DUKE ENERGY PROGRESS, LLC **Item No. 21**
Docket No. E-2, Sub 1300
NCUC Form E-1 Data Request
For the test year ended December 31, 2021

☐ **CONFIDENTIAL** ☒ **NOT CONFIDENTIAL**

Request:

Provide the most recent annual report to stockholders, latest 10 year statistical supplement (if available), and subsequent quarterly reports to stockholders, or all such reports since the last general rate case filing.

Response:

All documents can be found in the attached corresponding folder.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the f sca year ended December 31, 2021 or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the trans t on per od from_____to_____

Commission file number	Registrant, State of Incorporation or Organization, Address of Principal Executive Offices and Telephone Number	IRS Employer Identification No.
	DUKE ENERGY®	
1 32853	**DUKE ENERGY CORPORATION** (a De aware corporat on) 526 South Church Street Char otte, North Caro na 28202 1803 704 382 3853	20 2777218
1 4928	**DUKE ENERGY CAROLINAS, LLC** (a North Caro na m ted ab ty company) 526 South Church Street Char otte, North Caro na 28202 1803 704 382 3853	56 0205520
1 15929	**PROGRESS ENERGY, INC.** (a North Caro na corporat on) 410 South W m ngton Street Ra e gh, North Caro na 27601 1748 704 382 3853	56 2155481
1 3382	**DUKE ENERGY PROGRESS, LLC** (a North Caro na m ted ab ty company) 410 South W m ngton Street Ra e gh, North Caro na 27601 1748 704 382 3853	56 0165465
1 3274	**DUKE ENERGY FLORIDA, LLC** (a F or da m ted ab ty company) 299 F rst Avenue North St. Petersburg, F or da 33701 704 382 3853	59 0247770
1 1232	**DUKE ENERGY OHIO, INC.** (an Oh o corporat on) 139 East Fourth Street C nc nnat , Oh o 45202 704 382 3853	31 0240030
1 3543	**DUKE ENERGY INDIANA, LLC** (an Ind ana m ted ab ty company) 1000 East Ma n Street P a nf e d, Ind ana 46168 704 382 3853	35 0594457
1 6196	**PIEDMONT NATURAL GAS COMPANY, INC.** (a North Caro na corporat on) 4720 P edmont Row Dr ve Char otte, North Caro na 28210 704 364 3120	56 0556998

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Registrant	Title of each class	Trading symbols	Name of each exchange on which registered
Duke Energy Corporat on (Duke Energy)	Common Stock, $0.001 par va ue	DUK	New York Stock Exchange LLC
Duke Energy	5.625% Jun or Subord nated Debentures due September 15, 2078	DUKB	New York Stock Exchange LLC
Duke Energy	Depos tary Shares, each represent ng a 1/1,000th nterest n a share of 5.75% Ser es A Cumu at ve Redeemab e Perpetua Preferred Stock, par va ue $0.001 per share	DUK PR A	New York Stock Exchange LLC

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

Ind cate by check mark f the reg strant s a we known seasoned ssuer, as def ned n Ru e 405 of the Secur t es Act.

Duke Energy	Yes ☒	No ☐	Duke Energy F or da, LLC (Duke Energy F or da)	Yes ☒	No ☐
Duke Energy Caro nas, LLC (Duke Energy Caro nas)	Yes ☒	No ☐	Duke Energy Oh o, Inc. (Duke Energy Oh o)	Yes ☒	No ☐
Progress Energy, Inc. (Progress Energy)	Yes ☐	No ☒	Duke Energy Ind ana, LLC (Duke Energy Ind ana)	Yes ☒	No ☐
Duke Energy Progress, LLC (Duke Energy Progress)	Yes ☒	No ☐	P edmont Natura Gas Company, Inc. (P edmont)	Yes ☒	No ☐

Ind cate by check mark f the reg strant s not requ red to f e reports pursuant to Sect on 13 or Sect on 15(d) of the Exchange Act. Yes ☐ No ☒
(Response app cab e to a reg strants.)

Ind cate by check mark whether the reg strants (1) have f ed a reports requ red to be f ed by Sect on 13 or 15(d) of the Secur t es Exchange Act of 1934 dur ng the preced ng 12 months (or for such shorter per od that the reg strant was requ red to f e such reports), and (2) has been subject to such f ng requ rements for the past 90 days. Yes ☒ No ☐

Ind cate by check mark whether the reg strants have subm tted e ectron ca y every Interact ve Data F e requ red to be subm tted pursuant to Ru e 405 of Regu at on S T (§232.405 of th s chapter) dur ng the preced ng 12 months (or for such shorter per od that the reg strant was requ red to subm t such f es). Yes ☒ No ☐

Ind cate by check mark whether Duke Energy s a arge acce erated f er, an acce erated f er, a non acce erated f er, a sma er report ng company, or an emerg ng growth company. See the def n t ons of " arge acce erated f er," "acce erated f er," "sma er report ng company," and "emerg ng growth company" n Ru e 12b 2 of the Exchange Act.:
Large Acce erated F er ☒ Acce erated F er ☐ Non acce erated F er ☐ Sma er Report ng Company ☐ Emerg ng Growth Company ☐

If an emerg ng growth company, nd cate by check mark f the reg strant has e ected not to use the extended trans t on per od for comp y ng w th any new or rev sed f nanc a account ng standards prov ded pursuant to Sect on 13(a) of the Exchange Act. ☐

Ind cate by check mark whether each of Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont s a arge acce erated f er, acce erated f er, non acce erated f er, sma er report ng company, or emerg ng growth company. See the def n t ons of " arge acce erated f er," "acce erated f er," "sma er report ng company," and "emerg ng growth company" n Ru e 12b 2 of the Exchange Act.:
Large Acce erated F er ☐ Acce erated F er ☐ Non acce erated F er ☒ Sma er Report ng Company ☐ Emerg ng Growth Company ☐

If an emerg ng growth company, nd cate by check mark f the reg strant has e ected not to use the extended trans t on per od for comp y ng w th any new or rev sed f nanc a account ng standards prov ded pursuant to Sect on 13(a) of the Exchange Act. ☐

Ind cate by check mark whether the reg strant has f ed a report on and attestat on to ts management's assessment of the effect veness of ts nterna contro over f nanc a report ng under Sect on 404(b) of the Sarbanes Ox ey Act (15 U.S.C. 7252(b)) by the reg stered pub c account ng f rm that prepared or ssued ts aud t report. ☒

Ind cate by check mark whether each of the reg strants s a she company (as def ned n Ru e 12b 2 of the Exchange Act). Yes ☐ No ☒

Est mated aggregate market va ue of the common equ ty he d by nonaff ates of Duke Energy at June 30, 2021.	$	75,871,309,901
Number of shares of Common Stock, $0.001 par va ue, outstand ng at January 31, 2022.		769,358,344

DOCUMENTS INCORPORATED BY REFERENCE

Port ons of the Duke Energy def n t ve proxy statement for the 2021 Annua Meet ng of the Shareho ders or an amendment to th s Annua Report are ncorporated by reference nto PART III, Items 10, 11 and 13 hereof.

Th s comb ned Form 10 K s f ed separate y by e ght reg strants: Duke Energy, Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont (co ect ve y the Duke Energy Reg strants). Informat on conta ned here n re at ng to any nd v dua reg strant s f ed by such reg strant so e y on ts own beha f. Each reg strant makes no representat on as to nformat on re at ng exc us ve y to the other reg strants.

Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont meet the cond t ons set forth n Genera Instruct ons I(1)(a) and (b) of Form 10 K and are, therefore, f ng th s Form 10 K w th the reduced d sc osure format spec f ed n Genera Instruct ons I(2) of Form 10 K.

Aud tor F rm ID: 34 Aud tor Name: De o tte & Touche LLP Aud tor Locat on: Char otte, NC

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FORM 10-K FOR THE YEAR ENDED December 31, 2021

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Th s document nc udes forward ook ng statements w th n the mean ng of Sect on 27A of the Secur t es Act of 1933 and Sect on 21E of the Secur t es Exchange Act of 1934. Forward ook ng statements are based on management's be efs and assumpt ons and can often be dent f ed by terms and phrases that nc ude "ant c pate," "be eve," " ntend," "est mate," "expect," "cont nue," "shou d," "cou d," "may," "p an," "project," "pred ct," "w ," "potent a ," "forecast," "target," "gu dance," "out ook" or other s m ar term no ogy. Var ous factors may cause actua resu ts to be mater a y d fferent than the suggested outcomes w th n forward ook ng statements; accord ng y, there s no assurance that such resu ts w be rea zed. These factors nc ude, but are not m ted to:

- The mpact of the COVID 19 pandem c;
- State, federa and fore gn eg s at ve and regu atory n t at ves, nc ud ng costs of comp ance w th ex st ng and future env ronmenta requ rements, nc ud ng those re ated to c mate change, as we as ru ngs that affect cost and nvestment recovery or have an mpact on rate structures or market pr ces;
- The extent and t m ng of costs and ab t es to comp y w th federa and state aws, regu at ons and ega requ rements re ated to coa ash remed at on, nc ud ng amounts for requ red c osure of certa n ash mpoundments, are uncerta n and d ff cu t to est mate;
- The ab ty to recover e g b e costs, nc ud ng amounts assoc ated w th coa ash mpoundment ret rement ob gat ons, asset ret rement and construct on costs re ated to carbon em ss ons reduct ons, and costs re ated to s gn f cant weather events, and to earn an adequate return on nvestment through rate case proceed ngs and the regu atory process;
- The costs of decomm ss on ng nuc ear fac t es cou d prove to be more extens ve than amounts est mated and a costs may not be fu y recoverab e through the regu atory process;
- Costs and effects of ega and adm n strat ve proceed ngs, sett ements, nvest gat ons and c a ms;
- Industr a , commerc a and res dent a growth or dec ne n serv ce terr tor es or customer bases resu t ng from susta ned downturns of the economy and the econom c hea th of our serv ce terr tor es or var at ons n customer usage patterns, nc ud ng energy eff c ency efforts, natura gas bu d ng and app ance e ectr f cat on, and use of a ternat ve energy sources, such as se f generat on and d str buted generat on techno og es;
- Federa and state regu at ons, aws and other efforts des gned to promote and expand the use of energy eff c ency measures, natura gas e ectr f cat on, and d str buted generat on techno og es, such as pr vate so ar and battery storage, n Duke Energy serv ce terr tor es cou d resu t n a reduced number of customers, excess generat on resources as we as stranded costs;
- Advancements n techno ogy;
- Add t ona compet t on n e ectr c and natura gas markets and cont nued ndustry conso dat on;
- The nf uence of weather and other natura phenomena on operat ons, nc ud ng the econom c, operat ona and other effects of severe storms, hurr canes, droughts, earthquakes and tornadoes, nc ud ng extreme weather assoc ated w th c mate change;
- Chang ng nvestor, customer and other stakeho der expectat ons and demands nc ud ng he ghtened emphas s on env ronmenta , soc a and governance concerns;
- The ab ty to successfu y operate e ectr c generat ng fac t es and de ver e ectr c ty to customers nc ud ng d rect or nd rect effects to the company resu t ng from an nc dent that affects the Un ted States e ectr c gr d or generat ng resources;
- Operat ona nterrupt ons to our natura gas d str but on and transm ss on act v t es;
- The ava ab ty of adequate nterstate p pe ne transportat on capac ty and natura gas supp y;
- The mpact on fac t es and bus ness from a terror st attack, cybersecur ty threats, data secur ty breaches, operat ona acc dents, nformat on techno ogy fa ures or other catastroph c events, such as f res, exp os ons, pandem c hea th events or other s m ar occurrences;
- The nherent r sks assoc ated w th the operat on of nuc ear fac t es, nc ud ng env ronmenta , hea th, safety, regu atory and f nanc a r sks, nc ud ng the f nanc a stab ty of th rd party serv ce prov ders;
- The t m ng and extent of changes n commod ty pr ces and nterest rates and the ab ty to recover such costs through the regu atory process, where appropr ate, and the r mpact on qu d ty pos t ons and the va ue of under y ng assets;
- The resu ts of f nanc ng efforts, nc ud ng the ab ty to obta n f nanc ng on favorab e terms, wh ch can be affected by var ous factors, nc ud ng cred t rat ngs, nterest rate f uctuat ons, comp ance w th debt covenants and cond t ons, an nd v dua ut ty's generat on m x, and genera market and econom c cond t ons;
- Cred t rat ngs of the Duke Energy Reg strants may be d fferent from what s expected;
- Dec nes n the market pr ces of equ ty and f xed ncome secur t es and resu tant cash fund ng requ rements for def ned benef t pens on p ans, other post ret rement benef t p ans and nuc ear decomm ss on ng trust funds;
- Construct on and deve opment r sks assoc ated w th the comp et on of the Duke Energy Reg strants' cap ta nvestment projects, nc ud ng r sks re ated to f nanc ng, obta n ng and comp y ng w th terms of perm ts, meet ng construct on budgets and schedu es and sat sfy ng operat ng and env ronmenta performance standards, as we as the ab ty to recover costs from customers n a t me y manner, or at a ;
- Changes n ru es for reg ona transm ss on organ zat ons, nc ud ng changes n rate des gns and new and evo v ng capac ty markets, and r sks re ated to ob gat ons created by the defau t of other part c pants;

- The ab ty to contro operat on and ma ntenance costs;
- The eve of cred tworth ness of counterpart es to transact ons;
- The ab ty to obta n adequate nsurance at acceptab e costs;
- Emp oyee workforce factors, nc ud ng the potent a nab ty to attract and reta n key personne ;
- The ab ty of subs d ar es to pay d v dends or d str but ons to Duke Energy Corporat on ho d ng company (the Parent);
- The performance of projects undertaken by our nonregu ated bus nesses and the success of efforts to nvest n and deve op new opportun t es;
- The effect of account ng pronouncements ssued per od ca y by account ng standard sett ng bod es;
- The mpact of Un ted States tax eg s at on to our f nanc a cond t on, resu ts of operat ons or cash f ows and our cred t rat ngs;
- The mpacts from potent a mpa rments of goodw or equ ty method nvestment carry ng va ues;
- Asset or bus ness acqu s t ons and d spos t ons, nc ud ng our ab ty to successfu y consummate the second c os ng of the m nor ty nvestment n Duke Energy Ind ana, may not y e d the ant c pated benef ts;
- The act ons of act v st shareho ders cou d d srupt our operat ons, mpact our ab ty to execute on our bus ness strategy, or cause f uctuat ons n the trad ng pr ce of our common stock; and
- The ab ty to mp ement our bus ness strategy, nc ud ng ts carbon em ss on reduct on goa s.

Add t ona r sks and uncerta nt es are dent f ed and d scussed n the Duke Energy Reg strants' reports f ed w th the SEC and ava ab e at the SEC's webs te at sec.gov. In ght of these r sks, uncerta nt es and assumpt ons, the events descr bed n the forward ook ng statements m ght not occur or m ght occur to a d fferent extent or at a d fferent t me than descr bed. Forward ook ng statements speak on y as of the date they are made and the Duke Energy Reg strants express y d sc a m an ob gat on to pub c y update or rev se any forward ook ng statements, whether as a resu t of new nformat on, future events or otherw se.

Glossary of Terms

The fo ow ng terms or acronyms used n th s Form 10 K are def ned be ow:

Term or Acronym	Definition
2017 Sett ement	Second Rev sed and Restated Sett ement Agreement n 2017 among Duke Energy F or da, the F or da Off ce of Pub c Counse and other customer advocates, wh ch rep aces and supp ants the 2013 Sett ement
2021 Sett ement	Sett ement Agreement n 2021 among Duke Energy F or da, the F or da Off ce of Pub c Counse , the F or da Industr a Power Users Group, Wh te Spr ngs Agr cu tura Chem ca s, Inc. d/b/a PSC Phosphate and NUCOR Stee F or da, Inc.
ACP	At ant c Coast P pe ne, LLC, a m ted ab ty company owned by Dom n on and Duke Energy
ACP p pe ne	The approx mate y 600 m e cance ed nterstate natura gas p pe ne
AFS	Ava ab e for Sa e
AFUDC	A owance for funds used dur ng construct on
AMI	Advanced Meter ng Infrastructure
AMT	A ternat ve M n mum Tax
AOCI	Accumu ated Other Comprehens ve Income (Loss)
ARO	Asset Ret rement Ob gat on
Aud t Comm ttee	Aud t Comm ttee of the Board of D rectors
Be ews Creek	Be ews Creek Steam Stat on
B son	B son Insurance Company L m ted
Board of D rectors	Duke Energy Board of D rectors
Brunsw ck	Brunsw ck Nuc ear P ant
Card na	Card na P pe ne Company, LLC
Catawba	Catawba Nuc ear Stat on
CC	Comb ned Cyc e
CCR	Coa Combust on Res dua s
C nergy	C nergy Corp. (co ect ve y w th ts subs d ar es)
C trus County CC	C trus County Comb ned Cyc e Fac ty
CO_2	Carbon D ox de
Coa Ash Act	North Caro na Coa Ash Management Act of 2014
the company	Duke Energy Corporat on and ts subs d ar es
Const tut on	Const tut on P pe ne Company, LLC
COVID 19	Coronav rus D sease 2019
CPCN	Cert f cate of Pub c Conven ence and Necess ty
CRC	C nergy Rece vab es Company LLC
Crysta R ver Un t 3	Crysta R ver Un t 3 Nuc ear P ant
CT	Combust on Turb ne
DATC	Duke Amer can Transm ss on Company, LLC
DECON	A method of decomm ss on ng n wh ch structures, systems, and components that conta n rad oact ve contam nat on are removed from a s te and safe y d sposed at a commerc a y operated ow eve waste d sposa fac ty, or decontam nated to a eve that perm ts the s te to be re eased for unrestr cted use short y after t ceases operat on
DEFR	Duke Energy F or da Rece vab es, LLC
De o tte	De o tte & Touche LLP, and the member f rms of De o tte Touche Tohmatsu and the r respect ve aff ates
DEPR	Duke Energy Progress Rece vab es, LLC
DERF	Duke Energy Rece vab es F nance Company, LLC
DOE	U.S. Department of Energy
Dom n on	Dom n on Energy, Inc.

Dth	Dekatherms
Duke Energy	Duke Energy Corporat on (co ect ve y w th ts subs d ar es)
Duke Energy Caro nas	Duke Energy Caro nas, LLC
Duke Energy F or da	Duke Energy F or da, LLC
Duke Energy Ind ana	Duke Energy Ind ana, LLC
Duke Energy Kentucky	Duke Energy Kentucky, Inc.
Duke Energy Oh o	Duke Energy Oh o, Inc.
Duke Energy Progress	Duke Energy Progress, LLC
Duke Energy Reg strants	Duke Energy, Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont
East Bend	East Bend Generat ng Stat on
EDIT	Excess deferred ncome tax
EE	Energy eff c ency
EPA	U.S. Env ronmenta Protect on Agency
EPC	Eng neer ng, Procurement and Construct on agreement
EPS	Earn ngs Per Share
ETR	Effect ve tax rate
Exchange Act	Secur t es Exchange Act of 1934
FASB	F nanc a Account ng Standards Board
FERC	Federa Energy Regu atory Comm ss on
Form S 3	Reg strat on statement
FPSC	F or da Pub c Serv ce Comm ss on
FTR	F nanc a transm ss on r ghts
FV NI	Fa r va ue through net ncome
GAAP	Genera y Accepted Account ng Pr nc p es n the Un ted States
GAAP Reported Earn ngs	Net Income Ava ab e to Duke Energy Corporat on common stockho ders
GAAP Reported EPS	Bas c EPS Ava ab e to Duke Energy Corporat on common stockho ders
GHG	Greenhouse Gas
GIC	GIC Pr vate L m ted, S ngapore's sovere gn wea th fund and an exper enced nvestor n U.S. nfrastructure
GWh	G gawatt hour
Hardy Storage	Hardy Storage Company, LLC
Harr s	Shearon Harr s Nuc ear P ant
HLBV	Hypothet ca L qu dat on at Book Va ue
IMPA	Ind ana Mun c pa Power Agency
IMR	Integr ty Management R der
IRP	Integrated Resource P ans
IRS	Interna Revenue Serv ce
ISO	Independent System Operator
ITC	Investment Tax Cred t
IURC	Ind ana Ut ty Regu atory Comm ss on
Investment Trusts	Grantor trusts of Duke Energy Progress, Duke Energy F or da and Duke Energy Ind ana
KO Transm ss on	KO Transm ss on Company
KPSC	Kentucky Pub c Serv ce Comm ss on
LIBOR	London Interbank Offered Rate
LLC	L m ted L ab ty Company

McGu re	McGu re Nuc ear Stat on
MGP	Manufactured gas p ant
MISO	M dcont nent Independent System Operator, Inc.
MTBE	Methy tert ary buty ether
MW	Megawatt
MWh	Megawatt hour
NCDEQ	North Caro na Department of Env ronmenta Qua ty
NCUC	North Caro na Ut t es Comm ss on
NDTF	Nuc ear decomm ss on ng trust funds
New Source Rev ew	C ean A r Act program that requ res ndustr a fac t es to nsta modern po ut on contro equ pment when they are bu t or when mak ng a change that ncreases em ss ons s gn f cant y
NMC	Nat ona Methano Company
NOL	Net operat ng oss
NPNS	Norma purchase/norma sa e
NRC	U.S. Nuc ear Regu atory Comm ss on
NYSE	New York Stock Exchange
Oconee	Oconee Nuc ear Stat on
OPEB	Other Post Ret rement Benef t Ob gat ons
OTTI	Other than temporary mpa rment
OVEC	Oh o Va ey E ectr c Corporat on
the Parent	Duke Energy Corporat on ho d ng company
PGA	Purchased Gas Adjustments
PHMSA	P pe ne and Hazardous Mater a s Safety Adm n strat on
P edmont	P edmont Natura Gas Company, Inc.
P ne Need e	P ne Need e LNG Company, LLC
P oneer	P oneer Transm ss on, LLC
PJM	PJM Interconnect on, LLC
PMPA	P edmont Mun c pa Power Agency
PISCC	Post n serv ce carry ng costs
PPA	Purchase Power Agreement
Progress Energy	Progress Energy, Inc.
PSCSC	Pub c Serv ce Comm ss on of South Caro na
PTC	Product on Tax Cred ts
PUCO	Pub c Ut t es Comm ss on of Oh o
PURPA	Pub c Ut ty Regu atory Po c es Act of 1978
QF	Qua fy ng Fac ty
REC	Renewab e Energy Cert f cate
Re at ve TSR	TSR of Duke Energy stock re at ve to a predef ned peer group
Rob nson	Rob nson Nuc ear P ant
ROU	R ght of use
RSU	Restr cted Stock Un t
RTO	Reg ona Transm ss on Organ zat on
Saba Tra	Saba Tra Transm ss on, LLC
SAFSTOR	A method of decomm ss on ng n wh ch a nuc ear fac ty s p aced and ma nta ned n a cond t on that a ows the fac ty to be safe y stored and subsequent y decontam nated to eve s that perm t re ease for unrestr cted use

SEC	Secur t es and Exchange Comm ss on
S&P	Standard & Poor's Rat ng Serv ces
State ut ty comm ss ons	NCUC, PSCSC, FPSC, PUCO, IURC, KPSC and TPUC (Co ect ve y)
State e ectr c ut ty comm ss ons	NCUC, PSCSC, FPSC, PUCO, IURC and KPSC (Co ect ve y)
State gas ut ty comm ss ons	NCUC, PSCSC, PUCO, TPUC and KPSC (Co ect ve y)
Subs d ary Reg strants	Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont
Sutton	L.V. Sutton Comb ned Cyc e P ant
the Tax Act	Tax Cuts and Jobs Act
TPUC	Tennessee Pub c Ut ty Comm ss on
TSR	Tota shareho der return
U.S.	Un ted States
VIE	Var ab e Interest Ent ty
WACC	We ghted Average Cost of Cap ta
W.S. Lee CC	W am States Lee Comb ned Cyc e Fac ty
WVPA	Wabash Va ey Power Assoc at on, Inc.

ITEM 1. BUSINESS

DUKE ENERGY

General

Duke Energy was ncorporated on May 3, 2005, and s an energy company headquartered n Char otte, North Caro na, subject to regu at on by the FERC and other regu atory agenc es sted be ow. Duke Energy operates n the U.S. pr mar y through ts d rect and nd rect subs d ar es. Certa n Duke Energy subs d ar es are a so Subs d ary Reg strants, nc ud ng Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont. When d scuss ng Duke Energy's conso dated f nanc a nformat on, t necessar y nc udes the resu ts of ts separate Subs d ary Reg strants, wh ch a ong w th Duke Energy, are co ect ve y referred to as the Duke Energy Reg strants.

The Duke Energy Reg strants e ectron ca y f e reports w th the SEC, nc ud ng Annua Reports on Form 10 K, quarter y reports on Form 10 Q, current reports on Form 8 K, proxy statements and amendments to such reports.

The SEC ma nta ns an nternet s te that conta ns reports, proxy and nformat on statements and other nformat on regard ng ssuers that f e e ectron ca y w th the SEC at sec.gov. Add t ona y, nformat on about the Duke Energy Reg strants, nc ud ng reports f ed w th the SEC, s ava ab e through Duke Energy's webs te at duke energy.com. Such reports are access b e at no charge and are made ava ab e as soon as reasonab y pract cab e after such mater a s f ed w th or furn shed to the SEC.

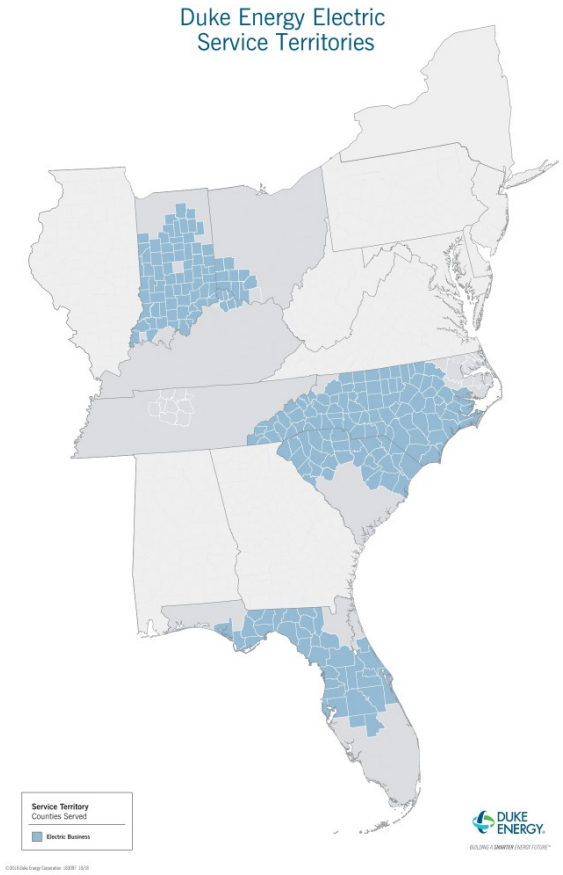
Business Segments

Duke Energy's segment structure nc udes three reportab e bus ness segments: E ectr c Ut t es and Infrastructure, Gas Ut t es and Infrastructure and Commerc a Renewab es. The rema nder of Duke Energy's operat ons s presented as Other. Duke Energy's ch ef operat ng dec s on maker rout ne y rev ews f nanc a nformat on about each of these bus ness segments n dec d ng how to a ocate resources and eva uate the performance of the bus ness. For add t ona nformat on on each of these bus ness segments, nc ud ng f nanc a and geograph c nformat on, see Note 2 to the Conso dated F nanc a Statements, "Bus ness Segments." The fo ow ng sect ons descr be the bus ness and operat ons of each of Duke Energy's bus ness segments, as we as Other.

ELECTRIC UTILITIES AND INFRASTRUCTURE

E ectr c Ut t es and Infrastructure conducts operat ons pr mar y through the regu ated pub c ut t es of Duke Energy Caro nas, Duke Energy Progress, Duke Energy F or da, Duke Energy Ind ana and Duke Energy Oh o. E ectr c Ut t es and Infrastructure prov des reta e ectr c serv ce through the generat on, transm ss on, d str but on and sa e of e ectr c ty to approx mate y 8.2 m on customers w th n the Southeast and M dwest reg ons of the U.S. The serv ce terr tory s approx mate y 91,000 square m es across s x states w th a tota est mated popu at on of 26 m on. The operat ons nc ude e ectr c ty so d who esa e to mun c pa t es, e ectr c cooperat ve ut t es and other oad serv ng ent t es.

Dur ng 2021, Duke Energy executed an agreement prov d ng for an nvestment by an aff ate of GIC n Duke Energy Ind ana n exchange for a 19.9% m nor ty nterest ssued by Duke Energy Ho dco, LLC, the ho d ng company for Duke Energy Ind ana. The transact on w be comp eted fo ow ng two c os ngs. The f rst c os ng occurred on September 8, 2021, and resu ted n Duke Energy Ind ana Ho dco, LLC ssu ng 11.05% of ts membersh p nterest to the aff ate of GIC. The second c os ng s expected to occur no ater than January 2023. See Note 1 to the Conso dated F nanc a Statements, "Summary of S gn f cant Account ng Po c es," for add t ona nformat on. E ectr c Ut t es and Infrastructure s a so a jo nt owner n certa n e ectr c transm ss on projects. E ectr c Ut t es and Infrastructure has a 50% ownersh p nterest n DATC, a partnersh p w th Amer can Transm ss on Company, formed to des gn, bu d and operate transm ss on nfrastructure. DATC owns 72% of the transm ss on serv ce r ghts to Path 15, an 84 m e transm ss on ne n centra Ca forn a. E ectr c Ut t es and Infrastructure a so has a 50% ownersh p nterest n P oneer, wh ch bu ds, owns and operates e ectr c transm ss on fac t es n North Amer ca. The fo ow ng map shows the serv ce terr tory for E ectr c Ut t es and Infrastructure as of December 31, 2021.



The e ectr c operat ons and nvestments n projects are subject to the ru es and regu at ons of the FERC, the NRC, the NCUC, the PSCSC, the FPSC, the IURC, the PUCO and the KPSC.

The fo ow ng tab e represents the d str but on of GWh b ed sa es by customer c ass for the year ended December 31, 2021.

	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana
Res dent a	33 %	28 %	49 %	38 %	30 %
Genera serv ce	32 %	22 %	35 %	37 %	25 %
Industr a	24 %	14 %	8 %	23 %	31 %
Tota reta sa es	89 %	64 %	92 %	98 %	86 %
Who esa e and other sa es	11 %	36 %	8 %	2 %	14 %
Tota sa es	100 %	100 %	100 %	100 %	100 %

The number of res dent a and genera serv ce customers w th n the E ectr c Ut t es and Infrastructure serv ce terr tory s expected to ncrease over t me. Sa es growth s expected w th n the serv ce terr tory but cont nues to be mpacted by adopt on of energy eff c enc es and se f generat on. Res dent a sa es ncreased n 2021 compared to 2020 due to customer growth and the ntroduct on of a hybr d work env ronment n response to mu t p e waves of COVID 19 dur ng 2021. Meanwh e, sa es for genera serv ce and ndustr a customers recovered n 2021 from temporary c os ngs and ramp backs exper enced n 2020 due to the COVID 19 pandem c. Over the onger t me frame, t s st expected that the cont nued adopt on of more eff c ent hous ng and app ances w have a negat ve mpact on average usage per res dent a customer over t me.

Seasonality and the Impact of Weather

Revenues and costs are nf uenced by seasona weather patterns. Peak sa es of e ectr c ty occur dur ng the summer and w nter months, wh ch resu ts n h gher revenue and cash f ows dur ng these per ods. By contrast, ower sa es of e ectr c ty occur dur ng the spr ng and fa , a ow ng for schedu ed p ant ma ntenance. Res dent a and genera serv ce customers are more mpacted by weather than ndustr a customers. Est mated weather mpacts are based on actua current per od weather compared to norma weather cond t ons. Norma weather cond t ons are def ned as the ong term average of actua h stor ca weather cond t ons.

The est mated mpact of weather on earn ngs s based on the temperature var ances from a norma cond t on and customers' h stor c usage patterns. The methodo ogy used to est mate the mpact of weather does not cons der a var ab es that may mpact customer response to weather cond t ons such as hum d ty n the summer or w nd ch n the w nter. The prec s on of th s est mate may a so be mpacted by app y ng ong term weather trends to shorter term per ods.

Heat ng degree days measure the var at on n weather based on the extent the average da y temperature fa s be ow a base temperature. Coo ng degree days measure the var at on n weather based on the extent the average da y temperature r ses above the base temperature. Each degree of temperature be ow the base temperature counts as one heat ng degree day and each degree of temperature above the base temperature counts as one coo ng degree day.

