b>\$ 147</b>        | <b>\$ 898</b>        |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.96</b>       | <b>\$ 0.01</b>              | <b>\$ 0.18</b>                               | <b>\$ 0.19</b>       | <b>\$ 1.15</b>       |

**Note:** Earnings Per Share amounts are adjusted for accumulated but not yet declared dividends for Series B Preferred Stock of \$(0.02).

**A** - Net of \$4 million tax benefit. \$16 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** - Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 769 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

|  | Reported Earnings | Special Items            |                                     | Total Adjustments | Adjusted Earnings |
|--|-------------------|--------------------------|-------------------------------------|-------------------|-------------------|
|  |                   | Gas Pipeline Investments | Workplace and Workforce Realignment |                   |                   |
| <b>SEGMENT INCOME</b>  |                   |                          |                                     |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 1,755          | \$ —                     | \$ —                                | \$ —              | \$ 1,755          |
| Gas Utilities and Infrastructure   | 262               | 17 A                     | —                                   | 17                | 279               |
| Commercial Renewables  | 74                | —                        | —                                   | —                 | 74                |
| <b>Total Reportable Segment Income</b>                                     | <b>2,091</b>      | <b>17</b>                | <b>—</b>                            | <b>17</b>         | <b>2,108</b>      |
| Other  | (387)             | —                        | 135 B                               | 135               | (252)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 1,704</b>   | <b>\$ 17</b>             | <b>\$ 135</b>                       | <b>\$ 152</b>     | <b>\$ 1,856</b>   |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 2.21</b>    | <b>\$ 0.02</b>           | <b>\$ 0.18</b>                      | <b>\$ 0.20</b>    | <b>\$ 2.41</b>    |

**A** - Net of \$5 million tax benefit. \$22 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** - Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) - 769 million**

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DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Three Months Ended June 30, 2020  
 (Dollars in millions, except per share amounts)

|   | Reported<br>Loss | Special Item<br>Gas Pipeline<br>Investments | Total<br>Adjustments | Adjusted<br>Earnings |
|---|------------------|---|----------------------|----------------------|
| <b>SEGMENT INCOME (LOSS)</b>  |                  |   |                      |                      |
| Electric Utilities and Infrastructure   | \$ 753           | \$ —  | \$ —                 | \$ 753               |
| Gas Utilities and Infrastructure  | (1,576)          | 1,626                                       | <b>A</b> 1,626       | 50                   |
| Commercial Renewables   | 90               | —   | —                    | 90                   |
| <b>Total Reportable Segment (Loss) Income</b>   | <b>(733)</b>     | <b>1,626</b>                                | <b>1,626</b>         | <b>893</b>           |
| Other   | (84)             | —   | —                    | (84)                 |
| <b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>         | <b>\$ (817)</b>  | <b>\$ 1,626</b>                             | <b>\$ 1,626</b>      | <b>\$ 809</b>        |
| <b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b> | <b>\$ (1.13)</b> | <b>\$ 2.21</b>                              | <b>\$ 2.21</b>       | <b>\$ 1.08</b>       |

**Note:** (Loss) Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** – Net of \$374 million tax benefit. \$2,000 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Six Months Ended June 30, 2020  
(Dollars in millions, except per share amounts)

|  | Reported Earnings | Special Items            |                  | Total Adjustments | Adjusted Earnings |
|--|-------------------|--------------------------|------------------|-------------------|-------------------|
|  |                   | Gas Pipeline Investments | Severance        |                   |                   |
| <b>SEGMENT INCOME (LOSS)</b>   |                   |                          |                  |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 1,458          | \$ —                     | \$ —             | \$ —              | \$ 1,458          |
| Gas Utilities and Infrastructure   | (1,327)           | 1,626                    | A                | 1,626             | 299               |
| Commercial Renewables  | 147               | —                        | —                | —                 | 147               |
| <b>Total Reportable Segment Income</b>                                     | <b>278</b>        | <b>1,626</b>             | <b>—</b>         | <b>1,626</b>      | <b>1,904</b>      |
| Other  | (196)             | —                        | (75) B           | (75)              | (271)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 82</b>      | <b>\$ 1,626</b>          | <b>\$ (75)</b>   | <b>\$ 1,551</b>   | <b>\$ 1,633</b>   |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.11</b>    | <b>\$ 2.21</b>           | <b>\$ (0.10)</b> | <b>\$ 2.11</b>    | <b>\$ 2.22</b>    |

**A** – Net of \$374 million tax benefit. \$2,000 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**B** – Net of \$23 million tax expense. \$98 million reversal of 2018 severance charges recorded within Operations, maintenance and other on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 734 million**



**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2021  
(Dollars in millions)

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2021      |                    | June 30, 2021    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>  | \$ 734             |                    | \$ 1,759         |                    |
| Gas Pipeline Investments  | 16                 |                    | 22               |                    |
| Workplace and Workforce Realignment   | 175                |                    | 175              |                    |
| Noncontrolling Interests  | 67                 |                    | 118              |                    |
| Preferred Dividends   | (14)               |                    | (53)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <b>\$ 978</b>      |                    | <b>\$ 2,021</b>  |                    |
| <b>Reported Income Tax Expense</b>  | \$ 36              | 4.9 %              | \$ 120           | 6.8 %              |
| Gas Pipeline Investments  | 4                  |                    | 5                |                    |
| Workplace Realignment   | 40                 |                    | 40               |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <b>\$ 80</b>       | <b>8.2%</b>        | <b>\$ 165</b>    | <b>8.2 %</b>       |

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2020      |                    | June 30, 2020    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Loss Before Income Taxes</b>  | \$ (1,208)         |                    | \$ (181)         |                    |
| Gas Pipeline Investments  | 2,000              |                    | 2,000            |                    |
| Severance   | —                  |                    | (98)             |                    |
| Noncontrolling Interests  | 90                 |                    | 138              |                    |
| Preferred Dividends   | (15)               |                    | (54)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <b>\$ 867</b>      |                    | <b>\$ 1,805</b>  |                    |
| <b>Reported Income Tax Benefit</b>  | \$ (316)           | 26.2 %             | (179)            | 98.9 %             |
| Gas Pipeline Investments  | 374                |                    | 374              |                    |
| Severance   | —                  |                    | (23)             |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <b>\$ 58</b>       | <b>6.7%</b>        | <b>\$ 172</b>    | <b>9.5 %</b>       |

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2021**  
**(In millions)**

|  |                 |                           |
|--|-----------------|---------------------------|
| Cash and Cash Equivalents  | \$ 367          |                           |
| Less: Certain Amounts Held in Foreign Jurisdictions                              | (6)             |                           |
| Less: Unavailable Domestic Cash  | <u>(102)</u>    |                           |
|  | 259             |                           |
| Plus: Remaining Availability under Master Credit Facilities and other facilities | <u>5,641</u>    |                           |
| Total Available Liquidity (a), June 30, 2021                                     | <u>\$ 5,900</u> | approximately 5.9 billion |

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of June 30, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

**Duke Energy Corporation**  
**Operations, Maintenance and Other Expense**  
(In millions)

|   | Actual<br>December 31, 2016 | Actual<br>December 31, 2017 | Actual<br>December 31, 2018 | Actual<br>December 31, 2019 | Actual<br>December 31, 2020 | Forecast <sup>(f)</sup><br>December 31, 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| <b>Operation, maintenance and other<sup>(a)</sup></b>                   | <b>\$6,223</b>              | <b>\$5,944</b>              | <b>\$6,463</b>              | <b>\$6,066</b>              | <b>\$5,788</b>              | <b>\$6,072</b>                               |
| Adjustments:  |                             |                             |                             |                             |                             |  |
| Costs to Achieve, Mergers <sup>(b)</sup>                                | (238)                       | (94)                        | (83)                        | —                           | —                           | —  |
| Severance <sup>(b)</sup>  | (92)                        | —                           | (187)                       | —                           | 98                          | —  |
| Regulatory settlement <sup>(b)</sup>                                    | —                           | (5)                         | (40)                        | —                           | (16)                        | —  |
| Energy Efficiency Recoverable <sup>(c)</sup>                            | (417)                       | (485)                       | (446)                       | (415)                       | (350)                       | (403)  |
| Other Deferrals <sup>(d)</sup> and Recoverable                          | (141)                       | (152)                       | (400)                       | (353)                       | (510)                       | (340)  |
| O&M for Commercial Businesses   | (351)                       | (267)                       | (304)                       | (298)                       | (285)                       | (477)  |
| Short-term incentive payments (over)/under budget                       | (90)                        | (22)                        | (30)                        | (112)                       | 33                          | —  |
| Non-regulated Electric Products and Services <sup>(e)</sup>             | (83)                        | (140)                       | (138)                       | (175)                       | (210)                       | (223)  |
| <b>Net Regulated Electric and Gas, operation, maintenance and other</b> | <b>\$4,811</b>              | <b>\$4,779</b>              | <b>\$4,835</b>              | <b>\$4,714</b>              | <b>\$4,548</b>              | <b>\$4,630</b>                               |

(a) As reported in the Consolidated Statements of Operations.

(b) Presented as a special item for the purpose of calculating adjusted earnings and adjusted diluted earnings per share.

(c) Primarily represents expenses to be deferred or recovered through rate riders.

(d) Prior periods have been recast to reflect a change in methodology to present certain deferrals which will be recovered through future rate cases as if they were included in base rates.

(e) Primarily represents non-regulated electric products and services expense in support of regulated operations.

(f) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Carolinas Jurisdictions**  
**Operations, Maintenance and Other Expense**  
(In millions)

|   | Actual<br>December 31, 2016 | Actual<br>December 31, 2017 | Actual<br>December 31, 2018 | Actual<br>December 31, 2019 | Actual<br>December 31, 2020 | Forecast <sup>(e)</sup><br>December 31, 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Carolinas</b> | <b>\$2,158</b>              | <b>\$2,021</b>              | <b>\$2,130</b>              | <b>\$1,868</b>              | <b>\$1,743</b>              | <b>\$1,801</b>                               |
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Progress</b>  | <b>1,565</b>                | <b>1,439</b>                | <b>1,578</b>                | <b>1,446</b>                | <b>1,332</b>                | <b>1,447</b>                                 |
| Adjustments:  |                             |                             |                             |                             |                             |  |
| Costs to Achieve, Mergers <sup>(b)</sup>                                      | (126)                       | (34)                        | (15)                        | —                           | —                           | —  |
| Severance <sup>(b)</sup>  | (62)                        | —                           | (154)                       | —                           | 98                          | —  |
| Regulatory settlement <sup>(b)</sup>  | —                           | (5)                         | (40)                        | —                           | (16)                        | —  |
| Energy Efficiency Recoverable <sup>(c)</sup>                                  | (210)                       | (279)                       | (270)                       | (248)                       | (180)                       | (238)  |
| Other Deferrals and Recoverable <sup>(c)</sup>                                | (87)                        | (74)                        | (119)                       | (71)                        | (74)                        | (52)   |
| Margin based O&M for Non-reg products/services                                | (40)                        | (76)                        | (69)                        | (99)                        | (130)                       | (131)  |
| DEBS Depreciation <sup>(d)</sup>  | (57)                        | (80)                        | (88)                        | (101)                       | (117)                       | (133)  |
| Short-term incentive payments (over)/under budget                             | (55)                        | (26)                        | (13)                        | (64)                        | 23                          | —  |
| <b>Net Regulated Electric and Gas, operation, maintenance and other</b>       | <b>\$3,086</b>              | <b>\$2,886</b>              | <b>\$2,940</b>              | <b>\$2,731</b>              | <b>\$2,679</b>              | <b>\$2,694</b>                               |

(a) As reported in the Consolidated Statements of Operations.

(b) Presented as a special item for the purpose of calculating adjusted earnings and adjusted diluted earnings per share.

(c) Primarily represents expenses to be deferred or recovered through rate riders.

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Florida**  
**Operations, Maintenance and Other Expense**  
(In millions)

|   | Actual<br>December 31, 2016 | Actual<br>December 31, 2017 | Actual<br>December 31, 2018 | Actual<br>December 31, 2019 | Actual<br>December 31, 2020 | Forecast <sup>(e)</sup><br>December 31, 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Florida</b> | <b>\$884</b>                | <b>\$853</b>                | <b>\$1,025</b>              | <b>\$1,034</b>              | <b>\$1,131</b>              | <b>\$1,016</b>                               |
| Adjustments:  |                             |                             |                             |                             |                             |  |
| Costs to Achieve, Mergers <sup>(b)</sup>                                    | (9)                         | (9)                         | (4)                         | —                           | —                           | —  |
| Severance <sup>(b)</sup>  | (17)                        | —                           | (17)                        | —                           | —                           | —  |
| Regulatory settlement <sup>(b)</sup>  | —                           | —                           | —                           | —                           | —                           | —  |
| Energy Efficiency Recoverable <sup>(c)</sup>                                | (99)                        | (95)                        | (105)                       | (99)                        | (116)                       | (121)  |
| Other Deferrals and Recoverable <sup>(c)</sup>                              | (37)                        | (34)                        | (191)                       | (183)                       | (325)                       | (182)  |
| Margin based O&M for Non-reg products/services                              | (27)                        | (38)                        | (43)                        | (39)                        | (38)                        | (45)   |
| DEBS Depreciation <sup>(d)</sup>  | (15)                        | (22)                        | (24)                        | (29)                        | (34)                        | (40)   |
| Short-term incentive payments (over)/under budget                           | (14)                        | (8)                         | (6)                         | (16)                        | 4                           | —  |
| <b>Net Regulated Electric and Gas, operation, maintenance and other</b>     | <b>\$666</b>                | <b>\$647</b>                | <b>\$635</b>                | <b>\$668</b>                | <b>\$622</b>                | <b>\$628</b>                                 |

(a) As reported in the Consolidated Statements of Operations.

(b) Presented as a special item for the purpose of calculating adjusted earnings and adjusted diluted earnings per share.

(c) Primarily represents expenses to be deferred or recovered through rate riders.

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Midwest Jurisdictions**  
**Operations, Maintenance and Other Expense**  
(In millions)

|   | Actual<br>December 31, 2016 | Actual<br>December 31, 2017 | Actual<br>December 31, 2018 | Actual<br>December 31, 2019 | Actual<br>December 31, 2020 | Forecast <sup>(e)</sup><br>December 31, 2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Indiana</b> | <b>\$727</b>                | <b>\$743</b>                | <b>\$788</b>                | <b>\$790</b>                | <b>\$762</b>                | <b>\$782</b>                                 |
| <b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Ohio</b>    | <b>514</b>                  | <b>530</b>                  | <b>480</b>                  | <b>520</b>                  | <b>463</b>                  | <b>471</b>                                   |
| Adjustments:  |                             |                             |                             |                             |                             |  |
| Costs to Achieve, Mergers <sup>(b)</sup>                                    | (10)                        | (12)                        | (16)                        | —                           | —                           | —  |
| Severance <sup>(b)</sup>  | (10)                        | —                           | (13)                        | —                           | —                           | —  |
| Regulatory settlement <sup>(b)</sup>  | —                           | —                           | —                           | —                           | —                           | —  |
| Energy Efficiency Recoverable <sup>(c)</sup>                                | (86)                        | (104)                       | (71)                        | (68)                        | (54)                        | (45)   |
| Other Deferrals and Recoverable <sup>(c)</sup>                              | (39)                        | (48)                        | (89)                        | (99)                        | (101)                       | (106)  |
| Margin based O&M for Non-reg products/services                              | (9)                         | (16)                        | (11)                        | (12)                        | (9)                         | (13)   |
| DEBS Depreciation <sup>(d)</sup>  | (16)                        | (23)                        | (25)                        | (30)                        | (34)                        | (40)   |
| Short-term incentive payments (over)/under budget                           | (5)                         | (7)                         | —                           | (21)                        | 8                           | —  |
| <b>Net Regulated Electric and Gas, operation, maintenance and other</b>     | <b>\$1,066</b>              | <b>\$1,063</b>              | <b>\$1,043</b>              | <b>\$1,080</b>              | <b>\$1,035</b>              | <b>\$1,049</b>                               |

(a) As reported in the Consolidated Statements of Operations.

(b) Presented as a special item for the purpose of calculating adjusted earnings and adjusted diluted earnings per share.

(c) Primarily represents expenses to be deferred or recovered through rate riders.

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

Duke Energy Carolinas, LLC  
Docket no. E-7, Sub 1276  
E1-21- Annual Reports  
For the Test Year ended December 31,  
2021



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Jan 19 2023

Q2 / 2022



# Earnings Review and Business Update

Lynn Good / *Chair, President and CEO*  
Steve Young / *Executive Vice President and CFO*

August 4, 2022

## Safe Harbor statement

This presentation includes forward-looking statements within the meaning of the federal securities laws. Actual results could differ materially from such forward-looking statements. The factors that could cause actual results to differ are discussed herein and in Duke Energy's SEC filings, available at [www.sec.gov](http://www.sec.gov).

## Regulation G disclosure

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available in the Appendix herein and on our Investor Relations website at [www.duke-energy.com/investors/](http://www.duke-energy.com/investors/).



# Safe harbor statement

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to: The impact of the COVID-19 pandemic; State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations, asset retirement and construction costs related to carbon emissions reductions, and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process; The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; Costs and effects of legal and administrative proceedings, settlements, investigations and claims; Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy, reduced customer usage due to cost pressures from inflation or fuel costs, and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts, natural gas building and appliance electrification, and use of alternative energy sources, such as self-generation and distributed generation technologies; Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures, natural gas electrification, and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in a reduced number of customers, excess generation resources as well as stranded costs; Advancements in technology; Additional competition in electric and natural gas markets and continued industry consolidation; The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; Changing investor, customer, and other stakeholder expectations and demands including heightened emphasis on environmental, social and governance concerns; The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; Operational interruptions to our natural gas distribution and transmission activities; The availability of adequate interstate pipeline transportation capacity and natural gas supply; The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions, an individual utility's generation mix, and general market and economic conditions; Credit ratings of the Duke Energy Registrants may be different from what is expected; Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; The ability to control operation and maintenance costs; The level of creditworthiness of counterparties to transactions; The ability to obtain adequate insurance at acceptable costs; Employee workforce factors, including the potential inability to attract and retain key personnel; The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; The effect of accounting pronouncements issued periodically by accounting standard-setting bodies; Asset or business acquisitions and dispositions, including our ability to successfully consummate the second closing of the minority investment in Duke Energy Indiana or that the sale may not yield the anticipated benefits; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy, or cause fluctuations in the trading price of our common stock; and the ability to implement our business strategy, including its carbon emission reduction goals..

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at [sec.gov](https://www.sec.gov). In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**\$1.14**

**Q2 2022 REPORTED / ADJUSTED EPS  
RESULTS DRIVEN BY CONTINUED LOAD  
GROWTH AND WEATHER**

**\$5.30 - \$5.60**

**REAFFIRMING 2022  
ADJUSTED EPS  
GUIDANCE RANGE**

**5% – 7%**

**REAFFIRMING GROWTH RATE THROUGH  
2026 OFF MIDPOINT OF ORIGINAL 2021  
GUIDANCE RANGE (\$5.15)<sup>(1)</sup>**

<sup>(1)</sup> Based on adjusted EPS



## ANNOUNCED STRATEGIC REVIEW OF COMMERCIAL RENEWABLES BUSINESS

- Since 2007, Commercial Renewables has been Duke Energy's primary renewables platform and is among the top 10 largest solar and wind businesses in the U.S.
- Given the significant growth outlook for regulated renewables across the Duke Energy franchise, we are evaluating strategic alternatives for the Commercial Renewables business
  - Duke Energy's smallest segment, representing less than ~5% of consolidated earnings,<sup>(1)</sup> with a slower growth trajectory than regulated electric and gas utilities
  - If sold, majority of proceeds would be used for debt repayment and avoidance
- We remain committed to our net-zero goals and executing the industry's largest clean energy transition



### Commercial Renewables Overview

- ~5.1 GW of wind and solar in operation; ~3.5 GW net ownership
- Robust development pipeline of wind and solar projects
- Long-term power purchase agreements with creditworthy counterparties

(1) Based upon the midpoint of the 2022 adjusted EPS guidance range of \$5.30-\$5.60 per share; excludes the impact of Other

## CONTINUING TO ADVANCE CARBON PLAN FILING

- Filed proposed Carbon Plan on May 16, which includes four portfolios to meet 70% interim reduction targets
  - All portfolios replace coal with a diverse mix of resources
  - Proposes prudent near-term procurement and development work, which are common to most portfolios and preserve longer term optionality
- Hearing is scheduled to begin in mid-September, and the NCUC is required to approve Carbon Plan by December 31
  - Carbon Plan will be reviewed every two years, thereafter, and adjusted as needed
- Updated planning assumptions will be filed in South Carolina with the 2023 comprehensive IRP

| 2022 Timeline                               | Filed                               | Order                               | Docket #      |
|---|-------------------------------------|-------------------------------------|---------------|
| Rulemaking for performance-based regulation | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | E-100 Sub 178 |
| Rulemaking for coal plant securitization    | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | E-100 Sub 177 |
| Carbon Plan                                 | <input checked="" type="checkbox"/> | By December 31                      | E-100 Sub 179 |

## PROPOSED NEAR-TERM RESOURCES



- 3,100 MW of new solar (with 600 MW of paired storage)



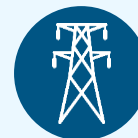
- 1,000 MW of stand-alone battery storage



