



State of North Carolina  
Utilities Commission

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November 3, 2003

TO: Jo Anne Sanford, Chair  
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Commissioner Sam J. Ervin, IV  
Commissioner Lorinzo L. Joyner  
Commissioner James Y. Kerr, II  
Commissioner Michael S. Wilkins

FROM: Donald R. Hoover, Director  
Operations Division

A handwritten signature in black ink, appearing to read "Don Hoover" followed by a flourish.

SUBJECT: *"Quarterly Review"* Corrections

It has come to our attention that certain errors have been made with respect to certain information provided in the Commission's *"Quarterly Review"* for the 12 Months Ending March 31, 2003, which was provided to you by memorandum dated October 28, 2003. Such inadvertent errors are contained in information pertaining to Duke Power, A Division of Duke Energy Corporation (Duke). Specifically, on Page 15, Columns (d) – (f), which relate to the restatement of Duke's NCUC ES-1 Reports for the years 1999 – 2001, do not reflect the revisions for Duke as previously published in the Commission's *"Quarterly Review" Revisions* issued on June 20, 2003. Additionally, on Page 15, Columns (g) and (h), which reflect annual growth rates, are likewise in error.

Attached is a revised Page 15 of the subject report, which has been modified to reflect corrections for the foregoing.

We regret the inconvenience created by this oversight.

LPH/dhh

Attachments (2)

cc: Please see attached distribution list

**DUKE POWER, A DIVISION OF DUKE ENERGY CORPORATION**  
**SELECTED FINANCIAL AND OPERATIONAL DATA**  
**North Carolina Retail Jurisdiction**  
**(Amounts in Thousands)**

Line No.	Item (a)	12 Months Ended					Annual Growth Rate	
		March 2003 (b)	March 2002 (c)	March 2001 (d)	March 2000 (e)	March 1999 (f)	Four Year (g)	Current Year (h)
1.	Operating Revenue	\$3,452,299	\$3,188,674	\$3,216,534	\$3,052,173	\$2,990,417	3.66%	8.27%
2.	Operating Expenses:							
3.	Fuel	565,545	491,243	470,910	450,177	447,549	6.02%	15.13%
4.	Purchased Power	295,256	283,913	314,133	269,820	268,191	2.43%	4.00%
5.	Maintenance	383,658	309,415	287,321	280,230	285,214	7.69%	23.99%
6.	Other Operating Expenses	636,833	702,421	689,986	655,906	576,573	2.52%	-9.34%
7.	Total Operating Expenses	1,881,292	1,786,992	1,762,350	1,656,133	1,577,527	4.50%	5.28%
8.	Depreciation & Amortization	448,557	409,466	381,060	361,483	346,819	6.64%	9.55%
9.	Total Expenses & Depreciation	2,329,849	2,196,458	2,143,410	2,017,616	1,924,346	4.90%	6.07%
10.	Total Operating Taxes	480,108	457,618	493,499	472,512	490,826	-0.55%	4.91%
11.	Total Expenses, Depr. & Taxes	2,809,957	2,654,076	2,636,909	2,490,128	2,415,172	3.86%	5.87%
12.	Operating Income	\$642,342	\$534,598	\$579,625	\$562,045	\$575,245	2.80%	20.15%
13.	Net Plant Investment	\$6,941,319	\$6,546,276	\$6,543,820	\$6,230,098	\$6,051,224	3.49%	6.03%
14.	Oper. Exp. as a % of Total Revenue	54.49%	56.04%	54.79%	54.26%	52.75%	0.81%	-2.77%
15.	Net Plt. Investment per \$ of Revenue	\$2.01	\$2.05	\$2.03	\$2.04	\$2.02	-0.12%	-1.95%
16.	Number of Customers Served:							
17.	Residential	1,357	1,358	1,324	1,293	1,262	1.83%	-0.07%
18.	Commercial	219	217	209	206	201	2.17%	0.92%
19.	Industrial	6	6	6	7	7	-3.78%	0.00%
20.	Other	9	8	8	8	7	6.48%	12.50%
21.	Total Number of Customers	1,591	1,589	1,547	1,514	1,477	1.88%	0.13%
22.	Annual Sales Volume: (Millions kWh)							
23.	Residential	18,557	16,871	17,226	16,335	16,209	3.44%	9.99%
24.	Commercial	18,948	18,315	17,825	17,062	16,360	3.74%	3.46%
25.	Industrial	15,696	15,612	17,319	17,660	18,030	-3.41%	0.54%
26.	Other	224	220	236	230	221	0.34%	1.82%
27.	Total Sales	53,425	51,018	52,606	51,287	50,820	1.26%	4.72%
28.	Estimated Overall Rate of Return	10.82%	9.25%	10.14%	10.18%	10.59%	0.54%	16.97%
29.	Estimated Return on Common Equity	14.48%	11.48%	12.46%	12.49%	13.48%	1.81%	26.13%
30.	Common Equity Ratio	57.43%	61.03%	57.34%	58.68%	55.20%	1.00%	-5.90%
31.	Estimated Pre-tax Interest Coverage Ratio (Times)	6.48	6.48	5.48	5.74	5.47	4.33%	0.00%
32.	<b>LAST RATE CASE</b>	Authorized Returns: Common Equity 12.50%, Overall 10.44%; Equity Ratio: 49.82%; Date of Order: 11-12-91						

Notes: [1] North Carolina retail jurisdictional revenue equates to 70% of total company electric utility revenue.

[2] Net Plant Investment reflects net plant in service.

[3] Source of Data: NCUC ES-1 Reports.

[4] This schedule reflects certain revised data for 1999 - 2001, as provided by Duke Power.

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