Competition

Retail

E ectr c Ut t es and Infrastructure's bus nesses operate as the so e supp er of e ectr c ty w th n the r serv ce terr tor es, w th the except on of Oh o, wh ch has a compet t ve e ectr c ty supp y market for generat on serv ce. E ectr c Ut t es and Infrastructure owns and operates fac t es necessary to generate, transm t, d str bute and se e ectr c ty. Serv ces are pr ced by state comm ss on approved rates des gned to nc ude the costs of prov d ng these serv ces and a reasonab e return on nvested cap ta . Th s regu atory po cy s ntended to prov de safe and re ab e e ectr c ty at fa r pr ces.

In Oh o, E ectr c Ut t es and Infrastructure conducts compet t ve auct ons for e ectr c ty supp y. The cost of energy purchased through these auct ons s recovered from reta customers. E ectr c Ut t es and Infrastructure earns reta marg n n Oh o on the transm ss on and d str but on of e ectr c ty, but not on the cost of the under y ng energy.

Compet t on n the regu ated e ectr c d str but on bus ness s pr mar y from the deve opment and dep oyment of a ternat ve energy sources nc ud ng on s te generat on from ndustr a customers and d str buted generat on, such as pr vate so ar, at res dent a , genera serv ce and/or ndustr a customer s tes.

Wholesale

Duke Energy competes w th other ut t es and merchant generators for bu k power sa es, sa es to mun c pa t es and cooperat ves and who esa e transact ons under pr mar y cost based contracts approved by FERC. The pr nc pa factors n compet ng for these sa es are ava ab ty of capac ty and power, re ab ty of serv ce and pr ce. Pr ces are nf uenced pr mar y by market cond t ons and fue costs.

Increased compet t on n the who esa e e ectr c ut ty ndustry and the ava ab ty of transm ss on access cou d affect E ectr c Ut t es and Infrastructure's oad forecasts, p ans for power supp y and who esa e energy sa es and re ated revenues. Who esa e energy sa es w be mpacted by the extent to wh ch add t ona generat on s ava ab e to se to the who esa e market and the ab ty of E ectr c Ut t es and Infrastructure to attract new customers and to reta n ex st ng customers.

Energy Capacity and Resources

E ectr c Ut t es and Infrastructure owns approx mate y 50,259 MW of generat on capac ty. For add t ona nformat on on owned generat on fac t es, see Item 2, "Propert es."

Energy and capac ty are a so supp ed through contracts w th other generators and purchased on the open market. Factors that cou d cause E ectr c Ut t es and Infrastructure to purchase power for ts customers may nc ude, but are not m ted to, generat ng p ant outages, extreme weather cond t ons, generat on re ab ty, demand growth and pr ce. E ectr c Ut t es and Infrastructure has nterconnect ons and arrangements w th ts ne ghbor ng ut t es to fac tate p ann ng, emergency ass stance, sa e and purchase of capac ty and energy and re ab ty of power supp y.

E ectr c Ut t es and Infrastructure's generat on portfo o s a ba anced m x of energy resources hav ng d fferent operat ng character st cs and fue sources des gned to prov de energy at the owest poss b e cost to meet ts ob gat on to serve reta customers. A opt ons, nc ud ng owned generat on resources and purchased power opportun t es, are cont nua y eva uated on a rea t me bas s to se ect and d spatch the owest cost resources ava ab e to meet system oad requ rements.

Sources of Electricity

E ectr c Ut t es and Infrastructure re es pr nc pa y on natura gas, nuc ear fue and coa for ts generat on of e ectr c ty. The fo ow ng tab e sts sources of e ectr c ty and fue costs for the three years ended December 31, 2021.

	Generation by Source			Cost of Delivered Fuel per Net Kilowatt-hour Generated (Cents)		
	2021	**2020**	**2019**	**2021**	**2020**	**2019**
Natura gas and fue o [(a)]	**31.8 %**	31.3 %	29.2 %	**3.89**	2.55	2.96
Nuc ear[(a)]	**29.8 %**	29.6 %	28.6 %	**0.58**	0.58	0.60
Coa [(a)]	**18.2 %**	18.1 %	21.6 %	**2.84**	2.99	3.08
A fue s (cost based on we ghted average)[(a)]	**79.8 %**	79.0 %	79.4 %	**2.42**	1.91	2.14
Hydroe ectr c and so ar[(b)]	**1.5 %**	1.9 %	1.2 %			
Tota generat on	**81.3 %**	80.9 %	80.6 %			
Purchased power and net nterchange	**18.7 %**	19.1 %	19.4 %			
Tota sources of energy	**100.0 %**	100.0 %	100.0 %			

(a) Stat st cs re ated to a fue s ref ect E ectr c Ut t es and Infrastructure's pub c ut ty ownersh p nterest n jo nt y owned generat on fac t es.

(b) Generat ng f gures are net of output requ red to rep en sh pumped storage fac t es dur ng off peak per ods.

Natural Gas and Fuel Oil

Natura gas and fue o supp y, transportat on and storage for E ectr c Ut t es and Infrastructure's generat on f eet s purchased under standard ndustry agreements from var ous supp ers, nc ud ng P edmont. Natura gas supp y agreements typ ca y prov de for a percentage of forecasted burns be ng procured over t me, w th var ed exp rat on dates. E ectr c Ut t es and Infrastructure be eves t has access to an adequate supp y of natura gas and fue o for the reasonab y foreseeab e future.

E ectr c Ut t es and Infrastructure has certa n dua fue generat ng fac t es that can operate ut z ng both natura gas and fue o . The cost of E ectr c Ut t es and Infrastructure's natura gas and fue o s f xed pr ce or determ ned by pub shed market pr ces as reported n certa n ndustry pub cat ons, p us any transportat on and fre ght costs. Duke Energy Caro nas, Duke Energy Progress, Duke Energy F or da and Duke Energy Ind ana use der vat ve nstruments to manage a port on of the r exposure to pr ce f uctuat ons for natura gas. For Duke Energy F or da, there s current y an agreed upon morator um w th the FPSC on future hedg ng of natura gas pr ces.

E ectr c Ut t es and Infrastructure has f rm nterstate and ntrastate natura gas transportat on agreements and storage agreements n p ace to support generat on needed for oad requ rements. E ectr c Ut t es and Infrastructure may purchase add t ona shorter term natura gas transportat on and ut ze natura gas nterrupt b e transportat on agreements to support generat on needed for oad requ rements. The E ectr c Ut t es and Infrastructure natura gas p ants are served by var ous supp y zones and mu t p e p pe nes.

Nuclear

The ndustr a processes for produc ng nuc ear generat ng fue genera y nvo ve the m n ng and m ng of uran um ore to produce uran um concentrates and serv ces to convert, enr ch and fabr cate fue assemb es.

E ectr c Ut t es and Infrastructure has contracted for uran um mater a s and serv ces to fue ts nuc ear reactors. Uran um concentrates, convers on serv ces and enr chment serv ces are pr mar y met through a d vers f ed portfo o of ong term supp y contracts. The contracts are d vers f ed by supp er, country of or g n and pr c ng. E ectr c Ut t es and Infrastructure staggers ts contract ng so that ts portfo o of ong term contracts covers the major ty of ts fue requ rements n the near term and decreas ng port ons of ts fue requ rements over t me thereafter. Near term requ rements not met by ong term supp y contracts have been and are expected to be fu f ed w th spot market purchases. Due to the techn ca comp ex t es of chang ng supp ers of fue fabr cat on serv ces, E ectr c Ut t es and Infrastructure genera y source these serv ces to a s ng e domest c supp er on a p ant by p ant bas s us ng mu t year contracts.

E ectr c Ut t es and Infrastructure has entered nto fue contracts that cover 100% of ts uran um concentrates and convers on serv ces through at east 2022, 100% of ts enr chment serv ces through at east 2023, and 100% of ts fabr cat on serv ces requ rements for these p ants through at east 2027. For future requ rements not a ready covered under ong term contracts, E ectr c Ut t es and Infrastructure be eves t w be ab e to renew contracts as they exp re or enter nto s m ar contractua arrangements w th other supp ers of nuc ear fue mater a s and serv ces.

Coal

E ectr c Ut t es and Infrastructure meets ts coa demand through a portfo o of ong term purchase contracts and short term spot market purchase agreements. Large amounts of coa are purchased under ong term contracts w th m n ng operators who m ne both underground and at the surface. E ectr c Ut t es and Infrastructure uses spot market purchases to meet coa requ rements not met by ong term contracts. Exp rat on dates for ts ong term contracts, wh ch may have var ous pr ce adjustment prov s ons and market reopeners, range from 2022 to 2026 for Duke Energy Caro nas and Duke Energy Progress and 2022 to 2025 for Duke Energy F or da, Duke Energy Oh o and Duke Energy Ind ana. E ectr c Ut t es and Infrastructure expects to renew these contracts or enter nto s m ar contracts w th other supp ers as ex st ng contracts exp re, though pr ces w f uctuate over t me as coa markets change. E ectr c Ut t es and Infrastructure has an adequate supp y of coa under contract to meet ts r sk management gu de nes regard ng projected future consumpt on. As a resu t of vo at ty n natura gas pr ces and the assoc ated mpacts on coa f red d spatch w th n the generat on f eet, coa nventor es w cont nue to f uctuate. E ectr c Ut t es and Infrastructure cont nues to act ve y manage ts portfo o and has worked w th supp ers to obta n ncreased f ex b ty n ts coa contracts.

Coa purchased for the Caro nas s pr mar y produced from m nes n Centra Appa ach a, Northern Appa ach a and the I no s Bas n. Coa purchased for F or da s pr mar y produced from m nes n the I no s Bas n. Coa purchased for Kentucky s produced from m nes a ong the Oh o R ver n I no s, Oh o, West V rg n a and Pennsy van a. Coa purchased for Ind ana s pr mar y produced n Ind ana and I no s. There are adequate domest c coa reserves to serve E ectr c Ut t es and Infrastructure's coa generat on needs through end of fe. The current average su fur content of coa purchased by E ectr c Ut t es and Infrastructure s between 1.5% and 2% for Duke Energy Caro nas and Duke Energy Progress, between 2.5% and 3% for Duke Energy F or da and Duke Energy Ind ana, and between 3% and 3.5% for Duke Energy Oh o. E ectr c Ut t es and Infrastructure's env ronmenta contro s, n comb nat on w th the use of su fur d ox de (SO_2) em ss on a owances, enab e E ectr c Ut t es and Infrastructure to sat sfy current SO_2 em ss on m tat ons for ts ex st ng fac t es.

Purchased Power

E ectr c Ut t es and Infrastructure purchases a port on of ts capac ty and system requ rements through purchase ob gat ons, eases and purchase capac ty contracts. E ectr c Ut t es and Infrastructure be eves t can obta n adequate purchased power capac ty to meet future system oad needs. However, dur ng per ods of h gh demand, the pr ce and ava ab ty of purchased power may be s gn f cant y affected.

The fo ow ng tab e summar zes purchased power for the prev ous three years:

	2021	2020	2019
Purchase ob gat ons and eases (n m ons of MWh)[(a)]	**36**	32.7	34.8
Purchase capac ty under contract (n MW)[(b)]	**4,259**	4,716	4,238

(a) Represents approx mate y 14% of tota system requ rements for 2021, 13% for 2020 and 14% for 2019.

(b) For 2021, 2020 and 2019, these agreements nc ude approx mate y 412 MW of f rm capac ty under contract by Duke Energy F or da w th QFs.

Inventory

E ectr c Ut t es and Infrastructure must ma nta n an adequate stock of fue and mater a s and supp es n order to ensure cont nuous operat on of generat ng fac t es and re ab e de very to customers. As of December 31, 2021, the nventory ba ance for E ectr c Ut t es and Infrastructure was approx mate y $3 b on. For add t ona nformat on on nventory, see Note 1 to the Conso dated F nanc a Statements, “Summary of S gn f cant Account ng Po c es.”

Ash Basin Management

Dur ng 2015, EPA ssued regu at ons re ated to the management of CCR from power p ants. These regu at ons c ass fy CCR as nonhazardous waste under the Resource Conservat on and Recovery Act (RCRA) and app y to e ectr c generat ng s tes w th new and ex st ng andf s and new and ex st ng surface mpoundments and estab sh requ rements regard ng andf des gn, structura ntegr ty des gn and assessment cr ter a for surface mpoundments, groundwater mon tor ng, protect on and remed a procedures and other operat ona and report ng procedures for the d sposa and management of CCR. In add t on to the federa regu at ons, CCR andf s and surface mpoundments (ash bas ns or mpoundments) w cont nue to be regu ated by ex st ng state aws, regu at ons and perm ts, such as the North Caro na Coa Ash Management Act of 2014 (Coa Ash Act).

E ectr c Ut t es and Infrastructure has and w per od ca y subm t to app cab e author t es requ red s te spec f c coa ash mpoundment remed at on or c osure p ans. C osure p ans must be approved and a assoc ated perm ts ssued before any work can beg n. C osure act v t es have begun n a of Duke Energy's jur sd ct ons. Excavat on began n 2015 at the four s tes spec f ed as h gh pr or ty by the Coa Ash Act and at the W.S. Lee Steam Stat on s te n South Caro na n connect on w th other ega requ rements. Excavat on at these s tes nvo ves movement of CCR mater a s to appropr ate eng neered off s te or on s te ned andf s or for reuse n an approved benef c a app cat on. Duke Energy has comp eted excavat on of coa ash at three of the four h gh pr or ty North Caro na s tes. At other s tes where CCR management s requ red, p ann ng and c osure methods have been stud ed and factored nto the est mated ret rement and management costs, and c osure act v t es have commenced.

The EPA CCR ru e and the Coa Ash Act eave the dec s on on cost recovery determ nat ons re ated to c osure of coa ash surface mpoundments to the norma ratemak ng processes before ut ty regu atory comm ss ons. Duke Energy's e ectr c ut t es have nc uded comp ance costs assoc ated w th federa and state requ rements n the r respect ve rate proceed ngs. Dur ng 2017, Duke Energy Caro nas' and Duke Energy Progress’ who esa e contracts were amended to nc ude the recovery of expend tures re ated to AROs for the c osure of coa ash bas ns. The amended contracts have reta d sa owance par ty or prov s ons m t ng cha enges to CCR cost recovery act ons at FERC. FERC approved the amended who esa e rate schedu es n 2017. For add t ona nformat on on the ash bas ns and recovery, see Item 7, "Other Matters" and Notes 3, 4 and 9 to the Conso dated F nanc a Statements, "Regu atory Matters," "Comm tments and Cont ngenc es" and "Asset Ret rement Ob gat ons," respect ve y.

Nuclear Matters

Duke Energy owns, who y or part a y, 11 operat ng nuc ear reactors ocated at s x operat ng stat ons. The Crysta R ver Un t 3 permanent y ceased operat on n February 2013. Nuc ear nsurance nc udes: nuc ear ab ty coverage; property damage coverage; nuc ear acc dent decontam nat on and premature decomm ss on ng coverage; and acc denta outage coverage for osses n the event of a major acc denta outage. Jo nt owners re mburse Duke Energy for certa n expenses assoc ated w th nuc ear nsurance n accordance w th jo nt owner agreements. The Pr ce Anderson Act requ res p ant owners to prov de for pub c nuc ear ab ty c a ms resu t ng from nuc ear nc dents to the max mum tota f nanc a protect on ab ty, wh ch s approx mate y $13.5 b on. For add t ona nformat on on nuc ear nsurance, see Note 4 to the Conso dated F nanc a Statements, “Comm tments and Cont ngenc es.”

Duke Energy has a s gn f cant future f nanc a comm tment to d spose of spent nuc ear fue and decomm ss on and decontam nate each p ant safe y. The NCUC, PSCSC and FPSC requ re Duke Energy to update the r cost est mates for decomm ss on ng the r nuc ear p ants every f ve years.

The fo ow ng tab e summar zes the fa r va ue of NDTF nvestments and the most recent s te spec f c nuc ear decomm ss on ng cost stud es. Decomm ss on ng costs are stated n 2018 or 2019 do ars, depend ng on the year of the cost study, and nc ude costs to decomm ss on p ant components not subject to rad oact ve contam nat on.

	NDTF[a]		Decommissioning	
(in millions)	December 31, 2021	December 31, 2020	Costs[a]	Year of Cost Study
Duke Energy	**$ 10,401**	$ 9,114	**$ 9,105**	2018 or 2019
Duke Energy Caro nas[b][c]	**5,759**	4,977	**4,365**	2018
Duke Energy Progress[d]	**4,089**	3,500	**4,181**	2019
Duke Energy F or da[e]	**553**	637	**559**	N/A

(a) Amounts for Progress Energy equa the sum of Duke Energy Progress and Duke Energy F or da.
(b) Decomm ss on ng cost for Duke Energy Caro nas ref ects ts ownersh p nterest n jo nt y owned reactors. Other jo nt owners are respons b e for decomm ss on ng costs re ated to the r nterest n the reactors.
(c) Duke Energy Caro nas' s te spec f c nuc ear decomm ss on ng cost study comp eted n 2018 was f ed w th the NCUC and PSCSC n 2019. A new fund ng study was a so comp eted and f ed w th the NCUC and PSCSC n 2019.
(d) Duke Energy Progress' s te spec f c nuc ear decomm ss on ng cost study comp eted n 2019 was f ed w th the NCUC and PSCSC n March 2020. Duke Energy Progress a so comp eted a fund ng study, wh ch was f ed w th the NCUC and PSCSC n Ju y 2020.
(e) Dur ng 2019, Duke Energy F or da reached an agreement to transfer decomm ss on ng work for Crysta R ver Un t 3 to a th rd party and decomm ss on ng costs are based on the agreement w th th s th rd party rather than a cost study. Regu atory approva was rece ved from the NRC and the FPSC n Apr 2020 and August 2020, respect ve y. See Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters,” for more nformat on.

The NCUC, PSCSC, FPSC and FERC have a owed E ectr c Ut t es and Infrastructure to recover est mated decomm ss on ng costs through reta and who esa e rates over the expected rema n ng serv ce per ods of the r nuc ear stat ons. E ectr c Ut t es and Infrastructure be eves the decomm ss on ng costs be ng recovered through rates, when coup ed w th the ex st ng fund ba ances and expected fund earn ngs, w be suff c ent to prov de for the cost of future decomm ss on ng. For add t ona nformat on, see Note 9 to the Conso dated F nanc a Statements, “Asset Ret rement Ob gat ons.”

The Nuc ear Waste Po cy Act of 1982 (as amended) prov des the framework for deve opment by the federa government of nter m storage and permanent d sposa fac t es for h gh eve rad oact ve waste mater a s. The government has not yet deve oped a storage fac ty or d sposa capac ty, so E ectr c Ut t es and Infrastructure w cont nue to store spent fue on ts reactor s tes.

Under federa aw, the DOE s respons b e for the se ect on and construct on of a fac ty for the permanent d sposa of spent nuc ear fue and h gh eve rad oact ve waste. The DOE term nated the project to cense and deve op a geo og c repos tory at Yucca Mounta n, Nevada n 2010, and s current y tak ng no act on to fu f ts respons b t es to d spose of spent fue .

Unt the DOE beg ns to accept the spent nuc ear fue , Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da w cont nue to safe y manage the r spent nuc ear fue . Under current regu atory gu de nes, Harr s has suff c ent storage capac ty n ts spent fue poo s through the exp rat on of ts renewed operat ng cense. W th certa n mod f cat ons and approva s by the NRC to expand the on s te dry cask storage fac t es, spent nuc ear fue dry storage fac t es w be suff c ent to prov de storage space of spent fue through the exp rat on of the operat ng censes, nc ud ng any cense renewa s, for Brunsw ck, Catawba, McGu re, Oconee and Rob nson. Crysta R ver Un t 3 ceased operat on n 2013 and was p aced n a SAFSTOR cond t on n January 2018. As of January 2018, a spent fue at Crysta R ver Un t 3 has been transferred from the spent fue poo to dry storage at an on s te ndependent spent fue storage nsta at on. Dur ng 2020, the NRC and the FPSC approved an agreement to transfer ownersh p of spent fue for Crysta R ver Un t 3 to a th rd party. See Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters,” for more nformat on.

The nuc ear power ndustry faces uncerta nt es w th respect to the cost and ong term ava ab ty of d sposa s tes for spent nuc ear fue and other rad oact ve waste, comp ance w th chang ng regu atory requ rements, cap ta out ays for mod f cat ons and new p ant construct on.

E ectr c Ut t es and Infrastructure s subject to the jur sd ct on of the NRC for the des gn, construct on and operat on of ts nuc ear generat ng fac t es. The fo ow ng tab e nc udes the current year of exp rat on of nuc ear operat ng censes for nuc ear stat ons n operat on. On June 7, 2021, Duke Energy Caro nas f ed a subsequent cense renewa app cat on for the Oconee Nuc ear Stat on (ONS) w th the U.S. Nuc ear Regu atory Comm ss on to renew ONS's operat ng cense for an add t ona 20 years. Duke Energy has announced ts ntent on to seek 20 year operat ng cense renewa s for each of the reactors t operates n Duke Energy Caro nas and Duke Energy Progress. See Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters,” for add t ona nformat on.

Unit	Year of Expiration
Duke Energy Carolinas	
Catawba Un ts 1 and 2	2043
McGu re Un t 1	2041
McGu re Un t 2	2043
Oconee Un ts 1 and 2	2033
Oconee Un t 3	2034
Duke Energy Progress	
Brunsw ck Un t 1	2036
Brunsw ck Un t 2	2034
Harr s	2046
Rob nson	2030

The NRC has acknow edged permanent cessat on of operat on and permanent remova of fue from the reactor vesse at Crysta R ver Un t 3. Therefore, the cense no onger author zes operat on of the reactor. For add t ona nformat on on nuc ear decomm ss on ng act v ty, see Notes 3 and 9 to the Conso dated F nanc a Statements, "Regu atory Matters" and "Asset Ret rement Ob gat ons," respect ve y.

Regulation

State

The state e ectr c ut ty comm ss ons approve rates for Duke Energy's reta e ectr c serv ce w th n the r respect ve states. The state e ectr c ut ty comm ss ons, to vary ng degrees, have author ty over the construct on and operat on of E ectr c Ut t es and Infrastructure’s generat ng fac t es. CPCNs ssued by the state e ectr c ut ty comm ss ons, as app cab e, author ze E ectr c Ut t es and Infrastructure to construct and operate ts e ectr c fac t es and to se e ectr c ty to reta and who esa e customers. Pr or approva from the re evant state e ectr c ut ty comm ss on s requ red for the ent t es w th n E ectr c Ut t es and Infrastructure to ssue secur t es. The under y ng concept of ut ty ratemak ng s to set rates at a eve that a ows the ut ty to co ect revenues equa to ts cost of prov d ng serv ce p us earn a reasonab e rate of return on ts nvested cap ta , nc ud ng equ ty.

In add t on to rates approved n base rate cases, each of the state e ectr c ut ty comm ss ons a ow recovery of certa n costs through var ous cost recovery c auses to the extent the respect ve comm ss on determ nes n per od c hear ngs that such costs, nc ud ng any past over or under recovered costs, are prudent.

Fue , fue re ated costs and certa n purchased power costs are e g b e for recovery by E ectr c Ut t es and Infrastructure. E ectr c Ut t es and Infrastructure uses coa , hydroe ectr c, natura gas, o , renewab e generat on and nuc ear fue to generate e ectr c ty, thereby ma nta n ng a d verse fue m x that he ps m t gate the mpact of cost ncreases n any one fue . Due to the assoc ated regu atory treatment and the method a owed for recovery, changes n fue costs from year to year have no mater a mpact on operat ng resu ts of E ectr c Ut t es and Infrastructure, un ess a comm ss on f nds a port on of such costs to have been mprudent. However, de ays between the expend ture for fue costs and recovery from customers can adverse y mpact the t m ng of cash f ows of E ectr c Ut t es and Infrastructure.

The tab e be ow ref ects s gn f cant e ectr c rate case app cat ons approved and effect ve n the past three years or app cat ons current y pend ng approva .

	Regulatory Body	Annual Increase (Decrease) (in millions)	Return on Equity	Equity Component of Capital Structure	Effective Date
Approved Rate Cases:					
Duke Energy Progress 2019 North Caro na Rate Case	NCUC	$ 178	9.6 %	52 %	6/1/2021
Duke Energy Caro nas 2019 North Caro na Rate Case	NCUC	33	9.6 %	52 %	6/1/2021
Duke Energy Ind ana 2019 Ind ana Rate Case[(a)]	IURC	146	9.7 %	54 %	7/30/2020
Duke Energy Kentucky 2019 Kentucky E ectr c Rate Case	KPSC	24	9.25 %	48.23 %	5/1/2020
Duke Energy Caro nas 2018 South Caro na Rate Case	PSCSC	45	9.5 %	53 %	6/1/2019
Duke Energy Progress 2018 South Caro na Rate Case	PSCSC	29	9.5 %	53 %	6/1/2019
Duke Energy Oh o 2017 Oh o E ectr c Rate Case	PUCO	(19)	9.84 %	50.75 %	1/2/2019
Pending Rate Cases:					
Duke Energy Oh o 2021 Oh o E ectr c Rate Case	PUCO	$ 55	10.3 %	50.5 %	7/1/2022

(a) Step 1 rates are approx mate y 75% of the tota and became effect ve Ju y 30, 2020. Step 2 rates are approx mate y 25% of the tota rate case ncrease. They were approved on Ju y 28, 2021, and mp emented n August 2021.

Add t ona y, n January 2021, Duke Energy F or da f ed a sett ement agreement w th the FPSC that w a ow annua ncreases to ts base rates, an agreed upon return on equ ty ("ROE") and nc udes a base rate stay out prov s on through 2024, among other prov s ons. The FPSC approved the 2021 Sett ement on May 4, 2021, ssu ng an order on June 4, 2021. Rev sed customer rates became effect ve January 1, 2022, w th subsequent base rate ncreases effect ve January 1, 2023, and January 1, 2024. For more nformat on on rate matters and other regu atory proceed ngs, see Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters."

Federal

The FERC approves E ectr c Ut t es and Infrastructure's cost based rates for e ectr c sa es to certa n power and transm ss on who esa e customers. Regu at ons of FERC and the state e ectr c ut ty comm ss ons govern access to regu ated e ectr c and other data by nonregu ated ent t es and serv ces prov ded between regu ated and nonregu ated energy aff ates. These regu at ons affect the act v t es of nonregu ated aff ates w th E ectr c Ut t es and Infrastructure.

RTOs

PJM and MISO are the ISOs and FERC approved RTOs for the reg ons n wh ch Duke Energy Oh o and Duke Energy Ind ana operate. PJM and MISO operate energy, capac ty and other markets, and contro the day to day operat ons of bu k power systems through centra d spatch.

Duke Energy Oh o s a member of PJM and Duke Energy Ind ana s a member of MISO. Transm ss on owners n these RTOs have turned over contro of the r transm ss on fac t es and the r transm ss on systems are current y under the d spatch contro of the RTOs. Transm ss on serv ce s prov ded on a reg onw de, open access bas s us ng the transm ss on fac t es of the RTO members at rates based on the costs of transm ss on serv ce.

Environmental

E ectr c Ut t es and Infrastructure s subject to the jur sd ct on of the EPA and state and oca env ronmenta agenc es. For a d scuss on of env ronmenta regu at on, see "Env ronmenta Matters" n th s sect on. See the "Other Matters" sect on of Item 7 Management's D scuss on and Ana ys s for a d scuss on about potent a G oba C mate Change eg s at on and other EPA regu at ons under deve opment and the potent a mpacts such eg s at on and regu at on cou d have on Duke Energy's operat ons.

GAS UTILITIES AND INFRASTRUCTURE

Gas Ut t es and Infrastructure conducts natura gas operat ons pr mar y through the regu ated pub c ut t es of P edmont, Duke Energy Oh o and Duke Energy Kentucky. The natura gas operat ons are subject to the ru es and regu at ons of the NCUC, PSCSC, PUCO, KPSC, TPUC, PHMSA and the FERC. Gas Ut t es and Infrastructure serves res dent a , commerc a , ndustr a and power generat on natura gas customers, nc ud ng customers served by mun c pa t es who are who esa e customers. Gas Ut t es and Infrastructure has over 1.6 m on tota customers, nc ud ng 1.1 m on customers ocated n North Caro na, South Caro na and Tennessee, and an add t ona 550,000 customers ocated w th n southwestern Oh o and northern Kentucky. In the Caro nas, Oh o and Kentucky, the serv ce areas are compr sed of numerous c t es, towns and commun t es. In Tennessee, the serv ce area s the metropo tan area of Nashv e. The fo ow ng map shows the serv ce terr tory and nvestments n operat ng p pe nes for Gas Ut t es and Infrastructure as of December 31, 2021.

The number of res dent a , commerc a and ndustr a customers w th n the Gas Ut t es and Infrastructure serv ce terr tory s expected to ncrease over t me. Average usage per res dent a customer s expected to rema n f at or dec ne for the foreseeab e future; however, decoup ed rates n North Caro na and var ous rate des gn mechan sms n other jur sd ct ons part a y m t gate the mpact of the dec n ng usage per customer on overa prof tab ty.

Gas Ut t es and Infrastructure a so owns, operates and has nvestments n var ous p pe ne transm ss on and natura gas storage fac t es.

Natural Gas for Retail Distribution

Gas Ut t es and Infrastructure s respons b e for the d str but on of natura gas to reta customers n ts North Caro na, South Caro na, Tennessee, Oh o and Kentucky serv ce terr tor es. Gas Ut t es and Infrastructure's natura gas procurement strategy s to contract pr mar y w th major and ndependent producers and marketers for natura gas supp y. It a so purchases a d verse portfo o of transportat on and storage serv ce from nterstate p pe nes. Th s strategy a ows Gas Ut t es and Infrastructure to assure re ab e natura gas supp y and transportat on for ts f rm customers dur ng peak w nter cond t ons. When f rm p pe ne serv ces or contracted natura gas supp es are temporar y not needed due to market demand f uctuat ons, Gas Ut t es and Infrastructure may re ease these serv ces and supp es n the secondary market under FERC approved capac ty re ease prov s ons or make who esa e secondary market sa es. In 2021, f rm supp y purchase comm tment agreements prov ded 100% of the natura gas supp y for both P edmont and Duke Energy Oh o.

Impact of Weather

Gas Ut t es and Infrastructure revenues are genera y protected from the mpact of weather f uctuat ons due to the regu atory mechan sms that are ava ab e n most serv ce terr tor es. In North Caro na, marg n decoup ng prov des protect on from both weather and other usage var at ons ke conservat on for res dent a and sma and med um genera serv ce customers. Marg n decoup ng prov des a set marg n per customer ndependent of actua usage. In South Caro na, Tennessee and Kentucky, weather norma zat on adjusts revenues e ther up or down depend ng on how much warmer or co der than norma a g ven month has been. Weather norma zat on adjustments occur from November through March n South Caro na, from October through Apr n Tennessee and from November through Apr n Kentucky. Duke Energy Oh o co ects most of ts non fue revenue through a f xed month y charge that s not mpacted by usage f uctuat ons that resu t from weather changes or conservat on.

Competition

Gas Ut t es and Infrastructure's bus nesses operate as the so e prov der of natura gas serv ce w th n the r reta serv ce terr tor es. Gas Ut t es and Infrastructure owns and operates fac t es necessary to transport and d str bute natura gas. Gas Ut t es and Infrastructure earns reta marg n on the transm ss on and d str but on of natura gas and not on the cost of the under y ng commod ty. Serv ces are pr ced by state comm ss on approved rates des gned to nc ude the costs of prov d ng these serv ces and a reasonab e return on nvested cap ta . Th s regu atory po cy s ntended to prov de safe and re ab e natura gas serv ce at fa r pr ces.

In res dent a , commerc a and ndustr a customer markets, natura gas d str but on operat ons compete w th other compan es that supp y energy, pr mar y e ectr c compan es, propane and fue o dea ers, renewab e energy prov ders and coa compan es n re at on to sources of energy for e ectr c power p ants, as we as nuc ear energy. A s gn f cant compet t ve factor s pr ce. Gas Ut t es and Infrastructure's pr mary product compet t on s w th e ectr c ty for heat ng, water heat ng and cook ng. Increases n the pr ce of natura gas or decreases n the pr ce of other energy sources cou d negat ve y mpact compet t ve pos t on by decreas ng the pr ce benef ts of natura gas to the consumer. In the case of ndustr a customers, such as manufactur ng p ants, adverse econom c or market cond t ons, nc ud ng h gher natura gas costs, cou d cause these customers to suspend bus ness operat ons or to use a ternat ve sources of energy n favor of energy sources w th ower per un t costs.

H gher natura gas costs or decreases n the pr ce of other energy sources may a ow compet t on from a ternat ve energy sources for app cat ons that have trad t ona y used natura gas, encourag ng some customers to move away from natura gas f red equ pment to equ pment fue ed by other energy sources. Compet t on between natura gas and other forms of energy s a so based on eff c ency, performance, re ab ty, safety and other non pr ce factors. Techno og ca mprovements n other energy sources and events that mpa r the pub c percept on of the non pr ce attr butes of natura gas cou d erode our compet t ve advantage. These factors n turn cou d decrease the demand for natura gas, mpa r our ab ty to attract new customers and cause ex st ng customers to sw tch to other forms of energy or to bypass our systems n favor of a ternat ve compet t ve sources. Th s cou d resu t n s ow or no customer growth and cou d cause customers to reduce or cease us ng our product, thereby reduc ng our ab ty to make cap ta expend tures and otherw se grow our bus ness, adverse y affect ng our earn ngs.