- 600 MW of onshore wind



- 2,000 MW of hydrogen-capable natural gas

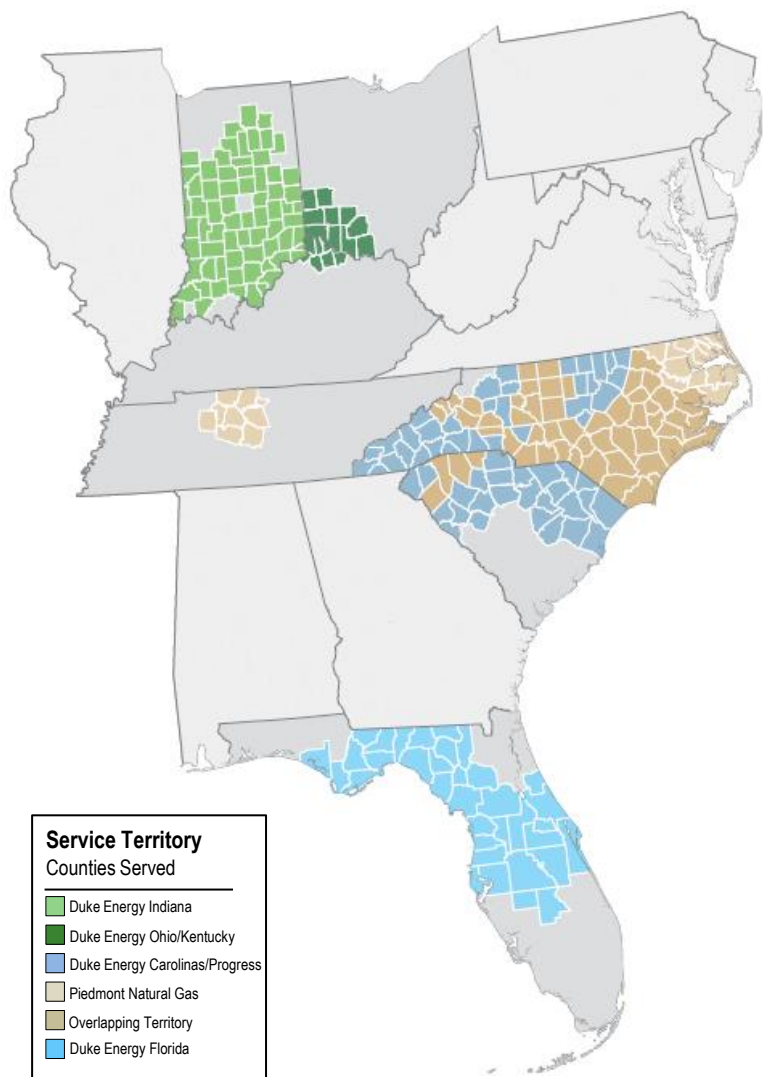


- Grid enhancements to support interconnection of new renewables and storage



- Early development work for long lead-time resources<sup>(1)</sup> for deployment in the early 2030s





## North Carolina

- Expect to file a DE Progress rate case in the fourth quarter of 2022 and a DE Carolinas rate case in early 2023

## South Carolina

- Filing DE Progress rate case in September
- Storm cost securitization legislation passed in June

## Florida

- 3 of 4 planned 2022 solar projects are online and producing power; on track to install 300 MW of solar in 2022

## Indiana

- 6-year, \$2 billion, TDSIC 2.0 approved in June; begins in 2023
- Assessing generation RFP results; plan to file CPCNs later in 2022

## Ohio / Kentucky

- DE Ohio distribution rate case hearing scheduled to begin September 19

## Natural Gas LDCs

- Filed DE Ohio rate case on June 30
- Piedmont-SC rate case hearing scheduled to begin August 15

## **CLEAN ENERGY TAX PROVISIONS HELP US MEET CUSTOMER EXPECTATIONS FOR AFFORDABLE, RELIABLE AND CLEAN ENERGY**

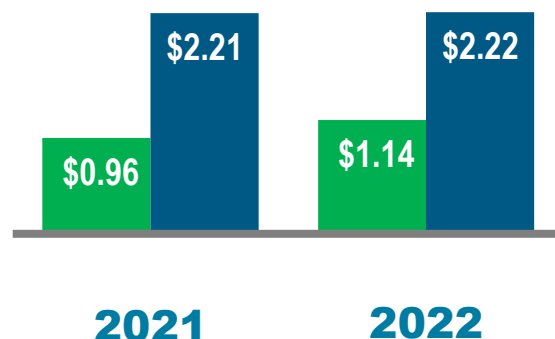
- **Customers are the real winner – provides for a more affordable transition**
  - Potential for significant customer benefits from nuclear and renewable PTCs
  - Promotes adoption of electric vehicles and EV infrastructure
- **Deploys critical infrastructure investments by more efficiently monetizing tax credits – improving cashflow and financing flexibility**
- **Provides significant benefits to commercial renewables business (and their customers) as we pursue strategic review**

*Our customers depend on us to deliver affordable, reliable and increasingly clean energy, and we support policies that enable those objectives*

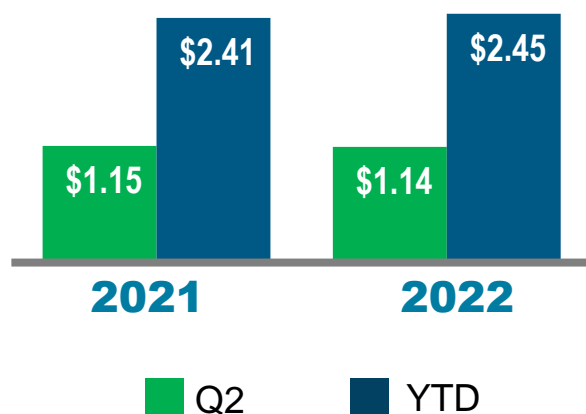
# Q2 2022 adjusted EPS summary and primary drivers

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## REPORTED EARNINGS PER SHARE



## ADJUSTED EARNINGS PER SHARE



## SEGMENT RESULTS VS. PRIOR YEAR QUARTER<sup>(1)</sup>

**Electric Utilities & Infrastructure, +\$23 M (+\$0.03 per share)**

- ▲ Weather (\$0.09)
- ▲ Retail electric volumes and rate increases
- ▼ O&M, including timing of plant outages
- ▼ Regulatory lag<sup>(2)</sup> on growing asset base

**Gas Utilities & Infrastructure, -\$10 M (-\$0.02 per share)**

- ▼ O&M

**Commercial Renewables, -\$1 M (flat)**

- ▲ Higher wind resource
- ▼ Fewer new projects placed in-service

**Other, -\$17 M (-\$0.02 per share)**

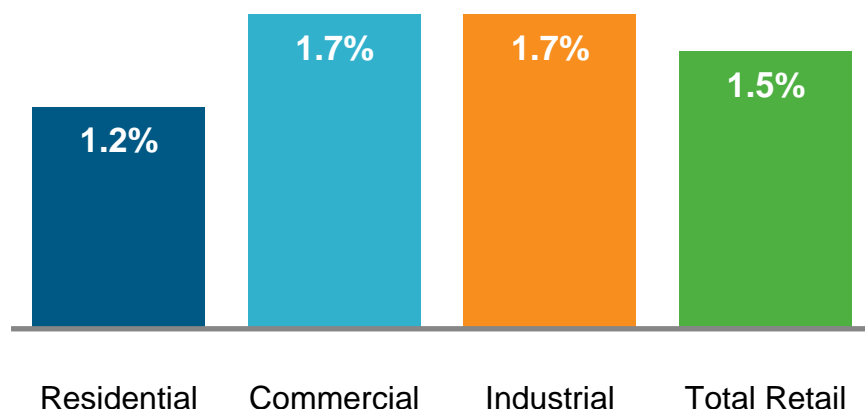
- ▼ Lower market returns on benefit trusts

(1) Based on adjusted EPS

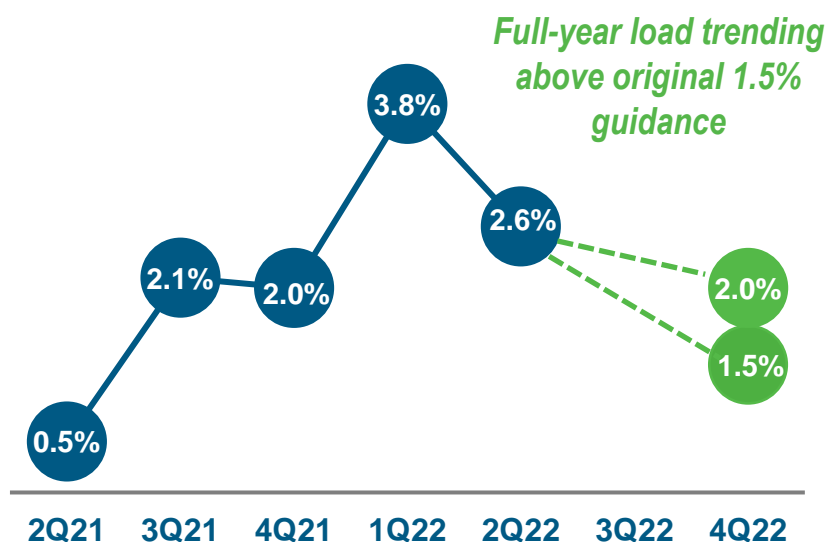
(2) Regulatory lag includes depreciation and amortization, interest expense and property taxes

# Retail electric volumes

## Q2 2022 RETAIL ELECTRIC VOLUMES<sup>(1)</sup>



## ROLLING 12-MONTH RETAIL LOAD TRENDS



## Q2 2022 RETAIL LOAD TRENDS

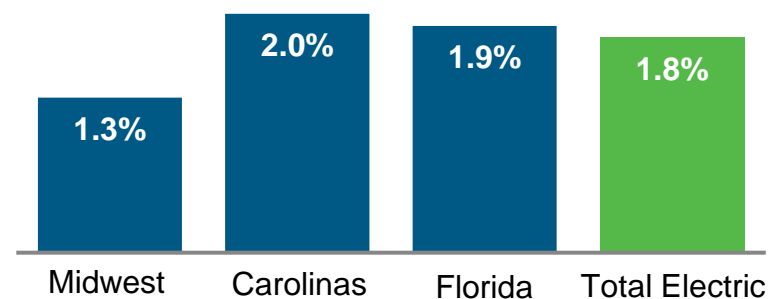
### Residential

- Customer growth remains robust across our territories
- Remote and hybrid work continues, with office occupancy data well below pre-pandemic levels

### Commercial and Industrial

- NC ranked #1 on CNBC's 2022 "America's Top States for Business"
  - Duke Energy operates in 5 of the top 15 states
- Commercial customers maintaining normal business hours

## ANNUAL RESIDENTIAL CUSTOMER GROWTH





## 2022 SHAPING CONSIDERATIONS<sup>(1)</sup>

- Timing of key drivers expected to modify shape of third and fourth quarter earnings vs 2021
- Growth in regulated utilities supported by electric volumes, price increases and cost management
- Higher interest expense with rising rate environment

|   | Q3 | Q4 |
|---|----|----|
| Normalizing 2021 weather <sup>(2)</sup> | ▼  | ▲  |
| Load Growth                             | ▲  | ▲  |
| O&M timing                              | -- | ▲  |
| Rate cases, riders & wholesale          | ▲  | ▲  |
| Commercial Renewables                   | ▼  | ▲  |
| Interest Expense                        | ▼  | ▼  |
| Tax accounting timing                   | ▼  | -- |

## 2023 RESPONSE TO RISING INTEREST RATES AND INFLATION

### Pursuing \$200 million of cost mitigation across the enterprise



- Employee-driven productivity and cost savings initiatives



- Focus on automation and digitization



- Leverage size and scale as competitive cost advantage



- Optimize timing of capex to reduce regulatory lag

# Our investor value proposition

DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE

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**3.7%**

**DIVIDEND YIELD<sup>(1)</sup>**  
WITH LONG-TERM  
DIVIDEND **GROWTH**  
**COMMITMENT<sup>(2)</sup>**



**~10%**

ATTRACTIVE  
RISK-ADJUSTED  
**TOTAL SHAREHOLDER**  
**RETURN<sup>(3)</sup>**



**5-7%**

LONG-TERM  
**EPS GROWTH<sup>(4)</sup>**  
THROUGH 2026

**CONSTRUCTIVE JURISDICTIONS, LOWER-RISK REGULATED  
INVESTMENTS AND BALANCE SHEET STRENGTH**

(1) As of August 2, 2022

(2) Subject to approval by the Board of Directors.

(3) Total shareholder return proposition at a constant P/E ratio

(4) Based on adjusted EPS

# APPENDIX

**OCTOBER 4, 2022**

**10am – 12pm, this event will be held virtually**

- ESG vision and commitments
- Enterprise trajectory to a zero-emissions future
- Customer focus and grid enablement
- Investment plans and maintaining customer affordability
- Just transition and stakeholder engagement
- Governance and board perspective on ESG

## TRANSITION TO CLEANER ENERGY WITH FOCUS ON RELIABILITY AND AFFORDABILITY

- Submitted 2021 Indiana integrated resource plan (IRP) in December
- Preferred portfolio reduces carbon emissions from our Indiana fleet by 63% in 2030 and 88% by 2040, compared to 2005 levels
- Key components of the company's preferred 20-year plan include:
  - Adds over 7,000 MW of renewables, plus 400 MW of energy storage
  - Adds 2,360 MW of natural gas, positioned to leverage hydrogen as the technology evolves
  - Accelerates coal plant retirement dates; retires all coal units by 2035<sup>(1)</sup>
- In February, filed RFPs for up to 2,400 MW of generation through 2027; includes renewable and dispatchable resources
- IRP will be updated for the CPCN filings to include results of the RFPs and current load and pricing assumptions



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| 2022 Timeline                           | Status                              |
|---|-------------------------------------|
| IRP                                     | <input checked="" type="checkbox"/> |
| Request for proposal for new generation | <input checked="" type="checkbox"/> |
| IURC staff report on IRP                | 2022                                |
| CPCN filings                            | By year end 2022                    |

# Economic development

## OUR COMMUNITIES DEPEND ON ECONOMIC GROWTH, AND WE PLAY AN IMPORTANT ROLE

- We work with state and local authorities to promote economic growth in our communities, helping attract investment in jobs
- Focused on several key business sectors: Aerospace, data centers, advanced manufacturing, automotive, life sciences, and food/beverage processing
- Long track record of success – Site Selection magazine named Duke Energy to its “Top Utilities in Economic Development” list for the 17<sup>th</sup> consecutive year

Attracted nearly 12,500 new jobs and \$6.2 billion in capital investment in 2021



North Carolina

**CAPITAL  
INVESTMENT**  
\$2,457 million



**JOBS**  
5,310



South Carolina

**CAPITAL  
INVESTMENT**  
\$712 million



**JOBS**  
1,038



Florida

**CAPITAL  
INVESTMENT**  
\$362 million



**JOBS**  
2,087



Indiana

**CAPITAL  
INVESTMENT**  
\$1,241 million



**JOBS**  
3,308



Ohio–Kentucky

**CAPITAL  
INVESTMENT**  
\$1,414 million



**JOBS**  
770

# Commercial Renewables data points (values as of June 30, 2022)

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## CAPACITY BY REGION AND RESOURCE TYPE

| <i>Gross MWs</i>            | Solar                      | Wind         | Battery   | Total                      |
|-----------------------------|----------------------------|--------------|-----------|----------------------------|
| <b>Texas</b>                | 658                        | 1,981        | 36        | 2,675                      |
| <b>West</b>                 | 414                        | 421          | -         | 835                        |
| <b>Southwest</b>            | 54                         | -            | -         | 54                         |
| <b>Southeast</b>            | 400                        | -            | -         | 400                        |
| <b>Midwest</b>              | -                          | 872          | 2         | 874                        |
| <b>Northeast</b>            | 25                         | 139          | -         | 164                        |
| <b>Total Gross MW</b>       | <b>1,688<sup>(1)</sup></b> | <b>3,413</b> | <b>38</b> | <b>5,139<sup>(2)</sup></b> |
| <b>Net MW<sup>(3)</sup></b> | <b>1,534<sup>(1)</sup></b> | <b>1,958</b> | <b>20</b> | <b>3,512<sup>(2)</sup></b> |

## FINANCING

| <i>in millions</i>                          | Solar | Wind  | Total                  |
|---|-------|-------|------------------------|
| <b>Project financing, gross</b>             | \$844 | \$750 | \$1,540 <sup>(4)</sup> |
| <b>Project financing, net<sup>(3)</sup></b> | \$658 | \$382 | \$1,007 <sup>(4)</sup> |

(1) Total includes 123 MW wholly-owned distributed generation assets and 13 MW (gross) / 11 MW (net) of facilities < 5 MW not shown in table details.

(2) Excludes 44 MW of wholly-owned fuel cell capacity

(3) Net of John Hancock partnership interest

(4) Includes \$54M (gross) and \$34M (net) of unamortized debt issuance costs and excludes ~\$135M of unconsolidated debt

States by Region: West: CA, CO, WY; Southwest: AZ, NM; Southeast: FL, NC; Midwest: KS, OH, OK, WI; Northeast: NY, PA



# 2022 SUPPLEMENTAL FINANCIAL INFORMATION



# Key 2022 adjusted earnings guidance assumptions

| (\$ in millions)  | Original 2022 Assumptions <sup>(1)</sup> | 2022 YTD (thru 6/30/2022) |
|---|--|---------------------------|
| <b>Adjusted segment income/(expense)<sup>(2)</sup>:</b>   |  |                           |
| Electric Utilities & Infrastructure   | \$4,170                                  | \$1,854                   |
| Gas Utilities & Infrastructure  | \$470                                    | \$273                     |
| Commercial Renewables   | \$150                                    | \$57                      |
| Other   | (\$595)                                  | (\$300)                   |
| Duke Energy Consolidated  | \$4,195                                  | \$1,884                   |
| <b>Additional consolidated information:</b>   |  |                           |
| Effective tax rate including noncontrolling interests and preferred dividends and excluding special items | 8-10%                                    | 7.1%                      |
| AFUDC equity  | \$195                                    | \$99                      |
| Capital expenditures <sup>(3)(4)</sup>  | \$12,350                                 | \$5,269                   |
| Weighted-average shares outstanding – basic   | ~770 million                             | ~770 million              |

(1) Full-year amounts for 2022, as disclosed on Feb. 10, 2022

(2) Adjusted net income for 2022 assumptions is based upon the midpoint of the adjusted EPS guidance range of \$5.30 to \$5.60

(3) Includes debt AFUDC and capitalized interest

(4) 2022 Assumptions include ~\$488 million of projected coal ash closure spend. 2022 YTD actual includes coal ash closure spend of ~\$208 million that was included in operating cash flows and excludes tax equity

# Electric utilities quarterly weather impacts

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| Weather segment income to normal:          | 2022                  |                      |                                      | 2021          |                      |                                      |                     |       |                     |        |
|--|-----------------------|----------------------|--------------------------------------|---------------|----------------------|--------------------------------------|---------------------|-------|---------------------|--------|
|  | Pretax impact         | Weighted avg. shares | EPS impact favorable / (unfavorable) | Pretax impact | Weighted avg. shares | EPS impact favorable / (unfavorable) |                     |       |                     |        |
| First Quarter                              | (\$33)                | 770                  | (\$0.03)                             | (\$17)        | 769                  | (\$0.02)                             |                     |       |                     |        |
| Second Quarter                             | \$104                 | 770                  | \$0.10                               | \$7           | 769                  | \$0.01                               |                     |       |                     |        |
| Third Quarter                              |                       |                      |                                      | \$46          | 769                  | \$0.05                               |                     |       |                     |        |
| Fourth Quarter                             |                       |                      |                                      | (81)          | 769                  | (\$0.08)                             |                     |       |                     |        |
| Year-to-Date <sup>(1)</sup>                | \$71                  | 770                  | \$0.07                               | (46)          | 769                  | (\$0.05)                             |                     |       |                     |        |
| 2Q 2022                                    | Duke Energy Carolinas |                      | Duke Energy Progress                 |               | Duke Energy Florida  |                                      | Duke Energy Indiana |       | Duke Energy Ohio/KY |        |
| Heating degree days / Variance from normal | 1,795                 | (6.9%)               | 1,604                                | (8.9%)        | 301                  | (19.4%)                              | 3,297               | 1.8%  | 2,959               | (1.6%) |
| Cooling degree days / Variance from normal | 600                   | 17.8%                | 705                                  | 24.8%         | 1,481                | 18.1%                                | 417                 | 23.3% | 411                 | 21.8%  |
| 2Q 2021                                    | Duke Energy Carolinas |                      | Duke Energy Progress                 |               | Duke Energy Florida  |                                      | Duke Energy Indiana |       | Duke Energy Ohio/KY |        |
| Heating degree days / Variance from normal | 1,908                 | (0.9%)               | 1,747                                | (0.8%)        | 310                  | (18.2%)                              | 3,261               | 0.7%  | 3,014               | 0.5%   |
| Cooling degree days / Variance from normal | 471                   | (7.8)%               | 559                                  | (1.3%)        | 1,360                | 9.6%                                 | 355                 | 5.1%  | 360                 | 7.1%   |

(1) Year-to-date amounts may not foot due to differences in weighted-average shares outstanding and/or rounding.

# Key 2022 earnings sensitivities

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| Driver                              |   | EPS Impact                    |
|-------------------------------------|---|-------------------------------|
| Electric Utilities & Infrastructure | 1% change in earned return on equity  | +/- \$0.53                    |
|                                     | \$1 billion change in rate base   | +/- \$0.07                    |
|                                     | 1% change in Electric Utilities volumes   | +/- \$0.15 <sup>(1) (2)</sup> |
|                                     | Industrial +/- \$0.02 <sup>(2)</sup><br>Commercial +/- \$0.05 <sup>(2)</sup><br>Residential +/- \$0.08 <sup>(2)</sup> |                               |
| Gas Utilities & Infrastructure      | 1% change in earned return on equity  | +/- \$0.08                    |
|                                     | \$200 million change in rate base   | +/- \$0.01                    |
|                                     | 1% change in number of new customers  | +/- \$0.02                    |
| Consolidated                        | 1% change in interest rates <sup>(3)</sup>  | +/- \$0.12                    |

Note: EPS amounts based on forecasted 2022 basic share count of ~770 million shares

(1) Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins

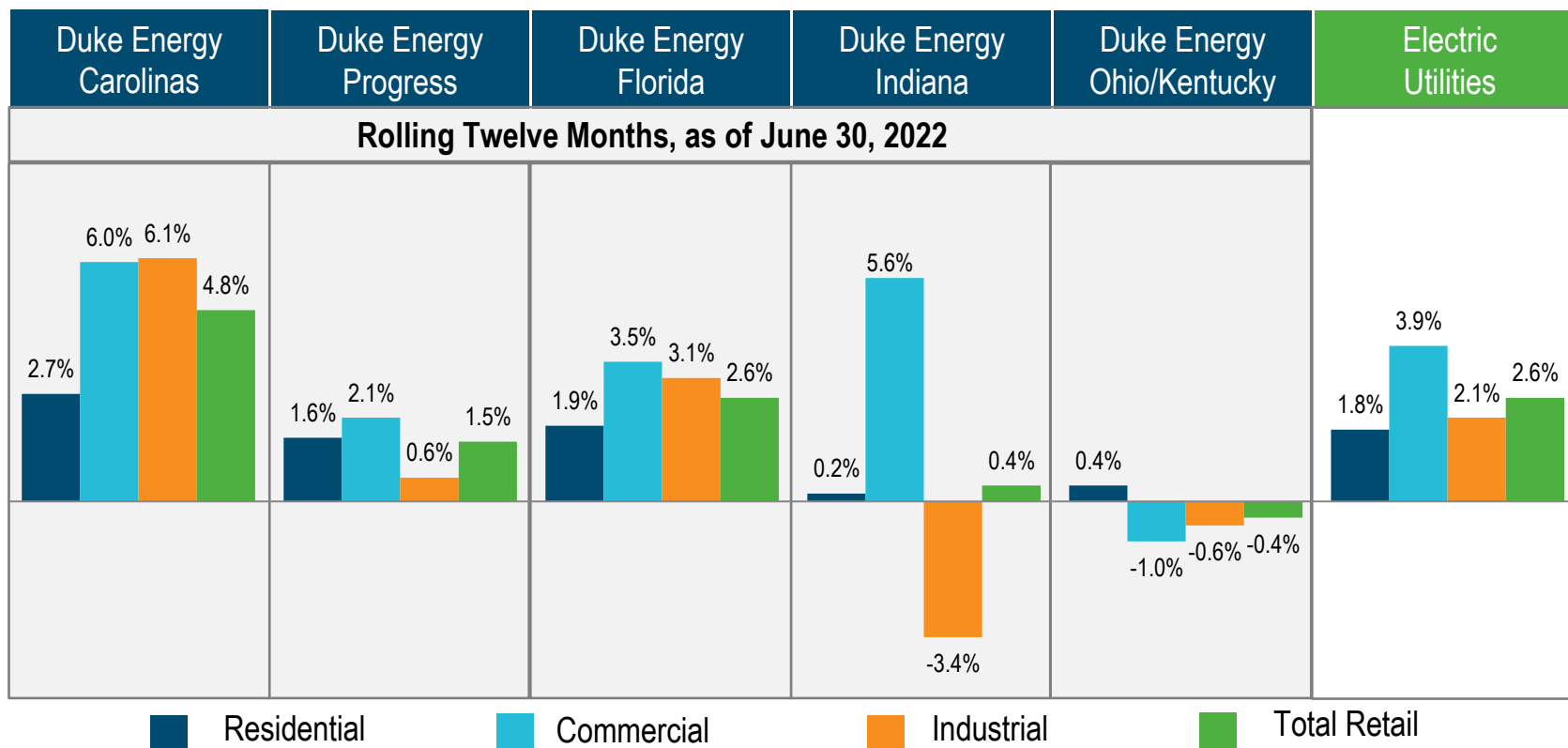
(2) Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted.

(3) Based on average variable-rate debt outstanding throughout the year and new issuances.

# Weather normalized volume trends, by electric jurisdiction

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# FINANCING PLAN UPDATE AND CURRENT LIQUIDITY

# 2022 Financing plan<sup>(1)</sup>

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| Issuer          | Estimated / Actual Amount (\$ in millions) | Security                                | Date Issued    | Completed (\$ in millions) | Term   | Rate           | 2022 Maturities <sup>(2)</sup> |
|-----------------|--|---|----------------|----------------------------|--|----------------|--------------------------------|
| Holding Company | \$1,400                                    | Term Loan                               | March 9, 2022  | \$1,400 <sup>(3)</sup>     | 2-year   | Floating       | \$500                          |
|                 | \$402                                      | Tax-Exempt Debt                         | June 2, 2022   | \$234<br>\$168             | 5-year (AMT) <sup>(4)</sup><br>5-year (Non-AMT) <sup>(4)</sup> | 4.25%<br>4.00% | \$2,050<br>(May, Apr. & Aug.)  |
|                 | \$1,182                                    | Euro Senior Notes <sup>(5)</sup>        | June 15, 2022  | \$645<br>\$537             | 6-year<br>12-year  | 4.75%<br>5.31% |                                |
|                 | \$3,000 - \$3,500                          | Senior Debt / Hybrid Securities         |                |                            |  |                |                                |
| DE Carolinas    | \$1,150                                    | Sustainable First Mortgage Bonds (FMBs) | March 4, 2022  | \$500<br>\$650             | 10-year<br>30-year   | 2.85%<br>3.55% | \$350<br>(May)                 |
| DE Progress     | \$900                                      | Sustainable FMBs                        | March 17, 2022 | \$500<br>\$400             | 10-year<br>30-year   | 3.40%<br>4.00% | \$500<br>(May)                 |
|                 | \$300 - \$500                              | Tax-Exempt Debt                         |                |                            |  |                |                                |
| DE Florida      | \$400 - \$600                              | Senior Debt                             |                |                            |  |                | -                              |
| DE Indiana      | \$67                                       | Tax-Exempt Debt                         | June 27, 2022  | \$23<br>\$44               | 5-year <sup>(3)</sup><br>10-year <sup>(3)</sup>                | 3.75%<br>4.50% | -                              |
| Piedmont        | \$400                                      | Senior Debt                             | May 13, 2022   | \$400                      | 30-year  | 5.05%          | -                              |
| DE Kentucky     | \$50                                       | Tax-Exempt Debt                         | June 27, 2022  | \$50                       | 5-year   | 3.70%          | -                              |
| <b>Total</b>    | <b>\$9,301 - \$10,201</b>                  |   |                | <b>\$5,601</b>             |  |                |                                |

(1) Excludes financings at Commercial Renewables and other non-regulated entities

(2) Excludes amortization of noncash purchase accounting adjustments and CR3 securitization

(3) On March 9, 2022, Duke Energy Corp. executed a \$1.4 billion term loan of which \$500 million of the proceeds were used to repay \$500 million of outstanding borrowings under its \$1.0 billion revolving credit facility, which was retired at the time of repayment. Remaining proceeds of \$900 million go towards 2022 estimated Holding Company financing of \$5.5 - 6.0 billion.

(4) Term aligns with the mandatory put date of the bonds to the Company. Final maturity is beyond the term shown. AMT = Alternative Minimum Tax

(5) Issued €1.1 billion of Euro Senior Notes and swapped all cash flows back to U.S. dollars.

# Liquidity summary (as of June 30, 2022)

(\$ in millions)

|   | Duke Energy | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Indiana | Duke Energy Ohio | Duke Energy Kentucky | Piedmont Natural Gas | Total           |
|---|-------------|-----------------------|----------------------|---------------------|---------------------|------------------|----------------------|----------------------|-----------------|
| Master Credit Facility <sup>(1)</sup>                   | \$ 3,150    | \$ 1,225              | \$ 1,200             | \$ 1,100            | \$ 750              | \$ 600           | \$ 175               | \$ 800               | \$ 9,000        |
| Less: Notes payable and commercial paper <sup>(2)</sup> | (1,853)     | (326)                 | (150)                | (458)               | (400)               | (267)            | (32)                 | (30)                 | (3,516)         |
| Outstanding letters of credit (LOCs)                    | (25)        | (4)                   | (2)                  | (7)                 | -                   | -                | -                    | -                    | (38)            |
| Tax-exempt bonds  | -           | -                     | -                    | -                   | (81)                | -                | -                    | -                    | (81)            |
| Available capacity                                      | \$ 1,272    | \$ 895                | \$ 1,048             | \$ 635              | \$ 269              | \$ 333           | \$ 143               | \$ 770               | \$ 5,365        |
| Cash & short-term investments                           |             |                       |                      |                     |                     |                  |                      |                      | 364             |
| <b>Total available liquidity</b>                        |             |                       |                      |                     |                     |                  |                      |                      | <b>\$ 5,729</b> |

(1) Duke Energy's master credit facility supports Tax-Exempt Bonds, LOCs and the Duke Energy CP program of \$6 billion.

(2) Includes permanent layer of commercial paper of \$625 million, which is classified as long-term debt

## UPCOMING EVENTS & OTHER



## Upcoming events

| Event                             | Date                 |
|-----------------------------------|----------------------|
| ESG Day (10am to noon, Eastern)   | October 4, 2022      |
| 3Q 2022 earnings call (tentative) | November 4, 2022     |
| 2022 EEI Financial Conference     | November 13-15, 2022 |

## **JACK SULLIVAN, VICE PRESIDENT INVESTOR RELATIONS**

- Jack.Sullivan@duke-energy.com
- (980) 373-3564

## **CHRIS JACOBI, DIRECTOR INVESTOR RELATIONS**

- Christopher.Jacobi@duke-energy.com
- (704) 382-8397

## **LINDA MILLER, MANAGER INVESTOR RELATIONS**

- Linda.Miller@duke-energy.com
- (980) 373-2407



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For additional information on Duke Energy,  
please visit: [duke-energy.com/investors](https://duke-energy.com/investors)

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 4, 2022**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 4, 2022, include a discussion of adjusted EPS for the quarter and year-to-date periods ended June 30, 2022 and 2021.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended June 30, 2022 and 2021, to the most directly comparable GAAP measure are included herein.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- Regulatory Matters represents the net impact of charges related to the 2022 Indiana Supreme Court ruling on coal ash
- Mark-to-Market represents the income statement impact of derivative instruments that do not qualify for hedge accounting or regulatory accounting
- Workplace and workforce realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment
- Gas Pipeline Investments represents additional exit obligations related to ACP

**Adjusted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, include a reference to forecasted 2022 adjusted EPS guidance range of \$5.30 to \$5.60 per share and the midpoint of forecasted 2022 adjusted EPS guidance of \$5.45. The materials also reference the long-term range of annual growth of 5% - 7% through 2026 off the midpoint of original 2021 adjusted EPS guidance range of \$5.15. The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2022, and a discussion of 2022 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. A reconciliation of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2022, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

## **Effective Tax Rate Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, include a discussion of the effective tax rate including noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended June 30, 2022. The materials also include a discussion of the 2022 forecasted effective tax rate including noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes special items and excludes noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended June 30, 2022, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of June 30, 2022. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2022, to the most directly comparable GAAP measure is included herein.

**Commercial Renewables Earning Contribution**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, reference less than 5% of consolidated earnings coming from Commercial Renewables (i.e., earning contribution). Commercial Renewables earnings contribution is calculated as the Commercial Renewable segment's 2022 projected adjusted segment income, as a percentage of total 2022 projected segment income, excluding the impact of Other, based upon the midpoint of the 2022 adjusted EPS guidance range of \$5.30-\$5.60.

Adjusted segment income is a non-GAAP financial measure, as it represents reported segment income adjusted for special items as discussed above. Due to the forward-looking nature of any forecasted adjusted segment income, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items (as discussed above under Adjusted EPS Guidance).

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2022**  
(Dollars in millions, except per share amounts)

|  |                   | Special Items      |                |                   |                   |
|--|-------------------|--------------------|----------------|-------------------|-------------------|
|  | Reported Earnings | Regulatory Matters | Mark-to-Market | Total Adjustments | Adjusted Earnings |
| <b>SEGMENT INCOME</b>  |                   |                    |                |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 974            | \$ (16) <b>A</b>   | \$ —           | \$ (16)           | \$ 958            |
| Gas Utilities and Infrastructure   | 19                | —                  | —              | —                 | 19                |
| Commercial Renewables  | 30                | —                  | 16 <b>B</b>    | 16                | 46                |
| <b>Total Reportable Segment Income</b>                                     | <b>1,023</b>      | <b>(16)</b>        | <b>16</b>      | <b>—</b>          | <b>1,023</b>      |
| Other  | (130)             | —                  | —              | —                 | (130)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 893</b>     | <b>\$ (16)</b>     | <b>\$ 16</b>   | <b>\$ —</b>       | <b>\$ 893</b>     |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 1.14</b>    | <b>\$ (0.02)</b>   | <b>\$ 0.02</b> | <b>\$ —</b>       | <b>\$ 1.14</b>    |

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** — Net of \$2 million recorded within Noncontrolling Interests. \$18 million tax benefit related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** — Net of \$5 million tax benefit. \$21 million recorded within Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 770 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2022**  
(Dollars in millions, except per share amounts)

|  |                          | <b>Special Items</b>      |                       |                          |                          |
|--|--------------------------|---------------------------|-----------------------|--------------------------|--------------------------|
|  | <b>Reported Earnings</b> | <b>Regulatory Matters</b> | <b>Mark-to-Market</b> | <b>Total Adjustments</b> | <b>Adjusted Earnings</b> |
| <b>SEGMENT INCOME</b>  |                          |                           |                       |                          |                          |
| Electric Utilities and Infrastructure                                      | \$ 1,697                 | \$ 157 <b>A</b>           | \$ —                  | \$ 157                   | \$ 1,854                 |
| Gas Utilities and Infrastructure   | 273                      | —                         | —                     | —                        | 273                      |
| Commercial Renewables  | 41                       | —                         | 16 <b>B</b>           | 16                       | 57                       |
| <b>Total Reportable Segment Income</b>                                     | <b>2,011</b>             | <b>157</b>                | <b>16</b>             | <b>173</b>               | <b>2,184</b>             |
| Other  | (300)                    | —                         |                       | —                        | (300)                    |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 1,711</b>          | <b>\$ 157</b>             | <b>\$ 16</b>          | <b>\$ 173</b>            | <b>\$ 1,884</b>          |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 2.22</b>           | <b>\$ 0.21</b>            | <b>\$ 0.02</b>        | <b>\$ 0.23</b>           | <b>\$ 2.45</b>           |

**A** — Net of \$80 million tax benefit. \$211 million recorded within Impairment of assets and other charges, \$46 million within Regulated electric (Operating revenues) and \$20 million within Noncontrolling Interests related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** — Net of \$5 million tax benefit. \$21 million recorded within Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) - 770 million**

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Jan 19 2023



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

|  | Reported Earnings | Special Items            |                                     | Total Adjustments | Adjusted Earnings |
|--|-------------------|--------------------------|-------------------------------------|-------------------|-------------------|
|  |                   | Gas Pipeline Investments | Workplace and Workforce Realignment |                   |                   |
| <b>SEGMENT INCOME</b>  |                   |                          |                                     |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 935            | \$ —                     | \$ —                                | \$ —              | \$ 935            |
| Gas Utilities and Infrastructure   | 17                | 12 A                     | —                                   | 12                | 29                |
| Commercial Renewables  | 47                | —                        | —                                   | —                 | 47                |
| <b>Total Reportable Segment Income</b>                                     | <b>999</b>        | <b>12</b>                | <b>—</b>                            | <b>12</b>         | <b>1,011</b>      |
| Other  | (248)             | —                        | 135 B                               | 135               | (113)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 751</b>     | <b>\$ 12</b>             | <b>\$ 135</b>                       | <b>\$ 147</b>     | <b>\$ 898</b>     |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.96</b>    | <b>\$ 0.01</b>           | <b>\$ 0.18</b>                      | <b>\$ 0.19</b>    | <b>\$ 1.15</b>    |

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** – Net of \$4 million tax benefit. \$16 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** – Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 769 million**

DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Six Months Ended June 30, 2021  
(Dollars in millions, except per share amounts)

|  | Reported Earnings | Special Items            |                                     | Total Adjustments | Adjusted Earnings |
|--|-------------------|--------------------------|-------------------------------------|-------------------|-------------------|
|  |                   | Gas Pipeline Investments | Workplace and Workforce Realignment |                   |                   |
| <b>SEGMENT INCOME</b>  |                   |                          |                                     |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 1,755          | \$ —                     | \$ —                                | \$ —              | \$ 1,755          |
| Gas Utilities and Infrastructure   | 262               | 17                       | A —                                 | 17                | 279               |
| Commercial Renewables  | 74                | —                        | —                                   | —                 | 74                |
| <b>Total Reportable Segment Income</b>                                     | <b>2,091</b>      | <b>17</b>                | <b>—</b>                            | <b>17</b>         | <b>2,108</b>      |
| Other  | (387)             | —                        | 135                                 | B 135             | (252)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 1,704</b>   | <b>\$ 17</b>             | <b>\$ 135</b>                       | <b>\$ 152</b>     | <b>\$ 1,856</b>   |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 2.21</b>    | <b>\$ 0.02</b>           | <b>\$ 0.18</b>                      | <b>\$ 0.20</b>    | <b>\$ 2.41</b>    |

**A** – Net of \$5 million tax benefit. \$22 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** – Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 769 million**

**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2022  
(Dollars in millions)

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2022      |                    | June 30, 2022    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>  | \$ 957             |                    | \$ 1,763         |                    |
| Regulatory Matters  | —                  |                    | 257              |                    |
| Mark-to-Market  | 21                 |                    | 21               |                    |
| Noncontrolling Interests  | 26                 |                    | 39               |                    |
| Preferred Dividends   | (14)               |                    | (53)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <u>\$ 990</u>      |                    | <u>\$ 2,027</u>  |                    |
| <b>Reported Income Tax Expense</b>  | \$ 77              | 8.0 %              | \$ 63            | 3.6 %              |
| Regulatory Matters  | 18                 |                    | 80               |                    |
| Mark-to-Market  | 5                  |                    | 5                |                    |
| Noncontrolling Interest Portion of Income Taxes <sup>(a)</sup>  | (3)                |                    | (5)              |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <u>\$ 97</u>       | 9.8%               | <u>\$ 143</u>    | 7.1 %              |

(a) Income tax related to non-pass through entities for tax purposes.

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2021      |                    | June 30, 2021    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>  | 734                |                    | \$ 1,759         |                    |
| Gas Pipeline Investments  | 16                 |                    | 22               |                    |
| Workplace and Workforce Realignment   | 175                |                    | 175              |                    |
| Noncontrolling Interests  | 67                 |                    | 118              |                    |
| Preferred Dividends   | (14)               |                    | (53)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <u>\$ 978</u>      |                    | <u>\$ 2,021</u>  |                    |
| <b>Reported Income Tax Expense</b>  | 36                 | 4.9 %              | 120              | 6.8 %              |
| Gas Pipeline Investments  | 4                  |                    | 5                |                    |
| Workplace and Workforce Realignment   | 40                 |                    | 40               |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <u>\$ 80</u>       | 8.2%               | <u>\$ 165</u>    | 8.2 %              |

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2022**  
(In millions)

|  |                        |                              |
|--|------------------------|------------------------------|
| Cash and Cash Equivalents  | \$ 428                 |                              |
| Less: Certain Amounts Held in Foreign Jurisdictions                              | (7)                    |                              |
| Less: Unavailable Domestic Cash  | <u>(57)</u>            |                              |
|  | 364                    |                              |
| Plus: Remaining Availability under Master Credit Facilities and other facilities | <u>5,365</u>           |                              |
| Total Available Liquidity <sup>(a)</sup>   | <u><u>\$ 5,729</u></u> | approximately \$ 5.7 billion |

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of June 30, 2022. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

## News Release



Media Contact: Jennifer Garber  
24-Hour: 800.559.3853

Analyst Contact: Jack Sullivan  
Office: 980.373.3564

August 4, 2022

### Duke Energy reports second-quarter 2022 financial results

- **Second-quarter 2022 reported and adjusted EPS of \$1.14, driven by continued strength in Electric Utilities and Infrastructure**
- **Reaffirmed 2022 adjusted EPS guidance range of \$5.30 to \$5.60 and adjusted EPS growth rate of 5% to 7% through 2026 off 2021 original midpoint of \$5.15**
- **Announced a strategic review of the Commercial Renewables business**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced second-quarter 2022 reported EPS of \$1.14, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of \$1.14. This is compared to reported EPS of \$0.96 and adjusted EPS of \$1.15 for the second quarter of 2021.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. Reported EPS is equal to adjusted EPS for second quarter 2022 due to offsetting special items. Reported EPS includes the net impact of offsetting special items related to the 2022 Indiana Supreme Court ruling on coal ash and derivative instruments that do not qualify for hedge accounting or regulatory treatment.

Lower second-quarter 2022 adjusted results were led by higher O&M expense due to plant outage timing in the Electric Utilities and Infrastructure segment along with higher interest expense and the impact of GIC minority interest. These items were partially offset by favorable weather, higher volumes and positive rate case contributions.

“We’ve had an excellent first half of the year, delivering strong results driven by continued growth in our regulated operations as we execute the industry’s largest clean energy transition,” said Lynn Good, Duke Energy chair, president and chief executive officer. “We’re making great progress across our jurisdictions - enhancing reliability and resiliency through grid modernization, transitioning our fleet to cleaner energy technologies, and advancing regulatory and legislative priorities. We are reaffirming our full year earnings guidance range of \$5.30 to \$5.60 and long-term adjusted EPS growth rate of 5% to 7% through 2026 off the 2021 original midpoint of \$5.15.”

“Commercial renewables has played an important role in our business strategy for over 15 years, establishing a core competency in renewable energy development and operations that will continue to serve us well as we advance our strategy. But as we look forward to the remainder of this decade and beyond, we see significant investment opportunities in our regulated operations and believe now is the time to review the strategic fit of our commercial portfolio.”

## Business segment results

In addition to the following summary of second-quarter 2022 business segment performance, comprehensive tables with detailed EPS drivers for the second quarter compared to prior year are provided at the end of this news release.

The discussion below of second-quarter results includes both GAAP segment income and adjusted segment income, which is a non-GAAP financial measure. The tables at the end of this news release present a full reconciliation of GAAP reported results to adjusted results.