Pipeline and Storage Investments

Duke Energy, through ts Gas Ut t es and Infrastructure segment, has a 7.5% equ ty ownersh p nterest n Saba Tra . Saba Tra s a jo nt venture that owns the Saba Tra Natura Gas P pe ne (Saba Tra p pe ne) to transport natura gas to F or da, regu ated by FERC. The Saba Tra Phase I ma n ne was p aced nto serv ce n Ju y 2017 and traverses A abama, Georg a and F or da. The rema n ng atera ne to the Duke Energy F or da's C trus County CC was p aced nto serv ce n March 2018. Phase II of Saba Tra went nto serv ce n May 2020, add ng approx mate y 200,000 Dth of capac ty to the Saba Tra p pe ne.

Gas Ut t es and Infrastructure has a 47% equ ty ownersh p nterest n ACP, wh ch p anned to bu d the ACP p pe ne, an approx mate y 600 m e nterstate natura gas p pe ne. The ACP p pe ne was ntended to transport d verse natura gas supp es nto southeastern markets and wou d be regu ated by FERC. Dom n on Energy owns 53% of ACP and was contracted to construct and operate the ACP p pe ne upon comp et on. On Ju y 5, 2020, Dom n on announced a sa e of substant a y a of ts gas transm ss on and storage segment assets, wh ch were cr t ca to the ACP p pe ne. Further, perm tt ng de ays and ega cha enges had mater a y affected the t m ng and cost of the p pe ne. As a resu t, Duke Energy determ ned that they wou d no onger nvest n the construct on of the ACP p pe ne.

Gas Ut t es and Infrastructure has a 24% equ ty ownersh p nterest n Const tut on, an nterstate p pe ne deve opment company formed to deve op, construct, own and operate a 124 m e natura gas p pe ne and re ated fac t es, regu ated by FERC. Const tut on was s ated to transport natura gas supp es from the Marce us supp y reg on n northern Pennsy van a to major northeastern markets. As of February 5, 2020, the Const tut on partners forma y reso ved to n t ate the d sso ut on of Const tut on, and to term nate the Const tut on P pe ne project.

Gas Ut t es and Infrastructure has a 21.49% equ ty ownersh p nterest n Card na , an ntrastate p pe ne ocated n North Caro na regu ated by the NCUC, a 45% equ ty ownersh p n P ne Need e, an nterstate quef ed natura gas storage fac ty ocated n North Caro na and a 50% equ ty ownersh p nterest n Hardy Storage, an underground nterstate natura gas storage fac ty ocated n Hardy and Hampsh re count es n West V rg n a. P ne Need e and Hardy Storage are regu ated by FERC.

KO Transm ss on Company (KO Transm ss on), a who y owned subs d ary of Duke Energy Oh o, s an nterstate p pe ne company engaged n the bus ness of transport ng natura gas and s subject to the ru es and regu at ons of FERC. KO Transm ss on's 90 m e p pe ne supp es natura gas to Duke Energy Oh o and nterconnects w th the Co umb a Gu f Transm ss on p pe ne and Tennessee Gas P pe ne. An approx mate y 70 m e port on of KO Transm ss on's p pe ne fac t es s co owned by Co umb a Gas Transm ss on Corporat on.

See Notes 3, 12 and 17 to the Conso dated F nanc a Statements, "Regu atory Matters," "Investments n Unconso dated Aff ates" and "Var ab e Interest Ent t es," respect ve y, for further nformat on on Duke Energy's p pe ne nvestments.

Inventory

Gas Ut t es and Infrastructure must ma nta n adequate natura gas nventory n order to prov de re ab e de very to customers. As of December 31, 2021, the nventory ba ance for Gas Ut t es and Infrastructure was $125 m on. For more nformat on on nventory, see Note 1 to the Conso dated F nanc a Statements, "Summary of S gn f cant Account ng Po c es."

Regulation

State

The state gas ut ty comm ss ons approve rates for Duke Energy's reta natura gas serv ce w th n the r respect ve states. The state gas ut ty comm ss ons, to vary ng degrees, have author ty over the construct on and operat on of Gas Ut t es and Infrastructure's natura gas d str but on fac t es. CPCNs ssued by the state gas ut ty comm ss ons or other government agenc es, as app cab e, author ze Gas Ut t es and Infrastructure to construct and operate ts natura gas d str but on fac t es and to se natura gas to reta and who esa e customers. Pr or approva from the re evant state gas ut ty comm ss on s requ red for Gas Ut t es and Infrastructure to ssue secur t es. The under y ng concept of ut ty ratemak ng s to set rates at a eve that a ows the ut ty to co ect revenues equa to ts cost of prov d ng serv ce p us a reasonab e rate of return on ts nvested cap ta , nc ud ng equ ty.

In add t on to amounts co ected from customers through approved base rates, each of the state gas ut ty comm ss ons a ow recovery of certa n costs through var ous cost recovery c auses to the extent the respect ve comm ss on determ nes n per od c hear ngs that such costs, nc ud ng any past over or under recovered costs, are prudent.

Natura gas costs are e g b e for recovery by Gas Ut t es and Infrastructure. Due to the assoc ated regu atory treatment and the method a owed for recovery, changes n natura gas costs from year to year have no mater a mpact on operat ng resu ts of Gas Ut t es and Infrastructure, un ess a comm ss on f nds a port on of such costs to have been mprudent. However, de ays between the expend ture for natura gas and recovery from customers can adverse y mpact the t m ng of cash f ows of Gas Ut t es and Infrastructure.

The fo ow ng tab e summar zes certa n components under y ng recent y approved and effect ve base rates or rate stab zat on f ngs n the ast three years.

	Annual Increase (Decrease) (in millions)	Return on Equity	Equity Component of Capital Structure	Effective Date
Approved Rate Cases:				
Duke Energy Kentucky 2018 Natura Gas Base Rate Case	$ 7	9.7 %	50.8 %	Apr 2019
P edmont 2019 North Caro na Natura Gas Base Rate Case	109	9.7 %	52.0 %	November 2019
P edmont 2019 South Caro na Rate Stab zat on Adjustment F ng	6	9.9 %	55.4 %	November 2019
P edmont 2020 South Caro na Rate Stab zat on Adjustment F ng	7	9.8 %	52.3 %	November 2020
P edmont 2020 Tennessee Natura Gas Base Rate Case	16	9.8 %	50.5 %	January 2021
P edmont 2021 North Caro na Natura Gas Base Rate Case	67	9.6 %	51.6 %	November 2021
P edmont 2021 South Caro na Rate Stab zat on Adjustment F ng	7	9.8 %	52.2 %	November 2021
Duke Energy Kentucky 2021 Natura Gas Base Rate Case[(a)]	9	9.38 %	51.3 %	January 2022

(a) An ROE of 9.375% for natura gas base rates and 9.3% for natura gas r ders was approved.

Gas Ut t es and Infrastructure has IMR mechan sms n North Caro na and Tennessee des gned to separate y track and recover certa n costs assoc ated w th cap ta nvestments ncurred to comp y w th federa p pe ne safety and ntegr ty programs. The fo ow ng tab e summar zes nformat on re ated to the recent y approved IMR f ng.

(in millions)	Cumulative Investment	Annual Revenues	Effective Date
P edmont 2021 IMR F ng North Caro na	$ 61	$ 4	December 2021

In P edmont's Tennessee rate case sett ed n February 2021, the company nc uded projected IMR nvestment through December 31, 2021, n ts rate base. The recovery of ntegr ty nvestment was requested n the rate case and not through the Tennessee IMR mechan sm.

For more nformat on on rate matters and other regu atory proceed ngs, see Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters."

Federal

Gas Ut t es and Infrastructure s subject to var ous federa regu at ons, nc ud ng regu at ons that are part cu ar to the natura gas ndustry. These federa regu at ons nc ude but are not m ted to the fo ow ng:

- Regu at ons of the FERC affect the cert f cat on and s t ng of new nterstate natura gas p pe ne projects, the purchase and sa e of, the pr ces pa d for, and the terms and cond t ons of serv ce for the nterstate transportat on and storage of natura gas.
- Regu at ons of the PHMSA affect the des gn, construct on, operat on, ma ntenance, ntegr ty, safety and secur ty of natura gas d str but on and transm ss on systems.
- Regu at ons of the EPA re ate to the env ronment nc ud ng proposed a r em ss ons regu at ons that wou d expand to nc ude em ss ons of methane.

Regu at ons of the FERC and the state gas ut ty comm ss ons govern access to regu ated natura gas and other data by nonregu ated ent t es and serv ces prov ded between regu ated and nonregu ated energy aff ates. These regu at ons affect the act v t es of nonregu ated aff ates w th Gas Ut t es and Infrastructure.

Environmental

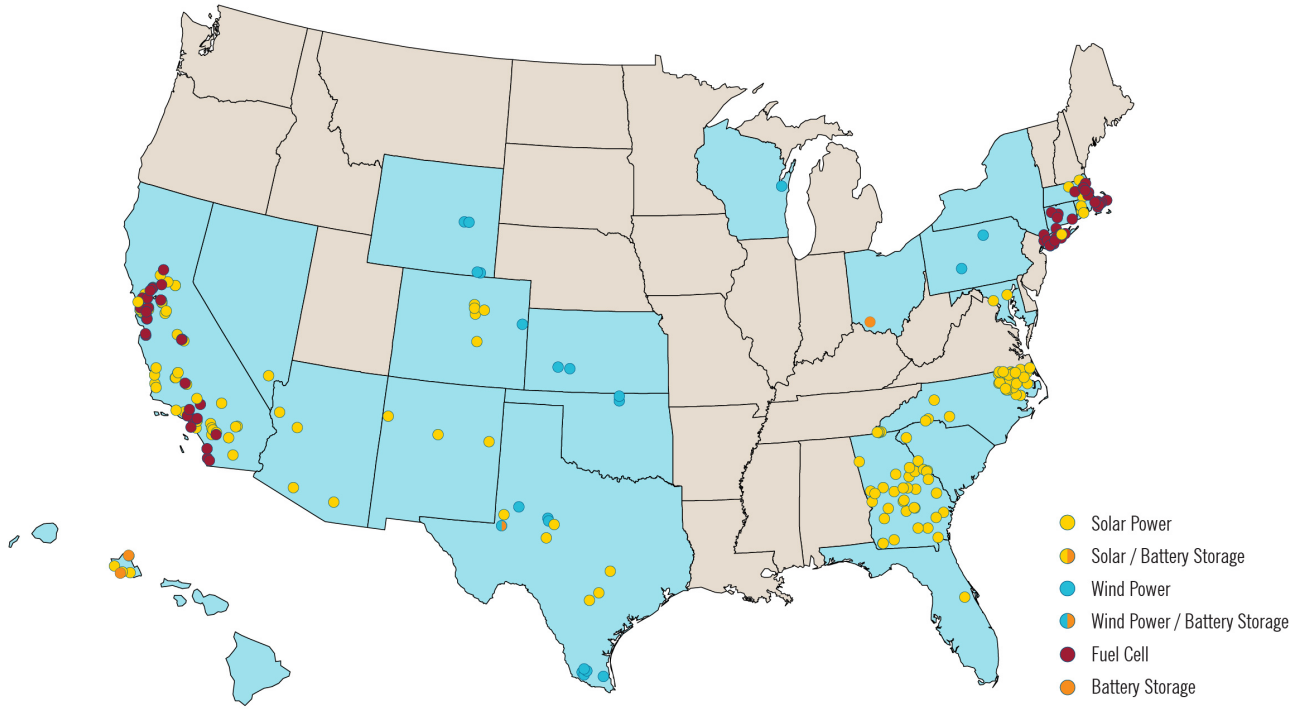
Gas Ut t es and Infrastructure s subject to the jur sd ct on of the EPA and state and oca env ronmenta agenc es. For a d scuss on of env ronmenta regu at on, see “Env ronmenta Matters” n th s sect on. See “Other Matters” sect on of Item 7 Management's D scuss on and Ana ys s for a d scuss on about potent a G oba C mate Change eg s at on and other EPA regu at ons under deve opment and the potent a mpacts such eg s at on and regu at on cou d have on Duke Energy’s operat ons.

COMMERCIAL RENEWABLES

Commerc a Renewab es pr mar y acqu res, deve ops, bu ds, operates and owns w nd and so ar renewab e generat on throughout the cont nenta U.S. Commerc a Renewab es a so enters nto strateg c transact ons nc ud ng m nor ty ownersh p and tax equ ty structures n w nd and so ar generat on. The portfo o nc udes nonregu ated renewab e energy and energy storage bus nesses.

Commerc a Renewab es' renewab e energy nc udes ut ty sca e w nd and so ar generat on assets, d str buted so ar generat on assets, d str buted fue ce assets and battery storage projects, wh ch tota 3,554 MW across 22 states from 23 w nd fac t es, 178 so ar projects, 71 fue ce ocat ons and two battery storage fac t es. Revenues are pr mar y generated by se ng the power produced from renewab e generat on through ong term contracts to ut t es, e ectr c cooperat ves, mun c pa t es and corporate customers. In most nstances, these customers have ob gat ons under state mandated renewab e energy portfo o standards or s m ar state or oca renewab e energy goa s. Energy and renewab e energy cred ts generated by w nd and so ar projects are genera y so d at contractua pr ces. The fo ow ng map shows the ocat ons of renewab e generat on fac t es of wh ch Commerc a Renewab es has an ownersh p nterest as of December 31, 2021.

Commercial Renewables Portfolio



As e g b e projects are p aced n serv ce, Commerc a Renewab es genera y recogn zes e ther PTCs as power s generated by w nd projects over 10 years or ITCs over the usefu fe of so ar or fue ce projects. Benef ts of the tax bas s adjustment due to the ITC are recogn zed as a reduct on to ncome tax expense n the year n wh ch the project s p aced n serv ce. Under the current aw, the ITC for so ar and fue ce s s be ng phased down from a rate of 30% for projects that began construct on before 2020 to a permanent 10% rate for so ar, and no ITC s ava ab e for fue ce s f construct on beg ns after 2023. The PTC for onshore w nd s current y phased out for projects beg nn ng construct on after 2021, but rema ns ava ab e for projects that began construct on n 2021 or ear er.

Commerc a Renewab es has entered nto agreements for certa n of ts generat ng assets that are he d by LLCs whose members nc ude a noncontro ng tax equ ty nvestor. The a ocat on of tax attr butes and cash f ows to the tax equ ty nvestor are governed by the prov s ons of the LLC agreements. The GAAP earn ngs a ocat ons to the tax equ ty nvestors can resu t n var ab ty n earn ngs to Duke Energy as a resu t of the app cat on of the HLBV method n a ocat ng ncome or oss to the owners. As part of ts growth strategy, Commerc a Renewab es expects to enter nto these arrangements for future generat ng assets.

For add t ona nformat on on Commerc a Renewab es' generat on fac t es, see Item 2, “Propert es.”

Market Environment and Competition

Commerc a Renewab es pr mar y competes for who esa e contracts for the generat on and sa e of e ectr c ty from generat on assets t e ther deve ops or acqu res and owns. The market pr ce of commod t es and serv ces, a ong w th the qua ty and re ab ty of serv ces prov ded, dr ve compet t on n the who esa e energy bus ness. The number and type of compet tors may vary based on ocat on, generat on type and project s ze. Commerc a Renewab es' ma n compet tors nc ude other nonregu ated generators and who esa e power prov ders.

Sources of Electricity

Commerc a Renewab es re es on w nd, so ar, fue ce s and battery resources for ts generat on of e ectr c energy.

Regulation

Commerc a Renewab es s subject to regu at on at the federa eve , pr mar y from the FERC. Regu at ons of the FERC govern access to regu ated market nformat on by nonregu ated ent t es and serv ces prov ded between regu ated and nonregu ated ut t es.

OTHER

The rema nder of Duke Energy's operat ons s presented as Other. Wh e t s not a bus ness segment, Other pr mar y nc udes nterest expense on ho d ng company debt, una ocated corporate costs nc ud ng costs to ach eve strateg c acqu s t ons, amounts re ated to certa n companyw de n t at ves and contr but ons made to the Duke Energy Foundat on. Other a so nc udes B son and an nvestment n NMC.

The Duke Energy Foundat on s a nonprof t organ zat on funded by Duke Energy shareho ders that makes char tab e contr but ons to se ected nonprof ts and government subd v s ons.

B son, a who y owned subs d ary of Duke Energy, s a capt ve nsurance company w th the pr nc pa act v ty of prov d ng Duke Energy subs d ar es w th ndemn f cat on for f nanc a osses pr mar y re ated to property, workers' compensat on and genera ab ty.

Duke Energy owns a 17.5% equ ty nterest n NMC. The jo nt venture company has product on fac t es n Juba , Saud Arab a, where t manufactures certa n petrochem ca s and p ast cs. The company annua y produces approx mate y 1 m on metr c tons each of MTBE and methano and has the capac ty to produce 50,000 metr c tons of po yaceta . The ma n feedstocks to produce these products are natura gas and butane. Duke Energy records the nvestment act v ty of NMC us ng the equ ty method of account ng and reta ns 25% of NMC's board of d rectors' representat on and vot ng r ghts.

Human Capital Management

Governance

Our emp oyees are cr t ca to the success of our company. Our Human Resources organ zat on s respons b e for our human cap ta management strategy, wh ch nc udes recru t ng and h r ng, onboard ng and tra n ng, d vers ty and nc us on, workforce p ann ng, ta ent and success on p ann ng, performance management and emp oyee deve opment. Key areas of focus nc ude foster ng a h gh performance and nc us ve cu ture bu t on strong eadersh p and h gh y engaged and d verse emp oyees, bu d ng a p pe ne of sk ed workers and ensur ng know edge transfer as emp oyees ret re.

Our Board of D rectors prov des overs ght on certa n human cap ta management matters, pr mar y through the Compensat on and Peop e Deve opment Comm ttee, wh ch s respons b e for rev ew ng strateg es and po c es re ated to human cap ta management, nc ud ng w th respect to matters such as d vers ty and nc us on, emp oyee engagement and ta ent deve opment. The Compensat on and Peop e Deve opment Comm ttee a so rece ves updates on emp oyee engagement surveys and act on p ans.

Employees

On December 31, 2021, Duke Energy had a tota of 27,605 fu t me, part t me and temporary emp oyees, the overwhe m ng major ty of wh ch were fu t me emp oyees. The tota nc udes 5,064 emp oyees who are represented by abor un ons under var ous co ect ve barga n ng agreements that genera y cover wages, benef ts, work ng pract ces, and other terms and cond t ons of emp oyment.

Compensation

The company seeks to attract and reta n an appropr ate y qua f ed workforce and everages Duke Energy's eadersh p mperat ves to foster a cu ture focused on customers, nnovat on, and h gh y engaged emp oyees. Our compensat on program s market dr ven and des gned to nk pay to performance w th the goa of attract ng and reta n ng ta ented emp oyees, reward ng nd v dua performance, and encourag ng ong term comm tment to our bus ness. Our market compet t ve pay program nc udes short term and ong term var ab e pay components that he p to a gn the nterests of Duke Energy to our customers and shareho ders. In add t on to compet t ve base pay, we prov de e g b e emp oyees w th compensat on and benef ts under a var ety of p ans and programs, nc ud ng w th respect to hea th care benef ts, ret rement sav ngs, pens on, hea th sav ngs and f ex b e spend ng accounts, we ness, fam y eaves, emp oyee ass stance, as we as other benef ts nc ud ng a char tab e match ng program. The company s comm tted to prov d ng market compet t ve, fa r, and equ tab e compensat on and regu ar y conducts nterna pay equ ty rev ews, and benchmark ng aga nst peer compan es to ensure our pay s compet t ve.

Diversity and Inclusion

Duke Energy s comm tted to cont nu ng to bu d a d verse workforce that ref ects the commun t es we serve wh e strengthen ng a cu ture of nc us on where emp oyees and customers fee respected and va ued. Our Enterpr se D vers ty and Inc us on Counc , cha red by our Ch ef Operat ng Off cer, mon tors the effect veness and execut on of our d vers ty and nc us on strategy and programs. Emp oyee ed counc s are a so embedded across the company n our bus ness un ts and focus on the spec f c d vers ty and nc us on needs of the bus ness and he p dr ve nc us on deeper nto the emp oyee exper ence. Leaders and nd v dua contr butors a so have the opportun ty to part c pate n d vers ty and nc us on tra n ng programs and fac tated conversat ons on thought provok ng top cs offered to further our comm tment to bu d ng and enab ng an nc us ve work env ronment.

Our asp rat ona goa s nc ude ach ev ng workforce representat on of at east 25% fema e and 20% rac a and ethn c d vers ty. We cont nue to make str des toward reach ng these asp rat ona goa s and as of December 31, 2021, our workforce cons sted of approx mate y 23.9% fema e and 19.6% rac a and ethn c d vers ty.

The company a so has a number of Emp oyee Resource Groups (ERGs), wh ch are networks of emp oyees formed around a common d mens on of d vers ty whose goa s and object ves a gn w th the company's goa s and object ves. These groups focus on emp oyee profess ona deve opment and network ng, commun ty outreach, cu tura awareness, recru t ng and retent on. They a so serve as a resource to the company for advocacy and commun ty outreach and mprov ng customer serv ce through nnovat on. ERG sponsored forums nc ude network ng events, mentor ng, scho arsh p banquets for asp r ng co ege students, and workshops on top cs such as t me management, stress reduct on, career p ann ng and work fe ba ance. Our ERGs are open to a emp oyees.

Among other efforts, the company has deve oped partnersh ps w th commun ty organ zat ons, commun ty co eges and h stor ca y B ack co eges and un vers t es to support our strategy of bu d ng a d verse and h gh y sk ed ta ent p pe ne.

Operational Excellence

The foundat on for our growth and success s our cont nued focus on operat ona exce ence, the ead ng nd cator of wh ch s safety. As such, the safety of our workforce rema ns our top pr or ty. The company c ose y mon tors the tota nc dent case rate (TICR), wh ch s a metr c based on str ct OSHA def n t ons that measures the number of occupat ona njur es and nesses per 100 emp oyees. Th s object ve emphas zes our focus on ach ev ng an event free and njury free workp ace. As an nd cat on of our comm tment to safety, we nc ude safety metr cs n both the short term and ong term ncent ve p ans based on the TICR for emp oyees. Our emp oyees de vered strong safety resu ts n 2021, cons stent w th our ndustry ead ng performance eve s from 2016 through 2020.

Information about Our Executive Officers

The fo ow ng tab e sets forth the nd v dua s who current y serve as execut ve off cers. Execut ve off cers serve unt the r successors are du y e ected or appo nted.

Name	Age[(a)]	Current and Recent Positions Held
Lynn J. Good	62	**Chair, President and Chief Executive Officer.** Ms. Good has served as Cha r, Pres dent and Ch ef Execut ve Off cer of Duke Energy s nce January 1, 2016, and was V ce Cha rman, Pres dent and Ch ef Execut ve Off cer of Duke Energy from Ju y 2013 through December 2015. Pr or to that, she served as Execut ve V ce Pres dent and Ch ef F nanc a Off cer s nce 2009.
Steven K. Young	63	**Executive Vice President and Chief Financial Officer.** Mr. Young assumed h s current pos t on n August 2013. Pr or to that he served as V ce Pres dent, Ch ef Account ng Off cer and Contro er, assum ng the ro e of Ch ef Account ng Off cer n Ju y 2012 and the ro e of Contro er n December 2006.
Me ody B rm ngham	50	**Senior Vice President and Chief Administrative Officer.** Ms. B rm ngham assumed her current pos t on n May 2021, Pr or to that, Ms. B rm ngham served as Sen or V ce Pres dent, Supp y Cha n and Ch ef Procurement Off cer s nce 2018; State Pres dent of Duke Energy Ind ana's operat ons from 2015 to 2018, and Sen or V ce Pres dent, M dwest De very from 2012 to 2015.
Kodwo Ghartey Tagoe	58	**Executive Vice President, Chief Legal Officer and Corporate Secretary**. Mr. Ghartey Tagoe assumed the pos t on of Execut ve V ce Pres dent, Ch ef Lega Off cer and Corporate Secretary n May 2020. He was appo nted Execut ve V ce Pres dent and Ch ef Lega Off cer n October 2019 after serv ng as Pres dent, South Caro na s nce 2017. Mr. Ghartey Tagoe jo ned Duke Energy n 2002, and has he d numerous management pos t ons n Duke Energy's Lega Department, nc ud ng Duke Energy's Sen or V ce Pres dent of State and Federa Regu atory Lega Support.
R. A exander G enn	56	**Senior Vice President and Chief Executive Officer, Duke Energy Florida and Midwest.** Mr. G enn assumed h s current pos t on n May 2021. Pr or to that, Mr. G enn served as Sen or V ce Pres dent, State and Federa Regu atory Lega Support s nce 2017 and as State Pres dent of Duke Energy F or da's operat ons from 2012 to 2017.
Dh aa M. Jam	65	**Executive Vice President and Chief Operating Officer.** Mr. Jam assumed the ro e of Ch ef Operat ng Off cer n May 2016. Pr or to h s current pos t on, he he d the t t e Execut ve V ce Pres dent and Pres dent, Regu ated Generat on and Transm ss on s nce June 2015. Pr or to that, he served as Execut ve V ce Pres dent and Pres dent, Regu ated Generat on s nce August 2014. He served as Execut ve V ce Pres dent and Pres dent of Duke Energy Nuc ear from March 2013 to August 2014, and was Ch ef Nuc ear Off cer from February 2008 to February 2013.
Ju a S. Janson	57	**Executive Vice President and Chief Executive Officer, Duke Energy Carolinas.** Ms. Janson assumed her current pos t on n May 2021. Pr or to that she he d the pos t on of Execut ve V ce Pres dent, Externa Affa rs and Pres dent, Caro nas Reg on s nce October 2019 and the pos t on of Execut ve V ce Pres dent, Externa Affa rs and Ch ef Lega Off cer s nce November 2018. She or g na y assumed the pos t on of Execut ve V ce Pres dent, Ch ef Lega Off cer and Corporate Secretary n December 2012, and then assumed the respons b t es for Externa Affa rs n February 2016.
Cynth a S. Lee	55	**Vice President, Chief Accounting Officer and Controller.** Ms. Lee assumed her ro e as V ce Pres dent, Ch ef Account ng Off cer and Contro er n May 2021. Pr or to that, she served as D rector, Investor Re at ons s nce June 2019 and n var ous ro es w th n the Corporate Contro er's organ zat on after jo n ng the Corporat on and ts aff ates n 2002.
Rona d R. Re s ng	61	**Senior Vice President and Chief Human Resources Officer.** Mr. Re s ng assumed h s current pos t on n Ju y 2020. Pr or to that, he served as Sen or V ce Pres dent of Operat ons Support s nce 2014. Pr or to that he served as Ch ef Procurement Off cer s nce 2006.
Lou s E. Renje	48	**Senior Vice President, External Affairs and Communications.** Mr. Renje h s current pos t on n May 2021. Pr or to that he served as Sen or V ce Pres dent of Federa Government and Corporate Affa rs s nce 2019, and as V ce Pres dent, Federa Government Affa rs and Strateg c Po cy s nce he jo ned Duke Energy n March 2017 unt 2019. Pr or to jo n ng Duke Energy, Mr. Renje served as V ce Pres dent of Strateg c Infrastructure s nce 2009 for CSX Corp and as the r D rector of Env ronmenta and Government Affa rs from 2006 to 2008.
Br an D. Savoy	46	**Executive Vice President, Chief Strategy and Commercial Officer.** Mr. Savoy assumed the pos t on of Execut ve V ce Pres dent, Ch ef Strategy and Commerc a Off cer n May 2021. Pr or to that he he d the pos t on of Sen or V ce Pres dent, Ch ef Transformat on and Adm n strat ve Off cer from October 2019 through Apr 2021; Sen or V ce Pres dent, Bus ness Transformat on and Techno ogy from May 2016 through September 2019; Sen or V ce Pres dent, Contro er and Ch ef Account ng Off cer from September 2013 to May 2016; D rector, Forecast ng and Ana ys s from 2009 to September 2013; and V ce Pres dent and Contro er of the Commerc a Power segment from 2006 to 2009.
Harry K. S der s	51	**Executive Vice President, Customer Experience, Solutions and Services.** Mr. S der s assumed h s current pos t on n October 2019. Pr or to that, he served as Sen or V ce Pres dent and Ch ef D str but on Off cer s nce June 2018; State Pres dent, F or da from January 2017 to June 2018; Sen or V ce Pres dent of Env ronmenta Hea th and Safety from August 2014 to January 2017; and V ce Pres dent of Power Generat ons for the company's Foss /Hydro Operat ons n the western port ons of North Caro na and South Caro na from Ju y 2012 to August 2014.

(a) The ages of the off cers prov ded are as of January 31, 2022.

There are no fam y re at onsh ps between any of the execut ve off cers, nor any arrangement or understand ng between any execut ve off cer and any other person nvo ved n off cer se ect on.

Environmental Matters

The Duke Energy Reg strants are subject to federa , state and oca aws and regu at ons w th regard to a r and water qua ty, hazardous and so d waste d sposa and other env ronmenta matters. Env ronmenta aws and regu at ons affect ng the Duke Energy Reg strants nc ude, but are not m ted to:

- The C ean A r Act, as we as state aws and regu at ons mpact ng a r em ss ons, nc ud ng State Imp ementat on P ans re ated to ex st ng and new nat ona amb ent a r qua ty standards for ozone and part cu ate matter. Owners and/or operators of a r em ss on sources are respons b e for obta n ng perm ts and for annua comp ance and report ng.
- The C ean Water Act, wh ch requ res perm ts for fac t es that d scharge wastewaters nto nav gab e waters.
- The Comprehens ve Env ronmenta Response, Compensat on and L ab ty Act, wh ch can requ re any nd v dua or ent ty that current y owns or n the past owned or operated a d sposa s te, as we as transporters or generators of hazardous substances sent to a d sposa s te, to share n remed at on costs.
- The Nat ona Env ronmenta Po cy Act, wh ch requ res federa agenc es to cons der potent a env ronmenta mpacts n the r perm tt ng and cens ng dec s ons, nc ud ng s t ng approva s.
- Coa Ash Act, as amended, wh ch estab shes requ rements regard ng the use and c osure of ex st ng ash bas ns, the d sposa of ash at act ve coa p ants and the hand ng of surface water and groundwater mpacts from ash bas ns n North Caro na.
- The So d Waste D sposa Act, as amended by RCRA, wh ch creates a framework for the proper management of hazardous and nonhazardous so d waste; c ass f es CCR as nonhazardous waste; and estab shes standards for andf and surface mpoundment p acement, des gn, operat on and c osure, groundwater mon tor ng, correct ve act on, and post c osure care.
- The Tox c Substances Contro Act, wh ch g ves EPA the author ty to requ re report ng, recordkeep ng and test ng requ rements, and to p ace restr ct ons re at ng to chem ca substances and/or m xtures, nc ud ng po ych or nated b pheny s.

For more nformat on on env ronmenta matters, see Notes 4 and 9 to the Conso dated F nanc a Statements, “Comm tments and Cont ngenc es Env ronmenta ” and "Asset Ret rement Ob gat ons," respect ve y, and the “Other Matters” sect on of Item 7 Management's D scuss on and Ana ys s. Except as otherw se descr bed n these sect ons, costs to comp y w th current federa , state and oca prov s ons regu at ng the d scharge of mater a s nto the env ronment or other potent a costs re ated to protect ng the env ronment are ncorporated nto the rout ne cost structure of our var ous bus ness segments and are not expected to have a mater a adverse effect on the compet t ve pos t on, conso dated resu ts of operat ons, cash f ows or f nanc a pos t on of the Duke Energy Reg strants.

The "Other Matters" sect on of Item 7 Management's D scuss on and Ana ys s nc udes more nformat on on certa n env ronmenta regu at ons and a d scuss on of G oba C mate Change nc ud ng the potent a mpact of current and future eg s at on re ated to GHG em ss ons on the Duke Energy Reg strants' operat ons. Recent y passed and potent a future env ronmenta statutes and regu at ons cou d have a s gn f cant mpact on the Duke Energy Reg strants’ resu ts of operat ons, cash f ows or f nanc a pos t on. However, f and when such statutes and regu at ons become effect ve, the Duke Energy Reg strants w seek appropr ate regu atory recovery of costs to comp y w th n ts regu ated operat ons.

DUKE ENERGY CAROLINAS

Duke Energy Caro nas s a regu ated pub c ut ty pr mar y engaged n the generat on, transm ss on, d str but on and sa e of e ectr c ty n port ons of North Caro na and South Caro na. Duke Energy Caro nas’ serv ce area covers approx mate y 24,000 square m es and supp es e ectr c serv ce to 2.8 m on res dent a , commerc a and ndustr a customers. For nformat on about Duke Energy Caro nas’ generat ng fac t es, see Item 2, “Propert es.” Duke Energy Caro nas s subject to the regu atory prov s ons of the NCUC, PSCSC, NRC and FERC.