### Electric Utilities and Infrastructure

On a reported basis, Electric Utilities and Infrastructure recognized second-quarter 2022 segment income of \$974 million, compared to segment income of \$935 million in the second quarter of 2021. In addition to the drivers outlined below, second-quarter 2022 results include impacts related to the 2022 Indiana Supreme Court ruling on coal ash, which was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, Electric Utilities and Infrastructure recognized second-quarter 2022 segment income of \$958 million, compared to segment income of \$935 million in the second quarter of 2021, an increase of \$0.03 per share. Higher quarterly results were primarily due to favorable weather (+\$0.09 per share) and rate case contributions (+\$0.04 per share), partially offset by higher O&M expenses (-\$0.07 per share) and GIC minority interest impact (-\$0.03 per share).

### Gas Utilities and Infrastructure

On a reported and adjusted basis, Gas Utilities and Infrastructure recognized second-quarter 2022 segment income of \$19 million, compared to reported and adjusted income of \$17 million and \$29 million, respectively, in the second quarter of 2021. On an adjusted basis, this represents a decrease of \$0.02 per share. Lower quarterly results were primarily driven by higher O&M expenses (-\$0.01 per share), higher interest expense (-\$0.01 per share) and lower AFUDC Equity (-\$0.01 per share), partially offset by riders and other retail margin (+\$0.01 per share). Second-quarter 2021 results included costs related to the cancellation of the ACP investment. These charges were treated as special items and excluded from adjusted earnings.

### Commercial Renewables

On a reported basis, Commercial Renewables recognized second-quarter 2022 segment income of \$30 million, compared to segment income of \$47 million in the second quarter of 2021. Second-quarter 2022 results include the net impact of derivative instruments that do not qualify for hedge accounting or regulatory treatment. These charges were treated as special items and excluded from adjusted earnings.

On an adjusted basis, Commercial Renewables recognized second-quarter 2022 segment income of \$46 million, compared to segment income of \$47 million in the second quarter of 2021. Quarterly results were flat to prior year.

## Other

Other primarily includes interest expense on holding company debt, other unallocated corporate costs and results from Duke Energy's captive insurance company.

On a reported and adjusted basis, Other recognized a second-quarter 2022 net loss of \$130 million, compared to reported and adjusted net losses of \$248 million and \$113 million, respectively, in the second quarter of 2021. On an adjusted basis, this represents a decrease of \$0.02 per share. Lower quarterly results were primarily due to lower returns on investments (-\$0.05 per share) and higher interest expense (-\$0.01 per share), partially offset by higher results at National Methanol Corporation (NMC) (+\$0.03 per share). Second-quarter 2021 results included workplace and workforce realignment costs. These amounts were treated as special items and excluded from earnings.

## Effective tax rate

Duke Energy's consolidated reported effective tax rate for the second quarter of 2022 was 8.0% compared to 4.9% in the second quarter of 2021. The increase in the effective tax rate was primarily due to a decrease in the amortization of excess deferred taxes in relation to higher pretax income.

The effective tax rate including noncontrolling interests and preferred dividends and excluding special items for the second quarter of 2022 was 9.8% compared to 8.2% in the second quarter of 2021. The increase was primarily due to a decrease in the amortization of excess deferred taxes.

The tables at the end of this news release present a reconciliation of the reported effective tax rate to the effective tax rate including noncontrolling interests and preferred dividends and excluding special items.

## Earnings conference call for analysts

An earnings conference call for analysts is scheduled at 10 a.m. ET today to discuss second-quarter 2022 financial results and other business and financial updates. The conference call will be hosted by Lynn Good, chair, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](https://duke-energy.com/investors)) of Duke Energy's website or by dialing 888.510.2359 in the U.S. or 646.960.0215 outside the U.S. The confirmation code is 2999899. Please call in 10 to 15 minutes prior to the scheduled start time.

A recording of the webcast with transcript will be available on the investors' section of the company's website by August 5.

## Special Items and Non-GAAP Reconciliation

The following tables present a reconciliation of GAAP reported earnings per share to adjusted earnings per share for second-quarter 2022 and 2021 financial results:

| (In millions, except per share amounts) | After-Tax Amount | 2Q 2022 EPS | 2Q 2021 EPS |
|---|------------------|-------------|-------------|
| EPS, as reported                        |                  | \$ 1.14     | \$ 0.96     |
| Adjustments to reported EPS:            |                  |             |             |
| <b>Second Quarter 2022</b>              |                  |             |             |
| Regulatory Matters                      | \$ (16)          | (0.02)      |             |
| Mark-to-Market                          | 16               | 0.02        |             |
| <b>Second Quarter 2021</b>              |                  |             |             |
| Gas pipeline investments                | \$ 12            |             | 0.01        |
| Workplace and Workforce Realignment     | 135              |             | 0.18        |
| Total adjustments                       |                  | \$ —        | \$ 0.19     |
| EPS, adjusted                           |                  | \$ 1.14     | \$ 1.15     |

## Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted EPS and effective tax rate including noncontrolling interests and preferred dividends and excluding special items. Adjusted earnings and adjusted EPS represent income (loss) from continuing operations available to Duke Energy Corporation common stockholders in dollar and per share amounts, adjusted for the dollar and per share impact of special items. The effective tax rate including noncontrolling interests and preferred dividends and excluding special items is calculated using pretax earnings and income tax expense, both as adjusted for the impact of noncontrolling interests, preferred dividends and special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. The most directly comparable GAAP measures for adjusted earnings, adjusted EPS and effective tax rate including noncontrolling interests and preferred dividends and excluding special items are Net Income (Loss) Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss)), Basic earnings (loss) per share Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss) per share), and the reported effective tax rate, respectively.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- Regulatory Matters represents the net impact of charges related to the 2022 Indiana Supreme Court ruling on coal ash.
- Mark-to-Market represents the income statement impact of derivative instruments that do not qualify for hedge accounting or regulatory accounting.



- Gas pipeline investments represents additional exit obligations related to ACP.
- Workplace and Workforce Realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.

Due to the forward-looking nature of any forecasted adjusted earnings guidance, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods (such as legal settlements, the impact of regulatory orders or asset impairments).

Management evaluates segment performance based on segment income (loss) and other net loss. Segment income (loss) is defined as income (loss) from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income (loss) includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income as a measure of historical and anticipated future segment performance. Adjusted segment income is a non-GAAP financial measure, as it is based upon segment income (loss) adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income (loss) and other net loss.

Due to the forward-looking nature of any forecasted adjusted segment income or adjusted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as the company is unable to forecast all special items, as discussed above.

Duke Energy's adjusted earnings, adjusted EPS and adjusted segment income may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

## **Duke Energy**

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of America's largest energy holding companies. Its electric utilities serve 8.2 million customers in North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky, and collectively own 50,000 megawatts of energy capacity. Its natural gas unit serves 1.6 million customers in North Carolina, South Carolina, Tennessee, Ohio and Kentucky. The company employs 28,000 people.

Duke Energy is executing an aggressive clean energy transition to achieve its goals of net-zero methane emissions from its natural gas business and at least a 50% carbon reduction from electric generation by 2030 and net-zero carbon emissions by 2050. The 2050 net-zero goals also include Scope 2 and certain Scope 3 emissions. In addition, the company is investing in

major electric grid enhancements and energy storage, and exploring zero-emission power generation technologies such as hydrogen and advanced nuclear.

Duke Energy was named to Fortune's 2022 "World's Most Admired Companies" list and Forbes' "America's Best Employers" list. More information is available at [duke-energy.com](https://duke-energy.com). The Duke Energy News Center contains news releases, fact sheets, photos and videos. Duke Energy's illumination features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on Twitter, LinkedIn, Instagram and Facebook.

## Forward-Looking Information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- The impact of the COVID-19 pandemic;
- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations, asset retirement and construction costs related to carbon emissions reductions, and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy, reduced customer usage due to cost pressures from inflation or fuel costs, and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts, natural gas building and appliance electrification, and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures, natural gas electrification, and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in a reduced number of customers, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- Changing investor, customer and other stakeholder expectations and demands including heightened emphasis on environmental, social and governance concerns;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- Operational interruptions to our natural gas distribution and transmission activities;

- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions, an individual utility's generation mix, and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values;
- Asset or business acquisitions and dispositions, including our ability to successfully consummate the second closing of the minority investment in Duke Energy Indiana, may not yield the anticipated benefits;
- The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy, or cause fluctuations in the trading price of our common stock; and
- The ability to implement our business strategy, including its carbon emission reduction goals.

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at [sec.gov](https://www.sec.gov). In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2022**  
(Dollars in millions, except per share amounts)

|  |                   | Special Items      |                |                   |                   |
|--|-------------------|--------------------|----------------|-------------------|-------------------|
|  | Reported Earnings | Regulatory Matters | Mark-to-Market | Total Adjustments | Adjusted Earnings |
| <b>SEGMENT INCOME</b>  |                   |                    |                |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 974            | \$ (16) <b>A</b>   | \$ —           | \$ (16)           | \$ 958            |
| Gas Utilities and Infrastructure   | 19                | —                  | —              | —                 | 19                |
| Commercial Renewables  | 30                | —                  | 16 <b>B</b>    | 16                | 46                |
| <b>Total Reportable Segment Income</b>                                     | <b>1,023</b>      | <b>(16)</b>        | <b>16</b>      | <b>—</b>          | <b>1,023</b>      |
| Other  | (130)             | —                  | —              | —                 | (130)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 893</b>     | <b>\$ (16)</b>     | <b>\$ 16</b>   | <b>\$ —</b>       | <b>\$ 893</b>     |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 1.14</b>    | <b>\$ (0.02)</b>   | <b>\$ 0.02</b> | <b>\$ —</b>       | <b>\$ 1.14</b>    |

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** – Net of \$2 million recorded within Noncontrolling Interests. \$18 million tax benefit related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** – Net of \$5 million tax benefit. \$21 million recorded within Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 770 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2022**  
(Dollars in millions, except per share amounts)

|  |                          | <b>Special Items</b>      |                       |                          |                          |
|--|--------------------------|---------------------------|-----------------------|--------------------------|--------------------------|
|  | <b>Reported Earnings</b> | <b>Regulatory Matters</b> | <b>Mark-to-Market</b> | <b>Total Adjustments</b> | <b>Adjusted Earnings</b> |
| <b>SEGMENT INCOME</b>  |                          |                           |                       |                          |                          |
| Electric Utilities and Infrastructure                                      | \$ 1,697                 | \$ 157 <b>A</b>           | \$ —                  | \$ 157                   | \$ 1,854                 |
| Gas Utilities and Infrastructure   | 273                      | —                         | —                     | —                        | 273                      |
| Commercial Renewables  | 41                       | —                         | 16 <b>B</b>           | 16                       | 57                       |
| <b>Total Reportable Segment Income</b>                                     | <b>2,011</b>             | <b>157</b>                | <b>16</b>             | <b>173</b>               | <b>2,184</b>             |
| Other  | (300)                    | —                         |                       | —                        | (300)                    |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 1,711</b>          | <b>\$ 157</b>             | <b>\$ 16</b>          | <b>\$ 173</b>            | <b>\$ 1,884</b>          |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 2.22</b>           | <b>\$ 0.21</b>            | <b>\$ 0.02</b>        | <b>\$ 0.23</b>           | <b>\$ 2.45</b>           |

**A** – Net of \$80 million tax benefit. \$211 million recorded within Impairment of assets and other charges, \$46 million within Regulated electric (Operating revenues) and \$20 million within Noncontrolling Interests related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** – Net of \$5 million tax benefit. \$21 million recorded within Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 770 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

|  | Reported Earnings | Special Items            |                                     | Total Adjustments | Adjusted Earnings |
|--|-------------------|--------------------------|-------------------------------------|-------------------|-------------------|
|  |                   | Gas Pipeline Investments | Workplace and Workforce Realignment |                   |                   |
| <b>SEGMENT INCOME</b>  |                   |                          |                                     |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 935            | \$ —                     | \$ —                                | \$ —              | \$ 935            |
| Gas Utilities and Infrastructure   | 17                | 12 A                     | —                                   | 12                | 29                |
| Commercial Renewables  | 47                | —                        | —                                   | —                 | 47                |
| <b>Total Reportable Segment Income</b>                                     | <b>999</b>        | <b>12</b>                | <b>—</b>                            | <b>12</b>         | <b>1,011</b>      |
| Other  | (248)             | —                        | 135 B                               | 135               | (113)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 751</b>     | <b>\$ 12</b>             | <b>\$ 135</b>                       | <b>\$ 147</b>     | <b>\$ 898</b>     |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 0.96</b>    | <b>\$ 0.01</b>           | <b>\$ 0.18</b>                      | <b>\$ 0.19</b>    | <b>\$ 1.15</b>    |

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** – Net of \$4 million tax benefit. \$16 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** – Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 769 million**

DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Six Months Ended June 30, 2021  
(Dollars in millions, except per share amounts)

|  | Reported Earnings | Special Items            |                                     | Total Adjustments | Adjusted Earnings |
|--|-------------------|--------------------------|-------------------------------------|-------------------|-------------------|
|  |                   | Gas Pipeline Investments | Workplace and Workforce Realignment |                   |                   |
| <b>SEGMENT INCOME</b>  |                   |                          |                                     |                   |                   |
| Electric Utilities and Infrastructure                                      | \$ 1,755          | \$ —                     | \$ —                                | \$ —              | \$ 1,755          |
| Gas Utilities and Infrastructure   | 262               | 17 <b>A</b>              | —                                   | 17                | 279               |
| Commercial Renewables  | 74                | —                        | —                                   | —                 | 74                |
| <b>Total Reportable Segment Income</b>                                     | <b>2,091</b>      | <b>17</b>                | <b>—</b>                            | <b>17</b>         | <b>2,108</b>      |
| Other  | (387)             | —                        | 135 <b>B</b>                        | 135               | (252)             |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | <b>\$ 1,704</b>   | <b>\$ 17</b>             | <b>\$ 135</b>                       | <b>\$ 152</b>     | <b>\$ 1,856</b>   |
| <b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>        | <b>\$ 2.21</b>    | <b>\$ 0.02</b>           | <b>\$ 0.18</b>                      | <b>\$ 0.20</b>    | <b>\$ 2.41</b>    |

**A** – Net of \$5 million tax benefit. \$22 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** – Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 769 million**

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2022  
(Dollars in millions)

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2022      |                    | June 30, 2022    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>  | \$ 957             |                    | \$ 1,763         |                    |
| Regulatory Matters  | —                  |                    | 257              |                    |
| Mark-to-Market  | 21                 |                    | 21               |                    |
| Noncontrolling Interests  | 26                 |                    | 39               |                    |
| Preferred Dividends   | (14)               |                    | (53)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <u>\$ 990</u>      |                    | <u>\$ 2,027</u>  |                    |
| <b>Reported Income Tax Expense</b>  | \$ 77              | 8.0 %              | \$ 63            | 3.6 %              |
| Regulatory Matters  | 18                 |                    | 80               |                    |
| Mark-to-Market  | 5                  |                    | 5                |                    |
| Noncontrolling Interest Portion of Income Taxes <sup>(a)</sup>  | (3)                |                    | (5)              |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <u>\$ 97</u>       | 9.8%               | <u>\$ 143</u>    | 7.1 %              |

(a) Income tax related to non-pass through entities for tax purposes.

|   | Three Months Ended |                    | Six Months Ended |                    |
|---|--------------------|--------------------|------------------|--------------------|
|   | June 30, 2021      |                    | June 30, 2021    |                    |
|   | Balance            | Effective Tax Rate | Balance          | Effective Tax Rate |
| <b>Reported Income Before Income Taxes</b>  | 734                |                    | \$ 1,759         |                    |
| Gas Pipeline Investments  | 16                 |                    | 22               |                    |
| Workplace and Workforce Realignment   | 175                |                    | 175              |                    |
| Noncontrolling Interests  | 67                 |                    | 118              |                    |
| Preferred Dividends   | (14)               |                    | (53)             |                    |
| <b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b> | <u>\$ 978</u>      |                    | <u>\$ 2,021</u>  |                    |
| <b>Reported Income Tax Expense</b>  | 36                 | 4.9 %              | 120              | 6.8 %              |
| Gas Pipeline Investments  | 4                  |                    | 5                |                    |
| Workplace and Workforce Realignment   | 40                 |                    | 40               |                    |
| <b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>   | <u>\$ 80</u>       | 8.2%               | <u>\$ 165</u>    | 8.2 %              |



**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2022 QTD vs. Prior Year

| (Dollars per share)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other            | Consolidated     |
|--|---------------------------------------|----------------------------------|-----------------------|------------------|------------------|
| <b>2021 QTD Reported Earnings Per Share</b>                    | <b>\$ 1.22</b>                        | <b>\$ 0.03</b>                   | <b>\$ 0.06</b>        | <b>\$ (0.35)</b> | <b>\$ 0.96</b>   |
| Gas Pipeline Investments                                       | —                                     | 0.01                             | —                     | —                | 0.01             |
| Workplace and Workforce Realignment                            | —                                     | —                                | —                     | 0.18             | 0.18             |
| <b>2021 QTD Adjusted Earnings Per Share</b>                    | <b>\$ 1.22</b>                        | <b>\$ 0.04</b>                   | <b>\$ 0.06</b>        | <b>\$ (0.17)</b> | <b>\$ 1.15</b>   |
| Weather  | 0.09                                  | —                                | —                     | —                | 0.09             |
| Volume   | 0.03                                  | —                                | —                     | —                | 0.03             |
| Riders and Other Retail Margin                                 | —                                     | 0.01                             | —                     | —                | 0.01             |
| Rate case impacts, net <sup>(a)</sup>                          | 0.04                                  | —                                | —                     | —                | 0.04             |
| Wholesale  | (0.03)                                | —                                | —                     | —                | (0.03)           |
| Operations and maintenance, net of recoverables <sup>(b)</sup> | (0.07)                                | (0.01)                           | —                     | —                | (0.08)           |
| Duke Energy Renewables   | —                                     | —                                | —                     | —                | —                |
| Interest Expense   | (0.01)                                | (0.01)                           | —                     | (0.01)           | (0.03)           |
| AFUDC Equity   | 0.02                                  | (0.01)                           | —                     | —                | 0.01             |
| Depreciation and amortization <sup>(c)</sup>                   | (0.02)                                | —                                | —                     | —                | (0.02)           |
| Other <sup>(d)</sup>   | (0.02)                                | —                                | —                     | (0.01)           | (0.03)           |
| <b>Total variance</b>  | <b>\$ 0.03</b>                        | <b>\$ (0.02)</b>                 | <b>\$ —</b>           | <b>\$ (0.02)</b> | <b>\$ (0.01)</b> |
| <b>2022 QTD Adjusted Earnings Per Share</b>                    | <b>\$ 1.25</b>                        | <b>\$ 0.02</b>                   | <b>\$ 0.06</b>        | <b>\$ (0.19)</b> | <b>\$ 1.14</b>   |
| Mark-to-Market   | —                                     | —                                | (0.02)                | —                | (0.02)           |
| Regulatory Matters   | <b>0.02</b>                           | —                                | —                     | —                | 0.02             |
| <b>2022 QTD Reported Earnings Per Share</b>                    | <b>\$ 1.27</b>                        | <b>\$ 0.02</b>                   | <b>\$ 0.04</b>        | <b>\$ (0.19)</b> | <b>\$ 1.14</b>   |

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 769 million shares to 770 million.

- (a) Electric Utilities and Infrastructure includes DEC and DEP North Carolina final rates, which became effective June 2021 (+\$0.02) and the DEF SBRA and multiyear rate plan (+\$0.02).  
(b) Primarily due to timing of plant outage and maintenance work in the current year and a prior year favorable allowance for doubtful accounts adjustment at Electric Utilities and Infrastructure.  
(c) Excludes rate case impacts.  
(d) Electric Utilities and Infrastructure includes impact of GIC minority interest sale. Other includes lower returns on investments, partially offset by higher earnings at NMC.

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2022 YTD vs. Prior Year

| (Dollars per share)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other            | Consolidated   |
|--|---------------------------------------|----------------------------------|-----------------------|------------------|----------------|
| <b>2021 YTD Reported Earnings Per Share</b>                    | <b>\$ 2.28</b>                        | <b>\$ 0.34</b>                   | <b>\$ 0.10</b>        | <b>\$ (0.51)</b> | <b>\$ 2.21</b> |
| Gas Pipeline Investments                                       | —                                     | 0.02                             | —                     | —                | 0.02           |
| Workplace and Workforce Realignment                            | —                                     | —                                | —                     | 0.18             | 0.18           |
| <b>2021 YTD Adjusted Earnings Per Share</b>                    | <b>\$ 2.28</b>                        | <b>\$ 0.36</b>                   | <b>\$ 0.10</b>        | <b>\$ (0.33)</b> | <b>\$ 2.41</b> |
| Weather  | 0.08                                  | —                                | —                     | —                | 0.08           |
| Volume <sup>(a)</sup>  | 0.27                                  | —                                | —                     | —                | 0.27           |
| Riders and Other Retail Margin <sup>(b)</sup>                  | (0.04)                                | 0.03                             | —                     | —                | (0.01)         |
| Rate case impacts, net <sup>(c)</sup>                          | 0.04                                  | 0.04                             | —                     | —                | 0.08           |
| Wholesale  | (0.01)                                | —                                | —                     | —                | (0.01)         |
| Operations and maintenance, net of recoverables <sup>(d)</sup> | (0.18)                                | (0.03)                           | —                     | —                | (0.21)         |
| Duke Energy Renewables <sup>(e)</sup>                          | —                                     | —                                | (0.02)                | —                | (0.02)         |
| Interest Expense   | (0.02)                                | (0.01)                           | —                     | (0.02)           | (0.05)         |
| AFUDC Equity   | 0.03                                  | (0.01)                           | —                     | —                | 0.02           |
| Depreciation and amortization                                  | —                                     | (0.01)                           | —                     | —                | (0.01)         |
| Other <sup>(f)</sup>   | (0.04)                                | (0.02)                           | —                     | (0.04)           | (0.10)         |
| <b>Total variance</b>  | <b>\$ 0.13</b>                        | <b>\$ (0.01)</b>                 | <b>\$ (0.02)</b>      | <b>\$ (0.06)</b> | <b>\$ 0.04</b> |
| <b>2022 YTD Adjusted Earnings Per Share</b>                    | <b>\$ 2.41</b>                        | <b>\$ 0.35</b>                   | <b>\$ 0.08</b>        | <b>\$ (0.39)</b> | <b>\$ 2.45</b> |
| Regulatory Matters   | (0.21)                                | —                                | —                     | —                | (0.21)         |
| Mark-to-Market   | —                                     | —                                | (0.02)                | —                | (0.02)         |
| <b>2022 YTD Reported Earnings Per Share</b>                    | <b>\$ 2.20</b>                        | <b>\$ 0.35</b>                   | <b>\$ 0.06</b>        | <b>\$ (0.39)</b> | <b>\$ 2.22</b> |

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 769 million shares to 770 million.

- (a) Includes block and seasonal pricing (+\$0.04).  
(b) Electric Utilities and Infrastructure includes higher reliability and capacity purchases and lower late payment revenues.  
(c) Electric Utilities and Infrastructure includes DEC and DEP North Carolina final rates which became effective June 2021 (+\$0.02) and DEF SBRA and multiyear rate plan (+\$0.02). Gas Utilities and Infrastructure includes the net impact of the PNG NC rate case, effective November 2021.  
(d) Electric Utilities and Infrastructure includes higher storm costs (-\$0.06), timing of plant outage and maintenance work and a prior year favorable allowance for doubtful accounts adjustment.  
(e) Primarily due to fewer renewable projects placed in service in the current year (-\$0.07), partially offset by Texas Storm Uri impacts in the prior year (+\$0.04).  
(f) Electric Utilities and Infrastructure includes impact of GIC minority interest sale. Other includes lower returns on investments, partially offset by higher earnings at NMC.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(In millions, except per share amounts)

|  | Three Months Ended<br>June 30, |          | Six Months Ended<br>June 30, |           |
|--|--------------------------------|----------|------------------------------|-----------|
|  | 2022                           | 2021     | 2022                         | 2021      |
| <b>Operating Revenues</b>  |                                |          |                              |           |
| Regulated electric   | \$ 6,074                       | \$ 5,258 | \$ 12,007                    | \$ 10,477 |
| Regulated natural gas  | 425                            | 302      | 1,427                        | 1,051     |
| Nonregulated electric and other  | 186                            | 198      | 383                          | 380       |
| Total operating revenues   | 6,685                          | 5,758    | 13,817                       | 11,908    |
| <b>Operating Expenses</b>  |                                |          |                              |           |
| Fuel used in electric generation and purchased power                       | 1,972                          | 1,415    | 3,789                        | 2,858     |
| Cost of natural gas  | 189                            | 79       | 670                          | 355       |
| Operation, maintenance and other   | 1,447                          | 1,410    | 3,077                        | 2,812     |
| Depreciation and amortization  | 1,302                          | 1,207    | 2,622                        | 2,433     |
| Property and other taxes   | 379                            | 349      | 771                          | 702       |
| Impairment of assets and other charges                                     | (9)                            | 131      | 206                          | 131       |
| Total operating expenses   | 5,280                          | 4,591    | 11,135                       | 9,291     |
| <b>Gains on Sales of Other Assets and Other, net</b>                       | 8                              | 2        | 10                           | 2         |
| <b>Operating Income</b>  | 1,413                          | 1,169    | 2,692                        | 2,619     |
| <b>Other Income and Expenses</b>   |                                |          |                              |           |
| Equity in earnings (losses) of unconsolidated affiliates                   | 36                             | 9        | 61                           | (8)       |
| Other income and expenses, net   | 115                            | 128      | 204                          | 255       |
| Total other income and expenses  | 151                            | 137      | 265                          | 247       |
| <b>Interest Expense</b>  | 607                            | 572      | 1,194                        | 1,107     |
| <b>Income Before Income Taxes</b>  | 957                            | 734      | 1,763                        | 1,759     |
| <b>Income Tax Expense</b>  | 77                             | 36       | 63                           | 120       |
| <b>Net Income</b>  | 880                            | 698      | 1,700                        | 1,639     |
| <b>Add: Net Loss Attributable to Noncontrolling Interests</b>              | 27                             | 67       | 64                           | 118       |
| <b>Net Income Attributable to Duke Energy Corporation</b>                  | 907                            | 765      | 1,764                        | 1,757     |
| <b>Less: Preferred Dividends</b>   | 14                             | 14       | 53                           | 53        |
| <b>Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 893                         | \$ 751   | \$ 1,711                     | \$ 1,704  |
| <b>Earnings Per Share – Basic and Diluted</b>                              |                                |          |                              |           |
| Net income available to Duke Energy Corporation common stockholders        |                                |          |                              |           |
| Basic and Diluted  | \$ 1.14                        | \$ 0.96  | \$ 2.22                      | \$ 2.21   |
| Weighted average shares outstanding  |                                |          |                              |           |
| Basic and Diluted  | 770                            | 769      | 770                          | 769       |

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**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

| (In millions)   | June 30, 2022     | December 31, 2021 |
|---|-------------------|-------------------|
| <b>ASSETS</b>   |                   |                   |
| <b>Current Assets</b>   |                   |                   |
| Cash and cash equivalents   | \$ 428            | \$ 343            |
| Receivables (net of allowance for doubtful accounts of \$44 at 2022 and \$46 at 2021)   | 907               | 1,173             |
| Receivables of VIEs (net of allowance for doubtful accounts of \$92 at 2022 and \$76 at 2021)   | 3,021             | 2,437             |
| Inventory   | 3,208             | 3,199             |
| Regulatory assets (includes \$105 at 2022 and 2021 related to VIEs)   | 2,834             | 2,150             |
| Other (includes \$284 at 2022 and \$256 at 2021 related to VIEs)  | 1,163             | 638               |
| Total current assets  | 11,561            | 9,940             |
| <b>Property, Plant and Equipment</b>  |                   |                   |
| Cost  | 166,004           | 161,819           |
| Accumulated depreciation and amortization   | (52,252)          | (50,555)          |
| Facilities to be retired, net   | 99                | 144               |
| Net property, plant and equipment   | 113,851           | 111,408           |
| <b>Other Noncurrent Assets</b>  |                   |                   |
| Goodwill  | 19,303            | 19,303            |
| Regulatory assets (includes \$1,774 at 2022 and \$1,823 at 2021 related to VIEs)  | 12,863            | 12,487            |
| Nuclear decommissioning trust funds   | 8,574             | 10,401            |
| Operating lease right-of-use assets, net  | 1,222             | 1,266             |
| Investments in equity method unconsolidated affiliates  | 983               | 970               |
| Other (includes \$120 at 2022 and \$92 at 2021 related to VIEs)   | 4,026             | 3,812             |
| Total other noncurrent assets   | 46,971            | 48,239            |
| <b>Total Assets</b>   | <b>\$ 172,383</b> | <b>\$ 169,587</b> |
| <b>LIABILITIES AND EQUITY</b>   |                   |                   |
| <b>Current Liabilities</b>  |                   |                   |
| Accounts payable  | \$ 3,971          | \$ 3,629          |
| Notes payable and commercial paper  | 3,875             | 3,304             |
| Taxes accrued   | 682               | 749               |
| Interest accrued  | 554               | 533               |
| Current maturities of long-term debt (includes \$633 at 2022 and \$243 at 2021 related to VIEs)   | 3,171             | 3,387             |
| Asset retirement obligations  | 649               | 647               |
| Regulatory liabilities  | 1,383             | 1,211             |
| Other   | 2,259             | 2,471             |
| Total current liabilities   | 16,544            | 15,931            |
| <b>Long-Term Debt (includes \$4,435 at 2022 and \$4,854 at 2021 related to VIEs)</b>  | <b>63,147</b>     | <b>60,448</b>     |
| <b>Other Noncurrent Liabilities</b>   |                   |                   |
| Deferred income taxes   | 9,948             | 9,379             |
| Asset retirement obligations  | 12,080            | 12,129            |
| Regulatory liabilities  | 14,519            | 16,152            |
| Operating lease liabilities   | 1,039             | 1,074             |
| Accrued pension and other post-retirement benefit costs   | 799               | 855               |
| Investment tax credits  | 855               | 833               |
| Other (includes \$213 at 2022 and \$319 at 2021 related to VIEs)  | 1,868             | 1,650             |
| Total other noncurrent liabilities  | 41,108            | 42,072            |
| <b>Commitments and Contingencies</b>  |                   |                   |
| <b>Equity</b>   |                   |                   |
| Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2022 and 2021                          | 973               | 973               |
| Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2022 and 2021                                      | 989               | 989               |
| Common Stock, \$0.001 par value, 2 billion shares authorized; 770 million shares outstanding at 2022 and 769 million shares outstanding at 2021 | 1                 | 1                 |
| Additional paid-in capital  | 44,373            | 44,371            |
| Retained earnings   | 3,457             | 3,265             |
| Accumulated other comprehensive loss  | (73)              | (303)             |
| Total Duke Energy Corporation stockholders' equity  | 49,720            | 49,296            |
| Noncontrolling interests  | 1,864             | 1,840             |
| Total equity  | 51,584            | 51,136            |
| <b>Total Liabilities and Equity</b>   | <b>\$ 172,383</b> | <b>\$ 169,587</b> |

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(In millions)

|  | Six Months Ended June 30, |          |
|--|---------------------------|----------|
|  | 2022                      | 2021     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                      |                           |          |
| Net Income   | \$ 1,700                  | \$ 1,639 |
| Adjustments to reconcile net income to net cash provided by operating activities | 2,335                     | 2,234    |
| Net cash provided by operating activities  | 4,035                     | 3,873    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                      |                           |          |
| Net cash used in investing activities  | (5,492)                   | (5,614)  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                      |                           |          |
| Net cash provided by financing activities  | 1,576                     | 1,750    |
| Net increase in cash, cash equivalents and restricted cash                       | 119                       | 9        |
| Cash, cash equivalents and restricted cash at beginning of period                | 520                       | 556      |
| Cash, cash equivalents and restricted cash at end of period                      | \$ 639                    | \$ 565   |

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**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

|  | Three Months Ended June 30, 2022      |                                  |                       |          |                           |             |
|--|---------------------------------------|----------------------------------|-----------------------|----------|---------------------------|-------------|
| (In millions)  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other    | Eliminations/ Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |                                       |                                  |                       |          |                           |             |
| Regulated electric   | \$ 6,082                              | \$ —                             | \$ —                  | \$ —     | (8)                       | \$ 6,074    |
| Regulated natural gas  | —                                     | 448                              | —                     | —        | (23)                      | 425         |
| Nonregulated electric and other  | 53                                    | 5                                | 121                   | 30       | (23)                      | 186         |
| Total operating revenues   | 6,135                                 | 453                              | 121                   | 30       | (54)                      | 6,685       |
| <b>Operating Expenses</b>  |                                       |                                  |                       |          |                           |             |
| Fuel used in electric generation and purchased power   | 1,991                                 | —                                | —                     | —        | (19)                      | 1,972       |
| Cost of natural gas  | —                                     | 189                              | —                     | —        | —                         | 189         |
| Operation, maintenance and other   | 1,328                                 | 113                              | 82                    | (46)     | (30)                      | 1,447       |
| Depreciation and amortization  | 1,110                                 | 82                               | 60                    | 58       | (8)                       | 1,302       |
| Property and other taxes   | 331                                   | 33                               | 10                    | 4        | 1                         | 379         |
| Impairment of assets and other charges   | (8)                                   | —                                | —                     | —        | (1)                       | (9)         |
| Total operating expenses   | 4,752                                 | 417                              | 152                   | 16       | (57)                      | 5,280       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 3                                     | 4                                | —                     | —        | 1                         | 8           |
| <b>Operating Income (Loss)</b>   | 1,386                                 | 40                               | (31)                  | 14       | 4                         | 1,413       |
| <b>Other Income and Expenses</b>   |                                       |                                  |                       |          |                           |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 2                                     | 4                                | (2)                   | 32       | —                         | 36          |
| Other income and expenses, net   | 151                                   | 15                               | 2                     | (39)     | (14)                      | 115         |
| Total Other Income and Expenses  | 153                                   | 19                               | —                     | (7)      | (14)                      | 151         |
| <b>Interest Expense</b>  | 391                                   | 42                               | 19                    | 165      | (10)                      | 607         |
| <b>Income (Loss) Before Income Taxes</b>   | 1,148                                 | 17                               | (50)                  | (158)    | —                         | 957         |
| <b>Income Tax Expense (Benefit)</b>  | 158                                   | (2)                              | (36)                  | (43)     | —                         | 77          |
| <b>Net Income (Loss)</b>   | 990                                   | 19                               | (14)                  | (115)    | —                         | 880         |
| <b>Add: Net (Income) Loss Attributable to Noncontrolling Interest</b>  | (16)                                  | —                                | 44                    | (1)      | —                         | 27          |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>   | 974                                   | 19                               | 30                    | (116)    | —                         | 907         |
| <b>Less: Preferred Dividends</b>   | —                                     | —                                | —                     | 14       | —                         | 14          |
| <b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 974                                | \$ 19                            | \$ 30                 | \$ (130) | \$ —                      | \$ 893      |
| <b>Special Items</b>   | (16)                                  | —                                | 16                    | —        | —                         | —           |
| <b>Adjusted Earnings<sup>(a)</sup></b>   | \$ 958                                | \$ 19                            | \$ 46                 | \$ (130) | \$ —                      | \$ 893      |

(a) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income / Other Net Loss to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Six Months Ended June 30, 2022        |                                  |                       |          |                          |             |
|--|---------------------------------------|----------------------------------|-----------------------|----------|--------------------------|-------------|
|  | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Other    | Eliminations/Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |                                       |                                  |                       |          |                          |             |
| Regulated electric   | \$ 12,022                             | \$ —                             | \$ —                  | \$ —     | (15)                     | \$ 12,007   |
| Regulated natural gas  | —                                     | 1,473                            | —                     | —        | (46)                     | 1,427       |
| Nonregulated electric and other  | 115                                   | 12                               | 242                   | 60       | (46)                     | 383         |
| Total operating revenues   | 12,137                                | 1,485                            | 242                   | 60       | (107)                    | 13,817      |
| <b>Operating Expenses</b>  |                                       |                                  |                       |          |                          |             |
| Fuel used in electric generation and purchased power   | 3,828                                 | —                                | —                     | —        | (39)                     | 3,789       |
| Cost of natural gas  | —                                     | 670                              | —                     | —        | —                        | 670         |
| Operation, maintenance and other   | 2,754                                 | 295                              | 164                   | (74)     | (62)                     | 3,077       |
| Depreciation and amortization  | 2,241                                 | 161                              | 120                   | 115      | (15)                     | 2,622       |
| Property and other taxes   | 668                                   | 74                               | 20                    | 8        | 1                        | 771         |
| Impairment of assets and other charges   | 206                                   | —                                | —                     | —        | —                        | 206         |
| Total operating expenses   | 9,697                                 | 1,200                            | 304                   | 49       | (115)                    | 11,135      |
| <b>Gains (Losses) on Sales of Other Assets and Other, net</b>  | 5                                     | 4                                | (1)                   | 1        | 1                        | 10          |
| <b>Operating Income (Loss)</b>   | 2,445                                 | 289                              | (63)                  | 12       | 9                        | 2,692       |
| <b>Other Income and Expenses</b>   |                                       |                                  |                       |          |                          |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 4                                     | 8                                | (3)                   | 52       | —                        | 61          |
| Other income and expenses, net   | 263                                   | 28                               | 3                     | (65)     | (25)                     | 204         |
| Total Other Income and Expenses  | 267                                   | 36                               | —                     | (13)     | (25)                     | 265         |
| <b>Interest Expense</b>  | 767                                   | 82                               | 37                    | 324      | (16)                     | 1,194       |
| <b>Income (Loss) Before Income Taxes</b>   | 1,945                                 | 243                              | (100)                 | (325)    | —                        | 1,763       |
| <b>Income Tax Expense (Benefit)</b>  | 241                                   | (30)                             | (69)                  | (79)     | —                        | 63          |
| <b>Net Income (Loss)</b>   | 1,704                                 | 273                              | (31)                  | (246)    | —                        | 1,700       |
| <b>Add: Net (Income) Loss Attributable to Noncontrolling Interest</b>  | (7)                                   | —                                | 72                    | (1)      | —                        | 64          |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>   | 1,697                                 | 273                              | 41                    | (247)    | —                        | 1,764       |
| <b>Less: Preferred Dividends</b>   | —                                     | —                                | —                     | 53       | —                        | 53          |
| <b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 1,697                              | \$ 273                           | \$ 41                 | \$ (300) | \$ —                     | \$ 1,711    |
| <b>Special Items</b>   | 157                                   | —                                | 16                    | —        | —                        | 173         |
| <b>Adjusted Earnings<sup>(a)</sup></b>   | \$ 1,854                              | \$ 273                           | \$ 57                 | \$ (300) | \$ —                     | \$ 1,884    |

(a) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income / Other Net Loss to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Three Months Ended June 30, 2021            |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |   |  |                          |          |                              |             |
| Regulated electric   | \$ 5,335                                    | \$ —                                   | \$ —                     | \$ —     | (77)                         | \$ 5,258    |
| Regulated natural gas  | —   | 324                                    | —                        | —        | (22)                         | 302         |
| Nonregulated electric and other  | —   | 3                                      | 119                      | 27       | 49                           | 198         |
| Total operating revenues   | 5,335                                       | 327                                    | 119                      | 27       | (50)                         | 5,758       |
| <b>Operating Expenses</b>  |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power   | 1,434                                       | —                                      | —                        | —        | (19)                         | 1,415       |
| Cost of natural gas  | —   | 79                                     | —                        | —        | —                            | 79          |
| Operation, maintenance and other   | 1,262                                       | 98                                     | 78                       | 1        | (29)                         | 1,410       |
| Depreciation and amortization  | 1,013                                       | 74                                     | 56                       | 71       | (7)                          | 1,207       |
| Property and other taxes   | 308   | 27                                     | 9                        | 5        | —                            | 349         |
| Impairment of assets and other charges   | 1   | —                                      | —                        | 131      | (1)                          | 131         |
| Total operating expenses   | 4,018                                       | 278                                    | 143                      | 208      | (56)                         | 4,591       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 2   | —                                      | —                        | —        | —                            | 2           |
| <b>Operating Income (Loss)</b>   | 1,319                                       | 49                                     | (24)                     | (181)    | 6                            | 1,169       |
| <b>Other Income and Expenses</b>   |   |  |                          |          |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 2   | (8)                                    | (1)                      | 16       | —                            | 9           |
| Other income and expenses, net   | 95  | 18                                     | 4                        | 16       | (5)                          | 128         |
| Total Other Income and Expenses  | 97  | 10                                     | 3                        | 32       | (5)                          | 137         |
| <b>Interest Expense</b>  | 361   | 35                                     | 20                       | 156      | —                            | 572         |
| <b>Income (Loss) Before Income Taxes</b>   | 1,055                                       | 24                                     | (41)                     | (305)    | 1                            | 734         |
| <b>Income Tax Expense (Benefit)</b>  | 120   | 7                                      | (21)                     | (71)     | 1                            | 36          |
| <b>Net Income (Loss)</b>   | 935   | 17                                     | (20)                     | (234)    | —                            | 698         |
| <b>Add: Net Loss Attributable to Noncontrolling Interest</b>   | —   | —                                      | 67                       | —        | —                            | 67          |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>   | 935   | 17                                     | 47                       | (234)    | —                            | 765         |
| <b>Less: Preferred Dividends</b>   | —   | —                                      | —                        | 14       | —                            | 14          |
| <b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 935                                      | \$ 17                                  | \$ 47                    | \$ (248) | \$ —                         | \$ 751      |
| <b>Special Items</b>   | —   | 12                                     | —                        | 135      | —                            | 147         |
| <b>Adjusted Earnings<sup>(a)</sup></b>   | \$ 935                                      | \$ 29                                  | \$ 47                    | \$ (113) | \$ —                         | \$ 898      |

(a) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income / Other Net Loss to Adjusted Earnings.