Substant a y a of Duke Energy Caro nas' operat ons are regu ated and qua fy for regu atory account ng. Duke Energy Caro nas operates one reportab e bus ness segment, E ectr c Ut t es and Infrastructure. For add t ona nformat on regard ng th s bus ness segment, nc ud ng f nanc a nformat on, see Note 2 to the Conso dated F nanc a Statements, “Bus ness Segments.”

PROGRESS ENERGY

Progress Energy s a pub c ut ty ho d ng company pr mar y engaged n the regu ated e ectr c ut ty bus ness and s subject to regu at on by the FERC. Progress Energy conducts operat ons through ts who y owned subs d ar es, Duke Energy Progress and Duke Energy F or da. When d scuss ng Progress Energy’s f nanc a nformat on, t necessar y nc udes the resu ts of Duke Energy Progress and Duke Energy F or da.

Substant a y a of Progress Energy’s operat ons are regu ated and qua fy for regu atory account ng. Progress Energy operates one reportab e bus ness segment, E ectr c Ut t es and Infrastructure. For add t ona nformat on regard ng th s bus ness segment, nc ud ng f nanc a nformat on, see Note 2 to the Conso dated F nanc a Statements, “Bus ness Segments.”

DUKE ENERGY PROGRESS

Duke Energy Progress s a regu ated pub c ut ty pr mar y engaged n the generat on, transm ss on, d str but on and sa e of e ectr c ty n port ons of North Caro na and South Caro na. Duke Energy Progress’ serv ce area covers approx mate y 29,000 square m es and supp es e ectr c serv ce to approx mate y 1.7 m on res dent a , commerc a and ndustr a customers. For nformat on about Duke Energy Progress’ generat ng fac t es, see Item 2, “Propert es.” Duke Energy Progress s subject to the regu atory prov s ons of the NCUC, PSCSC, NRC and FERC.

Substant a y a of Duke Energy Progress’ operat ons are regu ated and qua fy for regu atory account ng. Duke Energy Progress operates one reportab e bus ness segment, E ectr c Ut t es and Infrastructure. For add t ona nformat on regard ng th s bus ness segment, nc ud ng f nanc a nformat on, see Note 2 to the Conso dated F nanc a Statements, “Bus ness Segments.”

DUKE ENERGY FLORIDA

Duke Energy F or da s a regu ated pub c ut ty pr mar y engaged n the generat on, transm ss on, d str but on and sa e of e ectr c ty n port ons of F or da. Duke Energy F or da's serv ce area covers approx mate y 13,000 square m es and supp es e ectr c serv ce to approx mate y 1.9 m on res dent a , commerc a and ndustr a customers. For nformat on about Duke Energy F or da's generat ng fac t es, see Item 2, "Propert es." Duke Energy F or da s subject to the regu atory prov s ons of the FPSC, NRC and FERC.

Substant a y a of Duke Energy F or da's operat ons are regu ated and qua fy for regu atory account ng. Duke Energy F or da operates one reportab e bus ness segment, E ectr c Ut t es and Infrastructure. For add t ona nformat on regard ng th s bus ness segment, nc ud ng f nanc a nformat on, see Note 2 to the Conso dated F nanc a Statements, "Bus ness Segments."

DUKE ENERGY OHIO

Duke Energy Oh o s a regu ated pub c ut ty pr mar y engaged n the transm ss on and d str but on of e ectr c ty n port ons of Oh o and Kentucky, n the generat on and sa e of e ectr c ty n port ons of Kentucky and the transportat on and sa e of natura gas n port ons of Oh o and Kentucky. Duke Energy Oh o a so conducts compet t ve auct ons for reta e ectr c ty supp y n Oh o whereby recovery of the energy pr ce s from reta customers. Operat ons n Kentucky are conducted through ts who y owned subs d ary, Duke Energy Kentucky. References here n to Duke Energy Oh o nc ude Duke Energy Oh o and ts subs d ar es, un ess otherw se noted. Duke Energy Oh o s subject to the regu atory prov s ons of the PUCO, KPSC, PHMSA and FERC.

Duke Energy Oh o's serv ce area covers approx mate y 3,000 square m es and supp es e ectr c serv ce to approx mate y 880,000 res dent a , commerc a and ndustr a customers and prov des transm ss on and d str but on serv ces for natura gas to approx mate y 550,000 customers. For nformat on about Duke Energy Oh o's generat ng fac t es, see Item 2, "Propert es."

KO Transm ss on, a who y owned subs d ary of Duke Energy Oh o, s an nterstate p pe ne company engaged n the bus ness of transport ng natura gas and s subject to the ru es and regu at ons of FERC. KO Transm ss on's 90 m e p pe ne supp es natura gas to Duke Energy Oh o and nterconnects w th the Co umb a Gu f Transm ss on p pe ne and Tennessee Gas P pe ne. An approx mate y 70 m e port on of KO Transm ss on's p pe ne fac t es s co owned by Co umb a Gas Transm ss on Corporat on.

Substant a y a of Duke Energy Oh o's operat ons are regu ated and qua fy for regu atory account ng. Duke Energy Oh o has two reportab e segments, E ectr c Ut t es and Infrastructure and Gas Ut t es and Infrastructure. For add t ona nformat on on these bus ness segments, nc ud ng f nanc a nformat on, see Note 2 to the Conso dated F nanc a Statements, "Bus ness Segments."

DUKE ENERGY INDIANA

Duke Energy Ind ana s a regu ated pub c ut ty pr mar y engaged n the generat on, transm ss on, d str but on and sa e of e ectr c ty n port ons of Ind ana. Duke Energy Ind ana's serv ce area covers 23,000 square m es and supp es e ectr c serv ce to 870,000 res dent a , commerc a and ndustr a customers. For nformat on about Duke Energy Ind ana's generat ng fac t es, see Item 2, "Propert es." Duke Energy Ind ana s subject to the regu atory prov s ons of the IURC and FERC.

In 2021, Duke Energy comp eted the f rst phase of the nvestment n Duke Energy Ind ana by GIC. For add t ona nformat on, see Note 1 to the Conso dated F nanc a Statements, "Summary of S gn f cant Account ng Po c es."

Substant a y a of Duke Energy Ind ana's operat ons are regu ated and qua fy for regu atory account ng. Duke Energy Ind ana operates one reportab e bus ness segment, E ectr c Ut t es and Infrastructure. For add t ona nformat on regard ng th s bus ness segment, nc ud ng f nanc a nformat on, see Note 2 to the Conso dated F nanc a Statements, "Bus ness Segments."

PIEDMONT

P edmont s a regu ated pub c ut ty pr mar y engaged n the d str but on of natura gas to over 1.1 m on res dent a , commerc a , ndustr a and power generat on customers n port ons of North Caro na, South Caro na and Tennessee, nc ud ng customers served by mun c pa t es who are who esa e customers. For nformat on about P edmont's natura gas d str but on fac t es, see Item 2, "Propert es." P edmont s subject to the regu atory prov s ons of the NCUC, PSCSC, TPUC, PHMSA and FERC.

Substant a y a of P edmont's operat ons are regu ated and qua fy for regu atory account ng. P edmont operates one reportab e bus ness segment, Gas Ut t es and Infrastructure. For add t ona nformat on regard ng th s bus ness segment, nc ud ng f nanc a nformat on, see Note 2 to the Conso dated F nanc a Statements, "Bus ness Segments."

ITEM 1A. RISK FACTORS

In add t on to other d sc osures w th n th s Form 10 K, nc ud ng "Management's D scuss on and Ana ys s of F nanc a Cond t on and Resu ts of Operat ons Matters Impact ng Future Resu ts" for each reg strant n Item 7, and other documents f ed w th the SEC from t me to t me, the fo ow ng factors shou d be cons dered n eva uat ng Duke Energy and ts subs d ar es. Such factors cou d affect actua resu ts of operat ons and cause resu ts to d ffer substant a y from those current y expected or sought. Un ess otherw se nd cated, r sk factors d scussed be ow genera y re ate to r sks assoc ated w th a of the Duke Energy Reg strants. R sks dent f ed at the Subs d ary Reg strant eve are genera y app cab e to Duke Energy.

BUSINESS STRATEGY RISKS

Duke Energy's future results could be adversely affected if it is unable to implement its business strategy including achieving its carbon emissions reduction goals.

Duke Energy's resu ts of operat ons depend, n s gn f cant part, on the extent to wh ch t can mp ement ts bus ness strategy successfu y. Duke Energy's c ean energy strategy, wh ch nc udes ach ev ng net zero carbon em ss ons from e ectr c ty generat on by 2050, modern z ng the regu atory construct, transform ng the customer exper ence, and d g ta transformat on, s subject to bus ness, po cy, regu atory, techno ogy, econom c and compet t ve uncerta nt es and cont ngenc es, many of wh ch are beyond ts contro and may make those goa s d ff cu t to ach eve.

Federa or state po c es cou d be enacted that restr ct the ava ab ty of fue s or generat on techno og es, such as natura gas or nuc ear power, that enab e Duke Energy to reduce ts carbon em ss ons. Support ve po c es may be needed to fac tate the s t ng and cost recovery of transm ss on and d str but on upgrades needed to accommodate the bu d out of arge vo umes of renewab es and energy storage. Further, the approva of our state regu ators w be necessary for the company to cont nue to ret re ex st ng carbon em tt ng assets or make nvestments n new generat ng capac ty. The company may be constra ned by the ab ty to procure resources or abor needed to bu d new generat on at a reasonab e pr ce as we as to construct projects on t me. In add t on, new techno og es that are not yet commerc a y ava ab e or are unproven at ut ty sca e w be needed. If these techno og es are not deve oped or are not ava ab e at reasonab e pr ces, or f we nvest n ear y stage techno og es that are then supp anted by techno og ca breakthroughs, Duke Energy's ab ty to ach eve a net zero target by 2050 at a cost effect ve pr ce cou d be at r sk.

Ach ev ng our carbon reduct on goa s w requ re cont nued operat on of our ex st ng carbon free techno og es nc ud ng nuc ear and renewab es. The rap d trans t on to and expans on of certa n ow carbon resources, such as renewab es w thout cost effect ve storage, may cha enge our ab ty to meet customer expectat ons of re ab ty n a carbon constra ned env ronment, Our nuc ear f eet s centra to our ab ty to meet these object ves and customer expectat ons. We are cont nu ng to seek to renew the operat ng censes of the 11 reactors we operate at s x nuc ear stat ons for an add t ona 20 years, extend ng the r operat ng ves to and beyond m dcentury. Fa ure to rece ve approva from the NRC for the re cens ng of any of these reactors cou d affect our ab ty to ach eve a net zero target by 2050.

As a consequence, Duke Energy may not be ab e to fu y mp ement or rea ze the ant c pated resu ts of ts strategy, wh ch may have an adverse effect on ts f nanc a cond t on.

REGULATORY, LEGISLATIVE AND LEGAL RISKS

The Duke Energy Registrants' regulated utility revenues, earnings and results are dependent on state legislation and regulation that affect electric generation, electric and natural gas transmission, distribution and related activities, which may limit their ability to recover costs.

The Duke Energy Reg strants' regu ated e ectr c and natura gas ut ty bus nesses are regu ated on a cost of serv ce/rate of return bas s subject to statutes and regu atory comm ss on ru es and procedures of North Caro na, South Caro na, F or da, Oh o, Tennessee, Ind ana and Kentucky. If the Duke Energy Reg strants' regu ated ut ty earn ngs exceed the returns estab shed by the state ut ty comm ss ons, reta e ectr c and natura gas rates may be subject to rev ew and poss b e reduct on by the comm ss ons, wh ch may decrease the Duke Energy Reg strants' earn ngs. Add t ona y, f regu atory bod es do not a ow recovery of costs ncurred n prov d ng serv ce, or do not do so on a t me y bas s, the Duke Energy Reg strants' earn ngs cou d be negat ve y mpacted. D fferences n regu at on between jur sd ct ons w th concurrent operat ons, such as North Caro na and South Caro na n Duke Energy Caro nas' and Duke Energy Progress' serv ce terr tory, may a so resu t n fa ure to recover costs.

If eg s at ve and regu atory structures were to evo ve n such a way that the Duke Energy Reg strants' exc us ve r ghts to serve the r regu ated customers were eroded, the r earn ngs cou d be negat ve y mpacted. Federa and state regu at ons, aws, commerc a zat on and reduct on of costs and other efforts des gned to promote and expand the use of EE measures and d str buted generat on techno og es, such as pr vate so ar and battery storage, n Duke Energy serv ce terr tor es cou d reduce recovery of f xed costs n Duke Energy serv ce terr tor es or resu t n customers eav ng the e ectr c d str but on system and an ncrease n customer net energy meter ng, wh ch a ows customers w th pr vate so ar to rece ve b cred ts for surp us power at the fu reta amount. Over t me, customer adopt on of these techno og es cou d resu t n Duke Energy not be ng ab e to fu y recover the costs and nvestment n generat on.

State regu ators have approved var ous mechan sms to stab ze natura gas ut ty marg ns, nc ud ng marg n decoup ng n North Caro na and rate stab zat on n South Caro na. State regu ators have approved other marg n stab z ng mechan sms that, for examp e, a ow for recovery of marg n osses assoc ated w th negot ated transact ons des gned to reta n arge vo ume customers that cou d use a ternat ve fue s or that may otherw se d rect y access natura gas supp y through the r own connect on to an nterstate p pe ne. If regu ators dec ded to d scont nue the Duke Energy Reg strants' use of tar ff mechan sms, t wou d negat ve y mpact resu ts of operat ons, f nanc a pos t on and cash f ows. In add t on, regu atory author t es a so rev ew whether natura gas costs are prudent y ncurred and can d sa ow the recovery of a port on of natura gas costs that the Duke Energy Reg strants seek to recover from customers, wh ch wou d adverse y mpact earn ngs.

The rates that the Duke Energy Registrants' regulated utility businesses are allowed to charge are established by state utility commissions in rate case proceedings, which may limit their ability to recover costs and earn an appropriate return on investment.

The rates that the Duke Energy Reg strants' regu ated ut ty bus ness are a owed to charge s gn f cant y nf uences the resu ts of operat ons, f nanc a pos t on and cash f ows of the Duke Energy Reg strants. The regu at on of the rates that the regu ated ut ty bus nesses charge customers s determ ned, n arge part, by state ut ty comm ss ons n rate case proceed ngs. Negat ve dec s ons made by these regu ators, or by any court on appea of a rate case proceed ng, cou d have a mater a adverse effect on the Duke Energy Reg strants' resu ts of operat ons, f nanc a pos t on or cash f ows and affect the ab ty of the Duke Energy Reg strants to recover costs and an appropr ate return on the s gn f cant nfrastructure nvestments be ng made.

Deregulation or restructuring in the electric industry may result in increased competition and unrecovered costs that could adversely affect the Duke Energy Registrants' results of operations, financial position or cash flows and their utility businesses.

Increased compet t on resu t ng from deregu at on or restructur ng eg s at on cou d have a s gn f cant adverse mpact on the Duke Energy Reg strants' resu ts of operat ons, f nanc a pos t on or cash f ows. If the reta jur sd ct ons served by the Duke Energy Reg strants become subject to deregu at on, the mpa rment of assets, oss of reta customers, ower prof t marg ns or ncreased costs of cap ta , and recovery of stranded costs cou d have a s gn f cant adverse f nanc a mpact on the Duke Energy Reg strants. Stranded costs pr mar y nc ude the generat on assets of the Duke Energy Reg strants whose va ue n a compet t ve marketp ace may be ess than the r current book va ue, as we as above market purchased power comm tments from QFs from whom the Duke Energy Reg strants are ega y ob gated to purchase energy at an avo ded cost rate under PURPA. The Duke Energy Reg strants cannot pred ct the extent and t m ng of entry by add t ona compet tors nto the e ectr c markets. The Duke Energy Reg strants cannot pred ct f or when they w be subject to changes n eg s at on or regu at on, nor can they pred ct the mpact of these changes on the r resu ts of operat ons, f nanc a pos t on or cash f ows.

The Duke Energy Registrants' businesses are subject to extensive federal regulation and a wide variety of laws and governmental policies, including taxes and environmental regulations, that may change over time in ways that affect operations and costs.

The Duke Energy Reg strants are subject to regu at ons under a w de var ety of U.S. federa and state regu at ons and po c es, nc ud ng by FERC, NRC, EPA and var ous other federa agenc es as we as the North Amer can E ectr c Re ab ty Corporat on. Regu at on affects a most every aspect of the Duke Energy Reg strants' bus nesses, nc ud ng, among other th ngs, the r ab ty to: take fundamenta bus ness management act ons; determ ne the terms and rates of transm ss on and d str but on serv ces; make acqu s t ons; ssue equ ty or debt secur t es; engage n transact ons w th other subs d ar es and aff ates; and pay d v dends upstream to the Duke Energy Reg strants. Changes to federa regu at ons are cont nuous and ongo ng. There can be no assurance that aws, regu at ons and po c es w not be changed n ways that resu t n mater a mod f cat ons of bus ness mode s and object ves or affect returns on nvestment by restr ct ng act v t es and products, subject ng them to esca at ng costs, caus ng de ays, or proh b t ng them outr ght.

The Duke Energy Registrants are subject to numerous environmental laws and regulations requiring significant capital expenditures that can increase the cost of operations, and which may impact or limit business plans, or cause exposure to environmental liabilities.

The Duke Energy Reg strants are subject to numerous env ronmenta aws and regu at ons affect ng many aspects of the r present and future operat ons, nc ud ng CCRs, a r em ss ons, water qua ty, wastewater d scharges, so d waste and hazardous waste. These aws and regu at ons can resu t n ncreased cap ta , operat ng and other costs. These aws and regu at ons genera y requ re the Duke Energy Reg strants to obta n and comp y w th a w de var ety of env ronmenta censes, perm ts, nspect ons and other approva s. Comp ance w th env ronmenta aws and regu at ons can requ re s gn f cant expend tures, nc ud ng expend tures for c eanup costs and damages ar s ng from contam nated propert es. Fa ure to comp y w th env ronmenta regu at ons may resu t n the mpos t on of f nes, pena t es and njunct ve measures affect ng operat ng assets. The steps the Duke Energy Reg strants cou d be requ red to take to ensure the r fac t es are n comp ance cou d be proh b t ve y expens ve. As a resu t, the Duke Energy Reg strants may be requ red to shut down or a ter the operat on of the r fac t es, wh ch may cause the Duke Energy Reg strants to ncur osses. Further, the Duke Energy Reg strants may not be successfu n recover ng cap ta and operat ng costs ncurred to comp y w th new env ronmenta regu at ons through ex st ng regu atory rate structures and the r contracts w th customers. A so, the Duke Energy Reg strants may not be ab e to obta n or ma nta n from t me to t me a requ red env ronmenta regu atory approva s for the r operat ng assets or deve opment projects. De ays n obta n ng any requ red env ronmenta regu atory approva s, fa ure to obta n and comp y w th them or changes n env ronmenta aws or regu at ons to more str ngent comp ance eve s cou d resu t n add t ona costs of operat on for ex st ng fac t es or deve opment of new fac t es be ng prevented, de ayed or subject to add t ona costs. A though t s not expected that the costs to comp y w th current env ronmenta regu at ons w have a mater a adverse effect on the Duke Energy Reg strants' resu ts of operat ons, f nanc a pos t on and cash f ows due to regu atory cost recovery, the Duke Energy Reg strants are at r sk that the costs of comp y ng w th env ronmenta regu at ons n the future w have such an effect.

The EPA has enacted or proposed federa regu at ons govern ng the management of coo ng water ntake structures, wastewater and CO_2 em ss ons. New state eg s at on cou d mpose carbon reduct on goa s that are more aggress ve than the company's p ans. These regu at ons may requ re the Duke Energy Reg strants to make add t ona cap ta expend tures and ncrease operat ng and ma ntenance costs.

The Duke Energy Registrants' operations, capital expenditures and financial results may be affected by regulatory changes related to the impacts of global climate change.

There s cont nued concern, and ncreas ng act v sm, both nat ona y and nternat ona y, about c mate change. The EPA and state regu ators may adopt and mp ement regu at ons to restr ct em ss ons of GHGs to address g oba c mate change. Certa n oca and state jur sd ct ons have a so enacted aws to restr ct or prevent new gas nfrastructure. Increased regu at on of GHG em ss ons cou d mpose s gn f cant add t ona costs on the Duke Energy Reg strants' e ectr c and natura gas operat ons, the r supp ers and customers and affect demand for energy conservat on and renewab e products, wh ch cou d mpact both our e ectr c and natura gas bus nesses. Regu atory changes cou d a so resu t n generat on fac t es to be ret red ear er than p anned to meet our net zero 2050 goa . Though we wou d p an to seek cost recovery for nvestments re ated to GHG em ss ons reduct ons through regu atory rate structures, changes n the regu atory c mate cou d resu t n the fa ure to fu y recover such costs and nvestment n generat on.

OPERATIONAL RISKS

The Duke Energy Registrants' operations have been and may be affected by COVID-19 in ways listed below and in ways the registrants cannot predict at this time.

The COVID 19 pandem c has mmater a y mpacted and cou d mpact the Duke Energy Reg strants' bus ness strategy, resu ts of operat ons, f nanc a pos t on and cash f ows n the future as a resu t of de ays n rate cases or other ega proceed ngs, an nab ty to obta n abor or equ pment necessary for the construct on of arge cap ta projects, an nab ty to procure sat sfactory eve s of fue s or other necessary equ pment for the cont nued product on of e ectr c ty and de very of natura gas, and the hea th and ava ab ty of our cr t ca personne and the r ab ty to perform bus ness funct ons.

The Duke Energy Registrants' results of operations may be negatively affected by overall market, economic and other conditions that are beyond their control.

Susta ned downturns or s ugg shness n the economy genera y affect the markets n wh ch the Duke Energy Reg strants operate and negat ve y nf uence operat ons. Dec nes n demand for e ectr c ty or natura gas as a resu t of econom c downturns n the Duke Energy Reg strants' regu ated serv ce terr tor es w reduce overa sa es and essen cash f ows, espec a y as ndustr a customers reduce product on and, therefore, consumpt on of e ectr c ty and the use of natura gas. A though the Duke Energy Reg strants' regu ated e ectr c and natura gas bus nesses are subject to regu ated a owab e rates of return and recovery of certa n costs, such as fue and purchased natura gas costs, under per od c adjustment c auses, overa dec nes n e ectr c ty or natura gas so d as a resu t of econom c downturn or recess on cou d reduce revenues and cash f ows, thereby d m n sh ng resu ts of operat ons. The Duke Energy Reg strants a so mon tor the mpacts of nf at on on the procurement of goods and serv ces and seek to m n m ze ts effects n future per ods through pr c ng strateg es, product v ty mprovements, and cost reduct ons. Rap d y r s ng pr ces as a resu t of nf at on or other factors may mpact the ab ty of the company to recover costs t me y or execute on ts bus ness strategy nc ud ng the ach evement of growth object ves. Add t ona y, pro onged econom c downturns that negat ve y mpact the Duke Energy Reg strants' resu ts of operat ons and cash f ows cou d resu t n future mater a mpa rment charges to wr te down the carry ng va ue of certa n assets, nc ud ng goodw , to the r respect ve fa r va ues.

The Duke Energy Reg strants a so se e ectr c ty nto the spot market or other compet t ve power markets on a contractua bas s. W th respect to such transact ons, the Duke Energy Reg strants are not guaranteed any rate of return on the r cap ta nvestments through mandated rates, and revenues and resu ts of operat ons are ke y to depend, n arge part, upon preva ng market pr ces. These market pr ces may f uctuate substant a y over re at ve y short per ods of t me and cou d reduce the Duke Energy Reg strants' revenues and marg ns, thereby d m n sh ng resu ts of operat ons.

Factors that cou d mpact sa es vo umes, generat on of e ectr c ty and market pr ces at wh ch the Duke Energy Reg strants are ab e to se e ectr c ty and natura gas are as fo ows:

- weather cond t ons, nc ud ng abnorma y m d w nter or summer weather that cause ower energy or natura gas usage for heat ng or coo ng purposes, as app cab e, and per ods of ow ra nfa that decrease the ab ty to operate fac t es n an econom ca manner;
- supp y of and demand for energy commod t es;
- transm ss on or transportat on constra nts or neff c enc es that mpact nonregu ated energy operat ons;
- ava ab ty of compet t ve y pr ced a ternat ve energy sources, wh ch are preferred by some customers over e ectr c ty produced from coa , nuc ear or natura gas p ants, and customer usage of energy eff c ent equ pment that reduces energy demand;
- natura gas, crude o and ref ned products product on eve s and pr ces;
- ab ty to procure sat sfactory eve s of nventory, nc ud ng mater a s, supp es, and fue such as coa , natura gas and uran um; and
- capac ty and transm ss on serv ce nto, or out of, the Duke Energy Reg strants' markets.

Natural disasters or operational accidents may adversely affect the Duke Energy Registrants' operating results.

Natura d sasters or operat ona acc dents w th n the company or ndustry (such as forest f res, earthquakes, hurr canes or natura gas transm ss on p pe ne exp os ons) cou d have d rect or nd rect mpacts to the Duke Energy Reg strants or to key contractors and supp ers. Further, the generat on of e ectr c ty and the transportat on and storage of natura gas nvo ve nherent operat ng r sks that may resu t n acc dents nvo v ng ser ous njury or oss of fe, env ronmenta damage or property damage. Such events cou d mpact the Duke Energy Reg strants through changes to po c es, aws and regu at ons whose comp ance costs have a s gn f cant mpact on the Duke Energy Reg strants' resu ts of operat ons, f nanc a pos t on and cash f ows. In add t on, f a ser ous operat ona acc dent were to occur, ex st ng nsurance po c es may not cover a of the potent a exposures or the actua amount of oss ncurred, nc ud ng potent a t gat on awards. Any osses not covered by nsurance, or any ncreases n the cost of app cab e nsurance as a resu t of such acc dent, cou d have a mater a adverse effect on the resu ts of operat ons, f nanc a pos t on, cash f ows and reputat on of the Duke Energy Reg strants.

The reputation and financial condition of the Duke Energy Registrants could be negatively impacted due to their obligations to comply with federal and state regulations, laws, and other legal requirements that govern the operations, assessments, storage, closure, remediation, disposal and monitoring relating to CCR, the high costs and new rate impacts associated with implementing these new CCR-related requirements and the strategies and methods necessary to implement these requirements in compliance with these legal obligations.

As a resu t of e ectr c ty produced for decades at coa f red power p ants, the Duke Energy Reg strants manage arge amounts of CCR that are pr mar y stored n dry storage w th n andf s or comb ned w th water n surface mpoundments, a n comp ance w th app cab e regu atory requ rements. A CCR re ated operat ona nc dent cou d have a mater a adverse mpact on the reputat on and resu ts of operat ons, f nanc a pos t on and cash f ows of the Duke Energy Reg strants.

Dur ng 2015, EPA regu at ons were enacted re ated to the management of CCR from power p ants. These regu at ons c ass fy CCR as nonhazardous waste under the RCRA and app y to e ectr c generat ng s tes w th new and ex st ng andf s and, new and ex st ng surface mpoundments, and estab sh requ rements regard ng andf des gn, structura ntegr ty des gn and assessment cr ter a for surface mpoundments, groundwater mon tor ng, protect on and remed a procedures and other operat ona and report ng procedures for the d sposa and management of CCR. In add t on to the federa regu at ons, CCR andf s and surface mpoundments w cont nue to be regu ated by ex st ng state aws, regu at ons and perm ts, as we as add t ona ega requ rements that may be mposed n the future, such as the sett ement reached w th the NCDEQ to excavate seven of the n ne rema n ng coa ash bas ns n North Caro na, and part a y excavate the rema n ng two, and EPA's January 11, 2022, ssuance of a etter nterpret ng the CCR Ru e, nc ud ng ts app cab ty and c osure prov s ons. These federa and state aws, regu at ons and other ega requ rements may requ re or resu t n add t ona expend tures, nc ud ng ncreased operat ng and ma ntenance costs, wh ch cou d affect the resu ts of operat ons, f nanc a pos t on and cash f ows of the Duke Energy Reg strants. The Duke Energy Reg strants w cont nue to seek fu cost recovery for expend tures through the norma ratemak ng process w th state and federa ut ty comm ss ons, who perm t recovery n rates of necessary and prudent y ncurred costs assoc ated w th the Duke Energy Reg strants' regu ated operat ons, and through other who esa e contracts w th terms that contemp ate recovery of such costs, a though there s no guarantee of fu cost recovery. In add t on, the t m ng for and amount of recovery of such costs cou d have a mater a adverse mpact on Duke Energy's cash f ows.

The Duke Energy Reg strants have recogn zed s gn f cant AROs re ated to these CCR re ated requ rements. C osure act v t es began n 2015 at the four s tes spec f ed as h gh pr or ty by the Coa Ash Act and at the W.S. Lee Steam Stat on s te n South Caro na n connect on w th other ega requ rements. Excavat on at these s tes nvo ves movement of CCR mater a s to off s te ocat ons for use as structura f , to appropr ate eng neered off s te or on s te ned andf s or convers on of the ash for benef c a use. Duke Energy has comp eted excavat on of coa ash at three of the four h gh pr or ty s tes. At other s tes, p ann ng and c osure methods have been stud ed and factored nto the est mated ret rement and management costs, and c osure act v t es have commenced. As the c osure and CCR management work progresses and f na c osure p ans and correct ve act on measures are deve oped and approved at each s te, the scope and comp ex ty of work and the amount of CCR mater a cou d be greater than est mates and cou d, therefore, mater a y ncrease comp ance expend tures and rate mpacts.

The Duke Energy Registrants' results of operations, financial position and cash flows may be negatively affected by a lack of growth or slower growth in the number of customers, or decline in customer demand or number of customers.

Growth n customer accounts and growth of customer usage each d rect y nf uence demand for e ectr c ty and natura gas and the need for add t ona power generat on and de very fac t es. Customer growth and customer usage are affected by severa factors outs de the contro of the Duke Energy Reg strants, such as mandated EE measures, demand s de management goa s, d str buted generat on resources and econom c and demograph c cond t ons, such as popu at on changes, job and ncome growth, hous ng starts, new bus ness format on and the overa eve of econom c act v ty.

Certa n regu atory and eg s at ve bod es have ntroduced or are cons der ng requ rements and/or ncent ves to reduce energy consumpt on by certa n dates n response to concerns re ated to c mate change. Add t ona y, techno og ca advances dr ven by federa aws mandat ng new eve s of EE n end use e ectr c and natura gas dev ces or other mprovements n or app cat ons of techno ogy cou d ead to dec nes n per cap ta energy consumpt on.

Advances n d str buted generat on techno og es that produce power, nc ud ng fue ce s, m croturb nes, w nd turb nes and so ar ce s, may reduce the cost of a ternat ve methods of produc ng power to a eve compet t ve w th centra power stat on e ectr c product on ut zed by the Duke Energy Reg strants. In add t on, the e ectr f cat on of bu d ngs and app ances current y re y ng on natura gas cou d reduce the number of customers n our natura gas d str but on bus ness.

Some or a of these factors cou d resu t n a ack of growth or dec ne n customer demand for e ectr c ty or number of customers and may cause the fa ure of the Duke Energy Reg strants to fu y rea ze ant c pated benef ts from s gn f cant cap ta nvestments and expend tures, wh ch cou d have a mater a adverse effect on the r resu ts of operat ons, f nanc a pos t on and cash f ows.

Furthermore, the Duke Energy Reg strants current y have EE r ders n p ace to recover the cost of EE programs n North Caro na, South Caro na, F or da, Ind ana, Oh o and Kentucky. Shou d the Duke Energy Reg strants be requ red to nvest n conservat on measures that resu t n reduced sa es from effect ve conservat on, regu atory ag n adjust ng rates for the mpact of these measures cou d have a negat ve f nanc a mpact.

The Duke Energy Registrants future results may be impacted by changing expectations and demands including heightened emphasis on environmental, social and governance concerns.

Duke Energy's ab ty to execute ts strategy and ach eve ant c pated f nanc a outcomes are nf uenced by the expectat ons of our customers, regu ators, nvestors, and stakeho ders. Those expectat ons are based n part on the core fundamenta s of re ab ty and affordab ty but are a so ncreas ng y focused on our ab ty to meet rap d y chang ng demands for new and var ed products, serv ces and offer ngs. Add t ona y, the r sks of g oba c mate change cont nues to shape our customers' susta nab ty goa s and energy needs as we as the nvestment and f nanc ng cr ter a of nvestors. Fa ure to meet these ncreas ng expectat ons or to adequate y address the r sks and externa pressures from regu ators, customers, nvestors and other stakeho ders may mpact Duke Energy's reputat on and affect ts ab ty to ach eve favorab e outcomes n future rate cases and the resu ts of operat ons for the Duke Energy Reg strants. Furthermore, the ncreas ng use of soc a med a may acce erate and ncrease the potent a scope of negat ve pub c ty we m ght rece ve and cou d ncrease the negat ve mpact on our reputat on, bus ness, resu ts of operat ons, and f nanc a cond t on.