**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS**  
(Unaudited)

| (In millions)  | Six Months Ended June 30, 2021              |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
|  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Operating Revenues</b>  |   |  |                          |          |                              |             |
| Regulated electric   | \$ 10,616                                   | \$ —                                   | \$ —                     | \$ —     | \$ (139)                     | \$ 10,477   |
| Regulated natural gas  | —   | 1,096                                  | —                        | —        | (45)                         | 1,051       |
| Nonregulated electric and other  | —   | 6                                      | 238                      | 53       | 83                           | 380         |
| Total operating revenues   | 10,616                                      | 1,102                                  | 238                      | 53       | (101)                        | 11,908      |
| <b>Operating Expenses</b>  |   |  |                          |          |                              |             |
| Fuel used in electric generation and purchased power   | 2,896                                       | —                                      | —                        | —        | (38)                         | 2,858       |
| Cost of natural gas  | —   | 355                                    | —                        | —        | —                            | 355         |
| Operation, maintenance and other   | 2,544                                       | 200                                    | 150                      | (23)     | (59)                         | 2,812       |
| Depreciation and amortization  | 2,070                                       | 142                                    | 109                      | 126      | (14)                         | 2,433       |
| Property and other taxes   | 619   | 62                                     | 18                       | 2        | 1                            | 702         |
| Impairment of assets and other charges   | 1   | —                                      | —                        | 131      | (1)                          | 131         |
| Total operating expenses   | 8,130                                       | 759                                    | 277                      | 236      | (111)                        | 9,291       |
| <b>Gains on Sales of Other Assets and Other, net</b>   | 2   | —                                      | —                        | —        | —                            | 2           |
| <b>Operating Income (Loss)</b>   | 2,488                                       | 343                                    | (39)                     | (183)    | 10                           | 2,619       |
| <b>Other Income and Expenses</b>   |   |  |                          |          |                              |             |
| Equity in earnings (losses) of unconsolidated affiliates   | 5   | (8)                                    | (28)                     | 23       | —                            | (8)         |
| Other income and expenses, net   | 196   | 35                                     | 6                        | 30       | (12)                         | 255         |
| Total Other Income and Expenses  | 201   | 27                                     | (22)                     | 53       | (12)                         | 247         |
| <b>Interest Expense</b>  | 701   | 68                                     | 33                       | 307      | (2)                          | 1,107       |
| <b>Income (Loss) Before Income Taxes</b>   | 1,988                                       | 302                                    | (94)                     | (437)    | —                            | 1,759       |
| <b>Income Tax Expense (Benefit)</b>  | 233   | 40                                     | (50)                     | (103)    | —                            | 120         |
| <b>Net Income (Loss)</b>   | 1,755                                       | 262                                    | (44)                     | (334)    | —                            | 1,639       |
| <b>Add: Net Loss Attributable to Noncontrolling Interest</b>   | —   | —                                      | 118                      | —        | —                            | 118         |
| <b>Net Income (Loss) Attributable to Duke Energy Corporation</b>   | 1,755                                       | 262                                    | 74                       | (334)    | —                            | 1,757       |
| <b>Less: Preferred Dividends</b>   | —   | —                                      | —                        | 53       | —                            | 53          |
| <b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b> | \$ 1,755                                    | \$ 262                                 | \$ 74                    | \$ (387) | \$ —                         | \$ 1,704    |
| <b>Special Items</b>   | —   | 17                                     | —                        | 135      | —                            | 152         |
| <b>Adjusted Earnings<sup>(a)</sup></b>   | \$ 1,755                                    | \$ 279                                 | \$ 74                    | \$ (252) | \$ —                         | \$ 1,856    |

(a) See Reported to Adjusted Earnings Reconciliation for a detailed reconciliation of Segment Income / Other Net Loss to Adjusted Earnings.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

|  | June 30, 2022                               |  |                          |                 |                              |                   |
|--|---|--|--------------------------|-----------------|------------------------------|-------------------|
| (In millions)  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other           | Eliminations/<br>Adjustments | Duke Energy       |
| <b>Current Assets</b>                                      |   |  |                          |                 |                              |                   |
| Cash and cash equivalents                                  | \$ 194                                      | \$ 16                                  | \$ 10                    | \$ 208          | \$ —                         | \$ 428            |
| Receivables, net   | 620   | 158                                    | 117                      | 12              | —                            | 907               |
| Receivables of variable interest entities, net             | 3,021                                       | —                                      | —                        | —               | —                            | 3,021             |
| Receivables from affiliated companies                      | 44  | 386                                    | 619                      | 989             | (2,038)                      | —                 |
| Notes receivable from affiliated companies                 | 62  | —                                      | —                        | 1,065           | (1,127)                      | —                 |
| Inventory  | 3,003                                       | 78                                     | 85                       | 42              | —                            | 3,208             |
| Regulatory assets  | 2,563                                       | 173                                    | —                        | 98              | —                            | 2,834             |
| Other  | 546   | 105                                    | 189                      | 367             | (44)                         | 1,163             |
| Total current assets                                       | 10,053                                      | 916                                    | 1,020                    | 2,781           | (3,209)                      | 11,561            |
| <b>Property, Plant and Equipment</b>                       |   |  |                          |                 |                              |                   |
| Cost   | 141,553                                     | 14,494                                 | 7,523                    | 2,527           | (93)                         | 166,004           |
| Accumulated depreciation and amortization                  | (46,284)                                    | (2,973)                                | (1,568)                  | (1,427)         | —                            | (52,252)          |
| Facilities to be retired, net                              | 90  | 10                                     | —                        | —               | (1)                          | 99                |
| Net property, plant and equipment                          | 95,359                                      | 11,531                                 | 5,955                    | 1,100           | (94)                         | 113,851           |
| <b>Other Noncurrent Assets</b>                             |   |  |                          |                 |                              |                   |
| Goodwill   | 17,379                                      | 1,924                                  | —                        | —               | —                            | 19,303            |
| Regulatory assets  | 11,634                                      | 762                                    | —                        | 467             | —                            | 12,863            |
| Nuclear decommissioning trust funds                        | 8,574                                       | —                                      | —                        | —               | —                            | 8,574             |
| Operating lease right-of-use assets, net                   | 830   | 14                                     | 126                      | 252             | —                            | 1,222             |
| Investments in equity method unconsolidated affiliates     | 99  | 227                                    | 513                      | 144             | —                            | 983               |
| Investment in consolidated subsidiaries                    | 605   | 3                                      | (7)                      | 67,803          | (68,404)                     | —                 |
| Other  | 2,236                                       | 379                                    | 282                      | 2,796           | (1,667)                      | 4,026             |
| Total other noncurrent assets                              | 41,357                                      | 3,309                                  | 914                      | 71,462          | (70,071)                     | 46,971            |
| <b>Total Assets</b>  | <b>146,769</b>                              | <b>15,756</b>                          | <b>7,889</b>             | <b>75,343</b>   | <b>(73,374)</b>              | <b>172,383</b>    |
| Segment reclassifications, intercompany balances and other | (895)                                       | (336)                                  | (613)                    | (71,522)        | 73,366                       | —                 |
| <b>Segment Assets</b>                                      | <b>\$ 145,874</b>                           | <b>\$ 15,420</b>                       | <b>\$ 7,276</b>          | <b>\$ 3,821</b> | <b>\$ (8)</b>                | <b>\$ 172,383</b> |

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

|  | June 30, 2022                               |  |                          |          |                              |             |
|--|---|--|--------------------------|----------|------------------------------|-------------|
| (In millions)  | Electric<br>Utilities and<br>Infrastructure | Gas<br>Utilities and<br>Infrastructure | Commercial<br>Renewables | Other    | Eliminations/<br>Adjustments | Duke Energy |
| <b>Current Liabilities</b>                                 |   |  |                          |          |                              |             |
| Accounts payable   | \$ 2,992                                    | \$ 353                                 | \$ 94                    | \$ 532   | \$ —                         | \$ 3,971    |
| Accounts payable to affiliated companies                   | 680   | 34                                     | 460                      | 809      | (1,983)                      | —           |
| Notes payable to affiliated companies                      | 942   | 141                                    | 28                       | 49       | (1,160)                      | —           |
| Notes payable and commercial paper                         | —   | —                                      | —                        | 3,875    | —                            | 3,875       |
| Taxes accrued  | 728   | 44                                     | 21                       | (110)    | (1)                          | 682         |
| Interest accrued   | 379   | 48                                     | 3                        | 124      | —                            | 554         |
| Current maturities of long-term debt                       | 1,532                                       | —                                      | 285                      | 1,359    | (5)                          | 3,171       |
| Asset retirement obligations                               | 649   | —                                      | —                        | —        | —                            | 649         |
| Regulatory liabilities                                     | 1,265                                       | 118                                    | —                        | —        | —                            | 1,383       |
| Other  | 1,576                                       | 133                                    | 95                       | 519      | (64)                         | 2,259       |
| Total current liabilities                                  | 10,743                                      | 871                                    | 986                      | 7,157    | (3,213)                      | 16,544      |
| <b>Long-Term Debt</b>                                      | 39,154                                      | 4,138                                  | 1,255                    | 18,689   | (89)                         | 63,147      |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 1,659                                       | 7                                      | —                        | —        | (1,666)                      | —           |
| <b>Other Noncurrent Liabilities</b>                        |   |  |                          |          |                              |             |
| Deferred income taxes                                      | 10,898                                      | 1,142                                  | (556)                    | (1,536)  | —                            | 9,948       |
| Asset retirement obligations                               | 11,825                                      | 77                                     | 178                      | —        | —                            | 12,080      |
| Regulatory liabilities                                     | 13,167                                      | 1,323                                  | —                        | 29       | —                            | 14,519      |
| Operating lease liabilities                                | 735   | 12                                     | 131                      | 161      | —                            | 1,039       |
| Accrued pension and other post-retirement benefit costs    | 250   | 36                                     | (30)                     | 543      | —                            | 799         |
| Investment tax credits                                     | 853   | 2                                      | —                        | —        | —                            | 855         |
| Other  | 825   | 297                                    | 427                      | 509      | (190)                        | 1,868       |
| Total other noncurrent liabilities                         | 38,553                                      | 2,889                                  | 150                      | (294)    | (190)                        | 41,108      |
| <b>Equity</b>  |   |  |                          |          |                              |             |
| Total Duke Energy Corporation stockholders' equity         | 56,238                                      | 7,848                                  | 4,062                    | 49,788   | (68,216)                     | 49,720      |
| Noncontrolling interests                                   | 422   | 3                                      | 1,436                    | 3        | —                            | 1,864       |
| Total equity   | 56,660                                      | 7,851                                  | 5,498                    | 49,791   | (68,216)                     | 51,584      |
| <b>Total Liabilities and Equity</b>                        | 146,769                                     | 15,756                                 | 7,889                    | 75,343   | (73,374)                     | 172,383     |
| Segment reclassifications, intercompany balances and other | (895)                                       | (336)                                  | (613)                    | (71,522) | 73,366                       | —           |
| <b>Segment Liabilities and Equity</b>                      | \$ 145,874                                  | \$ 15,420                              | \$ 7,276                 | \$ 3,821 | \$ (8)                       | \$ 172,383  |

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)   | Three Months Ended June 30, 2022 |                      |                     |                                 |                     |                     |                                       |
|---|----------------------------------|----------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------------------------|
|   | Duke Energy Carolinas            | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/ Other | Electric Utilities and Infrastructure |
| <b>Operating Revenues</b>                                   | \$ 1,781                         | \$ 1,581             | \$ 1,628            | \$ 401                          | \$ 918              | \$ (174)            | \$ 6,135                              |
| <b>Operating Expenses</b>                                   |                                  |                      |                     |                                 |                     |                     |                                       |
| Fuel used in electric generation and purchased power        | 431                              | 593                  | 665                 | 127                             | 359                 | (184)               | 1,991                                 |
| Operation, maintenance and other                            | 463                              | 359                  | 239                 | 83                              | 180                 | 4                   | 1,328                                 |
| Depreciation and amortization                               | 384                              | 271                  | 237                 | 58                              | 155                 | 5                   | 1,110                                 |
| Property and other taxes                                    | 77                               | 41                   | 109                 | 73                              | 22                  | 9                   | 331                                   |
| Impairment of assets and other charges                      | (12)                             | 4                    | —                   | —                               | —                   | —                   | (8)                                   |
| Total operating expenses                                    | 1,343                            | 1,268                | 1,250               | 341                             | 716                 | (166)               | 4,752                                 |
| <b>Gains on Sales of Other Assets and Other, net</b>        | —                                | —                    | 1                   | 1                               | —                   | 1                   | 3                                     |
| <b>Operating Income</b>                                     | 438                              | 313                  | 379                 | 61                              | 202                 | (7)                 | 1,386                                 |
| <b>Other Income and Expenses, net<sup>(b)</sup></b>         | 60                               | 34                   | 44                  | 4                               | 8                   | 3                   | 153                                   |
| <b>Interest Expense</b>                                     | 143                              | 90                   | 90                  | 22                              | 45                  | 1                   | 391                                   |
| <b>Income Before Income Taxes</b>                           | 355                              | 257                  | 333                 | 43                              | 165                 | (5)                 | 1,148                                 |
| <b>Income Tax Expense</b>                                   | 27                               | 37                   | 67                  | 6                               | 15                  | 6                   | 158                                   |
| <b>Less: Income Attributable to Noncontrolling Interest</b> | —                                | —                    | —                   | —                               | —                   | 16                  | 16                                    |
| <b>Segment Income</b>                                       | \$ 328                           | \$ 220               | \$ 266              | \$ 37                           | \$ 150              | \$ (27)             | \$ 974                                |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes an equity component of allowance for funds used during construction of \$25 million for Duke Energy Carolinas, \$15 million for Duke Energy Progress, \$5 million for Duke Energy Florida, \$1 million for Duke Energy Ohio and \$3 million for Duke Energy Indiana.

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Jan 19 2023

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)   | Six Months Ended June 30, 2022 |                            |                           |                                       |                           |                        |   |
|---|--------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|------------------------|---|
|   | Duke<br>Energy<br>Carolinas    | Duke<br>Energy<br>Progress | Duke<br>Energy<br>Florida | Duke<br>Energy<br>Ohio <sup>(a)</sup> | Duke<br>Energy<br>Indiana | Eliminations/<br>Other | Electric<br>Utilities and<br>Infrastructure |
| <b>Operating Revenues</b>   | \$ 3,669                       | \$ 3,213                   | \$ 2,983                  | \$ 813                                | \$ 1,740                  | \$ (281)               | \$ 12,137                                   |
| <b>Operating Expenses</b>   |                                |                            |                           |                                       |                           |                        |   |
| Fuel used in electric generation and purchased power                      | 879                            | 1,167                      | 1,155                     | 254                                   | 678                       | (305)                  | 3,828                                       |
| Operation, maintenance and other  | 970                            | 746                        | 486                       | 172                                   | 371                       | 9                      | 2,754                                       |
| Depreciation and amortization   | 763                            | 577                        | 468                       | 113                                   | 311                       | 9                      | 2,241                                       |
| Property and other taxes  | 170                            | 90                         | 212                       | 149                                   | 47                        | —                      | 668   |
| Impairment of assets and other charges                                    | (9)                            | 4                          | —                         | —                                     | 211                       | —                      | 206   |
| Total operating expenses  | 2,773                          | 2,584                      | 2,321                     | 688                                   | 1,618                     | (287)                  | 9,697                                       |
| <b>Gains on Sales of Other Assets and Other, net</b>                      | —                              | 1                          | 2                         | —                                     | —                         | 2                      | 5   |
| <b>Operating Income</b>   | 896                            | 630                        | 664                       | 125                                   | 122                       | 8                      | 2,445                                       |
| <b>Other Income and Expenses, net<sup>(b)</sup></b>                       | 115                            | 59                         | 62                        | 8                                     | 18                        | 5                      | 267   |
| <b>Interest Expense</b>   | 284                            | 175                        | 174                       | 43                                    | 90                        | 1                      | 767   |
| <b>Income Before Income Taxes</b>   | 727                            | 514                        | 552                       | 90                                    | 50                        | 12                     | 1,945                                       |
| <b>Income Tax Expense (Benefit)</b>                                       | 54                             | 72                         | 110                       | 12                                    | (22)                      | 15                     | 241   |
| <b>Less: Income Attributable to Noncontrolling Interest<sup>(c)</sup></b> | —                              | —                          | —                         | —                                     | —                         | 7                      | 7   |
| <b>Segment Income Attributable to Duke Energy Corporation</b>             | \$ 673                         | \$ 442                     | \$ 442                    | \$ 78                                 | \$ 72                     | \$ (10)                | \$ 1,697                                    |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes an equity component of allowance for funds used during construction of \$47 million for Duke Energy Carolinas, \$22 million for Duke Energy Progress, \$10 million for Duke Energy Florida, \$3 million for Duke Energy Ohio and \$10 million for Duke Energy Indiana.

(c) Includes a noncontrolling interest in Duke Energy Indiana.

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2022         |                      |                     |                                 |                     |   |                                       |
|--|-----------------------|----------------------|---------------------|---------------------------------|---------------------|---|---------------------------------------|
|  | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/Adjustments <sup>(b)</sup> | Electric Utilities and Infrastructure |
| <b>Current Assets</b>                                      |                       |                      |                     |                                 |                     |   |                                       |
| Cash and cash equivalents                                  | \$ 37                 | \$ 75                | \$ 44               | \$ 12                           | \$ 26               | \$ —                                    | \$ 194                                |
| Receivables, net   | 269                   | 63                   | 126                 | 75                              | 85                  | 2                                       | 620                                   |
| Receivables of variable interest entities, net             | 893                   | 705                  | 647                 | —                               | —                   | 776                                     | 3,021                                 |
| Receivables from affiliated companies                      | 241                   | 20                   | 5                   | 141                             | 221                 | (584)                                   | 44                                    |
| Notes receivable from affiliated companies                 | —                     | 154                  | —                   | —                               | —                   | (92)                                    | 62                                    |
| Inventory  | 1,033                 | 948                  | 478                 | 103                             | 441                 | —                                       | 3,003                                 |
| Regulatory assets  | 757                   | 621                  | 785                 | 29                              | 373                 | (2)                                     | 2,563                                 |
| Other  | 128                   | 123                  | 58                  | 4                               | 237                 | (4)                                     | 546                                   |
| Total current assets                                       | 3,358                 | 2,709                | 2,143               | 364                             | 1,383               | 96                                      | 10,053                                |
| <b>Property, Plant and Equipment</b>                       |                       |                      |                     |                                 |                     |   |                                       |
| Cost   | 53,074                | 37,885               | 24,714              | 7,915                           | 17,709              | 256                                     | 141,553                               |
| Accumulated depreciation and amortization                  | (18,205)              | (13,977)             | (6,097)             | (2,180)                         | (5,824)             | (1)                                     | (46,284)                              |
| Facilities to be retired, net                              | 90                    | —                    | —                   | —                               | —                   | —                                       | 90                                    |
| Net property, plant and equipment                          | 34,959                | 23,908               | 18,617              | 5,735                           | 11,885              | 255                                     | 95,359                                |
| <b>Other Noncurrent Assets</b>                             |                       |                      |                     |                                 |                     |   |                                       |
| Goodwill   | —                     | —                    | —                   | 596                             | —                   | 16,783                                  | 17,379                                |
| Regulatory assets  | 3,339                 | 4,161                | 1,920               | 342                             | 1,092               | 780                                     | 11,634                                |
| Nuclear decommissioning trust funds                        | 4,729                 | 3,374                | 470                 | —                               | —                   | 1                                       | 8,574                                 |
| Operating lease right-of-use assets, net                   | 84                    | 397                  | 280                 | 18                              | 50                  | 1                                       | 830                                   |
| Investments in equity method unconsolidated affiliates     | —                     | —                    | 1                   | —                               | —                   | 98                                      | 99                                    |
| Investment in consolidated subsidiaries                    | 56                    | 13                   | 3                   | 311                             | 1                   | 221                                     | 605                                   |
| Other  | 1,304                 | 787                  | 406                 | 66                              | 265                 | (592)                                   | 2,236                                 |
| Total other noncurrent assets                              | 9,512                 | 8,732                | 3,080               | 1,333                           | 1,408               | 17,292                                  | 41,357                                |
| <b>Total Assets</b>  | <b>47,829</b>         | <b>35,349</b>        | <b>23,840</b>       | <b>7,432</b>                    | <b>14,676</b>       | <b>17,643</b>                           | <b>146,769</b>                        |
| Segment reclassifications, intercompany balances and other | (306)                 | (291)                | (19)                | (195)                           | 240                 | (324)                                   | (895)                                 |
| <b>Reportable Segment Assets</b>                           | <b>\$ 47,523</b>      | <b>\$ 35,058</b>     | <b>\$ 23,821</b>    | <b>\$ 7,237</b>                 | <b>\$ 14,916</b>    | <b>\$ 17,319</b>                        | <b>\$ 145,874</b>                     |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances, purchase accounting adjustments and restricted receivables related to Cinergy Receivables Company.