As t re ates to e ectr c generat on, a d vers f ed f eet w th ncreas ng y c ean generat on resources may fac tate more eff c ent f nanc ng and ower costs. Converse y, jur sd ct ons ut z ng more carbon ntens ve generat on such as coa may exper ence d ff cu ty attract ng certa n nvestors and obta n ng the most econom ca f nanc ng terms ava ab e. Furthermore, w th th s he ghtened emphas s on env ronmenta , soc a , and governance concerns, and c mate change n part cu ar, there s an ncreased r sk of t gat on by act v sts.

The Duke Energy Registrants' operating results may fluctuate on a seasonal and quarterly basis and can be negatively affected by changes in weather conditions and severe weather, including extreme weather conditions and changes in weather patterns from climate change.

E ectr c power generat on and natura gas d str but on are genera y seasona bus nesses. In most parts of the U.S., the demand for power peaks dur ng the warmer summer months, w th market pr ces a so typ ca y peak ng at that t me. In other areas, demand for power peaks dur ng the w nter. Demand for natura gas peaks dur ng the w nter months. Further, chang ng frequency or magn tude of extreme weather cond t ons such as hurr canes, droughts, heat waves, w nter storms and severe weather, nc ud ng from c mate change, cou d cause these seasona f uctuat ons to be more pronounced. As a resu t, the overa operat ng resu ts of the Duke Energy Reg strants' bus nesses may f uctuate substant a y on a seasona and quarter y bas s and thus make per od to per od compar son ess re evant.

Susta ned severe drought cond t ons cou d mpact generat on by hydroe ectr c p ants, as we as foss and nuc ear p ant operat ons, as these fac t es use water for coo ng purposes and for the operat on of env ronmenta comp ance equ pment. Furthermore, destruct on caused by severe weather events, such as hurr canes, f ood ng, tornadoes, severe thunderstorms, snow and ce storms, nc ud ng from c mate change, can resu t n ost operat ng revenues due to outages, property damage, nc ud ng downed transm ss on and d str but on nes, and add t ona and unexpected expenses to m t gate storm damage. The cost of storm restorat on efforts may not be fu y recoverab e through the regu atory process.

The Duke Energy Registrants' sales may decrease if they are unable to gain adequate, reliable and affordable access to transmission assets.

The Duke Energy Reg strants depend on transm ss on and d str but on fac t es owned and operated by ut t es and other energy compan es to de ver e ectr c ty so d to the who esa e market. In add t on, the growth of renewab es and energy storage w put stra ns on ex st ng transm ss on assets and requ re transm ss on and d str but on upgrades. The FERC's power transm ss on regu at ons requ re who esa e e ectr c transm ss on serv ces to be offered on an open access, non d scr m natory bas s. If transm ss on s d srupted, or f transm ss on capac ty s nadequate, the Duke Energy Reg strants' ab ty to se and de ver products may be h ndered.

The d fferent reg ona power markets have chang ng regu atory structures, wh ch cou d affect growth and performance n these reg ons. In add t on, the ISOs who oversee the transm ss on systems n reg ona power markets have mposed n the past, and may mpose n the future, pr ce m tat ons and other mechan sms to address vo at ty n the power markets. These types of pr ce m tat ons and other mechan sms may adverse y mpact the prof tab ty of the Duke Energy Reg strants' who esa e power market ng bus ness.

The availability of adequate interstate pipeline transportation capacity and natural gas supply may decrease.

The Duke Energy Reg strants purchase a most a of the r natura gas supp y from nterstate sources that must be transported to the app cab e serv ce terr tor es. Interstate p pe ne compan es transport the natura gas to the Duke Energy Reg strants' systems under f rm serv ce agreements that are des gned to meet the requ rements of the r core markets. A s gn f cant d srupt on to nterstate p pe nes capac ty or reduct on n natura gas supp y due to events nc ud ng, but not m ted to, operat ona fa ures or d srupt ons, hurr canes, tornadoes, f oods, freeze off of natura gas we s, terror st or cyberattacks or other acts of war or eg s at ve or regu atory act ons or requ rements, nc ud ng remed at on re ated to ntegr ty nspect ons or regu at ons and aws enacted to address c mate change, cou d reduce the norma nterstate supp y of natura gas and thereby reduce earn ngs. Moreover, f add t ona natura gas nfrastructure, nc ud ng, but not m ted to, exp orat on and dr ng r gs and p atforms, process ng and gather ng systems, offshore p pe nes, nterstate p pe nes and storage, cannot be bu t at a pace that meets demand, then growth opportun t es cou d be m ted.

Fluctuations in commodity prices or availability may adversely affect various aspects of the Duke Energy Registrants' operations as well as their results of operations, financial position and cash flows.

The Duke Energy Reg strants are exposed to the effects of market f uctuat ons n the pr ce of natura gas, coa , fue o , nuc ear fue , e ectr c ty and other energy re ated commod t es as a resu t of the r ownersh p of energy re ated assets. Fue costs are recovered pr mar y through cost recovery c auses, subject to the approva of state ut ty comm ss ons.

Add t ona y, the Duke Energy Reg strants are exposed to r sk that counterpart es w not be ab e to fu f the r ob gat ons. D srupt on n the de very of fue , nc ud ng d srupt ons as a resu t of, among other th ngs, bankruptc es, transportat on de ays, weather, abor re at ons, force majeure events or env ronmenta regu at ons affect ng any of these fue supp ers, cou d m t the Duke Energy Reg strants' ab ty to operate the r fac t es. Shou d counterpart es fa to perform, the Duke Energy Reg strants m ght be forced to rep ace the under y ng comm tment at preva ng market pr ces poss b y resu t ng n osses n add t on to the amounts, f any, a ready pa d to the counterpart es.

Certa n of the Duke Energy Reg strants' hedge agreements may resu t n the rece pt of, or post ng of, co atera w th counterpart es, depend ng on the da y market based ca cu at on of f nanc a exposure of the der vat ve pos t ons. F uctuat ons n commod ty pr ces that ead to the return of co atera rece ved and/or the post ng of co atera w th counterpart es cou d negat ve y mpact qu d ty. Downgrades n the Duke Energy Reg strants' cred t rat ngs cou d ead to add t ona co atera post ng requ rements. The Duke Energy Reg strants cont nua y mon tor der vat ve pos t ons n re at on to market pr ce act v ty.

Cyberattacks and data security breaches could adversely affect the Duke Energy Registrants' businesses.

Cybersecur ty r sks have ncreased n recent years as a resu t of the pro ferat on of new techno og es and the ncreased soph st cat on, magn tude and frequency of cyberattacks and data secur ty breaches. Duke Energy re es on the cont nued operat on of soph st cated d g ta nformat on techno ogy systems and network nfrastructure, wh ch are part of an nterconnected reg ona gr d. Add t ona y, connect v ty to the nternet cont nues to ncrease through gr d modern zat on and other operat ona exce ence n t at ves. Because of the cr t ca nature of the nfrastructure, ncreased connect v ty to the nternet and techno ogy systems' nherent vu nerab ty to d sab ty or fa ures due to hack ng, v ruses, acts of war or terror sm or other types of data secur ty breaches, the Duke Energy Reg strants face a he ghtened r sk of cyberattack from fore gn or domest c sources and have been subject, and w ke y cont nue to be subject, to attempts to ga n unauthor zed access to nformat on and/or nformat on systems or to d srupt ut ty operat ons through computer v ruses and ph sh ng attempts e ther d rect y or nd rect y through ts mater a vendors or re ated th rd part es. In the event of a s gn f cant cybersecur ty breach on e ther the Duke Energy Reg strants or w th one of our mater a vendors or re ated th rd part es, the Duke Energy Reg strants cou d ( ) have bus ness operat ons d srupted, nc ud ng the d srupt on of the operat on of our natura gas and e ectr c assets and the power gr d, theft of conf dent a company, emp oyee, ret ree, shareho der, vendor or customer nformat on, and genera bus ness systems and process nterrupt on or comprom se, nc ud ng prevent ng the Duke Energy Reg strants from serv c ng customers, co ect ng revenues or the record ng, process ng and/or report ng f nanc a nformat on correct y, ( ) exper ence substant a oss of revenues, repa r and restorat on costs, pena t es and costs for ack of comp ance w th re evant regu at ons, mp ementat on costs for add t ona secur ty measures to avert future cyberattacks and other f nanc a oss and ( ) be subject to ncreased regu at on, t gat on and reputat ona damage. Wh e Duke Energy ma nta ns nsurance re at ng to cybersecur ty events, such nsurance s subject to a number of exc us ons and may be nsuff c ent to offset any osses, costs or damage exper enced. A so, the market for cybersecur ty nsurance s re at ve y new and coverage ava ab e for cybersecur ty events s evo v ng as the ndustry matures.

The Duke Energy Reg strants are subject to standards enacted by the North Amer can E ectr c Re ab ty Corporat on and enforced by FERC regard ng protect on of the phys ca and cyber secur ty of cr t ca nfrastructure assets requ red for operat ng North Amer ca's bu k e ectr c system. The Duke Energy Reg strants are a so subject to regu at ons set by the Nuc ear Regu atory Comm ss on regard ng the protect on of d g ta computer and commun cat on systems and networks requ red for the operat on of nuc ear power p ants. The Duke Energy Reg strants that operate des gnated cr t ca p pe nes that transport natura gas are a so subject to secur ty d rect ves ssued by the Department of Home and Secur ty's Transportat on Secur ty Adm n strat on (TSA) requ r ng such reg strants to mp ement spec f c cybersecur ty m t gat on measures. Wh e the Duke Energy Reg strants be eve they are n comp ance w th, or, n the case of the recent TSA secur ty d rect ves, are n the process of mp ement ng such standards and regu at ons, the Duke Energy Reg strants have from t me to t me been, and may n the future be, found to be n v o at on of such standards and regu at ons. In add t on, comp ance w th or changes n the app cab e standards and regu at ons may subject the Duke Energy Reg strants to h gher operat ng costs and/or ncreased cap ta expend tures as we as substant a f nes for non comp ance.

Duke Energy Ohio's and Duke Energy Indiana's membership in an RTO presents risks that could have a material adverse effect on their results of operations, financial position and cash flows.

The ru es govern ng the var ous reg ona power markets may change, wh ch cou d affect Duke Energy Oh o's and Duke Energy Ind ana's costs and/or revenues. To the degree Duke Energy Oh o and Duke Energy Ind ana ncur s gn f cant add t ona fees and ncreased costs to part c pate n an RTO, the r resu ts of operat ons may be mpacted. Duke Energy Oh o and Duke Energy Ind ana may be a ocated a port on of the cost of transm ss on fac t es bu t by others due to changes n RTO transm ss on rate des gn. Duke Energy Oh o and Duke Energy Ind ana may be requ red to expand the r transm ss on system accord ng to dec s ons made by an RTO rather than the r own nterna p ann ng process. In add t on, RTOs have been deve op ng ru es assoc ated w th the a ocat on and methodo ogy of ass gn ng costs assoc ated w th mproved transm ss on re ab ty, reduced transm ss on congest on and f rm transm ss on r ghts that may have a f nanc a mpact on the resu ts of operat ons, f nanc a pos t on and cash f ows of Duke Energy Oh o and Duke Energy Ind ana.

As members of an RTO, Duke Energy Oh o and Duke Energy Ind ana are subject to certa n add t ona r sks, nc ud ng those assoc ated w th the a ocat on among RTO members, of osses caused by unre mbursed defau ts of other part c pants n the RTO markets and those assoc ated w th comp a nt cases f ed aga nst an RTO that may seek refunds of revenues prev ous y earned by RTO members.

The Duke Energy Registrants may not recover costs incurred to begin construction on projects that are canceled.

Duke Energy's ong term strategy requ res the construct on of new projects, e ther who y owned or part a y owned, wh ch nvo ve a number of r sks, nc ud ng construct on de ays, nonperformance by equ pment and other th rd party supp ers, and ncreases n equ pment and abor costs. To m t the r sks of these construct on projects, the Duke Energy Reg strants enter nto equ pment purchase orders and construct on contracts and ncur eng neer ng and des gn serv ce costs n advance of rece v ng necessary regu atory approva s and/or s t ng or env ronmenta perm ts. If any of these projects are cance ed for any reason, nc ud ng fa ure to rece ve necessary regu atory approva s and/or s t ng or env ronmenta perm ts, s gn f cant cance at on pena t es under the equ pment purchase orders and construct on contracts cou d occur. In add t on, f any construct on work or nvestments have been recorded as an asset, an mpa rment may need to be recorded n the event the project s cance ed.

The Duke Energy Registrants are subject to risks associated with their ability to obtain adequate insurance at acceptable costs.

The f nanc a cond t on of some nsurance compan es, actua or threatened phys ca or cyberattacks, and natura d sasters, among other th ngs, cou d have d srupt ve effects on nsurance markets. The ava ab ty of nsurance cover ng r sks that the Duke Energy Reg strants and the r respect ve compet tors typ ca y nsure aga nst may decrease, and the nsurance that the Duke Energy Reg strants are ab e to obta n may have h gher deduct b es, h gher prem ums, and more restr ct ve po cy terms. Further, the nsurance po c es may not cover a of the potent a exposures or the actua amount of oss ncurred. Any osses not covered by nsurance, or any ncreases n the cost of app cab e nsurance, cou d adverse y affect the resu ts of operat ons, f nanc a pos t on or cash f ows of the affected Duke Energy Reg strant.

Our business could be negatively affected as a result of actions of activist shareholders.

Wh e we str ve to ma nta n construct ve commun cat ons w th our shareho ders, act v st shareho ders may, from t me to t me, engage n proxy so c tat ons or advance shareho der proposa s, or otherw se attempt to affect changes and assert nf uence on our Board and management. Perce ved uncerta nt es as to the future d rect on or governance of the company may cause concern to our current or potent a regu ators, vendors or strateg c partners, or make t more d ff cu t to execute on our strategy or to attract and reta n qua f ed personne , wh ch may have a mater a mpact on our bus ness and operat ng resu ts.

In add t on, act ons such as those descr bed above cou d cause f uctuat ons n the trad ng pr ce of our common stock, based on temporary or specu at ve market percept ons or other factors that do not necessar y ref ect the under y ng fundamenta s and prospects of our bus ness.

NUCLEAR GENERATION RISKS

Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida may incur substantial costs and liabilities due to their ownership and operation of nuclear generating facilities.

Ownersh p nterests n and operat on of nuc ear stat ons by Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da subject them to var ous r sks. These r sks nc ude, among other th ngs: the potent a harmfu effects on the env ronment and human hea th resu t ng from the current or past operat on of nuc ear fac t es and the storage, hand ng and d sposa of rad oact ve mater a s; m tat ons on the amounts and types of nsurance commerc a y ava ab e to cover osses that m ght ar se n connect on w th nuc ear operat ons; and uncerta nt es w th respect to the techno og ca and f nanc a aspects of decomm ss on ng nuc ear p ants at the end of the r censed ves.

Ownersh p and operat on of nuc ear generat on fac t es requ res comp ance w th cens ng and safety re ated requ rements mposed by the NRC. In the event of non comp ance, the NRC may ncrease regu atory overs ght, mpose f nes or shut down a un t depend ng upon ts assessment of the sever ty of the s tuat on. Rev sed secur ty and safety requ rements promu gated by the NRC, wh ch cou d be prompted by, among other th ngs, events w th n or outs de of the contro of Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da, such as a ser ous nuc ear nc dent at a fac ty owned by a th rd party, cou d necess tate substant a cap ta and other expend tures, as we as assessments to cover th rd party osses. In add t on, f a ser ous nuc ear nc dent were to occur, t cou d have a mater a adverse effect on the resu ts of operat ons, f nanc a pos t on, cash f ows and reputat on of the Duke Energy Reg strants.

LIQUIDITY, CAPITAL REQUIREMENTS AND COMMON STOCK RISKS

The Duke Energy Registrants rely on access to short-term borrowings and longer-term debt and equity markets to finance their capital requirements and support their liquidity needs. Access to those markets can be adversely affected by a number of conditions, many of which are beyond the Duke Energy Registrants' control.

The Duke Energy Reg strants' bus nesses are s gn f cant y f nanced through ssuances of debt and equ ty. The matur ty and repayment prof e of debt used to f nance nvestments often does not corre ate to cash f ows from the r assets. Accord ng y, as a source of qu d ty for cap ta requ rements not sat sf ed by the cash f ows from the r operat ons and to fund nvestments or g na y f nanced through debt nstruments w th d sparate matur t es, the Duke Energy Reg strants re y on access to short term money markets as we as onger term cap ta markets. The Subs d ary Reg strants a so re y on access to short term ntercompany borrow ngs. If the Duke Energy Reg strants are not ab e to access debt or equ ty at compet t ve rates or at a , the ab ty to f nance the r operat ons and mp ement the r strategy and bus ness p an as schedu ed cou d be adverse y affected. An nab ty to access debt and equ ty may m t the Duke Energy Reg strants' ab ty to pursue mprovements or acqu s t ons that they may otherw se re y on for future growth.

Market d srupt ons may ncrease the cost of borrow ng or adverse y affect the ab ty to access one or more f nanc a markets. Such d srupt ons cou d nc ude: econom c downturns, the bankruptcy of an unre ated energy company, unfavorab e cap ta market cond t ons, market pr ces for e ectr c ty and natura gas, the generat on m x of nd v dua ut t es, actua or threatened terror st attacks, or the overa hea th of the energy ndustry. The ava ab ty of cred t under Duke Energy's Master Cred t Fac ty depends upon the ab ty of the banks prov d ng comm tments under the fac ty to prov de funds when the r ob gat ons to do so ar se. System c r sk of the bank ng system and the f nanc a markets cou d prevent a bank from meet ng ts ob gat ons under the fac ty agreement.

Duke Energy ma nta ns a revo v ng cred t fac ty to prov de backup for ts commerc a paper program and etters of cred t to support var ab e rate demand tax exempt bonds that may be put to the Duke Energy Reg strant ssuer at the opt on of the ho der. The fac ty nc udes borrow ng sub m ts for the Duke Energy Reg strants, each of whom s a party to the cred t fac ty, and f nanc a covenants that m t the amount of debt that can be outstand ng as a percentage of the tota cap ta for the spec f c ent ty. Fa ure to ma nta n these covenants at a part cu ar ent ty cou d prec ude Duke Energy from ssu ng commerc a paper or the Duke Energy Reg strants from ssu ng etters of cred t or borrow ng under the Master Cred t Fac ty.

The Duke Energy Registrants must meet credit quality standards and there is no assurance they will maintain investment grade credit ratings. If the Duke Energy Registrants are unable to maintain investment grade credit ratings, they would be required under credit agreements to provide collateral in the form of letters of credit or cash, which may materially adversely affect their liquidity.

Each of the Duke Energy Reg strants' sen or ong term debt ssuances s current y rated nvestment grade by var ous rat ng agenc es. The Duke Energy Reg strants cannot ensure the r sen or ong term debt w be rated nvestment grade n the future.

If the rat ng agenc es were to rate the Duke Energy Reg strants be ow nvestment grade, borrow ng costs wou d ncrease, perhaps s gn f cant y. In add t on, the potent a poo of nvestors and fund ng sources wou d ke y decrease. Further, f the short term debt rat ng were to fa , access to the commerc a paper market cou d be s gn f cant y m ted.

A downgrade be ow nvestment grade cou d a so requ re the post ng of add t ona co atera n the form of etters of cred t or cash under var ous cred t, commod ty and capac ty agreements and tr gger term nat on c auses n some nterest rate der vat ve agreements, wh ch wou d requ re cash payments. A of these events wou d ke y reduce the Duke Energy Reg strants' qu d ty and prof tab ty and cou d have a mater a effect on the r resu ts of operat ons, f nanc a pos t on and cash f ows.

Non-compliance with debt covenants or conditions could adversely affect the Duke Energy Registrants' ability to execute future borrowings.

The Duke Energy Reg strants' debt and cred t agreements conta n var ous f nanc a and other covenants. Fa ure to meet those covenants beyond app cab e grace per ods cou d resu t n acce erated due dates and/or term nat on of the agreements.

Market performance and other changes may decrease the value of the NDTF investments of Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida, which then could require significant additional funding.

Ownersh p and operat on of nuc ear generat on fac t es a so requ res the ma ntenance of funded trusts that are ntended to pay for the decomm ss on ng costs of the respect ve nuc ear power p ants. The performance of the cap ta markets affects the va ues of the assets he d n trust to sat sfy these future ob gat ons. Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da have s gn f cant ob gat ons n th s area and ho d s gn f cant assets n these trusts. These assets are subject to market f uctuat ons and w y e d uncerta n returns, wh ch may fa be ow projected rates of return. A though a number of factors mpact fund ng requ rements, a dec ne n the market va ue of the assets may ncrease the fund ng requ rements of the ob gat ons for decomm ss on ng nuc ear p ants. If Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da are unab e to successfu y manage the r NDTF assets, the r resu ts of operat ons, f nanc a pos t on and cash f ows cou d be negat ve y affected.

Poor investment performance of the Duke Energy pension plan holdings and other factors impacting pension plan costs could unfavorably impact the Duke Energy Registrants' liquidity and results of operations.

The costs of prov d ng non contr butory def ned benef t pens on p ans are dependent upon a number of factors, such as the rates of return on p an assets, d scount rates, the eve of nterest rates used to measure the requ red m n mum fund ng eve s of the p ans, future government regu at on and requ red or vo untary contr but ons made to the p ans. The Subs d ary Reg strants are a ocated the r proport onate share of the cost and ob gat ons re ated to these p ans. W thout susta ned growth n the pens on nvestments over t me to ncrease the va ue of p an assets and, depend ng upon the other factors mpact ng costs as sted above, Duke Energy cou d be requ red to fund ts p ans w th s gn f cant amounts of cash. Such cash fund ng ob gat ons, and the Subs d ary Reg strants' proport onate share of such cash fund ng ob gat ons, cou d have a mater a mpact on the Duke Energy Reg strants' resu ts of operat ons, f nanc a pos t on and cash f ows.

Duke Energy is a holding company and depends on the cash flows from its subsidiaries to meet its financial obligations.

Because Duke Energy s a ho d ng company w th no operat ons or cash f ows of ts own, ts ab ty to meet ts f nanc a ob gat ons, nc ud ng mak ng nterest and pr nc pa payments on outstand ng ndebtedness and to pay d v dends on ts common stock, s pr mar y dependent on the net ncome and cash f ows of ts subs d ar es and the ab ty of those subs d ar es to pay upstream d v dends or to repay borrowed funds. Pr or to fund ng Duke Energy, ts subs d ar es have regu atory restr ct ons and f nanc a ob gat ons that must be sat sf ed. These subs d ar es are separate ega ent t es and have no ob gat on to prov de Duke Energy w th funds. In add t on, Duke Energy may prov de cap ta contr but ons or debt f nanc ng to ts subs d ar es under certa n c rcumstances, wh ch wou d reduce the funds ava ab e to meet ts f nanc a ob gat ons, nc ud ng mak ng nterest and pr nc pa payments on outstand ng ndebtedness and to pay d v dends on Duke Energy's common stock.

GENERAL RISKS

The failure of Duke Energy information technology systems, or the failure to enhance existing information technology systems and implement new technology, could adversely affect the Duke Energy Registrants' businesses.

Duke Energy's operat ons are dependent upon the proper funct on ng of ts nterna systems, nc ud ng the nformat on techno ogy systems that support our under y ng bus ness processes. Any s gn f cant fa ure or ma funct on of such nformat on techno ogy systems may resu t n d srupt ons of our operat ons. In the ord nary course of bus ness, we re y on nformat on techno ogy systems, nc ud ng the nternet and th rd party hosted serv ces, to support a var ety of bus ness processes and act v t es and to store sens t ve data, nc ud ng ( ) nte ectua property, ( ) propr etary bus ness nformat on, ( ) persona y dent f ab e nformat on of our customers, emp oyees, ret rees and shareho ders and (v) data w th respect to nvo c ng and the co ect on of payments, account ng, procurement, and supp y cha n act v t es. Our nformat on techno ogy systems are dependent upon g oba commun cat ons and c oud serv ce prov ders, as we as the r respect ve vendors, many of whom have at some po nt exper enced s gn f cant system fa ures and outages n the past and may exper ence such fa ures and outages n the future. These prov ders' systems are suscept b e to cybersecur ty and data breaches, outages from f re, f oods, power oss, te ecommun cat ons fa ures, break ns and s m ar events. Fa ure to prevent or m t gate data oss from system fa ures or outages cou d mater a y affect the resu ts of operat ons, f nanc a pos t on and cash f ows of the Duke Energy Reg strants.

In add t on to ma nta n ng our current nformat on techno ogy systems, Duke Energy be eves the d g ta transformat on of ts bus ness s key to dr v ng nterna eff c enc es as we as prov d ng add t ona capab t es to customers. Duke Energy's nformat on techno ogy systems are cr t ca to cost effect ve, re ab e da y operat ons and our ab ty to effect ve y serve our customers. We expect our customers to cont nue to demand more soph st cated techno ogy dr ven so ut ons and we must enhance or rep ace our nformat on techno ogy systems n response. Th s nvo ves s gn f cant deve opment and mp ementat on costs to keep pace w th chang ng techno og es and customer demand. If we fa to successfu y mp ement cr t ca techno ogy, or f t does not prov de the ant c pated benef ts or meet customer demands, such fa ure cou d mater a y adverse y affect our bus ness strategy as we as mpact the resu ts of operat ons, f nanc a pos t on and cash f ows of the Duke Energy Reg strants.

Potential terrorist activities, or military or other actions, could adversely affect the Duke Energy Registrants' businesses.

The cont nued threat of terror sm and the mpact of reta atory m tary and other act on by the U.S. and ts a es may ead to ncreased po t ca , econom c and f nanc a market nstab ty and vo at ty n pr ces for natura gas and o , wh ch may have mater a adverse effects n ways the Duke Energy Reg strants cannot pred ct at th s t me. In add t on, future acts of terror sm and poss b e repr sa s as a consequence of act on by the U.S. and ts a es cou d be d rected aga nst compan es operat ng n the U.S. Informat on techno ogy systems, transportat on systems for our fue sources nc ud ng natura gas p pe nes, transm ss on and d str but on and generat on fac t es such as nuc ear p ants cou d be potent a targets of terror st act v t es or harmfu act v t es by nd v dua s or groups that cou d have a mater a adverse effect on Duke Energy Reg strants' bus nesses. In part cu ar, the Duke Energy Reg strants may exper ence ncreased cap ta and operat ng costs to mp ement ncreased secur ty for the r nformat on techno ogy systems, transm ss on and d str but on and generat on fac t es, nc ud ng nuc ear power p ants under the NRC's des gn bas s threat requ rements. These ncreased costs cou d nc ude add t ona phys ca p ant secur ty and secur ty personne or add t ona capab ty fo ow ng a terror st nc dent.

Failure to attract and retain an appropriately qualified workforce could unfavorably impact the Duke Energy Registrants' results of operations.

Certa n events, such as an ag ng workforce, m smatch of sk set or comp ement to future needs, or unava ab ty of contract resources may ead to operat ng cha enges and ncreased costs. The cha enges nc ude ack of resources, oss of know edge base and the engthy t me requ red for sk deve opment. In th s case, costs, nc ud ng costs for contractors to rep ace emp oyees, product v ty costs and safety costs, may ncrease. Fa ure to h re and adequate y tra n rep acement emp oyees, nc ud ng the transfer of s gn f cant nterna h stor ca know edge and expert se to new emp oyees, or future ava ab ty and cost of contract abor may adverse y affect the ab ty to manage and operate the bus ness, espec a y cons der ng the workforce needs assoc ated w th nuc ear generat on fac t es and new sk s requ red to operate a modern zed, techno ogy enab ed power gr d. If the Duke Energy Reg strants are unab e to successfu y attract and reta n an appropr ate y qua f ed workforce, the r resu ts of operat ons, f nanc a pos t on and cash f ows cou d be negat ve y affected.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

ELECTRIC UTILITIES AND INFRASTRUCTURE

The fo ow ng tab e prov des nformat on re ated to the E ectr c Ut t es and Infrastructure's generat on stat ons as of December 31, 2021. The MW d sp ayed n the tab e be ow are based on summer capac ty. Ownersh p nterest n a fac t es s 100% un ess otherw se nd cated.

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity
Duke Energy Carolinas				
Oconee	Nuc ear	Uran um	SC	2,554
McGu re	Nuc ear	Uran um	NC	2,316
Catawba[(a)]	Nuc ear	Uran um	SC	445
Be ews Creek	Foss	Coa /Gas	NC	2,220
Marsha	Foss	Coa /Gas	NC	2,058
J.E. Rogers	Foss	Coa /Gas	NC	1,388
L nco n Combust on Turb ne (CT)	Foss	Gas/O	NC	1,161
A en	Foss	Coa	NC	840
Rock ngham CT	Foss	Gas/O	NC	825
W.S. Lee Comb ned Cyc e (CC)[(b)]	Foss	Gas	SC	686
Buck CC	Foss	Gas	NC	668
Dan R ver CC	Foss	Gas	NC	662
M Creek CT	Foss	Gas/O	SC	563
W.S. Lee	Foss	Gas	SC	170
W.S. Lee CT	Foss	Gas/O	SC	84
C emson CHP	Foss	Gas	SC	13
Bad Creek	Hydro	Water	SC	1,520
Jocassee	Hydro	Water	SC	780
Cowans Ford	Hydro	Water	NC	324
Keowee	Hydro	Water	SC	152
Other sma fac t es (19 p ants)	Hydro	Water	NC/SC	581
D str buted generat on	Renewab e	So ar	NC	71
Total Duke Energy Carolinas				**20,081**

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity
Duke Energy Progress				
Brunsw ck	Nuc ear	Uran um	NC	1,870
Harr s	Nuc ear	Uran um	NC	964
Rob nson	Nuc ear	Uran um	SC	759
Roxboro	Foss	Coa	NC	2,439
Sm th CC	Foss	Gas/O	NC	1,083
H.F. Lee CC	Foss	Gas/O	NC	888
Wayne County CT	Foss	Gas/O	NC	822
Sm th CT	Foss	Gas/O	NC	772
Mayo	Foss	Coa	NC	704
L.V. Sutton CC	Foss	Gas/O	NC	607
Ashev e CC	Foss	Gas/O	NC	476
Ashev e CT	Foss	Gas/O	NC	320
Dar ngton CT	Foss	Gas/O	SC	234
Weatherspoon CT	Foss	Gas/O	NC	124
L.V. Sutton CT (B ack Start)	Foss	Gas/O	NC	84
B ewett CT	Foss	O	NC	52
Wa ters	Hydro	Water	NC	112
Other sma fac t es (3)	Hydro	Water	NC	116
D str buted generat on	Renewab e	So ar	NC	35
Ashev e Rock H Battery	Renewab e	Storage	NC	7
Total Duke Energy Progress				**12,468**

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity
Duke Energy Florida				
H nes CC	Foss	Gas/O	FL	2,061
C trus County CC	Foss	Gas	FL	1,610
Crysta R ver	Foss	Coa	FL	1,410
Bartow CC	Foss	Gas/O	FL	1,112
Anc ote	Foss	Gas	FL	1,013
Intercess on C ty CT	Foss	Gas/O	FL	931
Osprey CC	Foss	Gas/O	FL	583
DeBary CT	Foss	Gas/O	FL	524
T ger Bay CC	Foss	Gas/O	FL	193
Bayboro CT	Foss	O	FL	171
Bartow CT	Foss	Gas/O	FL	168
Suwannee R ver CT	Foss	Gas	FL	145
Un vers ty of F or da CoGen CT	Foss	Gas	FL	44
D str buted generat on	Renewab e	So ar	FL	323
Total Duke Energy Florida				**10,288**

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity
Duke Energy Ohio				
East Bend	Foss	Coa	KY	600
Woodsda e CT	Foss	Gas/Propane	OH	476
Total Duke Energy Ohio				**1,076**

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity
Duke Energy Indiana				
G bson[c]	Foss	Coa	IN	2,822
Cayuga[d]	Foss	Coa /O	IN	1,005
Edwardsport	Foss	Coa	IN	595
Mad son CT	Foss	Gas	OH	566
Wheat and CT	Foss	Gas	IN	444
Verm on CT[e]	Foss	Gas	IN	360
Nob esv e CC	Foss	Gas/O	IN	264
Henry County CT	Foss	Gas/O	IN	129
Cayuga CT	Foss	Gas/O	IN	84
Mark and	Hydro	Water	IN	54
D str buted generat on	Renewab e	So ar	IN	11
Camp Atterbury Battery	Renewab e	Storage	IN	4
Nabb Battery	Renewab e	Storage	IN	4
Crane Battery	Renewab e	Storage	IN	4
Total Duke Energy Indiana				**6,346**

Totals by Type	Owned MW Capacity
Total Electric Utilities	**50,259**
Totals by Plant Type	
Nuc ear	8,908
Foss	37,252
Hydro	3,639
Renewab e	460
Total Electric Utilities	**50,259**

(a) Jo nt y owned w th North Caro na Mun c pa Power Agency Number 1, NCEMC and PMPA. Duke Energy Caro nas' ownersh p s 19.25% of the fac ty.
(b) Jo nt y owned w th NCEMC. Duke Energy Caro nas' ownersh p s 87.27% of the fac ty.
(c) Duke Energy Ind ana owns and operates G bson Stat on Un ts 1 through 4 and s a jo nt owner of un t 5 w th WVPA and IMPA. Duke Energy Ind ana operates un t 5 and owns 50.05%.
(d) Inc udes Cayuga Interna Combust on.
(e) Jo nt y owned w th WVPA. Duke Energy Ind ana's ownersh p s 62.5% of the fac ty.

The fo ow ng tab e prov des nformat on re ated to E ectr c Ut t es and Infrastructure's e ectr c transm ss on and d str but on propert es as of December 31, 2021.

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana
Electric Transmission Lines						
M es of 500 to 525 k ovo t (kV)	1,100	600	300	200		
M es of 345 kV	1,100				400	700
M es of 230 kV	8,500	2,700	3,400	1,700		700
M es of 100 to 161 kV	12,400	6,800	2,600	900	700	1,400
M es of 13 to 69 kV	8,200	2,900		2,200	600	2,500
Tota conductor m es of e ectr c transm ss on nes	31,300	13,000	6,300	5,000	1,700	5,300
Electric Distribution Lines						
M es of overhead nes	173,400	66,600	46,400	25,200	13,300	21,900
M es of underground ne	109,800	40,000	32,600	21,500	6,300	9,400
Tota conductor m es of e ectr c d str but on nes	283,200	106,600	79,000	46,700	19,600	31,300
Number of e ectr c transm ss on and d str but on substat ons	3,000	1,200	500	500	500	300

Substant a y a of E ectr c Ut t es and Infrastructure's e ectr c p ant n serv ce s mortgaged under ndentures re at ng to Duke Energy Caro nas', Duke Energy Progress', Duke Energy F or da's, Duke Energy Oh o's and Duke Energy Ind ana's var ous ser es of F rst Mortgage Bonds.

GAS UTILITIES AND INFRASTRUCTURE

Gas Ut t es and Infrastructure owns transm ss on p pe nes and d str but on ma ns that are genera y underground, ocated near pub c streets and h ghways, or on property owned by others for wh ch Duke Energy Oh o and P edmont have obta ned the necessary ega r ghts to p ace and operate fac t es on such property ocated w th n the Gas Ut t es and Infrastructure serv ce terr tor es. The fo ow ng tab e prov des nformat on re ated to Gas Ut t es and Infrastructure's natura gas d str but on.

	Duke Energy	Duke Energy Ohio	Piedmont
M es of natura gas d str but on and transm ss on p pe nes	34,800	7,500	27,300
M es of natura gas serv ce nes	27,700	6,500	21,200

COMMERCIAL RENEWABLES

The fo ow ng tab e prov des nformat on re ated to Commerc a Renewab es' e ectr c generat on fac t es as of December 31, 2021. The MW d sp ayed n the tab e be ow are based on namep ate capac ty.

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity	Ownership Interest (%)
Commercial Renewables Wind					
Los V entos (f ve s tes)	Renewab e	W nd	TX	465	51 %
Front er W ndpower II[(a)]	Renewab e	W nd	OK	352	100 %
Mesteno[(a)]	Renewab e	W nd	TX	202	100 %
Marynea [(a)]	Renewab e	W nd	TX	182	100 %
Sweetwater IV	Renewab e	W nd	TX	113	47 %
Front er W ndpower	Renewab e	W nd	OK	103	51 %
Top of the Wor d	Renewab e	W nd	WY	102	51 %
Notrees	Renewab e	W nd	TX	78	51 %
Mesqu te Creek	Renewab e	W nd	TX	54	26 %
Campbe H	Renewab e	W nd	WY	50	51 %
Ironwood	Renewab e	W nd	KS	43	26 %
Sweetwater V	Renewab e	W nd	TX	38	47 %
North A egheny	Renewab e	W nd	PA	36	51 %
Laure H	Renewab e	W nd	PA	35	51 %
C marron II	Renewab e	W nd	KS	34	26 %
K t Carson	Renewab e	W nd	CO	26	51 %
S ver Sage	Renewab e	W nd	WY	21	51 %
Happy Jack	Renewab e	W nd	WY	15	51 %
Sh r ey	Renewab e	W nd	WI	10	51 %
Tota Renewab es W nd				1,959	

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity	Ownership Interest (%)
Commercial Renewables Solar					
Ho ste n[(a)]	Renewab e	So ar	TX	200	100 %
Ramb er[(a)]	Renewab e	So ar	TX	200	100 %
North Rosamond[(a)]	Renewab e	So ar	CA	150	100 %
Pf ugerv e[(a)]	Renewab e	So ar	TX	144	100 %
Lapetus[(a)]	Renewab e	So ar	TX	100	100 %
Conetoe II	Renewab e	So ar	NC	80	100 %
Pa mer[(a)]	Renewab e	So ar	CO	60	100 %
Broad R ver[(a)]	Renewab e	So ar	NC	50	100 %
Sev e I & II	Renewab e	So ar	CA	34	67 %
R o Bravo I & II	Renewab e	So ar	CA	27	67 %
W dwood I & II	Renewab e	So ar	CA	23	67 %
Speedway[(a)]	Renewab e	So ar	NC	23	100 %
Ke ford	Renewab e	So ar	NC	22	100 %
Dogwood	Renewab e	So ar	NC	20	100 %
Ha fax A rport	Renewab e	So ar	NC	20	100 %
Pasquotank	Renewab e	So ar	NC	20	100 %
Shawboro	Renewab e	So ar	NC	20	100 %
Caprock	Renewab e	So ar	NM	17	67 %
Creswe A good	Renewab e	So ar	NC	14	100 %
Pumpjack	Renewab e	So ar	CA	13	67 %
Longboat	Renewab e	So ar	CA	13	67 %
Shoreham[(a)]	Renewab e	So ar	NY	13	51 %
Wash ngton Wh te Post	Renewab e	So ar	NC	12	100 %
Wh takers	Renewab e	So ar	NC	12	100 %
H gh ander I & II	Renewab e	So ar	CA	11	51 %
Other sma so ar[(a)]	Renewab e	So ar	Var ous	233	Var ous
Tota Renewab es So ar				1,531	

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity	Ownership Interest (%)
Commerc a Renewab es Fue Ce s[a]	Renewab e	Fue Ce	Var ous	44	100 %
Tota Renewab es Fue Ce s				44	

Facility	Plant Type	Primary Fuel	Location	Owned MW Capacity	Ownership Interest (%)
Commercial Renewables Energy Storage					
Notrees Battery Storage	Renewab e	Storage	TX	18	51 %
Beckjord Battery Storage	Renewab e	Storage	OH	2	100 %
Tota Renewab es Energy Storage				20	

Totals by Type	Owned MW Capacity
W nd	1,959
So ar	1,531
Fue Ce s	44
Energy Storage	20
Total Commercial Renewables[b]	**3,554**

(a) Certa n projects, nc ud ng projects w th n Other sma so ar, are n tax equ ty structures where nvestors have d ffer ng nterests n the project's econom c attr butes. 100% of the tax equ ty project's capac ty s nc uded n the tab e above.

(b) Net proport on of MW capac ty n operat on s 4,729, wh ch represents the amount managed or owned by Duke Energy.

OTHER

Duke Energy owns approx mate y 8 m on square feet and, after ex t ng the Duke Energy Center n 2021, eases approx mate y 1.5 m on square feet of corporate, reg ona and d str ct off ce space spread throughout ts serv ce terr tor es. See Note 10, "Property, P ant and Equ pment," for further nformat on.

ITEM 3. LEGAL PROCEEDINGS

For nformat on regard ng ega proceed ngs, nc ud ng regu atory and env ronmenta matters, see Note 3, “Regu atory Matters,” and Note 4, “Comm tments and Cont ngenc es,” to the Conso dated F nanc a Statements.

MTBE Litigation

On December 15, 2017, the state of Mary and f ed su t n Ba t more C ty C rcu t Court aga nst Duke Energy Merchants and other defendants a eg ng contam nat on of state waters by MTBE eak ng from gaso ne storage tanks. MTBE s a gaso ne add t ve ntended to ncrease the oxygen eve s n gaso ne and make t burn c eaner. The case was removed from Ba t more C ty C rcu t Court to federa D str ct Court. In t a mot ons to d sm ss f ed by the defendants were den ed by the court on September 4, 2019, and the matter s now n d scovery. On December 18, 2020, the p a nt ff and defendants se ected 50 focus s tes, none of wh ch have any t es to Duke Energy Merchants. D scovery w be spec f c to those s tes. At th s t me, Duke Energy Merchants has not engaged n sett ement negot at ons w th the p a nt ff and the p a nt ff has not reached a sett ement agreement w th any defendant. Duke Energy cannot pred ct the outcome of th s matter.

ITEM 4. MINE SAFETY DISCLOSURES

Th s s not app cab e for any of the Duke Energy Reg strants.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The common stock of Duke Energy s sted and traded on the NYSE (t cker symbo DUK). As of January 31, 2022, there were 131,590 Duke Energy common stockho ders of record. For nformat on on d v dends, see the "D v dend Payments" sect on of Management's D scuss on and Ana ys s.

There s no market for the common equ ty secur t es of the Subs d ary Reg strants, a of wh ch are d rect y or nd rect y owned by Duke Energy. See Note 1, "Summary of S gn f cant Account ng Po c es," to the Conso dated F nanc a Statements for nformat on on the 2021 nvestment of a m nor ty nterest n Duke Energy Ind ana.

Securities Authorized for Issuance Under Equity Compensation Plans

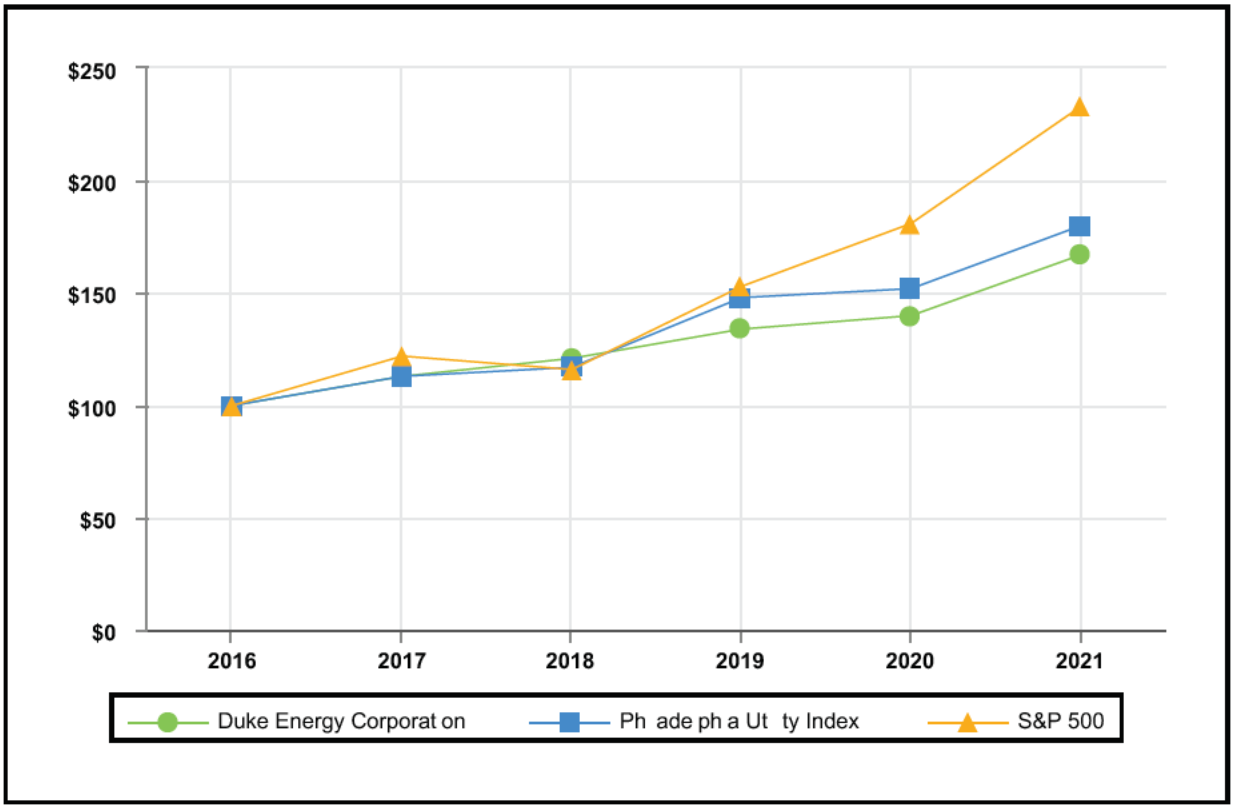
See Item 12 of Part III w th n th s Annua Report for nformat on regard ng Secur t es Author zed for Issuance Under Equ ty Compensat on P ans.

Issuer Purchases of Equity Securities for Fourth Quarter 2021

There were no repurchases of equ ty secur t es dur ng the fourth quarter of 2021.

Stock Performance Graph

The fo ow ng performance graph compares the cumu at ve TSR from Duke Energy Corporat on common stock, as compared w th the Standard & Poor's 500 Stock Index (S&P 500) and the Ph ade ph a Ut ty Index for the past f ve years. The graph assumes an n t a nvestment of $100 on December 31, 2016, n Duke Energy common stock, n the S&P 500 and n the Ph ade ph a Ut ty Index and that a d v dends were re nvested. The stockho der return shown be ow for the f ve year h stor ca per od may not be nd cat ve of future performance.



NYSE CEO Certification

Duke Energy has f ed the cert f cat on of ts Ch ef Execut ve Off cer and Ch ef F nanc a Off cer pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002 as exh b ts to th s Annua Report on Form 10 K for the year ended December 31, 2021.

ITEM 6. SELECTED FINANCIAL DATA

Th s s not app cab e for any of the Duke Energy Reg strants.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's D scuss on and Ana ys s nc udes f nanc a nformat on prepared n accordance w th GAAP n the U.S., as we as certa n non GAAP f nanc a measures such as adjusted earn ngs and adjusted EPS d scussed be ow. Genera y, a non GAAP f nanc a measure s a numer ca measure of f nanc a performance, f nanc a pos t on or cash f ows that exc udes (or nc udes) amounts that are nc uded n (or exc uded from) the most d rect y comparab e measure ca cu ated and presented n accordance w th GAAP. The non GAAP f nanc a measures shou d be v ewed as a supp ement to, and not a subst tute for, f nanc a measures presented n accordance w th GAAP. Non GAAP measures as presented here n may not be comparab e to s m ar y t t ed measures used by other compan es.

The fo ow ng comb ned Management's D scuss on and Ana ys s of F nanc a Cond t on and Resu ts of Operat ons s separate y f ed by Duke Energy Corporat on and ts subs d ar es. Duke Energy Caro nas, LLC, Progress Energy, Inc., Duke Energy Progress, LLC, Duke Energy F or da, LLC, Duke Energy Oh o, Inc., Duke Energy Ind ana, LLC and P edmont Natura Gas Company, Inc. However, none of the reg strants make any representat on as to nformat on re ated so e y to Duke Energy or the subs d ary reg strants of Duke Energy other than tse f.

Management's D scuss on and Ana ys s shou d be read n conjunct on w th the Conso dated F nanc a Statements and Notes for the years ended December 31, 2021, 2020 and 2019.

See "Item 7. Management's D scuss on and Ana ys s of F nanc a Cond t on and Resu ts of Operat ons," n Duke Energy's Annua Report on Form 10 K for the year ended December 31, 2020, f ed w th the SEC on February 25, 2021, for a d scuss on of var ance dr vers for the year ended December 31, 2020, as compared to December 31, 2019.

DUKE ENERGY

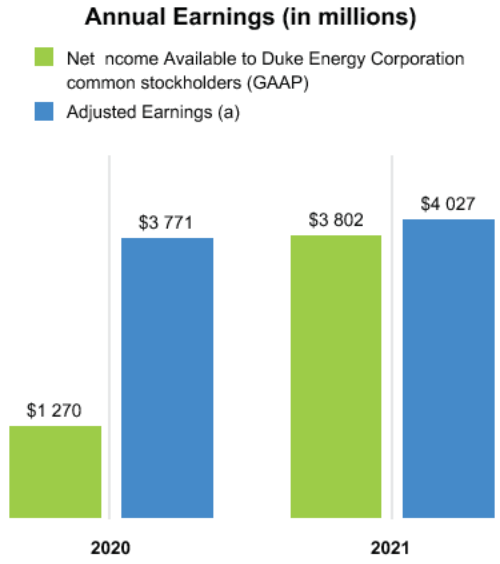
Duke Energy s an energy company headquartered n Char otte, North Caro na. Duke Energy operates n the U.S. pr mar y through ts d rect and nd rect subs d ar es, Duke Energy Caro nas, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont. When d scuss ng Duke Energy's conso dated f nanc a nformat on, t necessar y nc udes the resu ts of the Subs d ary Reg strants, wh ch a ong w th Duke Energy, are co ect ve y referred to as the Duke Energy Reg strants.

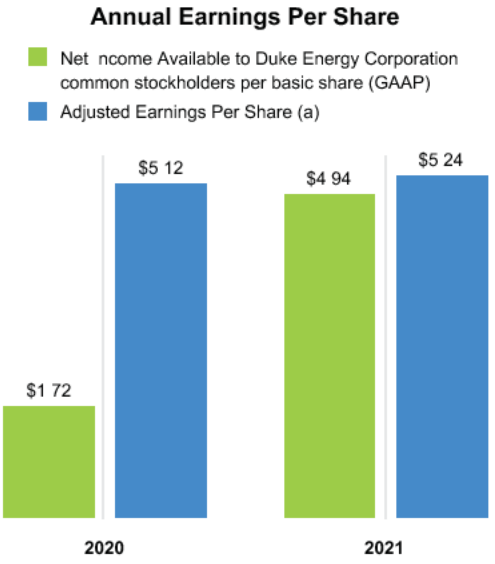
Executive Overview

At Duke Energy the fundamenta s of our bus ness are strong and a ow us to de ver growth n earn ngs and d v dends n a ow r sk, pred ctab e and transparent way. In 2021, we cont nued to make progress, meet ng our near term f nanc a comm tments, execut ng on strateg c pr or t es, and cont nu ng to prov de safe and re ab e serv ce wh e manag ng the ongo ng mpacts of the COVID 19 pandem c.

In 2021, we cont nued to pos t on the company for susta nab e ong term growth, work ng w th stakeho ders to ach eve comprehens ve b part san energy eg s at on n North Caro na, execut ng an mportant North Caro na coa ash sett ement agreement, and c os ng the f rst phase of the $2 b on nvestment of a m nor ty nterest n Duke Energy Ind ana. We rema n focused on execut ng on our c ean energy transformat on and a bus ness portfo o that w de ver a re ab e and grow ng d v dend w th 2021 represent ng the 95th consecut ve year Duke Energy pa d a cash d v dend on ts common stock.

Financial Results





(a) See Resu ts of Operat ons be ow for Duke Energy's def n t on of adjusted earn ngs and adjusted EPS as we as a reconc at on of th s non GAAP f nanc a measure to net ncome ava ab e to Duke Energy and net ncome ava ab e to Duke Energy per bas c share.

Duke Energy's 2021 Net Income Ava ab e to Duke Energy Corporat on (GAAP Reported Earn ngs) were mpacted by favorab e rate case outcomes and mproved vo umes offset by charges wh ch management be eves are not nd cat ve of ongo ng performance, nc ud ng mpa rments re ated to workp ace and workforce rea gnment and regu atory sett ements. See "Resu ts of Operat ons" be ow for a deta ed d scuss on of the conso dated resu ts of operat ons and a deta ed d scuss on of f nanc a resu ts for each of Duke Energy's reportab e bus ness segments, as we as Other.

2021 Areas of Focus and Accomplishments

Clean Energy Transformation. Our ndustry has been undergo ng an ncred b e transformat on and 2021 was a watershed year for our company where we executed on strateg c pr or t es and de vered on our v s on.

Coal Ash Settlement

In January 2021, we reached an agreement w th the North Caro na Attorney Genera , the North Caro na Pub c Staff, and the S erra C ub on costs re ated to coa ash management and safe bas n c osure, reso v ng the ast rema n ng major ssues on coa ash management n North Caro na. Th s sett ement s s gn f cant as t reso ves pend ng ssues n the mu t year coa ash bas n c osure debate n North Caro na, wh ch s cr t ca for pav ng the way toward our c ean energy future. The agreement brought f nanc a c ar ty to approx mate y $9 b on of m t gat on costs, support ng coa ash cost recovery n North Caro na for Duke Energy Caro nas and Duke Energy Progress w th a rate of return for the company. We agreed to reduce North Caro na customers' costs by approx mate y $1 b on, wh e ma nta n ng our ab ty to ach eve our ong term f nanc a goa s and our trans t on to c eaner energy. The sett ement agreement reso ved a coa ash prudence and cost recovery ssues n connect on w th the 2019 rate cases f ed by Duke Energy Caro nas and Duke Energy Progress w th the NCUC, as we as the equ tab e shar ng ssue on remand from the 2017 Duke Energy Caro nas and Duke Energy Progress North Caro na rate cases.

Minority Interest Investment in Duke Energy Indiana

In a s gn f cant move to support the company's path to net zero strategy, n September 2021 we comp eted the f rst phase of the nvestment of a 19.9% m nor ty nterest n Duke Energy Ind ana by an aff ate of GIC, transferr ng 11.05% ownersh p nterest n exchange for approx mate y $1.025 b on. The proceeds from the two phase $2.05 b on nvestment are expected to part a y fund the company's $63 b on cap ta and nvestment expend ture p an. Th s p an nc udes gr d mprovement, nvestments n c ean energy and an mproved customer exper ence keys to our strategy to reduce carbon em ss ons from e ectr c ty generat on to net zero by 2050.

North Carolina Energy Legislation

In October 2021, North Caro na House B 951 was s gned nto aw after eg s at ve eaders announced b part san support for and the Genera Assemb y passed th s new eg s at on. House B 951 ref ects new state po cy that wou d acce erate a c ean energy trans t on for generat on serv ng customers n the Caro nas, nc ud ng prov d ng a framework for a goa of 70% carbon reduct on n e ectr c generat on n the state from 2005 eve s by 2030 and carbon neutra ty by 2050 wh e cont nu ng to pr or t ze affordab ty and re ab ty for our customers, who are ocated n North Caro na and South Caro na. The eg s at on estab shes a framework overseen by the NCUC to advance state CO_2 em ss on reduct ons through the use of east cost p ann ng, nc ud ng stakeho der nvo vement, and a so ntroduces modern zed recovery mechan sms, nc ud ng mu t year rate p ans, that promote more eff c ent recovery of nvestments and a gn ncent ves between the company and the state's energy po cy object ves.

Generating Cleaner Energy

We're target ng energy generated from coa to represent ess than 5% by 2030 and a fu ex t by 2035, subject to regu atory approva s. We've made strong progress to date n reduc ng carbon em ss ons from e ectr c ty generat on (a 44% reduct on from 2005) and have comm tted to do more (at east 50% reduct on by 2030 and net zero by 2050). We've f ed and ref ned comprehens ve IRPs cons stent w th th s strategy n mu t p e jur sd ct ons and updated the enterpr se cap ta p an through 2026 to ncrease p anned nvestments to $63 b on w th over 80% of th s cap ta p an fund ng nvestments n the gr d and c ean energy trans t on. The ncreased cap ta p an w a ow us to acce erate coa p ant ret rements, make needed gr d nvestments to enab e renewab es and energy storage, ncrease res ency, and a ow for dynam c power f ows.

Our comm tment for 2030 nc udes ret r ng h gher em tt ng p ants, operat ng our ex st ng carbon free resources and nvest ng n renewab es, our energy de very system, and natura gas nfrastructure. In 2021, we passed the m estone of 10,000 MW of so ar and w nd resources and p an to own or purchase 16,000 MW of renewab es by 2025 and 24,000 MW by 2030. In June, we f ed an app cat on w th the NRC to renew Oconee Nuc ear Stat on's operat ng censes for an add t ona 20 years and we ntend to seek 20 year extens ons and renewa of operat ng censes for a 11 reactors. As we ook beyond 2030, we w need add t ona too s to cont nue our progress. We w work act ve y to advocate for research and deve opment and dep oyment of carbon free, d spatchab e resources. That nc udes onger durat on energy storage, advanced nuc ear techno og es, carbon capture and zero carbon fue s.

Modernizing the Power Grid and Natural Gas Infrastructure

Our gr d mprovement programs cont nue to be a key component of our growth strategy. Modern zat on of the e ectr c gr d, nc ud ng smart meters, storm harden ng, se f hea ng and targeted underground ng, he ps to ensure the system s better prepared for severe weather, mproves the system's re ab ty and f ex b ty, and prov des better nformat on and serv ces for customers. We cont nue to expand our se f opt m z ng gr d capab t es, and n 2021, smart, se f hea ng techno og es he ped to avo d more than 700,000 extended customer outages across our s x state e ectr c serv ce area, sav ng customers more than 1.2 m on hours of ost outage t me. We added 60 new se f hea ng networks n 2021 across our s x state serv ce area and upgraded many ex st ng systems to mprove the r smart capab t es and se f hea ng eff c ency. Add t ona y, we expect to nvest $100 m on n e ectr c veh c e charg ng over the next three years. Duke Energy has a demonstrated track record of dr v ng eff c enc es and product v ty nto the bus ness and we cont nue to everage new techno ogy, d g ta too s and data ana yt cs across the bus ness n response to a transform ng andscape.

Recogn z ng the cont nued mportance of natura gas to our p ans, we cont nue to work toward a net zero methane em ss on goa by 2030 re ated to our natura gas d str but on bus ness. In August 2021, we announced a partnersh p w th Accenture and M crosoft to deve op a nove techno ogy p atform w th the ntent of measur ng base ne methane em ss ons from natura gas d str but on systems w th a h gh eve of accuracy n near rea t me. Once dep oyed, we expect the use of sate te techno ogy and the new p atform w ncrease the speed of a f e d response team's ab ty to dent fy and repa r methane eaks a ong d str but on nes and systems.

Constructive Regulatory and Legislative Outcomes. One of our ong term strateg c goa s s to ach eve modern zed regu atory constructs n our jur sd ct ons. Modern zed constructs prov de benef ts, wh ch nc ude mproved earn ngs and cash f ows through more t me y recovery of nvestments, as we as stab e pr c ng for customers. As h gh ghted above, House B 951 prov des the framework for many of these benef ts n North Caro na under the d rect on of the NCUC. A so, n October 2021, the Southeast Energy Exchange Market (SEEM) rece ved c earance from the FERC. The new SEEM p atform w fac tate sub hour y, b atera trad ng, a ow ng part c pants to buy and se power c ose to the t me the energy s consumed, ut z ng ava ab e unreserved transm ss on. Southeastern e ectr c ty customers are expected to see cost, re ab ty and env ronmenta benef ts.

In 2021, we rece ved construct ve rate case orders re ated to our 2019 North Caro na rate cases for both Duke Energy Caro nas and Duke Energy Progress and a so reached construct ve sett ement agreements n our natura gas bus nesses n Kentucky, North Caro na, and Tennessee. In October 2021, Duke Energy Oh o f ed a request to rev ew the company's e ectr c d str but on rates. We have a mu t year rate p an n F or da and n January 2021, we reached a construct ve sett ement agreement w th key consumer groups to br ng add t ona certa nty to rates through 2024. In add t on, gr d nvestment r ders n the M dwest and F or da enab e more t me y cost recovery and earn ngs growth.

Customer Satisfaction. Duke Energy cont nues to transform the customer exper ence through our use of customer data to better nform operat ona pr or t es and performance eve s. Th s data dr ven approach a ows us to dent fy the nvestments that are the most mportant to the customer exper ence. We successfu y mp emented the f rst three jur sd ct ona re eases of Customer Connect, a new system that conso dates four egacy b ng systems nto one customer serv ce p atform, a ow ng us to de ver the un versa exper ence customers expect. Our work has been recogn zed by our customers and we have ma nta ned our above target performance throughout the year, desp te the resumpt on of standard b ng and payment pract ces n most jur sd ct ons.

Operational Excellence, Safety and Reliability. The re ab e and safe operat on of our power p ants, e ectr c d str but on system and natura gas nfrastructure n our commun t es s foundat ona to our customers, our f nanc a resu ts and our cred b ty w th stakeho ders. Our regu ated generat on f eet and nuc ear s tes had strong performance throughout the year and our e ectr c d str but on system performed we . The safety of our workforce s a core va ue. Our emp oyees de vered strong safety resu ts n 2021, and we are at or near the top of our ndustry.

Storm act v ty was m ted n our regu ated serv ce terr tor es n 2021, but we supported Entergy Lou s ana, send ng approx mate y 500 workers to a d n restor ng power after Hurr cane Ida. The February w nter storm n Texas adverse y mpacted Duke Energy Renewab es' operat ons. In add t on to operat ng at reduced capac ty, we were requ red to purchase power at scarc ty pr c ng eve s to meet f xed vo ume comm tments. Enterpr sew de essons earned were formed mmed ate y fo ow ng the Texas weather event to dent fy opportun t es to ensure read ness for extreme weather. Our ab ty to effect ve y hand e a facets of the 2021 storm response efforts, nc ud ng nav gat ng ongo ng COVID 19 protoco s, s a testament to our team's extens ve preparat on and coord nat on, app y ng essons earned from prev ous storms, and to on the ground management throughout the restorat on efforts. Duke Energy has rece ved over 20 Emergency Response Awards s nce EEI began recogn z ng storm response n 1998 (nc ud ng e ght for ass st ng other ut t es, and e ght n our serv ce terr tor es over the ast decade).

Leading Through COVID-19. COVID 19 cont nued to mpact a that we accomp shed n 2021 and demonstrated our res ency and ag ty:

- In add t on to ach ev ng f nanc a resu ts n the upper ha f of our or g na gu dance, we have cont nued our cost management journey focused on dr v ng product v ty, ncreas ng f ex b ty and pr or t z ng spend based on r sk and strateg c va ue to our customers and nvestors. In 2021, we ma nta ned approx mate y $200 m on of O&M sav ngs dent f ed dur ng the ear est days of the pandem c. We a so have successfu y nav gated supp y cha n cha enges and the mpacts of nf at on. Our procurement teams have created act on p ans to enhance p ann ng, augment supp y, amend operat ons and average our sca e to m t gate these r sks to the extent poss b e.

- Duke Energy kept e ectr c ty and natura gas f ow ng wh e cont nu ng to vo untar y make s gn f cant accommodat ons for our customers. To cont nue to support our customers, we extended the COVID 19 payment f ex b ty po c es we deve oped n 2020 w thout comprom s ng our f nanc a performance. We extended payment arrangements for new arrearages, mod f ed reconnect on po c es and ncreased the t me customers had to restructure agreements. We ana yzed each state's regu atory env ronment to dent fy add t ona state spec f c so ut ons. To better connect customers to federa and state ass stance do ars: a ded cated Agency team was created to he p oca customer ass stance agenc es n mak ng p edges for Duke Energy customers; a sma team was estab shed to work d rect y w th state and federa agenc es; and a team of "payment nav gators" was p oted to work d rect y w th customers to connect them w th ava ab e ass stance do ars n the r oca commun t es.

- We mp emented safety procedures des gned to prov de phys ca safety for our workers and prov ded support for our emp oyees. Throughout the year, we a gned w th oca , state, and federa po c es on COVID 19 protoco s.

- In May, we announced that the Duke Energy P aza, a 40 f oor off ce tower current y under construct on n Uptown Char otte, w become the company's new corporate headquarters, a ow ng us to reduce occup ed space n the Char otte area by approx mate y 60% to opt m ze our rea estate footpr nt. We've ro ed out our new hybr d workp ace mode (WorkSmart) w th about 85% of our off ce based workforce work ng n the WorkSmart mode . The WorkSmart team has prepared our bu d ngs to ensure emp oyees return to work safe y and have put n p ace the too s and techno og es needed to ensure the most effect ve trans t on.