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Jan 19 2023

**ELECTRIC UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

| (In millions)  | June 30, 2022         |                      |                     |                                 |                     |   |                                       |
|--|-----------------------|----------------------|---------------------|---------------------------------|---------------------|---|---------------------------------------|
|  | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio <sup>(a)</sup> | Duke Energy Indiana | Eliminations/Adjustments <sup>(b)</sup> | Electric Utilities and Infrastructure |
| <b>Current Liabilities</b>                                 |                       |                      |                     |                                 |                     |   |                                       |
| Accounts payable   | \$ 1,158              | \$ 469               | \$ 750              | \$ 283                          | \$ 317              | \$ 15                                   | \$ 2,992                              |
| Accounts payable to affiliated companies                   | 189                   | 342                  | 147                 | 32                              | 216                 | (246)                                   | 680                                   |
| Notes payable to affiliated companies                      | 29                    | —                    | 504                 | 193                             | 275                 | (59)                                    | 942                                   |
| Taxes accrued  | 177                   | 115                  | 186                 | 159                             | 76                  | 15                                      | 728                                   |
| Interest accrued   | 135                   | 101                  | 72                  | 23                              | 48                  | —                                       | 379                                   |
| Current maturities of long-term debt                       | 1,018                 | 66                   | 327                 | —                               | 31                  | 90                                      | 1,532                                 |
| Asset retirement obligations                               | 254                   | 261                  | 1                   | 12                              | 122                 | (1)                                     | 649                                   |
| Regulatory liabilities                                     | 460                   | 342                  | 238                 | 46                              | 178                 | 1                                       | 1,265                                 |
| Other  | 470                   | 424                  | 394                 | 109                             | 180                 | (1)                                     | 1,576                                 |
| Total current liabilities                                  | 3,890                 | 2,120                | 2,619               | 857                             | 1,443               | (186)                                   | 10,743                                |
| <b>Long-Term Debt</b>                                      | 12,844                | 10,446               | 8,120               | 2,599                           | 4,156               | 989                                     | 39,154                                |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 300                   | 150                  | —                   | 18                              | 150                 | 1,041                                   | 1,659                                 |
| <b>Other Noncurrent Liabilities</b>                        |                       |                      |                     |                                 |                     |   |                                       |
| Deferred income taxes                                      | 3,966                 | 2,335                | 2,508               | 779                             | 1,271               | 39                                      | 10,898                                |
| Asset retirement obligations                               | 5,065                 | 5,414                | 392                 | 71                              | 845                 | 38                                      | 11,825                                |
| Regulatory liabilities                                     | 6,300                 | 4,342                | 752                 | 308                             | 1,485               | (20)                                    | 13,167                                |
| Operating lease liabilities                                | 70                    | 365                  | 235                 | 18                              | 48                  | (1)                                     | 735                                   |
| Accrued pension and other post-retirement benefit costs    | 42                    | 215                  | 155                 | 80                              | 167                 | (409)                                   | 250                                   |
| Investment tax credits                                     | 285                   | 126                  | 262                 | 3                               | 176                 | 1                                       | 853                                   |
| Other  | 558                   | 101                  | 72                  | 53                              | 74                  | (33)                                    | 825                                   |
| Total other noncurrent liabilities                         | 16,286                | 12,898               | 4,376               | 1,312                           | 4,066               | (385)                                   | 38,553                                |
| <b>Equity</b>  |                       |                      |                     |                                 |                     |   |                                       |
| Total Duke Energy Corporation stockholders equity          | 14,509                | 9,735                | 8,725               | 2,646                           | 4,861               | 15,762                                  | 56,238                                |
| Noncontrolling interests <sup>(c)</sup>                    | —                     | —                    | —                   | —                               | —                   | 422                                     | 422                                   |
| Total equity   | 14,509                | 9,735                | 8,725               | 2,646                           | 4,861               | 16,184                                  | 56,660                                |
| <b>Total Liabilities and Equity</b>                        | 47,829                | 35,349               | 23,840              | 7,432                           | 14,676              | 17,643                                  | 146,769                               |
| Segment reclassifications, intercompany balances and other | (306)                 | (291)                | (19)                | (195)                           | 240                 | (324)                                   | (895)                                 |
| <b>Reportable Segment Liabilities and Equity</b>           | \$ 47,523             | \$ 35,058            | \$ 23,821           | \$ 7,237                        | \$ 14,916           | \$ 17,319                               | \$ 145,874                            |

- (a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.  
(b) Includes the elimination of intercompany balances and purchase accounting adjustments.  
(c) Includes a noncontrolling interest in Duke Energy Indiana.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

| (In millions)  | Three Months Ended June 30, 2022 |                          |  |                          |                                  |
|--|----------------------------------|--------------------------|--|--------------------------|----------------------------------|
|  | Duke Energy Ohio <sup>(a)</sup>  | Piedmont Natural Gas LDC | Midstream Pipelines and Storage <sup>(b)</sup> | Eliminations/Adjustments | Gas Utilities and Infrastructure |
| <b>Operating Revenues</b>                            | \$ 144                           | \$ 310                   | \$ —   | \$ (1)                   | \$ 453                           |
| <b>Operating Expenses</b>                            |                                  |                          |  |                          |                                  |
| Cost of natural gas                                  | 46                               | 143                      | —  | —                        | 189                              |
| Operation, maintenance and other                     | 24                               | 88                       | 1  | —                        | 113                              |
| Depreciation and amortization                        | 25                               | 56                       | —  | 1                        | 82                               |
| Property and other taxes                             | 19                               | 15                       | —  | (1)                      | 33                               |
| Total operating expenses                             | 114                              | 302                      | 1  | —                        | 417                              |
| <b>Gains on Sales of Other Assets and Other, net</b> | —                                | 4                        | —  | —                        | 4                                |
| <b>Operating Income (Loss)</b>                       | 30                               | 12                       | (1)  | (1)                      | 40                               |
| <b>Other Income and Expenses</b>                     |                                  |                          |  |                          |                                  |
| Equity in earnings of unconsolidated affiliates      | —                                | —                        | 4  | —                        | 4                                |
| Other income and expenses, net                       | 2                                | 14                       | —  | (1)                      | 15                               |
| Total other income and expenses                      | 2                                | 14                       | 4  | (1)                      | 19                               |
| <b>Interest Expense</b>                              | 9                                | 34                       | —  | (1)                      | 42                               |
| <b>Income (Loss) Before Income Taxes</b>             | 23                               | (8)                      | 3  | (1)                      | 17                               |
| <b>Income Tax Expense (Benefit)</b>                  | 4                                | (7)                      | 2  | (1)                      | (2)                              |
| <b>Segment Income (Loss)</b>                         | \$ 19                            | \$ (1)                   | \$ 1   | \$ —                     | \$ 19                            |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Primarily earnings from investments in Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.

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Jan 19 2023



**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING SEGMENT INCOME**  
(Unaudited)

|  | Six Months Ended June 30, 2022  |                          |  |                          |                                  |  |
|--|---------------------------------|--------------------------|--|--------------------------|----------------------------------|--|
| (In millions)  | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage <sup>(b)</sup> | Eliminations/Adjustments | Gas Utilities and Infrastructure |  |
| <b>Operating Revenues</b>                            | \$ 370                          | \$ 1,115                 | \$ —   | \$ —                     | \$ 1,485                         |  |
| <b>Operating Expenses</b>                            |                                 |                          |  |                          |                                  |  |
| Cost of natural gas                                  | 153                             | 517                      | —  | —                        | 670                              |  |
| Operation, maintenance and other                     | 111                             | 181                      | 2  | 1                        | 295                              |  |
| Depreciation and amortization                        | 50                              | 110                      | —  | 1                        | 161                              |  |
| Property and other taxes                             | 44                              | 31                       | —  | (1)                      | 74                               |  |
| Total operating expenses                             | 358                             | 839                      | 2  | 1                        | 1,200                            |  |
| <b>Gains on Sales of Other Assets and Other, net</b> | —                               | 4                        | —  | —                        | 4                                |  |
| <b>Operating Income (Loss)</b>                       | 12                              | 280                      | (2)  | (1)                      | 289                              |  |
| <b>Other Income and Expenses, net</b>                |                                 |                          |  |                          |                                  |  |
| Equity in earnings of unconsolidated affiliates      | —                               | —                        | 8  | —                        | 8                                |  |
| Other income and expenses, net                       | 4                               | 24                       | —  | —                        | 28                               |  |
| <b>Other Income and Expenses, net</b>                | 4                               | 24                       | 8  | —                        | 36                               |  |
| <b>Interest Expense</b>                              | 17                              | 66                       | —  | (1)                      | 82                               |  |
| <b>(Loss) Income Before Income Taxes</b>             | (1)                             | 238                      | 6  | —                        | 243                              |  |
| <b>Income Tax (Benefit) Expense</b>                  | (58)                            | 26                       | 3  | (1)                      | (30)                             |  |
| <b>Segment Income</b>                                | \$ 57                           | \$ 212                   | \$ 3   | \$ 1                     | \$ 273                           |  |

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes earnings from investments in Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.

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Jan 19 2023

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – ASSETS**  
(Unaudited)

| (In millions)  | June 30, 2022                   |                          |                                 |   |                                  |
|--|---------------------------------|--------------------------|---------------------------------|---|----------------------------------|
|  | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage | Eliminations/Adjustments <sup>(b)</sup> | Gas Utilities and Infrastructure |
| <b>Current Assets</b>                                      |                                 |                          |                                 |   |                                  |
| Cash and cash equivalents                                  | \$ 3                            | \$ —                     | \$ 12                           | \$ 1                                    | \$ 16                            |
| Receivables, net   | 8                               | 150                      | —                               | —                                       | 158                              |
| Receivables from affiliated companies                      | 13                              | 84                       | 361                             | (72)                                    | 386                              |
| Inventory  | 10                              | 68                       | —                               | —                                       | 78                               |
| Regulatory assets  | 19                              | 154                      | —                               | —                                       | 173                              |
| Other  | 44                              | 60                       | 2                               | (1)                                     | 105                              |
| Total current assets                                       | 97                              | 516                      | 375                             | (72)                                    | 916                              |
| <b>Property, Plant and Equipment</b>                       |                                 |                          |                                 |   |                                  |
| Cost   | 4,118                           | 10,316                   | 61                              | (1)                                     | 14,494                           |
| Accumulated depreciation and amortization                  | (987)                           | (1,987)                  | —                               | 1                                       | (2,973)                          |
| Facilities to be retired, net                              | —                               | 10                       | —                               | —                                       | 10                               |
| Net property, plant and equipment                          | 3,131                           | 8,339                    | 61                              | —                                       | 11,531                           |
| <b>Other Noncurrent Assets</b>                             |                                 |                          |                                 |   |                                  |
| Goodwill   | 324                             | 49                       | —                               | 1,551                                   | 1,924                            |
| Regulatory assets  | 283                             | 373                      | —                               | 106                                     | 762                              |
| Operating lease right-of-use assets, net                   | —                               | 14                       | —                               | —                                       | 14                               |
| Investments in equity method unconsolidated affiliates     | —                               | —                        | 222                             | 5                                       | 227                              |
| Investment in consolidated subsidiaries                    | —                               | —                        | —                               | 3                                       | 3                                |
| Other  | 22                              | 324                      | 32                              | 1                                       | 379                              |
| Total other noncurrent assets                              | 629                             | 760                      | 254                             | 1,666                                   | 3,309                            |
| <b>Total Assets</b>  | <b>3,857</b>                    | <b>9,615</b>             | <b>690</b>                      | <b>1,594</b>                            | <b>15,756</b>                    |
| Segment reclassifications, intercompany balances and other | 42                              | (85)                     | (361)                           | 68                                      | (336)                            |
| <b>Reportable Segment Assets</b>                           | <b>\$ 3,899</b>                 | <b>\$ 9,530</b>          | <b>\$ 329</b>                   | <b>\$ 1,662</b>                         | <b>\$ 15,420</b>                 |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

| (In millions)  | June 30, 2022                   |                          |                                 |   |                                  |
|--|---------------------------------|--------------------------|---------------------------------|---|----------------------------------|
|  | Duke Energy Ohio <sup>(a)</sup> | Piedmont Natural Gas LDC | Midstream Pipelines and Storage | Eliminations/Adjustments <sup>(b)</sup> | Gas Utilities and Infrastructure |
| <b>Current Liabilities</b>                                 |                                 |                          |                                 |   |                                  |
| Accounts payable   | \$ 96                           | \$ 254                   | \$ 3                            | \$ —                                    | \$ 353                           |
| Accounts payable to affiliated companies                   | 2                               | 67                       | 44                              | (79)                                    | 34                               |
| Notes payable to affiliated companies                      | 108                             | 33                       | —                               | —                                       | 141                              |
| Taxes accrued  | 12                              | 29                       | 3                               | —                                       | 44                               |
| Interest accrued   | 9                               | 39                       | —                               | —                                       | 48                               |
| Regulatory liabilities                                     | 29                              | 89                       | —                               | —                                       | 118                              |
| Other  | 3                               | 77                       | 53                              | —                                       | 133                              |
| Total current liabilities                                  | 259                             | 588                      | 103                             | (79)                                    | 871                              |
| <b>Long-Term Debt</b>                                      | 619                             | 3,363                    | 64                              | 92                                      | 4,138                            |
| <b>Long-Term Debt Payable to Affiliated Companies</b>      | 7                               | —                        | —                               | —                                       | 7                                |
| <b>Other Noncurrent Liabilities</b>                        |                                 |                          |                                 |   |                                  |
| Deferred income taxes                                      | 320                             | 831                      | (9)                             | —                                       | 1,142                            |
| Asset retirement obligations                               | 54                              | 23                       | —                               | —                                       | 77                               |
| Regulatory liabilities                                     | 272                             | 1,038                    | —                               | 13                                      | 1,323                            |
| Operating lease liabilities                                | —                               | 12                       | —                               | —                                       | 12                               |
| Accrued pension and other post-retirement benefit costs    | 28                              | 7                        | —                               | 1                                       | 36                               |
| Investment tax credits                                     | 1                               | 1                        | —                               | —                                       | 2                                |
| Other  | 43                              | 202                      | 50                              | 2                                       | 297                              |
| Total other noncurrent liabilities                         | 718                             | 2,114                    | 41                              | 16                                      | 2,889                            |
| <b>Equity</b>  |                                 |                          |                                 |   |                                  |
| Total Duke Energy Corporation stockholders' equity         | 2,254                           | 3,550                    | 479                             | 1,565                                   | 7,848                            |
| Noncontrolling interests                                   | —                               | —                        | 3                               | —                                       | 3                                |
| Total equity   | 2,254                           | 3,550                    | 482                             | 1,565                                   | 7,851                            |
| <b>Total Liabilities and Equity</b>                        | <b>3,857</b>                    | <b>9,615</b>             | <b>690</b>                      | <b>1,594</b>                            | <b>15,756</b>                    |
| Segment reclassifications, intercompany balances and other | 42                              | (85)                     | (361)                           | 68                                      | (336)                            |
| <b>Reportable Segment Liabilities and Equity</b>           | <b>\$ 3,899</b>                 | <b>\$ 9,530</b>          | <b>\$ 329</b>                   | <b>\$ 1,662</b>                         | <b>\$ 15,420</b>                 |

(a) Includes balances of the wholly owned subsidiary, Duke Energy Kentucky.

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**Electric Utilities and Infrastructure**  
**Quarterly Highlights**  
**June 2022**

|   | Three Months Ended June 30, |           |              |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|--------------|---|---------------------------|-----------|---------------|---|
|   | 2022                        | 2021      | % Inc.(Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2022                      | 2021      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>                            |                             |           |              |   |                           |           |               |   |
| Residential   | 19,594                      | 18,742    | 4.5%         | 1.2%  | 42,623                    | 42,511    | 0.3%          | 3.3%  |
| General Service   | 18,449                      | 17,657    | 4.5%         | 1.7%  | 36,502                    | 34,965    | 4.4%          | 4.5%  |
| Industrial  | 11,715                      | 11,931    | (1.8%)       | 1.7%  | 24,216                    | 23,700    | 2.2%          | 2.9%  |
| Other Energy Sales  | 143                         | 134       | 6.7%         | n/a   | 280                       | 273       | 2.6%          | n/a   |
| Unbilled Sales  | 3,369                       | 2,343     | 43.8%        | n/a   | 3,262                     | 261       | 1,149.8%      | n/a   |
| Total Retail Sales  | 53,270                      | 50,807    | 4.8%         | 1.5 %                                       | 106,883                   | 101,710   | 5.1%          | 3.6%  |
| Wholesale and Other   | 11,215                      | 9,652     | 16.2%        |   | 21,969                    | 19,532    | 12.5%         |   |
| Total Consolidated Electric Sales – Electric Utilities and Infrastructure | 64,485                      | 60,459    | 6.7%         |   | 128,852                   | 121,242   | 6.3%          |   |
| <b>Average Number of Customers (Electric)</b>                             |                             |           |              |   |                           |           |               |   |
| Residential   | 7,104,616                   | 6,978,972 | 1.8%         |   | 7,089,954                 | 6,963,531 | 1.8%          |   |
| General Service   | 1,038,653                   | 1,022,668 | 1.6%         |   | 1,036,420                 | 1,020,364 | 1.6%          |   |
| Industrial  | 16,348                      | 16,454    | (0.6%)       |   | 16,371                    | 16,467    | (0.6%)        |   |
| Other Energy Sales  | 24,409                      | 24,305    | 0.4%         |   | 24,416                    | 24,265    | 0.6%          |   |
| Total Retail Customers  | 8,184,026                   | 8,042,399 | 1.8%         |   | 8,167,161                 | 8,024,627 | 1.8%          |   |
| Wholesale and Other   | 37                          | 38        | (2.6%)       |   | 38                        | 39        | (2.6%)        |   |
| Total Average Number of Customers – Electric Utilities and Infrastructure | 8,184,063                   | 8,042,437 | 1.8%         |   | 8,167,199                 | 8,024,666 | 1.8%          |   |
| <b>Sources of Electric Energy (GWh)</b>                                   |                             |           |              |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                                     |                             |           |              |   |                           |           |               |   |
| Coal  | 10,231                      | 11,028    | (7.2%)       |   | 20,214                    | 24,099    | (16.1%)       |   |
| Nuclear   | 17,826                      | 18,513    | (3.7%)       |   | 35,993                    | 37,485    | (4.0%)        |   |
| Hydro   | 542                         | 663       | (18.3%)      |   | 1,132                     | 1,626     | (30.4%)       |   |
| Natural Gas and Oil   | 20,594                      | 18,343    | 12.3%        |   | 42,796                    | 35,927    | 19.1%         |   |
| Renewable Energy  | 706                         | 469       | 50.5%        |   | 1,134                     | 770       | 47.3%         |   |
| Total Generation <sup>(d)</sup>   | 49,899                      | 49,016    | 1.8%         |   | 101,269                   | 99,907    | 1.4%          |   |
| Purchased Power and Net Interchange <sup>(e)</sup>                        | 17,866                      | 18,745    | (4.7%)       |   | 32,713                    | 32,435    | 0.9%          |   |
| Total Sources of Energy   | 67,765                      | 67,761    | —%           |   | 133,982                   | 132,342   | 1.2%          |   |
| Less: Line Loss and Other   | 3,280                       | 7,302     | (55.1%)      |   | 5,130                     | 11,100    | (53.8%)       |   |
| Total GWh Sources   | 64,485                      | 60,459    | 6.7%         |   | 128,852                   | 121,242   | 6.3%          |   |
| <b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>                         |                             |           |              |   |                           |           |               |   |
| Summer  |                             |           |              |   | 49,789                    | 50,137    |               |   |
| Winter  |                             |           |              |   | 53,015                    | 53,545    |               |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>                          |                             |           |              |   | 94                        | 96        |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2022                        | 2021      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2022                      | 2021      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                            |                             |           |               |   |                           |           |               |   |
| Residential   | 6,308                       | 6,069     | 3.9%          |   | 14,365                    | 14,423    | (0.4%)        |   |
| General Service   | 7,195                       | 6,542     | 10.0%         |   | 14,041                    | 13,112    | 7.1%          |   |
| Industrial  | 5,281                       | 4,734     | 11.6%         |   | 10,264                    | 9,492     | 8.1%          |   |
| Other Energy Sales  | 75                          | 71        | 5.6%          |   | 152                       | 146       | 4.1%          |   |
| Unbilled Sales  | 1,009                       | 622       | 62.2%         |   | 1,244                     | 267       | 365.9%        |   |
| Total Retail Sales  | 19,868                      | 18,038    | 10.1%         | 5.2%  | 40,066                    | 37,440    | 7.0%          | 5.0%  |
| Wholesale and Other                                       | 2,154                       | 2,324     | (7.3%)        |   | 4,505                     | 4,884     | (7.8%)        |   |
| Total Consolidated Electric Sales – Duke Energy Carolinas | 22,022                      | 20,362    | 8.2%          |   | 44,571                    | 42,324    | 5.3%          |   |
| <b>Average Number of Customers</b>                        |                             |           |               |   |                           |           |               |   |
| Residential   | 2,371,493                   | 2,325,357 | 2.0%          |   | 2,366,535                 | 2,319,076 | 2.0%          |   |
| General Service   | 401,994                     | 396,990   | 1.3%          |   | 401,098                   | 396,029   | 1.3%          |   |
| Industrial  | 6,059                       | 6,060     | —%            |   | 6,057                     | 6,066     | (0.1%)        |   |
| Other Energy Sales  | 11,247                      | 11,307    | (0.5%)        |   | 11,247                    | 11,305    | (0.5%)        |   |
| Total Retail Customers                                    | 2,790,793                   | 2,739,714 | 1.9%          |   | 2,784,937                 | 2,732,476 | 1.9%          |   |
| Wholesale and Other                                       | 17                          | 19        | (10.5%)       |   | 17                        | 19        | (10.5%)       |   |
| Total Average Number of Customers – Duke Energy Carolinas | 2,790,810                   | 2,739,733 | 1.9%          |   | 2,784,954                 | 2,732,495 | 1.9%          |   |
| <b>Sources of Electric Energy (GWh)</b>                   |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                     |                             |           |               |   |                           |           |               |   |
| Coal  | 2,209                       | 4,000     | (44.8%)       |   | 4,597                     | 8,118     | (43.4%)       |   |
| Nuclear   | 10,099                      | 11,692    | (13.6%)       |   | 21,246                    | 23,343    | (9.0%)        |   |
| Hydro   | 299                         | 393       | (23.9%)       |   | 637                       | 1,012     | (37.1%)       |   |
| Natural Gas and Oil                                       | 6,066                       | 3,923     | 54.6%         |   | 12,305                    | 8,419     | 46.2%         |   |
| Renewable Energy  | 152                         | 88        | 72.7%         |   | 246                       | 155       | 58.7%         |   |
| Total Generation <sup>(d)</sup>                           | 18,825                      | 20,096    | (6.3%)        |   | 39,031                    | 41,047    | (4.9%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>        | 3,917                       | 1,851     | 111.6%        |   | 6,923                     | 4,010     | 72.6%         |   |
| Total Sources of Energy                                   | 22,742                      | 21,947    | 3.6%          |   | 45,954                    | 45,057    | 2.0%          |   |
| Less: Line Loss and Other                                 | 720                         | 1,585     | (54.6%)       |   | 1,383                     | 2,733     | (49.4%)       |   |
| Total GWh Sources   | 22,022                      | 20,362    | 8.2%          |   | 44,571                    | 42,324    | 5.3%          |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                    |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 19,491                    | 20,001    |               |   |
| Winter  |                             |           |               |   | 20,350                    | 20,877    |               |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>          |                             |           |               |   | 94                        | 98        |               |   |
| <b>Heating and Cooling Degree Days</b>                    |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>   |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                       | 182                         | 225       | (19.1%)       |   | 1,795                     | 1,908     | (5.9%)        |   |
| Cooling Degree Days                                       | 590                         | 466       | 26.6%         |   | 600                       | 471       | 27.4%         |   |
| <b>Variance from Normal</b>                               |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                       | (13.4%)                     | 8.0%      |               |   | (6.9%)                    | (0.9%)    |               |   |
| Cooling Degree Days                                       | 17.4%                       | (7.5%)    |               |   | 17.8%                     | (7.8%)    |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