Duke Energy Objectives 2022 and Beyond

Duke Energy w cont nue to de ver except ona va ue to customers, be an ntegra part of the commun t es n wh ch we do bus ness and prov de attract ve returns to nvestors. We have an ach evab e, ong term strategy n p ace, and t s produc ng tang b e resu ts, yet the ndustry n wh ch we operate s becom ng more and more dynam c. We are adjust ng, where necessary, and acce erat ng our focus n key areas to ensure the company s we pos t oned to be successfu for many decades nto the future. As we ook ahead to 2022, our p ans nc ude:

- Cont nu ng to p ace the customer at the center of a that we do, wh ch nc udes prov d ng custom zed products and so ut ons
- Strengthen ng our re at onsh ps w th our stakeho ders n the commun t es n wh ch we operate and nvest
- Generat ng c eaner energy and work ng to ach eve net zero carbon em ss ons by 2050 and net zero methane em ss ons by 2030
- Modern z ng and strengthen ng a green enab ed energy gr d and our natura gas nfrastructure
- Ma nta n ng the safety of our commun t es and emp oyees
- Dep oy ng d g ta too s across our bus ness
- Work ng to encourage greenhouse gas em ss on reduct ons n our supp y cha n as we mp ement the update to our goa s to nc ude Scope 2 and certa n Scope 3 em ss ons n our 2050 net zero goa . The Scope 3 em ss ons nc uded n our goa nc ude em ss ons from upstream foss fue procurement, product on of power purchased for resa e, and from downstream use of so d products n our natura gas d str but on bus ness.

Matters Impacting Future Results

The matters d scussed here n cou d mater a y mpact the future operat ng resu ts, f nanc a cond t on and cash f ows of the Duke Energy Reg strants and Bus ness Segments.

Regulatory Matters

Coal Ash Costs

Duke Energy Caro nas and Duke Energy Progress have approx mate y $1.2 b on and $1.4 b on, respect ve y, n regu atory assets re ated to coa ash ret rement ob gat ons as of December 31, 2021 Future spend ng, nc ud ng amounts recorded for deprec at on and ab ty accret on, s expected to cont nue to be deferred. The major ty of spend s expected to occur over the next 15 20 years.

Duke Energy Ind ana has nterpreted the CCR ru e to dent fy the coa ash bas n s tes mpacted and has assessed the amounts of coa ash subject to the ru e and a method of comp ance. In 2020, the Hoos er Env ronmenta Counc f ed a pet t on cha eng ng the Ind ana Department of Env ronmenta Management's (IDEM) part a approva of f ve of Duke Energy Ind ana’s ash pond s te c osure p ans at Ga agher Stat on. The pet t on does not cha enge the other bas n c osures approved by IDEM at other Ind ana stat ons. Interpretat on of the requ rements of the CCR ru e s subject to further ega cha enges and regu atory approva s, wh ch cou d resu t n add t ona ash bas n c osure requ rements, h gher costs of comp ance and greater AROs. Add t ona y, Duke Energy Ind ana has ret red fac t es that are not subject to the CCR ru e. Duke Energy Ind ana may ncur costs at these fac t es to comp y w th env ronmenta regu at ons or to m t gate r sks assoc ated w th on s te storage of coa ash. Duke Energy Ind ana has approx mate y $749 m on n regu atory assets re ated to coa ash asset ret rement ob gat ons as of December 31, 2021. In January 2022, Duke Energy Ind ana rece ved a etter from the EPA regard ng nterpretat on of the CCR ru e. See Note 4 to the Conso dated F nanc a Statements, "Comm tments and Cont ngenc es" for more nformat on.

MGP

Duke Energy Oh o and other part es have f ed w th the PUCO a St pu at on and Recommendat on that wou d reso ve a open ssues regard ng manufactured gas p ant remed at on costs ncurred between 2013 and 2019, nc ud ng Duke Energy Oh o's request for add t ona deferra author ty beyond 2019, and the pend ng ssues re ated to the Tax Act as t re ates to Duke Energy Oh o's natura gas operat ons. These mpacts, f approved by the PUCO, are not expected to have a mater a mpact on Duke Energy Oh o's f nanc a statemen s. Duke Energy Oh o has approx mate y $104 m on n regu atory assets re ated to MGP as of December 31, 2021. Fa ure to approve the St pu at on and Recommendat on, d sa owance of costs ncurred, fa ure to comp ete the work by the dead ne or fa ure to obta n an extens on from the PUCO cou d resu t n an adverse mpact.

For add t ona nformat on, see Note 3 to the Conso dated F nanc a Statements, “Regu atory Matters."

Commercial Renewables

Duke Energy cont nues to mon tor recoverab ty of renewab e merchant p ants ocated n the E ectr c Re ab ty Counc of Texas West market and n the PJM West market, due to f uctuat ng market pr c ng and ong term forecasted energy pr ces. Based on the most recent recoverab ty test, the carry ng va ue approx mated the aggregate est mated future und scounted cash f ows for the assets under rev ew. A cont nued dec ne n energy market pr c ng or other factors unfavorab y mpact ng the econom cs wou d ke y resu t n a future mpa rment. Duke Energy has approx mate y $200 m on n property, p ant and equ pment re ated to these assets as of December 31, 2021. Impa rment of these assets cou d resu t n adverse mpacts. For add t ona nformat on, see Note 10 to the Conso dated F nanc a Statements, "Property, P ant and Equ pment."

In February 2021, a severe w nter storm mpacted certa n Commerc a Renewab es assets n Texas. Extreme weather cond t ons m ted the ab ty for these so ar and w nd fac t es to generate and se e ectr c ty nto the E ectr c Re ab ty Counc of Texas market. Lost revenues and h gher than expected purchased power costs have negat ve y mpacted the operat ng resu ts of these generat ng un ts. In add t on, Duke Energy has been named n mu t p e awsu ts ar s ng out of th s w nter storm. For more nformat on, see Notes 2 and 4 to the Conso dated F nanc a Statements, "Bus ness Segments" and "Comm tments and Cont ngenc es," respect ve y.

Duke Energy s a so mon tor ng supp y cha n d srupt ons, nc ud ng the cost and ava ab ty of key components of p anned generat ng fac t es, wh ch cou d mpact the t m ng of n serv ce or econom cs of commerc a renewab es projects and may resu t n adverse mpacts on operat ng resu ts.

Results of Operations

Non-GAAP Measures

Management eva uates f nanc a performance n part based on non GAAP f nanc a measures, nc ud ng adjusted earn ngs and adjusted EPS. These tems represent ncome from cont nu ng operat ons ava ab e to Duke Energy common stockho ders n do ar and per share amounts, adjusted for the do ar and per share mpact of spec a tems. As d scussed be ow, spec a tems nc ude certa n charges and cred ts, wh ch management be eves are not nd cat ve of Duke Energy's ongo ng performance. Management be eves the presentat on of adjusted earn ngs and adjusted EPS prov des usefu nformat on to nvestors, as t prov des them w th an add t ona re evant compar son of Duke Energy's performance across per ods.

Management uses these non GAAP f nanc a measures for p ann ng and forecast ng, and for report ng f nanc a resu ts to the Board of D rectors, emp oyees, stockho ders, ana ysts and nvestors. Adjusted EPS s a so used as a bas s for emp oyee ncent ve bonuses. The most d rect y comparab e GAAP measures for adjusted earn ngs and adjusted EPS are GAAP Reported Earn ngs and EPS Ava ab e to Duke Energy Corporat on common stockho ders (GAAP Reported EPS), respect ve y.

Spec a tems nc uded n the per ods presented nc ude the fo ow ng, wh ch management be eves do not ref ect ongo ng costs:

- Workp ace and Workforce Rea gnment represents costs attr butab e to bus ness transformat on, nc ud ng ong term rea estate strategy changes and workforce rea gnment.
- Regu atory Sett ements represents an mpa rment charge re ated to the South Caro na Supreme Court dec s on on coa ash, nsurance proceeds, the Duke Energy Caro nas and Duke Energy Progress coa ash sett ement and the part a sett ements n the 2019 North Caro na rate cases.
- Gas P pe ne Investments represents costs re ated to the cance at on of the ACP nvestment and add t ona ex t ob gat ons.
- Severance represents the reversa of 2018 Severance charges, wh ch were deferred as a resu t of a part a sett ement n the Duke Energy Caro nas and Duke Energy Progress 2019 North Caro na rate cases.

Duke Energy's adjusted earn ngs and adjusted EPS may not be comparab e to s m ar y t t ed measures of another company because other compan es may not ca cu ate the measures n the same manner.

Reconciliation of GAAP Reported Amounts to Adjusted Amounts

The fo ow ng tab e presents a reconc at on of adjusted earn ngs and adjusted EPS to the most d rect y comparab e GAAP measures.

	Years Ended December 31,			
	2021		2020	
(in millions, except per share amounts)	Earnings	EPS	Earnings	EPS
GAAP Reported Earn ngs/EPS	**$ 3,802**	**$ 4.94**	$ 1,270	$ 1.72
Adjustments to Reported:				
Workp ace and Workforce Rea gnment[(a)]	**148**	**0.20**		
Regu atory Sett ements[(b)]	**69**	**0.09**	872	1.19
Gas P pe ne Investments[(c)]	**15**	**0.02**	1,711	2.32
Severance[(d)]			(75)	(0.10)
D scont nued Operat ons	**(7)**	**(0.01)**	(7)	(0.01)
Adjusted Earn ngs/Adjusted EPS	**$ 4,027**	**$ 5.24**	$ 3,771	$ 5.12

(a) Net of tax benef t of $44 m on.
(b) Net of tax benef t of $21 m on and tax benef t of $263 m on for the years ended December 31, 2021, and 2020, respect ve y.
(c) Net of tax benef t of $5 m on and tax benef t of $399 m on for the years ended December 31, 2021, and 2020, respect ve y.
(d) Net of tax expense of $23 m on.

Year Ended December 31, 2021, as compared to 2020

GAAP Reported EPS was $4.94 for the year ended December 31, 2021, compared to $1.72 for the year ended December 31, 2020. The ncrease n GAAP Reported Earn ngs/EPS was pr mar y due to pr or year charges re ated to the cance at on of the ACP p pe ne and the CCR Sett ement Agreement f ed w th the NCUC, part a y offset by workp ace and workforce rea gnment costs n the current year.

As d scussed and shown n the tab e above, management a so eva uates f nanc a performance based on adjusted EPS. Duke Energy's adjusted EPS was $5.24 for the year ended December 31, 2021, compared to $5.12 for the year ended December 31, 2020. The ncrease n Adjusted Earn ngs/Adjusted EPS was pr mar y due to pos t ve rate case contr but ons and h gher vo umes, part a y offset by h gher operat on and ma ntenance expenses, ower Commerc a Renewab es earn ngs and share d ut on from equ ty ssuances.

SEGMENT RESULTS

The rema n ng nformat on presented n th s d scuss on of resu ts of operat ons s on a GAAP bas s. Management eva uates segment performance based on segment ncome. Segment ncome s def ned as ncome from cont nu ng operat ons net of ncome attr butab e to noncontro ng nterests and preferred stock d v dends. Segment ncome nc udes ntercompany revenues and expenses that are e m nated n the Conso dated F nanc a Statements.

Duke Energy's segment structure nc udes the fo ow ng segments: E ectr c Ut t es and Infrastructure, Gas Ut t es and Infrastructure and Commerc a Renewab es. The rema nder of Duke Energy's operat ons s presented as Other. See Note 2 to the Conso dated F nanc a Statements, "Bus ness Segments," for add t ona nformat on on Duke Energy's segment structure.

Electric Utilities and Infrastructure

(in millions)	Years Ended December 31, 2021	2020	Variance
Operating Revenues	**$ 22,603**	$ 21,720	$ 883
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**6,332**	6,128	204
Operat ons, ma ntenance and other	**5,340**	5,391	(51)
Deprec at on and amort zat on	**4,251**	4,068	183
Property and other taxes	**1,233**	1,188	45
Impa rment of assets and other charges	**204**	971	(767)
Tota operat ng expenses	**17,360**	17,746	(386)
Gains on Sales of Other Assets and Other, net	**13**	11	2
Operating Income	**5,256**	3,985	1,271
Other Income and Expenses, net	**534**	344	190
Interest Expense	**1,432**	1,320	112
Income Before Income Taxes	**4,358**	3,009	1,349
Income Tax Expense	**494**	340	154
Less: Income Attributable to Noncontrolling Interest	**14**		14
Segment Income	**$ 3,850**	$ 2,669	$ 1,181
Duke Energy Caro nas GWh sa es	**87,796**	84,574	3,222
Duke Energy Progress GWh sa es	**66,797**	65,240	1,557
Duke Energy F or da GWh sa es	**42,422**	42,490	(68)
Duke Energy Oh o GWh sa es	**24,129**	23,484	645
Duke Energy Ind ana GWh sa es	**31,388**	30,528	860
Tota E ectr c Ut t es and Infrastructure GWh sa es	**252,532**	246,316	6,216
Net proport ona MW capac ty n operat on	**49,871**	50,419	(548)

Year Ended December 31, 2021, as compared to 2020

E ectr c Ut t es and Infrastructure's var ance s due to h gher revenues from rate cases n var ous jur sd ct ons, h gher reta sa es vo umes and the pr or year coa ash sett ement agreement f ed w th the NCUC, part a y offset by an mpa rment charge re ated to the South Caro na Supreme Court dec s on on coa ash, h gher deprec at on and amort zat on and nterest expense. The fo ow ng s a deta ed d scuss on of the var ance dr vers by ne tem.

Operating Revenues. The var ance was dr ven pr mar y by:

- a $420 m on ncrease n reta base rate pr c ng due to genera rate cases n Ind ana and North Caro na net of r der mpacts as we as annua ncreases from the mu t year sett ement rate adjustments n F or da;
- a $192 m on ncrease n weather norma reta sa es vo umes;
- a $172 m on ncrease n fue revenues pr mar y dr ven by h gher sa es vo umes; and
- a $145 m on ncrease n who esa e revenues pr mar y due to a pr or year coa ash sett ement agreement f ed w th the NCUC.

Part a y offset by:

- a $140 m on decrease n storm revenues due to fu recovery of Hurr cane Dor an costs n the pr or year.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $767 m on decrease n mpa rment of assets and other charges pr mar y due to the pr or year CCR Sett ement Agreement f ed w th the NCUC n January 2021, part a y offset by the South Caro na Supreme Court dec s on on coa ash at Duke Energy Caro nas and Duke Energy Progress n the current year; and
- a $51 m on decrease n operat ons, ma ntenance and other dr ven by decreased storm amort zat on at Duke Energy F or da and ower COVID 19 costs, part a y offset by h gher emp oyee re ated expenses.

Part a y offset by:

- a $204 m on ncrease n fue used n e ectr c generat on and purchased power pr mar y due to h gher sa es vo umes;
- a $183 m on ncrease n deprec at on and amort zat on pr mar y due to reso ut on of rate cases and h gher p ant n serv ce, part a y offset by ower deprec at on re ated to the extens on of the ves of nuc ear fac t es at Duke Energy Caro nas and Duke Energy Progress; and
- a $45 m on ncrease n property and other taxes pr mar y due to h gher property taxes at Duke Energy Caro nas and Duke Energy Oh o and a pr or year sa es and use tax refund at Duke Energy Caro nas.

Other Income and Expenses, net. The ncrease s pr mar y due to coa ash nsurance t gat on proceeds at Duke Energy Caro nas and Duke Energy Progress and ower non serv ce pens on costs.

Interest Expense. The var ance was pr mar y dr ven by nterest expense on excess deferred tax ab t es removed from rate base as a resu t of the North Caro na rate cases, debt returns on a ower coa ash regu atory asset ba ance resu t ng from the CCR Sett ement Agreement as we ower debt returns resu t ng from the Ind ana rate case.

Income Tax Expense. The ncrease n tax expense was pr mar y due to an ncrease n pretax ncome, part a y offset by an ncrease n the amort zat on of excess deferred taxes.

Gas Utilities and Infrastructure

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**Variance**
Operating Revenues	**$ 2,112**	$ 1,748	$ 364
Operating Expenses			
Cost of natura gas	**705**	460	245
Operat on, ma ntenance and other	**442**	430	12
Deprec at on and amort zat on	**303**	258	45
Property and other taxes	**120**	112	8
Impa rment of assets and other charges	**19**	7	12
Tota operat ng expenses	**1,589**	1,267	322
Operating Income	**523**	481	42
Other Income and Expenses			
Equ ty n earn ngs (osses) of unconso dated aff ates	**8**	(2,017)	2,025
Other Income and Expenses, net	**62**	56	6
Total other income and expenses	**70**	(1,961)	2,031
Interest Expense	**142**	135	7
Income (Loss) Before Income Taxes	**451**	(1,615)	2,066
Income Tax Expense (Benefit)	**55**	(349)	404
Segment Income (Loss)	**$ 396**	$ (1,266)	$ 1,662
P edmont Loca D str but on Company (LDC) throughput (Dth)	**542,759,891**	490,071,039	52,688,852
Duke Energy M dwest LDC throughput (MCF)	**85,787,624**	84,160,162	1,627,462

Year Ended December 31, 2021, as compared to 2020

Gas Ut t es and Infrastructure's resu ts were mpacted pr mar y by the cance at on of the ACP p pe ne n the pr or year and marg n growth, part a y offset by h gher deprec at on expense. The fo ow ng s a deta ed d scuss on of the var ance dr vers by ne tem.

Operating Revenues. The var ance was dr ven pr mar y by:

- a $245 m on ncrease due to h gher natura gas costs passed through to customers, h gher vo umes and ncreased off system sa es natura gas costs;
- a $52 m on ncrease due to base rate ncreases;
- a $22 m on ncrease due to r der revenues re ated to the Oh o Cap ta Expend ture Program (CEP);

- a $12 m on ncrease due to customer growth; and
- an $11 m on ncrease due to North Caro na IMR.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $245 m on ncrease n cost of natura gas due to h gher natura gas pr ces, h gher vo umes and ncreased off system sa es natura gas costs;
- a $45 m on ncrease n deprec at on due to add t ona p ant n serv ce and deprec at on adjustments; and
- a $12 m on ncrease n mpa rment of assets and other charges re ated to the propane caverns n Oh o and Kentucky, part a y offset by an mpa rment of ACP rede very projects n the pr or year.

Equity in earnings (losses) of unconsolidated affiliates. The var ance was dr ven pr mar y by the cance at on of the ACP p pe ne n the pr or year.

Income Tax Expense. The ncrease n tax expense was pr mar y due to the cance at on of the ACP p pe ne project recorded n the pr or year.

Commercial Renewables

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**Variance**
Operating Revenues	**$ 476**	$ 502	$ (26)
Operating Expenses			
Operat on, ma ntenance and other	**342**	285	57
Deprec at on and amort zat on	**225**	199	26
Property and other taxes	**34**	27	7
Impa rment of assets and other charges		6	(6)
Tota operat ng expenses	**601**	517	84
Losses on Sales of Other Assets and Other, net		(1)	1
Operating Loss	**(125)**	(16)	(109)
Other Income and Expenses, net	**(24)**	7	(31)
Interest Expense	**72**	66	6
Loss Before Income Taxes	**(221)**	(75)	(146)
Income Tax Benefit	**(78)**	(65)	(13)
Add: Loss Attributable to Noncontrolling Interests	**344**	296	48
Segment Income	**$ 201**	$ 286	$ (85)
Renewab e p ant product on, GWh	**10,701**	10,204	497
Net proport ona MW capac ty n operat on[(a)]	**4,729**	3,937	792

(a) Certa n projects are nc uded n tax equ ty structures where nvestors have d ffer ng nterests n the project's econom c attr butes. Amounts shown represent 100% of the tax equ ty project's capac ty.

Year Ended December 31, 2021, as compared to 2020

Commerc a Renewab es' resu ts were unfavorab e to pr or year pr mar y dr ven by the mpacts from Texas Storm Ur , wh ch resu ted n a $35 m on pretax oss, as we as ower earn ngs from unfavorab e w nd resource and fewer projects f nanced w th tax equ ty be ng p aced n serv ce n the current year.

Operating Revenues. The var ance was pr mar y dr ven by a $19 m on decrease due to ower w nd resource and operat ng downt me, a $15 m on decrease for ower market pr ces n the current year mpact ng the w nd portfo o, and a $4 m on decrease due to fewer d str buted energy projects p aced nto serv ce. Th s was part a y offset by an $8 m on ncrease for market sa es n excess of market purchases dur ng Texas Storm Ur and a $6 m on ncrease due to growth of new projects.

Operating Expenses. The var ance was pr mar y due to $49 m on for h gher operat ng expenses, deprec at on expense and property tax expense as a resu t of the growth n new projects p aced n serv ce s nce pr or year, $31 m on ncrease for h gher operat ng expenses attr buted to ma ntenance at severa w nd and so ar fac t es, an $8 m on ncrease for h gher eng neer ng and construct on costs w th n the d str buted energy portfo o, and a $2 m on ncrease assoc ated w th Texas Storm Ur . Th s was part a y offset by a $6 m on decrease re ated to an mpa rment charge n the pr or year for a non contracted w nd project.

Other Income and Expenses, net. The var ance was pr mar y dr ven by a $29 m on oss n equ ty earn ngs due to the mpacts of Texas Storm Ur .

Income Tax Benefit. The ncrease n the tax benef t was pr mar y dr ven by an ncrease n pretax osses part a y offset by an ncrease n taxes assoc ated w th tax equ ty nvestments and a decrease n PTCs generated.

Loss Attributable to Noncontrolling Interests. The var ance was pr mar y dr ven by the net ncrease of osses a ocated to tax equ ty members of $60 m on from ex st ng and new projects f nanced w th tax equ ty, part a y offset by a $12 m on oss resu t ng from Texas Storm Ur .

Other

(in millions)	Years Ended December 31, 2021	2020	Variance
Operating Revenues	**$ 111**	$ 97	$ 14
Operating Expenses	**412**	12	400
Losses on Sales of Other Assets and Other, net	**(1)**		(1)
Operating (Loss) Income	**(302)**	85	(387)
Other Income and Expenses, net	**121**	92	29
Interest Expense	**643**	657	(14)
Loss Before Income Taxes	**(824)**	(480)	(344)
Income Tax Benefit	**(279)**	(162)	(117)
Less: Net Income Attributable to Noncontrolling Interests	**1**	1	
Less: Preferred Dividends	**106**	107	(1)
Net Loss	**$ (652)**	$ (426)	$ (226)

Year Ended December 31, 2021, as compared to 2020

The h gher net oss was dr ven by asset mpa rments to opt m ze the company's rea estate portfo o and reduce off ce space as parts of the bus ness move to a hybr d and remote workforce strategy as we as a reversa of severance costs n the pr or year.

Operating Expenses. The ncrease n operat ons, ma ntenance and other of $248 m on was pr mar y due to a reversa of severance costs n the pr or year and h gher ob gat ons to the Duke Energy Foundat on n the current year. The ncrease n mpa rment of assets and other charges of $132 m on was due to asset mpa rments taken n order to opt m ze the company's rea estate portfo o and reduce off ce space as parts of the bus ness move to a hybr d and remote workforce strategy.

Other Income and Expenses, net. The var ance was pr mar y due to h gher equ ty earn ngs from the NMC nvestment.

Income Tax Benefit. The ncrease n the tax benef t was pr mar y dr ven by an ncrease n pretax osses and a reduct on of a va uat on a owance re at ng to a cap ta oss carryforward, part a y offset by ower state tax expense n the pr or year.

SUBSIDIARY REGISTRANTS

Basis of Presentation

The resu ts of operat ons and var ance d scuss on for the Subs d ary Reg strants s presented n a reduced d sc osure format n accordance w th Genera Instruct on (I)(2)(a) of Form 10 K.

DUKE ENERGY CAROLINAS

Results of Operations

	Years Ended December 31,		
(in millions)	2021	2020	Variance
Operating Revenues	**$ 7,102**	$ 7,015	$ 87
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**1,601**	1,682	(81)
Operat on, ma ntenance and other	**1,833**	1,743	90
Deprec at on and amort zat on	**1,468**	1,462	6
Property and other taxes	**320**	299	21
Impa rment of assets and other charges	**227**	476	(249)
Tota operat ng expenses	**5,449**	5,662	(213)
Gains on Sales of Other Assets and Other, net	**2**	1	1
Operating Income	**1,655**	1,354	301
Other Income and Expenses, net	**270**	177	93
Interest Expense	**538**	487	51
Income Before Income Taxes	**1,387**	1,044	343
Income Tax Expense	**51**	88	(37)
Net Income	**$ 1,336**	$ 956	$ 380

The fo ow ng tab e shows the percent changes n GWh sa es and average number of customers for Duke Energy Caro nas. The be ow percentages for reta customer c asses represent b ed sa es on y. Tota sa es nc udes b ed and unb ed reta sa es and who esa e sa es to ncorporated mun c pa t es, pub c and pr vate ut t es and power marketers. Amounts are not weather norma zed.

Increase (Decrease) over prior year	2021
Res dent a sa es	**4.6 %**
Genera serv ce sa es	**2.7 %**
Industr a sa es	**5.2 %**
Who esa e power sa es	**4.5 %**
Jo nt d spatch sa es	**2.8 %**
Tota sa es	**3.8 %**
Average number of customers	**2.3 %**

Year Ended December 31, 2021, as compared to 2020

Operating Revenues. The var ance was dr ven pr mar y by:

- a $98 m on ncrease n weather norma reta sa es vo umes;
- a $53 m on ncrease n who esa e revenue pr mar y dr ven by the CCR Sett ement Agreement f ed w th the NCUC n January 2021;
- a $51 m on ncrease due to h gher pr c ng from the North Caro na reta rate case, net of a return of EDIT to customer; and
- a $13 m on ncrease n reta sa es due to more favorab e weather.

Part a y offset by:

- an $87 m on decrease n fue revenues due to ower pr ces, part a y offset by h gher reta sa es vo umes; and
- a $26 m on decrease n r der revenues pr mar y due to energy eff c ency programs.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $249 m on decrease n mpa rment of assets and other charges due to the pr or year CCR Sett ement Agreement f ed w th the NCUC n January 2021 part a y offset by the South Caro na Supreme Court dec s on on coa ash and opt m zat on of the company's rea estate portfo o and reduct on of off ce space as parts of the bus ness move to a hybr d and remote workforce strategy; and
- an $81 m on decrease n fue used n e ectr c generat on and purchased power pr mar y assoc ated w th the recovery of fue expenses, part a y offset by h gher natura gas pr ces and changes n the generat on m x.

Part a y offset by:

- a $90 m on ncrease n operat on, ma ntenance and other expense pr mar y due to h gher emp oyee re ated expenses; and
- a $21 m on ncrease n property and other taxes pr mar y due to property tax va uat on adjustments and a pr or year sa es and use tax refund, part a y offset by sa es and use tax refunds n the current year and ower payro tax due to the CARES Act emp oyee retent on cred ts.

Other Income and Expense, net. The var ance was pr mar y due to coa ash nsurance t gat on proceeds and ower non serv ce pens on costs.

Interest Expense. The var ance was dr ven by nterest expense on excess deferred tax ab t es removed from rate base as a resu t of the North Caro na rate case and debt returns on a ower coa ash regu atory asset ba ance resu t ng from the CCR Sett ement Agreement.

Income Tax Expense. The decrease n tax expense was pr mar y due to an ncrease n the amort zat on of excess deferred taxes, part a y offset by an ncrease n pretax ncome.

PROGRESS ENERGY

Results of Operations

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**Variance**
Operating Revenues	**$ 11,057**	$ 10,627	$ 430
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**3,584**	3,479	105
Operat on, ma ntenance and other	**2,529**	2,479	50
Deprec at on and amort zat on	**1,929**	1,818	111
Property and other taxes	**542**	545	(3)
Impa rment of assets and other charges	**82**	495	(413)
Tota operat ng expenses	**8,666**	8,816	(150)
Gains on Sales of Other Assets and Other, net	**14**	9	5
Operating Income	**2,405**	1,820	585
Other Income and Expenses, net	**215**	129	86
Interest Expense	**794**	790	4
Income Before Income Taxes	**1,826**	1,159	667
Income Tax Expense	**227**	113	114
Net Income	**1,599**	1,046	553
Less: Net Income Attributable to Noncontrolling Interests	**1**	1	
Net Income Attributable to Parent	**$ 1,598**	$ 1,045	$ 553

Year Ended December 31, 2021, as compared to 2020

Operating Revenues. The var ance was dr ven pr mar y by:

- a $223 m on ncrease n reta pr c ng due to the North Caro na rate case and base rate adjustments at Duke Energy F or da re ated to annua ncreases from the 2017 Sett ement Agreement and the so ar base rate adjustment;
- a $176 m on ncrease n fue cost recovery dr ven by h gher vo umes n the current year and acce erated recovery of ret red Crysta R ver coa un ts;
- a $70 m on ncrease n weather norma reta sa es vo umes;
- a $58 m on ncrease n who esa e revenues, net of fue , pr mar y dr ven by a pr or year coa ash sett ement and h gher capac ty vo umes at Duke Energy Progress, part a y offset by a restructured capac ty contract at Duke Energy F or da;
- a $25 m on ncrease n other revenues at Duke Energy F or da pr mar y due to h gher transm ss on revenues and h gher customer charges that were wa ved due to COVID 19 n the pr or year; and
- a $20 m on ncrease n r der revenues at Duke Energy F or da pr mar y due to ncreased reta sa es vo umes.

Part a y offset by:

- a $140 m on decrease n storm revenues at Duke Energy F or da due to fu recovery of Hurr cane Dor an costs n the pr or year.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $413 m on decrease n mpa rment of assets and other charges pr mar y due to the pr or year CCR Sett ement Agreement f ed w th the NCUC n January 2021, part a y offset by the current year South Caro na Supreme Court dec s on on coa ash at Duke Energy Progress and opt m zat on of the company's rea estate portfo o and reduct on of off ce space as parts of the bus ness move to a hybr d and remote workforce strategy.

Part a y offset by:

- a $111 m on ncrease n deprec at on and amort zat on pr mar y due to acce erated deprec at on of ret red Crysta R ver coa un ts and an ncrease n p ant base at Duke Energy F or da, part a y offset by the extens on of the ves at nuc ear fac t es at Duke Energy Progress;
- a $105 m on ncrease n fue used n e ectr c generat on and purchased power pr mar y due to h gher demand, changes n generat on m x and recogn t on of RECs used for comp ance at Duke Energy Progress and outs de fue purchases dur ng a major p ant outage; and
- a $50 m on ncrease n operat on, ma ntenance and other expense dr ven by h gher emp oyee re ated costs, a pr or year severance cost adjustment re ated to the 2019 North Caro na reta rate case and outage costs, part a y offset by reduced storm amort zat on at Duke Energy F or da.

Other Income and Expenses, net. The ncrease s pr mar y due to coa ash nsurance t gat on proceeds at Duke Energy Progress, ower non serv ce pens on costs and unrea zed ga ns on the nuc ear decomm ss on ng trust fund at Duke Energy F or da.

Income Tax Expense. The ncrease n tax expense was pr mar y due to an ncrease n pretax ncome, part a y offset by an ncrease n the amort zat on of excess deferred taxes.

DUKE ENERGY PROGRESS

Results of Operations

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**Variance**
Operating Revenues	**$ 5,780**	$ 5,422	$ 358
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**1,778**	1,743	35
Operat on, ma ntenance and other	**1,467**	1,332	135
Deprec at on and amort zat on	**1,097**	1,116	(19)
Property and other taxes	**159**	167	(8)
Impa rment of assets and other charges	**63**	499	(436)
Tota operat ng expenses	**4,564**	4,857	(293)
Gains on Sales of Other Assets and Other, net	**13**	8	5
Operating Income	**1,229**	573	656
Other Income and Expenses, net	**143**	75	68
Interest Expense	**306**	269	37
Income Before Income Taxes	**1,066**	379	687
Income Tax Expense (Benefit)	**75**	(36)	111
Net Income	**$ 991**	$ 415	$ 576

The fo ow ng tab e shows the percent changes n GWh sa es and average number of customers for Duke Energy Progress. The be ow percentages for reta customer c asses represent b ed sa es on y. Tota sa es nc udes b ed and unb ed reta sa es and who esa e sa es to ncorporated mun c pa t es, pub c and pr vate ut t es and power marketers. Amounts are not weather norma zed.

Increase (Decrease) over prior year	**2021**
Res dent a sa es	**6.0 %**
Genera serv ce sa es	**(0.4)%**
Industr a sa es	**(7.7)%**
Who esa e power sa es	**4.0 %**
Jo nt d spatch sa es	**(2.2)%**
Tota sa es	**2.4 %**
Average number of customers	**1.5 %**

Year Ended December 31, 2021, as compared to 2020

Operating Revenues. The var ance was dr ven pr mar y by:

- a $140 m on ncrease due to h gher pr c ng from the North Caro na reta rate case, net of a return of EDIT to customers;
- an $80 m on ncrease n who esa e revenues, net of fue , pr mar y due to a coa ash sett ement n the pr or year, and h gher capac ty vo umes, part a y offset by ower recovery of coa ash costs;
- a $58 m on ncrease n weather norma reta sa es vo umes n the current year;

- a $44 m on ncrease n reta sa es due to more favorab e weather; and
- a $14 m on ncrease n fue cost recovery dr ven by h gher fue pr ces and vo umes n the current year.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $436 m on decrease n mpa rment of assets and other charges pr mar y due to the pr or year CCR Sett ement Agreement f ed w th the NCUC n January 2021; and
- a $19 m on decrease n deprec at on and amort zat on expense, pr mar y dr ven by the extens on of the ves of nuc ear fac t es.