|  | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|--|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|  | 2022                        | 2021      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2022                      | 2021      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                           |                             |           |               |   |                           |           |               |   |
| Residential  | 3,964                       | 3,796     | 4.4%          |   | 9,197                     | 9,277     | (0.9%)        |   |
| General Service  | 3,672                       | 3,448     | 6.5%          |   | 7,468                     | 6,889     | 8.4%          |   |
| Industrial   | 2,593                       | 2,471     | 4.9%          |   | 5,727                     | 4,923     | 16.3%         |   |
| Other Energy Sales                                       | 34                          | 20        | 70.0%         |   | 46                        | 39        | 17.9%         |   |
| Unbilled Sales   | 318                         | 801       | (60.3%)       |   | (296)                     | 210       | (241.0%)      |   |
| Total Retail Sales                                       | 10,581                      | 10,536    | 0.4%          | (2.6%)                                      | 22,142                    | 21,338    | 3.8%          | 3.1%  |
| Wholesale and Other                                      | 6,334                       | 5,263     | 20.3%         |   | 12,742                    | 10,998    | 15.9%         |   |
| Total Consolidated Electric Sales – Duke Energy Progress | 16,915                      | 15,799    | 7.1%          |   | 34,884                    | 32,336    | 7.9%          |   |
| <b>Average Number of Customers</b>                       |                             |           |               |   |                           |           |               |   |
| Residential  | 1,430,619                   | 1,405,164 | 1.8%          |   | 1,427,896                 | 1,401,904 | 1.9%          |   |
| General Service  | 249,109                     | 242,542   | 2.7%          |   | 248,315                   | 241,778   | 2.7%          |   |
| Industrial   | 3,325                       | 3,343     | (0.5%)        |   | 3,331                     | 3,345     | (0.4%)        |   |
| Other Energy Sales                                       | 2,563                       | 2,598     | (1.3%)        |   | 2,567                     | 2,598     | (1.2%)        |   |
| Total Retail Customers                                   | 1,685,616                   | 1,653,647 | 1.9%          |   | 1,682,109                 | 1,649,625 | 2.0%          |   |
| Wholesale and Other                                      | 8                           | 8         | —%            |   | 8                         | 8         | —%            |   |
| Total Average Number of Customers – Duke Energy Progress | 1,685,624                   | 1,653,655 | 1.9%          |   | 1,682,117                 | 1,649,633 | 2.0%          |   |
| <b>Sources of Electric Energy (GWh)</b>                  |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                    |                             |           |               |   |                           |           |               |   |
| Coal   | 1,972                       | 663       | 197.4%        |   | 3,744                     | 2,870     | 30.5%         |   |
| Nuclear  | 7,727                       | 6,821     | 13.3%         |   | 14,747                    | 14,142    | 4.3%          |   |
| Hydro  | 171                         | 189       | (9.5%)        |   | 396                       | 469       | (15.6%)       |   |
| Natural Gas and Oil                                      | 4,441                       | 5,476     | (18.9%)       |   | 11,189                    | 10,908    | 2.6%          |   |
| Renewable Energy   | 82                          | 78        | 5.1%          |   | 134                       | 127       | 5.5%          |   |
| Total Generation <sup>(d)</sup>                          | 14,393                      | 13,227    | 8.8%          |   | 30,210                    | 28,516    | 5.9%          |   |
| Purchased Power and Net Interchange <sup>(e)</sup>       | 2,978                       | 2,932     | 1.6%          |   | 5,068                     | 4,743     | 6.9%          |   |
| Total Sources of Energy                                  | 17,371                      | 16,159    | 7.5%          |   | 35,278                    | 33,259    | 6.1%          |   |
| Less: Line Loss and Other                                | 456                         | 356       | 28.1%         |   | 394                       | 923       | (57.3%)       |   |
| Total GWh Sources  | 16,915                      | 15,803    | 7.0%          |   | 34,884                    | 32,336    | 7.9%          |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                   |                             |           |               |   |                           |           |               |   |
| Summer   |                             |           |               |   | 12,464                    | 12,468    |               |   |
| Winter   |                             |           |               |   | 13,605                    | 13,609    |               |   |
| <b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>         |                             |           |               |   | 95                        | 91        |               |   |
| <b>Heating and Cooling Degree Days</b>                   |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>  |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                      | 151                         | 199       | (24.1%)       |   | 1,604                     | 1,747     | (8.2%)        |   |
| Cooling Degree Days                                      | 677                         | 545       | 24.2%         |   | 705                       | 559       | 26.1%         |   |
| <b>Variance from Normal</b>                              |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                      | (15.1%)                     | 13.5%     |               |   | (8.9%)                    | (0.8%)    |               |   |
| Cooling Degree Days                                      | 22.3%                       | (1.9%)    |               |   | 24.8%                     | (1.3%)    |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

**Duke Energy Florida**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

|   | Three Months Ended June 30, |           |               |   | Six Months Ended June 30, |           |               |   |
|---|-----------------------------|-----------|---------------|---|---------------------------|-----------|---------------|---|
|   | 2022                        | 2021      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2022                      | 2021      | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                          |                             |           |               |   |                           |           |               |   |
| Residential   | 5,367                       | 5,203     | 3.2%          |   | 9,894                     | 9,691     | 2.1%          |   |
| General Service   | 3,891                       | 3,739     | 4.1%          |   | 7,236                     | 6,955     | 4.0%          |   |
| Industrial  | 962                         | 852       | 12.9%         |   | 1,767                     | 1,664     | 6.2%          |   |
| Other Energy Sales                                      | 8                           | 5         | 60.0%         |   | 17                        | 11        | 54.5%         |   |
| Unbilled Sales  | 753                         | 525       | —%            |   | 1,199                     | 123       | 874.8%        |   |
| Total Retail Sales                                      | 10,981                      | 10,324    | 6.4%          | 3.1%  | 20,113                    | 18,444    | 9.0%          | 6.8%  |
| Wholesale and Other                                     | 1,359                       | 870       | 56.2%         |   | 2,129                     | 1,304     | 63.3%         |   |
| Total Electric Sales – Duke Energy Florida              | 12,340                      | 11,194    | 10.2%         |   | 22,242                    | 19,748    | 12.6%         |   |
| <b>Average Number of Customers</b>                      |                             |           |               |   |                           |           |               |   |
| Residential   | 1,715,895                   | 1,685,526 | 1.8%          |   | 1,713,661                 | 1,681,641 | 1.9%          |   |
| General Service   | 207,626                     | 204,877   | 1.3%          |   | 207,380                   | 204,455   | 1.4%          |   |
| Industrial  | 1,881                       | 1,948     | (3.4%)        |   | 1,894                     | 1,952     | (3.0%)        |   |
| Other Energy Sales                                      | 3,751                       | 3,781     | (0.8%)        |   | 3,757                     | 3,784     | (0.7%)        |   |
| Total Retail Customers                                  | 1,929,153                   | 1,896,132 | 1.7%          |   | 1,926,692                 | 1,891,832 | 1.8%          |   |
| Wholesale and Other                                     | 8                           | 6         | 33.3%         |   | 9                         | 7         | 28.6%         |   |
| Total Average Number of Customers – Duke Energy Florida | 1,929,161                   | 1,896,138 | 1.7%          |   | 1,926,701                 | 1,891,839 | 1.8%          |   |
| <b>Sources of Electric Energy (GWh)</b>                 |                             |           |               |   |                           |           |               |   |
| Generated – Net Output <sup>(c)</sup>                   |                             |           |               |   |                           |           |               |   |
| Coal  | 1,360                       | 1,879     | (27.6%)       |   | 2,183                     | 2,915     | (25.1%)       |   |
| Natural Gas and Oil                                     | 9,179                       | 8,203     | 11.9%         |   | 17,143                    | 15,379    | 11.5%         |   |
| Renewable Energy  | 463                         | 295       | 56.9%         |   | 742                       | 479       | 54.9%         |   |
| Total Generation <sup>(d)</sup>                         | 11,002                      | 10,377    | 6.0%          |   | 20,068                    | 18,773    | 6.9%          |   |
| Purchased Power and Net Interchange <sup>(e)</sup>      | 1,609                       | 1,227     | 31.1%         |   | 2,214                     | 2,064     | 7.3%          |   |
| Total Sources of Energy                                 | 12,611                      | 11,604    | 8.7%          |   | 22,282                    | 20,837    | 6.9%          |   |
| Less: Line Loss and Other                               | 271                         | 410       | (33.9%)       |   | 40                        | 1,089     | (96.3%)       |   |
| Total GWh Sources                                       | 12,340                      | 11,194    | 10.2%         |   | 22,242                    | 19,748    | 12.6%         |   |
| <b>Owned MW Capacity<sup>(e)</sup></b>                  |                             |           |               |   |                           |           |               |   |
| Summer  |                             |           |               |   | 10,412                    | 10,246    |               |   |
| Winter  |                             |           |               |   | 11,115                    | 11,114    |               |   |
| <b>Heating and Cooling Degree Days</b>                  |                             |           |               |   |                           |           |               |   |
| <b>Actual</b>   |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                     | 4                           | 15        | (73.3%)       |   | 301                       | 310       | (2.9%)        |   |
| Cooling Degree Days                                     | 1,188                       | 1,092     | 8.8%          |   | 1,481                     | 1,360     | 8.9%          |   |
| <b>Variance from Normal</b>                             |                             |           |               |   |                           |           |               |   |
| Heating Degree Days                                     | (55.1%)                     | 68.5%     |               |   | (19.4%)                   | (18.2%)   |               |   |
| Cooling Degree Days                                     | 12.8%                       | 4.0%      |               |   | 18.1%                     | 9.6%      |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

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Jan 19 2023

**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

|  | Three Months Ended June 30, |         |               |   | Six Months Ended June 30, |         |               |   |
|--|-----------------------------|---------|---------------|---|---------------------------|---------|---------------|---|
|  | 2022                        | 2021    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2022                      | 2021    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                       |                             |         |               |   |                           |         |               |   |
| Residential  | 1,964                       | 1,829   | 7.4%          |   | 4,425                     | 4,416   | 0.2%          |   |
| General Service                                      | 1,717                       | 2,111   | (18.7%)       |   | 3,868                     | 4,283   | (9.7%)        |   |
| Industrial   | 959                         | 1,366   | (29.8%)       |   | 2,255                     | 2,701   | (16.5%)       |   |
| Other Energy Sales                                   | 13                          | 26      | (50.0%)       |   | 39                        | 52      | (25.0%)       |   |
| Unbilled Sales                                       | 747                         | 206     | 262.6%        |   | 644                       | (115)   | 660.0%        |   |
| Total Retail Sales                                   | 5,400                       | 5,538   | (2.5%)        | (3.8%)                                      | 11,231                    | 11,337  | (0.9%)        | (1.7%)                                      |
| Wholesale and Other                                  | 164                         | 200     | (18.0%)       |   | 330                       | 405     | (18.5%)       |   |
| Total Electric Sales – Duke Energy Ohio              | 5,564                       | 5,738   | (3.0%)        |   | 11,561                    | 11,742  | (1.5%)        |   |
| <b>Average Number of Customers</b>                   |                             |         |               |   |                           |         |               |   |
| Residential  | 815,709                     | 803,842 | 1.5%          |   | 812,995                   | 803,025 | 1.2%          |   |
| General Service                                      | 74,631                      | 73,732  | 1.2%          |   | 74,442                    | 73,655  | 1.1%          |   |
| Industrial   | 2,419                       | 2,431   | (0.5%)        |   | 2,423                     | 2,431   | (0.3%)        |   |
| Other Energy Sales                                   | 2,840                       | 2,623   | 8.3%          |   | 2,829                     | 2,587   | 9.4%          |   |
| Total Retail Customers                               | 895,599                     | 882,628 | 1.5%          |   | 892,689                   | 881,698 | 1.2%          |   |
| Wholesale and Other                                  | 1                           | 1       | —%            |   | 1                         | 1       | —%            |   |
| Total Average Number of Customers – Duke Energy Ohio | 895,600                     | 882,629 | 1.5%          |   | 892,690                   | 881,699 | 1.2%          |   |
| <b>Sources of Electric Energy (GWh)</b>              |                             |         |               |   |                           |         |               |   |
| Generated – Net Output <sup>(c)</sup>                |                             |         |               |   |                           |         |               |   |
| Coal   | 792                         | 872     | (9.2%)        |   | 1,690                     | 1,838   | (8.1%)        |   |
| Natural Gas and Oil                                  | 19                          | 26      | (26.9%)       |   | 24                        | 28      | (14.3%)       |   |
| Total Generation <sup>(d)</sup>                      | 811                         | 898     | (9.7%)        |   | 1,714                     | 1,866   | (8.1%)        |   |
| Purchased Power and Net Interchange <sup>(e)</sup>   | 5,869                       | 5,402   | 8.6%          |   | 11,698                    | 11,183  | 4.6%          |   |
| Total Sources of Energy                              | 6,680                       | 6,300   | 6.0%          |   | 13,412                    | 13,049  | 2.8%          |   |
| Less: Line Loss and Other                            | 1,116                       | 562     | 98.6%         |   | 1,851                     | 1,307   | 41.6%         |   |
| Total GWh Sources                                    | 5,564                       | 5,738   | (3.0%)        |   | 11,561                    | 11,742  | (1.5%)        |   |
| <b>Owned MW Capacity<sup>(e)</sup></b>               |                             |         |               |   |                           |         |               |   |
| Summer   |                             |         |               |   | 1,076                     | 1,076   |               |   |
| Winter   |                             |         |               |   | 1,164                     | 1,164   |               |   |
| <b>Heating and Cooling Degree Days</b>               |                             |         |               |   |                           |         |               |   |
| <b>Actual</b>  |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                  | 440                         | 514     | (14.4%)       |   | 2,959                     | 3,014   | (1.8%)        |   |
| Cooling Degree Days                                  | 411                         | 360     | 14.2%         |   | 411                       | 360     | 14.2%         |   |
| <b>Variance from Normal</b>                          |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                  | (0.8%)                      | 16.4%   |               |   | (1.6%)                    | 0.5%    |               |   |
| Cooling Degree Days                                  | 22.9%                       | 8.1%    |               |   | 21.8%                     | 7.1%    |               |   |

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.



**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

|   | Three Months Ended June 30, |         |               |   | Six Months Ended June 30, |         |               |   |
|---|-----------------------------|---------|---------------|---|---------------------------|---------|---------------|---|
|   | 2022                        | 2021    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> | 2022                      | 2021    | % Inc. (Dec.) | % Inc. (Dec.) Weather Normal <sup>(b)</sup> |
| <b>GWh Sales<sup>(a)</sup></b>                          |                             |         |               |   |                           |         |               |   |
| Residential   | 1,991                       | 1,845   | 7.9%          |   | 4,742                     | 4,704   | 0.8%          |   |
| General Service   | 1,974                       | 1,817   | 8.6%          |   | 3,889                     | 3,726   | 4.4%          |   |
| Industrial  | 1,920                       | 2,508   | (23.4%)       |   | 4,203                     | 4,920   | (14.6%)       |   |
| Other Energy Sales                                      | 13                          | 12      | 8.3%          |   | 26                        | 25      | 4.0%          |   |
| Unbilled Sales  | 542                         | 189     | 186.8%        |   | 471                       | (224)   | 310.3%        |   |
| Total Retail Sales                                      | 6,440                       | 6,371   | 1.1%          | (0.4%)                                      | 13,331                    | 13,151  | 1.4%          | 0.4%  |
| Wholesale and Other                                     | 1,204                       | 995     | 21.0%         |   | 2,263                     | 1,941   | 16.6%         |   |
| Total Electric Sales – Duke Energy Indiana              | 7,644                       | 7,366   | 3.8%          |   | 15,594                    | 15,092  | 3.3%          |   |
| <b>Average Number of Customers</b>                      |                             |         |               |   |                           |         |               |   |
| Residential   | 770,900                     | 759,083 | 1.6%          |   | 768,867                   | 757,885 | 1.4%          |   |
| General Service   | 105,293                     | 104,527 | 0.7%          |   | 105,185                   | 104,447 | 0.7%          |   |
| Industrial  | 2,664                       | 2,672   | (0.3%)        |   | 2,666                     | 2,673   | (0.3%)        |   |
| Other Energy Sales                                      | 4,008                       | 3,996   | 0.3%          |   | 4,016                     | 3,991   | 0.6%          |   |
| Total Retail Customers                                  | 882,865                     | 870,278 | 1.4%          |   | 880,734                   | 868,996 | 1.4%          |   |
| Wholesale and Other                                     | 3                           | 4       | (25.0%)       |   | 3                         | 4       | (25.0%)       |   |
| Total Average Number of Customers – Duke Energy Indiana | 882,868                     | 870,282 | 1.4%          |   | 880,737                   | 869,000 | 1.4%          |   |
| <b>Sources of Electric Energy (GWh)</b>                 |                             |         |               |   |                           |         |               |   |
| Generated – Net Output <sup>(c)</sup>                   |                             |         |               |   |                           |         |               |   |
| Coal  | 3,898                       | 3,614   | 7.9%          |   | 8,000                     | 8,358   | (4.3%)        |   |
| Hydro   | 72                          | 81      | (11.1%)       |   | 99                        | 145     | (31.7%)       |   |
| Natural Gas and Oil                                     | 889                         | 715     | 24.3%         |   | 2,135                     | 1,193   | 79.0%         |   |
| Renewable Energy  | 9                           | 8       | 12.5%         |   | 12                        | 9       | 33.3%         |   |
| Total Generation <sup>(d)</sup>                         | 4,868                       | 4,418   | 10.2%         |   | 10,246                    | 9,705   | 5.6%          |   |
| Purchased Power and Net Interchange <sup>(e)</sup>      | 3,493                       | 7,333   | (52.4%)       |   | 6,810                     | 10,435  | (34.7%)       |   |
| Total Sources of Energy                                 | 8,361                       | 11,751  | (28.8%)       |   | 17,056                    | 20,140  | (15.3%)       |   |
| Less: Line Loss and Other                               | 717                         | 4,385   | (83.6%)       |   | 1,462                     | 5,048   | (71.0%)       |   |
| Total GWh Sources                                       | 7,644                       | 7,366   | 3.8%          |   | 15,594                    | 15,092  | 3.3%          |   |
| <b>Owned MW Capacity<sup>(c)</sup></b>                  |                             |         |               |   |                           |         |               |   |
| Summer  |                             |         |               |   | 6,346                     | 6,346   |               |   |
| Winter  |                             |         |               |   | 6,781                     | 6,781   |               |   |
| <b>Heating and Cooling Degree Days</b>                  |                             |         |               |   |                           |         |               |   |
| <b>Actual</b>   |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                     | 499                         | 556     | (10.3%)       |   | 3,297                     | 3,261   | 1.1%          |   |
| Cooling Degree Days                                     | 417                         | 355     | 17.5%         |   | 417                       | 355     | 17.5%         |   |
| <b>Variance from Normal</b>                             |                             |         |               |   |                           |         |               |   |
| Heating Degree Days                                     | 1.8%                        | 13.4%   |               |   | 1.8%                      | 0.7%    |               |   |
| Cooling Degree Days                                     | 24.4%                       | 6.0%    |               |   | 23.3%                     | 5.1%    |               |   |

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
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- (e) Purchased power includes renewable energy purchases.

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Jan 19 2023

## Gas Utilities and Infrastructure

## Quarterly Highlights

June 2022

|  | Three Months Ended June 30, |             |               | Six Months Ended June 30, |             |               |
|--|-----------------------------|-------------|---------------|---------------------------|-------------|---------------|
|  | 2022                        | 2021        | % Inc. (Dec.) | 2022                      | 2021        | % Inc. (Dec.) |
| <b>Total Sales</b>   |                             |             |               |                           |             |               |
| Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup> | 126,530,274                 | 106,034,615 | 19.3%         | 306,717,375               | 255,661,197 | 20.0%         |
| Duke Energy Midwest LDC throughput (Mcf)   | 16,531,986                  | 14,842,857  | 11.4%         | 53,762,623                | 51,951,909  | 3.5%          |
| <b>Average Number of Customers – Piedmont Natural Gas</b>                                    |                             |             |               |                           |             |               |
| Residential  | 1,039,928                   | 1,024,921   | 1.5%          | 1,039,641                 | 1,023,389   | 1.6%          |
| Commercial   | 106,391                     | 105,602     | 0.7%          | 106,628                   | 105,829     | 0.8%          |
| Industrial   | 957                         | 959         | (0.2%)        | 957                       | 962         | (0.5%)        |
| Power Generation   | 19                          | 19          | —%            | 19                        | 19          | —%            |
| Total Average Number of Gas Customers – Piedmont Natural Gas                                 | 1,147,295                   | 1,131,501   | 1.4%          | 1,147,245                 | 1,130,199   | 1.5%          |
| <b>Average Number of Customers – Duke Energy Midwest</b>                                     |                             |             |               |                           |             |               |
| Residential  | 516,973                     | 511,276     | 1.1%          | 516,037                   | 510,703     | 1.0%          |
| General Service  | 42,551                      | 34,565      | 23.1%         | 38,822                    | 34,495      | 12.5%         |
| Industrial   | 1,602                       | 1,747       | (8.3%)        | 1,618                     | 1,748       | (7.4%)        |
| Other  | 103                         | 130         | (20.8%)       | 111                       | 130         | (14.6%)       |
| Total Average Number of Gas Customers – Duke Energy Midwest                                  | 561,229                     | 547,718     | 2.5%          | 556,588                   | 547,076     | 1.7%          |

- (a) Piedmont has a margin decoupling mechanism in North Carolina, weather normalization mechanisms in South Carolina and Tennessee and fixed-price contracts with most power generation customers that significantly eliminate the impact of throughput changes on earnings. Duke Energy Ohio's rate design also serves to offset this impact.

## Commercial Renewables

## Quarterly Highlights

June 2022

|  | Three Months Ended June 30, |       |               | Six Months Ended June 30, |       |               |
|--|-----------------------------|-------|---------------|---------------------------|-------|---------------|
|  | 2022                        | 2021  | % Inc. (Dec.) | 2022                      | 2021  | % Inc. (Dec.) |
| Renewable Plant Production, GWh                          | 3,430                       | 2,787 | 23.1 %        | 6,418                     | 5,375 | 19.4 %        |
| Net Proportional MW Capacity in Operation <sup>(a)</sup> | n/a                         | n/a   |               | 4,759                     | 4,474 | 6.4 %         |

- (a) Includes 100% tax equity project capacity.