Part a y offset by:

- a $135 m on ncrease n operat on, ma ntenance and other expense pr mar y due to h gher emp oyee re ated costs and a pr or year severance cost adjustment re ated to the 2019 North Caro na reta rate case, ncreased outage costs and energy eff c ency program costs; and
- a $35 m on ncrease n fue used n e ectr c generat on and purchased power pr mar y due to h gher demand and changes n generat on m x as we as recogn t on of RECs used for comp ance.

Other Income and Expense, net. The ncrease s pr mar y due to coa ash nsurance t gat on proceeds and ower non serv ce pens on costs.

Interest Expense. The var ance was dr ven by nterest expense on excess deferred tax ab t es removed from rate base as a resu t of the North Caro na rate case and debt returns on a ower coa ash regu atory asset ba ance resu t ng from the CCR Sett ement Agreement.

Income Tax Expense. The ncrease n tax expense was pr mar y due to an ncrease n n pretax ncome, part a y offset by the amort zat on of excess deferred taxes.

DUKE ENERGY FLORIDA

Results of Operations

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**Variance**
Operating Revenues	**$ 5,259**	$ 5,188	$ 71
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**1,806**	1,737	69
Operat on, ma ntenance and other	**1,048**	1,131	(83)
Deprec at on and amort zat on	**831**	702	129
Property and other taxes	**383**	381	2
Impa rment of assets and other charges	**19**	(4)	23
Tota operat ng expenses	**4,087**	3,947	140
Gains on Sales of Other Assets and Other, net	**1**	1	
Operating Income	**1,173**	1,242	(69)
Other Income and Expenses, net	**71**	53	18
Interest Expense	**319**	326	(7)
Income Before Income Taxes	**925**	969	(44)
Income Tax Expense	**187**	198	(11)
Net Income	**$ 738**	$ 771	$ (33)

The fo ow ng tab e shows the percent changes n GWh sa es and average number of customers for Duke Energy F or da. The be ow percentages for reta customer c asses represent b ed sa es on y. Who esa e power sa es nc ude both b ed and unb ed sa es. Tota sa es nc udes b ed and unb ed reta sa es and who esa e sa es to ncorporated mun c pa t es, pub c and pr vate ut t es and power marketers. Amounts are not weather norma zed.

Increase (Decrease) over prior year	**2021**
Res dent a sa es	**(1.2)%**
Genera serv ce sa es	**2.3 %**
Industr a sa es	**4.6 %**
Who esa e power sa es	**22.6 %**
Tota sa es	**(0.2)%**
Average number of customers	**1.5 %**

Year Ended December 31, 2021, as compared to 2020

Operating Revenues. The var ance was dr ven pr mar y by:

- a $162 m on ncrease n fue and capac ty revenues pr mar y due to h gher reta sa es vo umes and acce erated recovery of the ret red coa un ts Crysta R ver 1 and 2;
- an $83 m on ncrease n reta pr c ng due to base rate adjustments re ated to annua ncreases from the 2017 Sett ement Agreement and the so ar base rate adjustment;
- a $25 m on ncrease n other revenues pr mar y due to ower revenues n the pr or year due to the morator um on customer ate payments and serv ce charges n response to the COVID 19 pandem c, ower outdoor ght ng equ pment renta s n the pr or year, and h gher transm ss on revenues due to pr or year customer sett ement and the ncreased network b ng rates;
- a $20 m on ncrease n r der revenues pr mar y due to ncreased vo umes; and
- a $12 m on ncrease n weather norma reta sa es vo umes.

Part a y offset by:

- a $140 m on decrease n storm revenues due to fu recovery of Hurr cane Dor an costs n the pr or year;
- a $63 m on decrease n reta sa es, net of fue revenues, due to unfavorab e weather n the current year; and
- a $22 m on decrease n who esa e power revenues, net of fue , pr mar y due to a restructured capac ty contract.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $129 m on ncrease n deprec at on and amort zat on pr mar y due to acce erated deprec at on of ret red coa un ts Crysta R ver 1 and 2 and an ncrease n p ant base;
- a $69 m on ncrease n fue used n e ectr c generat on and purchased power pr mar y due to h gher natura gas pr ces, and outs de fue purchases dur ng a major p ant outage at the H nes fac ty; and
- a $23 m on ncrease n mpa rment of assets and other charges to opt m ze the company's rea estate portfo o and reduce off ce space as parts of the bus ness move to a hybr d and remote workforce strategy.

Part a y offset by:

- an $83 m on decrease n operat on, ma ntenance and other expense pr mar y due to decreased storm amort zat on costs, part a y offset by outage ma ntenance costs at H nes and the t m ng of Customer Connect costs nc ud ng tra n ng and abor.

Other Income and Expense, net. The ncrease s pr mar y due to ower non serv ce pens on costs and ga ns on the nuc ear decomm ss on ng trust fund.

Income Tax Expense. The decrease n tax expense was pr mar y due to a decrease n pretax ncome.

DUKE ENERGY OHIO

Results of Operations

(in millions)	Years Ended December 31, 2021	2020	Variance
Operating Revenues			
Regu ated e ectr c	**$ 1,493**	$ 1,405	$ 88
Regu ated natura gas	**544**	453	91
Tota operat ng revenues	**2,037**	1,858	179
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**409**	339	70
Cost of natura gas	**136**	73	63
Operat on, ma ntenance and other	**479**	463	16
Deprec at on and amort zat on	**307**	278	29
Property and other taxes	**355**	324	31
Impa rment of assets and other charges	**25**		25
Tota operat ng expenses	**1,711**	1,477	234
Gains on Sales of Other Assets and Other, net	**1**		1
Operating Income	**327**	381	(54)
Other Income and Expenses, net	**18**	16	2
Interest Expense	**111**	102	9
Income Before Income Taxes	**234**	295	(61)
Income Tax Expense	**30**	43	(13)
Net Income	**$ 204**	$ 252	$ (48)

The fo ow ng tab e shows the percent changes n GWh sa es of e ectr c ty, MCF of natura gas de vered and average number of e ectr c and natura gas customers for Duke Energy Oh o. The be ow percentages for reta customer c asses represent b ed sa es on y. Tota sa es nc udes b ed and unb ed reta sa es and who esa e sa es to ncorporated mun c pa t es, pub c and pr vate ut t es and power marketers. Amounts are not weather norma zed.

Increase (Decrease) over prior year	Electric 2021	Natural Gas 2021
Res dent a sa es	**2.7 %**	**%**
Genera serv ce sa es	**3.0 %**	**4.8 %**
Industr a sa es	**4.0 %**	**3.2 %**
Who esa e e ectr c power sa es	**45.8 %**	**n/a**
Other natura gas sa es	**n/a**	**1.6 %**
Tota sa es	**2.7 %**	**1.9 %**
Average number of customers	**0.6 %**	**0.8 %**

Year Ended December 31, 2021, as compared to 2020

Operating Revenues. The var ance was dr ven pr mar y by:

- an $88 m on ncrease n fue re ated revenues pr mar y due to h gher natura gas pr ces and ncreased vo umes;
- a $35 m on ncrease n revenues re ated to OVEC co ect ons and OVEC sa es nto PJM;
- a $22 m on ncrease due to revenues re ated the Oh o CEP;
- an $18 m on ncrease n PJM transm ss on revenues as a resu t of ncreased cap ta spend;
- a $12 m on ncrease n reta pr c ng pr mar y due to the Duke Energy Kentucky e ectr c genera rate case; and
- a $5 m on ncrease n revenues due to favorab e weather.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $133 m on ncrease n fue expense pr mar y dr ven by h gher reta pr ces and ncreased vo umes for natura gas and purchased power;
- a $31 m on ncrease n property and other taxes pr mar y due to ncreased p ant n serv ce, and h gher k owatt and natura gas d str but on taxes due to ncreased usage;

- a $28 m on ncrease n deprec at on and amort zat on pr mar y dr ven by an ncrease n d str but on p ant n serv ce and decreased Oh o CEP deferra s; and
- a $25 m on ncrease n mpa rment of assets and other charges re ated to the propane caverns n Oh o and Kentucky and other charges to opt m ze the company's rea estate portfo o and reduce off ce space as parts of the bus ness move to a hybr d and remote workforce strategy.

Income Tax Expense. The decrease n tax expense was pr mar y due to a decrease n pretax ncome.

DUKE ENERGY INDIANA

Results of Operations

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**Variance**
Operating Revenues	**$ 3,174**	$ 2,795	$ 379
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**985**	767	218
Operat on, ma ntenance and other	**750**	762	(12)
Deprec at on and amort zat on	**615**	569	46
Property and other taxes	**73**	81	(8)
Impa rment of assets and other charges	**9**		9
Tota operat ng expenses	**2,432**	2,179	253
Operating Income	**742**	616	126
Other Income and Expenses, net	**42**	37	5
Interest Expense	**196**	161	35
Income Before Income Taxes	**588**	492	96
Income Tax Expense	**107**	84	23
Net Income	**$ 481**	$ 408	$ 73

The fo ow ng tab e shows the percent changes n GWh sa es and average number of customers for Duke Energy Ind ana. The be ow percentages for reta customer c asses represent b ed sa es on y. Tota sa es nc udes b ed and unb ed reta sa es and who esa e sa es to ncorporated mun c pa t es, pub c and pr vate ut t es and power marketers. Amounts are not weather norma zed.

Increase (Decrease) over prior year	**2021**
Res dent a sa es	**3.0 %**
Genera serv ce sa es	**4.3 %**
Industr a sa es	**2.9 %**
Who esa e power sa es	**5.8 %**
Tota sa es	**2.8 %**
Average number of customers	**1.1 %**

Year Ended December 31, 2021, as compared to 2020

Operating Revenues. The var ance was dr ven pr mar y by:

- a $175 m on ncrease n fue revenues pr mar y due to h gher fue cost recovery dr ven by customer demand and fue pr ces;
- a $134 m on ncrease pr mar y due to h gher base rate pr c ng from the Ind ana reta rate case, net of ower r der revenues;
- a $34 m on ncrease n who esa e revenues pr mar y re ated to h gher rates n the current year;
- a $22 m on ncrease n weather norma reta sa es vo umes dr ven by h gher nonres dent a customer demand; and
- a $14 m on ncrease n reta sa es due to favorab e weather n the current year.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $218 m on ncrease n fue used n e ectr c generat on and purchased power expense pr mar y due to h gher natura gas pr ces and ncreased purchased power;
- a $46 m on ncrease n deprec at on and amort zat on pr mar y due to a change n deprec at on rates from the Ind ana reta rate case, amort zat on of deferred coa ash pond ARO and add t ona p ant n serv ce; and
- a $9 m on ncrease n mpa rment of assets and other charges to opt m ze the company's rea estate portfo o and reduce off ce space as parts of the bus ness move to a hybr d workforce strategy.

Part a y offset by:

- a $12 m on decrease n operat on, ma ntenance and other pr mar y due to major outage costs ncurred n the pr or year and outage de ays n the current year; and
- an $8 m on decrease n property and other taxes attr butab e to property tax true ups for pr or per ods, ut ty rece pts tax refunds and ower payro tax due to the CARES Act emp oyee retent on cred ts.

Interest Expense. The var ance s pr mar y dr ven by ower post n serv ce carry ng costs and h gher debt returns n the pr or year on ash bas n c osure costs resu t ng from the Ind ana reta rate case.

Income Tax Expense. The ncrease n tax expense was pr mar y due to an ncrease n pretax ncome.

PIEDMONT

Results of Operations

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**Variance**
Operating Revenues	**$ 1,569**	$ 1,297	$ 272
Operating Expenses			
Cost of natura gas	**569**	386	183
Operat on, ma ntenance and other	**327**	322	5
Deprec at on and amort zat on	**213**	180	33
Property and other taxes	**55**	53	2
Impa rment of assets and other charges	**10**	7	3
Tota operat ng expenses	**1,174**	948	226
Operating Income	**395**	349	46
Equ ty n earn ngs of unconso dated aff ates	**9**	9	
Other ncome and expenses, net	**55**	51	4
Tota other ncome and expenses	**64**	60	4
Interest Expense	**119**	118	1
Income Before Income Taxes	**340**	291	49
Income Tax Expense	**30**	18	12
Net Income	**$ 310**	$ 273	$ 37

The fo ow ng tab e shows the percent changes n Dth de vered and average number of customers. The percentages for a throughput de ver es represent b ed and unb ed sa es. Amounts are not weather norma zed.

Increase (Decrease) over prior year	**2021**
Res dent a de ver es	7.0 %
Commerc a de ver es	6.9 %
Industr a de ver es	4.1 %
Power generat on de ver es	14.0 %
For resa e	13.2 %
Tota throughput de ver es	10.8 %
Secondary market vo umes	37.2 %
Average number of customers	1.9 %

The marg n decoup ng mechan sm adjusts for var at ons n res dent a and commerc a use per customer, nc ud ng those due to weather and conservat on. The weather norma zat on adjustment mechan sms most y offset the mpact of weather on b s rendered, but do not ensure fu recovery of approved marg n dur ng per ods when w nter weather s s gn f cant y warmer or co der than norma .

Year Ended December 31, 2021, as compared to 2020

Operating Revenues. The var ance was dr ven pr mar y by:

- a $183 m on ncrease due to h gher natura gas costs passed through to customers, h gher vo umes, and ncreased off system sa es natura gas costs;
- a $52 m on ncrease due to base rate ncreases;
- a $12 m on ncrease due to customer growth; and
- an $11 m on ncrease due to North Caro na IMR.

Operating Expenses. The var ance was dr ven pr mar y by:

- a $183 m on ncrease due to h gher natura gas costs passed through to customers, h gher vo umes, and ncreased off system sa es natura gas costs; and
- a $33 m on ncrease n deprec at on expense due to add t ona p ant n serv ce and deprec at on adjustments.

Income Tax Expense. The ncrease n tax expense was pr mar y due to an ncrease n pretax ncome.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Preparat on of f nanc a statements requ res the app cat on of account ng po c es, judgments, assumpt ons and est mates that can s gn f cant y affect the reported resu ts of operat ons, cash f ows or the amounts of assets and ab t es recogn zed n the f nanc a statements. Judgments made nc ude the ke hood of success of part cu ar projects, poss b e ega and regu atory cha enges, earn ngs assumpt ons on pens on and other benef t fund nvestments and ant c pated recovery of costs, espec a y through regu ated operat ons.

Management d scusses these po c es, est mates and assumpt ons w th sen or members of management on a regu ar bas s and prov des per od c updates on management dec s ons to the Aud t Comm ttee. Management be eves the areas descr bed be ow requ re s gn f cant judgment n the app cat on of account ng po cy or n mak ng est mates and assumpt ons that are nherent y uncerta n and that may change n subsequent per ods.

For further nformat on, see Note 1 to the Conso dated F nanc a Statements, "Summary of S gn f cant Account ng Po c es."

Regulated Operations Accounting

Substant a y a of Duke Energy's regu ated operat ons meet the cr ter a for app cat on of regu ated operat ons account ng treatment. As a resu t, Duke Energy s requ red to record assets and ab t es that wou d not be recorded for nonregu ated ent t es. Regu atory assets genera y represent ncurred costs that have been deferred because such costs are probab e of future recovery n customer rates. Regu atory ab t es are recorded when t s probab e that a regu ator w requ re Duke Energy to make refunds to customers or reduce rates to customers for prev ous co ect ons or deferred revenue for costs that have yet to be ncurred.

Management cont nua y assesses whether recorded regu atory assets are probab e of future recovery by cons der ng factors such as:

- app cab e regu atory env ronment changes;
- h stor ca regu atory treatment for s m ar costs n Duke Energy's jur sd ct ons;
- t gat on of rate orders;
- recent rate orders to other regu ated ent t es;
- eve s of actua return on equ ty compared to approved rates of return on equ ty; and
- the status of any pend ng or potent a deregu at on eg s at on.

If future recovery of costs ceases to be probab e, asset wr te offs wou d be recogn zed n operat ng ncome. Add t ona y, regu atory agenc es can prov de f ex b ty n the manner and t m ng of the deprec at on of property, p ant and equ pment, recogn t on of asset ret rement costs and amort zat on of regu atory assets, or may d sa ow recovery of a or a port on of certa n assets.

As requ red by regu ated operat ons account ng ru es, s gn f cant judgment can be requ red to determ ne f an otherw se recogn zab e ncurred cost qua f es to be deferred for future recovery as a regu atory asset. S gn f cant judgment can a so be requ red to determ ne f revenues prev ous y recogn zed are for ent ty spec f c costs that are no onger expected to be ncurred or have not yet been ncurred and are therefore a regu atory ab ty.

For further nformat on, see Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters."

Goodwill Impairment Assessments

Duke Energy performed ts annua goodw mpa rment tests for a report ng un ts as of August 31, 2021. Add t ona y, Duke Energy mon tors a re evant events and c rcumstances dur ng the year to determ ne f an nter m mpa rment test s requ red. Such events and c rcumstances nc ude an adverse regu atory outcome, dec n ng f nanc a performance and deter orat on of ndustry or market cond t ons. As of August 31, 2021, a of the report ng un ts' est mated fa r va ue of equ ty substant a y exceeded the carry ng va ue of equ ty. The fa r va ues of the report ng un ts were ca cu ated us ng a we ghted comb nat on of the ncome approach, wh ch est mates fa r va ue based on d scounted cash f ows, and the market approach, wh ch est mates fa r va ue based on market comparab es w th n the ut ty and energy ndustr es.

Est mated future cash f ows under the ncome approach are based on Duke Energy's nterna bus ness p an. S gn f cant assumpt ons used are growth rates, future rates of return expected to resu t from ongo ng rate regu at on and d scount rates. Management determ nes the appropr ate d scount rate for each of ts report ng un ts based on the WACC for each nd v dua report ng un t. The WACC takes nto account both the after tax cost of debt and cost of equ ty. A major component of the cost of equ ty s the current r sk free rate on 20 year U.S. Treasury bonds. In the 2021 mpa rment tests, Duke Energy cons dered mp ed WACCs for certa n peer compan es n determ n ng the appropr ate WACC rates to use n ts ana ys s. As each report ng un t has a d fferent r sk prof e based on the nature of ts operat ons, nc ud ng factors such as regu at on, the WACC for each report ng un t may d ffer. Accord ng y, the WACCs were adjusted, as appropr ate, to account for company spec f c r sk prem ums. The d scount rates used for ca cu at ng the fa r va ues as of August 31, 2021, for each of Duke Energy's report ng un ts ranged from 5.4% to 5.8%. The under y ng assumpt ons and est mates are made as of a po nt n t me. Subsequent changes, part cu ar y changes n the d scount rates, author zed regu ated rates of return or growth rates nherent n management's est mates of future cash f ows, cou d resu t n future mpa rment charges.

One of the most s gn f cant assumpt ons ut zed n determ n ng the fa r va ue of report ng un ts under the market approach s mp ed market mu t p es for certa n peer compan es. Management se ects comparab e peers based on each peer's pr mary bus ness m x, operat ons, and market cap ta zat on compared to the app cab e report ng un t and ca cu ates mp ed market mu t p es based on ava ab e projected earn ngs gu dance and peer company market va ues as of August 31. The mp ed market mu t p es used for ca cu at ng the fa r va ues as of August 31, 2021, for each of Duke Energy's report ng un ts ranged from 9.7 to 12.7.

Duke Energy pr mar y operates n env ronments that are rate regu ated. In such env ronments, revenue requ rements are adjusted per od ca y by regu ators based on factors nc ud ng eve s of costs, sa es vo umes and costs of cap ta . Accord ng y, Duke Energy's regu ated ut t es operate to some degree w th a buffer from the d rect effects, pos t ve or negat ve, of s gn f cant sw ngs n market or econom c cond t ons. However, s gn f cant changes n d scount rates or mp ed market mu t p es over a pro onged per od may have a mater a mpact on the fa r va ue of equ ty.

Duke Energy has approx mate y $19.3 b on n Goodw at both December 31, 2021, and 2020. For further nformat on, see Note 11 to the Conso dated F nanc a Statements, "Goodw and Intang b e Assets."

Asset Retirement Obligations

AROs are recogn zed for ega ob gat ons assoc ated w th the ret rement of property, p ant and equ pment at the present va ue of the projected ab ty n the per od n wh ch t s ncurred, f a reasonab e est mate of fa r va ue can be made. Duke Energy has approx mate y $12.8 b on and $13 b on of AROs as of December 31, 2021, and 2020, respect ve y. See Note 9, "Asset Ret rement Ob gat ons," for further deta s nc ud ng a ro forward of re ated ab t es.

The present va ue of the n t a ob gat on and subsequent updates are based on d scounted cash f ows, wh ch nc ude est mates regard ng the amount and t m ng of future cash f ows, regu atory, ega , and eg s at ve dec s ons, se ect on of d scount rates and cost esca at on rates, among other factors. These est mates are subject to change.

Ob gat ons for nuc ear decomm ss on ng are based on s te spec f c cost stud es. Duke Energy Caro nas and Duke Energy Progress assume prompt d smant ement of the nuc ear fac t es after operat ons are ceased. Dur ng 2020, Duke Energy F or da, c osed an agreement for the acce erated decomm ss on ng of the Crysta R ver Un t 3 nuc ear power stat on after rece v ng approva from the NRC and FPSC. The ret rement ob gat ons for the decomm ss on ng of Crysta R ver Un t 3 nuc ear power stat on are measured based on acce erated decomm ss on ng from 2020 cont nu ng through 2027. Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da a so assume that spent fue w be stored on s te unt such t me that t can be transferred to a yet to be bu t DOE fac ty.

Ob gat ons for c osure of ash bas ns are based upon d scounted cash f ows of est mated costs for s te spec f c p ans. Certa n ash bas ns have had probab ty we ght ngs app ed to them based on d fferent potent a c osure methods and the probab t es surround ng pend ng ega changes.

For further nformat on, see Notes 3, 4 and 9 to the Conso dated F nanc a Statements, "Regu atory Matters," "Comm tments and Cont ngenc es" and "Asset Ret rement Ob gat ons."

Long-Lived Asset Impairment Assessments, Excluding Regulated Operations

Duke Energy eva uates property, p ant and equ pment for mpa rment when events or changes n c rcumstances (such as a s gn f cant change n cash f ow project ons or the determ nat on that t s more ke y than not that an asset or asset group w be so d) nd cate the carry ng va ue of such assets may not be recoverab e. The determ nat on of whether an mpa rment has occurred s based on an est mate of und scounted future cash f ows attr butab e to the assets, as compared w th the r carry ng va ue.

Perform ng an mpa rment eva uat on nvo ves a s gn f cant degree of est mat on and judgment n areas such as dent fy ng c rcumstances that nd cate an mpa rment may ex st, dent fy ng and group ng affected assets and deve op ng the und scounted future cash f ows. If an mpa rment has occurred, the amount of the mpa rment recogn zed s determ ned by est mat ng the fa r va ue and record ng a oss f the carry ng va ue s greater than the fa r va ue. Add t ona y, determ n ng fa r va ue requ res probab ty we ght ng future cash f ows to ref ect expectat ons about poss b e var at ons n the r amounts or t m ng and the se ect on of an appropr ate d scount rate. A though cash f ow est mates are based on re evant nformat on ava ab e at the t me the est mates are made, est mates of future cash f ows are, by nature, h gh y uncerta n and may vary s gn f cant y from actua resu ts. When determ n ng whether an asset or asset group has been mpa red, management groups assets at the owest eve that has d screte cash f ows.

Dur ng 2021, Duke Energy eva uated recoverab ty of certa n renewab e merchant p ants due to chang ng market pr c ng and dec n ng ong term forecasted energy pr ces, pr mar y dr ven by ower ong term forecasted natura gas pr ces, cap ta cost of new renewab es and ncreased renewab e penetrat on. It was determ ned the assets were a recoverab e as the carry ng va ue of the assets approx mated or were ess than the aggregate est mated future cash f ows. Duke Energy has approx mate y $200 m on and $210 m on n Property, p ant and equ pment re ated to these assets as of December 31, 2021, and 2020, respect ve y.

Workp ace and workforce rea gnment has been a focus for the company and costs have been ncurred attr butab e to bus ness transformat on, nc ud ng ong term rea estate strategy changes and workforce rea gnment. For further nformat on, see Notes 2 and 10 to the Conso dated F nanc a Statements, "Bus ness Segments" and "Property, P ant and Equ pment."

Pension and Other Post-Retirement Benefits

The ca cu at on of pens on expense, other post ret rement benef t expense and net pens on and other post ret rement assets or ab t es requ re the use of assumpt ons and e ect on of perm ss b e account ng a ternat ves. Changes n assumpt ons can resu t n d fferent expense and reported asset or ab ty amounts and future actua exper ence can d ffer from the assumpt ons. Duke Energy be eves the most cr t ca assumpt ons for pens on and other post ret rement benef ts are the expected ong term rate of return on p an assets and the assumed d scount rate app ed to future projected benef t payments.

Duke Energy e ects to amort ze net actuar a ga n or oss amounts that are n excess of 10% of the greater of the market re ated va ue of p an assets or the p an's projected benef t ob gat on, nto net pens on or other post ret rement benef t expense over the average rema n ng serv ce per od of act ve part c pants expected to benef t under the p an. If a or a most a of a p an's part c pants are nact ve, the average rema n ng fe expectancy of the nact ve part c pants s used nstead of average rema n ng serv ce per od. Pr or serv ce cost or cred t, wh ch represents an ncrease or decrease n a p an's pens on benef t ob gat on resu t ng from p an amendment, s amort zed on a stra ght ne bas s over the average expected rema n ng serv ce per od of act ve part c pants expected to benef t under the p an. If a or a most a of a p an's part c pants are nact ve, the average rema n ng fe expectancy of the nact ve part c pants s used nstead of average rema n ng serv ce per od.

As of December 31, 2021, Duke Energy assumes pens on and other post ret rement p an assets w generate a ong term rate of return of 6.50%. The expected ong term rate of return was deve oped us ng a we ghted average ca cu at on of expected returns based pr mar y on future expected returns across asset c asses cons der ng the use of act ve asset managers, where app cab e. The asset a ocat on targets were set after cons der ng the nvestment object ve and the r sk prof e. Equ ty secur t es are he d for the r h gher expected returns. Debt secur t es are pr mar y he d to hedge the qua f ed pens on ab ty. Rea assets, return seek ng f xed ncome, hedge funds and other g oba secur t es are he d for d vers f cat on. Investments w th n asset c asses are d vers f ed to ach eve broad market part c pat on and reduce the mpact of nd v dua managers on nvestments.

Duke Energy d scounted ts future U.S. pens on and other post ret rement ob gat ons us ng a rate of 2.90% as of December 31, 2021. D scount rates used to measure benef t p an ob gat ons for f nanc a report ng purposes ref ect rates at wh ch pens on benef ts cou d be effect ve y sett ed. As of December 31, 2021, Duke Energy determ ned ts d scount rate for U.S. pens on and other post ret rement ob gat ons us ng a bond se ect on sett ement portfo o approach. Th s approach deve ops a d scount rate by se ect ng a portfo o of h gh qua ty corporate bonds that generate suff c ent cash f ow to prov de for projected benef t payments of the p an. The se ected bond portfo o s der ved from a un verse of non ca ab e corporate bonds rated Aa qua ty or h gher. After the bond portfo o s se ected, a s ng e nterest rate s determ ned that equates the present va ue of the p an’s projected benef t payments d scounted at th s rate w th the market va ue of the bonds se ected.

Future changes n p an asset returns, assumed d scount rates and var ous other factors re ated to the part c pants n Duke Energy’s pens on and post ret rement p ans w mpact future pens on expense and ab t es. Duke Energy cannot pred ct w th certa nty what these factors w be n the future. The fo ow ng tab e presents the approx mate effect on Duke Energy’s 2022 pretax pens on expense, pretax other post ret rement expense, pens on ob gat on and other post ret rement benef t ob gat on f a 0.25% change n rates were to occur.

	Qualified and Non-Qualified Pension Plans		Other Post-Retirement Plans	
(in millions)	**0.25 %**	**(0.25)%**	**0.25 %**	**(0.25)%**
Effect on 2022 pretax pens on and other post ret rement expense:				
Expected ong term rate of return	$ (21)	$ 21	$	$
D scount rate	(6)	6	1	(1)
Effect on pens on and other post ret rement benef t ob gat on at December 31, 2022:				
D scount rate	(189)	193	(11)	12

For further nformat on, see Note 22 to the Conso dated F nanc a Statements, “Emp oyee Benef t P ans.”

LIQUIDITY AND CAPITAL RESOURCES

Sources and Uses of Cash

Duke Energy re es pr mar y upon cash f ows from operat ons, debt and equ ty ssuances and ts ex st ng cash and cash equ va ents to fund ts qu d ty and cap ta requ rements. Duke Energy’s cap ta requ rements ar se pr mar y from cap ta and nvestment expend tures, repay ng ong term debt and pay ng d v dends to shareho ders. Add t ona y, due to ts ex st ng tax attr butes, Duke Energy does not expect to be a s gn f cant federa cash taxpayer unt around 2030.

Capital Expenditures

Duke Energy cont nues to focus on reduc ng r sk and pos t on ng ts bus ness for future success and w nvest pr nc pa y n ts strongest bus ness sectors. Duke Energy's projected cap ta and nvestment expend tures, nc ud ng AFUDC debt and cap ta zed nterest, for the next three f sca years are nc uded n the tab e be ow.

(in millions)	2022	2023	2024
New generat on	$ 14	$ 156	$ 445
Regu ated renewab es	742	1,194	1,346
Env ronmenta	780	580	461
Nuc ear fue	453	366	385
Major nuc ear	252	186	48
Customer add t ons	596	591	605
Gr d modern zat on and other transm ss on and d str but on projects	4,154	4,377	4,526
Ma ntenance and other	2,959	3,050	2,609
Tota E ectr c Ut t es and Infrastructure	9,950	10,500	10,425
Gas Ut t es and Infrastructure	1,350	1,375	1,150
Commerc a Renewab es and Other	1,050	1,100	650
Tota projected cap ta and nvestment expend tures	$ 12,350	$ 12,975	$ 12,225

Debt

Long term debt matur t es and the nterest payab e on ong term debt each represent a s gn f cant cash requ rement for the Duke Energy Reg strants. See Note 6 to the Conso dated F nanc a Statements, "Debt and Cred t Fac t es," for nformat on regard ng the Duke Energy Reg strants' ong term debt at December 31, 2021, the we ghted average nterest rate app cab e to each ong term debt category and a schedu e of ong term debt matur t es over the next f ve years.

Fuel and Purchased Power

Fue and purchased power nc udes f rm capac ty payments that prov de Duke Energy w th un nterrupted f rm access to e ectr c ty transm ss on capac ty and natura gas transportat on contracts, as we as undes gnated contracts and contracts that qua fy as NPNS. Duke Energy's contractua cash ob gat ons for fue and purchased power as of December 31, 2021, are as fo ows:

	Payments Due by Period				
(in millions)	Total	Less than 1 year (2022)	2-3 years (2023 & 2024)	4-5 years (2025 & 2026)	More than 5 years (2027 & beyond)
Fue and purchased power	$ 19,976	$ 4,594	$ 6,071	$ 3,618	$ 5,693

Other Purchase Obligations

Other purchase ob gat ons nc udes contracts for software, te ephone, data and consu t ng or adv sory serv ces, contractua ob gat ons for EPC costs for new generat on p ants, w nd and so ar fac t es, p ant refurb shments, ma ntenance and day to day contract work and comm tments to buy certa n products. Amount exc udes certa n open purchase orders for serv ces that are prov ded on demand or wh ch the t m ng of the purchase cannot be determ ned. Tota cash comm tments for re ated other purchase ob gat on expend tures are $7,941 m on, w th $7,526 m on expected to be pa d n the next 12 months.

See Note 5 to the Conso dated F nanc a Statements, "Leases" for a schedu e of both f nance ease and operat ng ease payments over the next f ve years. See Note 9 to the Conso dated F nanc a Statements, "Asset Ret rement Ob gat ons" for nformat on on nuc ear decomm ss on ng trust fund ng ob gat ons and the c osure of ash mpoundments.

Duke Energy performs ongo ng assessments of ts respect ve guarantee ob gat ons to determ ne whether any ab t es have been ncurred as a resu t of potent a ncreased nonperformance r sk by th rd part es for wh ch Duke Energy has ssued guarantees. See Note 7 to the Conso dated F nanc a Statements, "Guarantees and Indemn f cat ons," for further deta s of the guarantee arrangements. Issuance of these guarantee arrangements s not requ red for the major ty of Duke Energy's operat ons. Thus, f Duke Energy d scont nued ssu ng these guarantees, there wou d not be a mater a mpact to the conso dated resu ts of operat ons, cash f ows or f nanc a pos t on. Other than the guarantee arrangements d scussed n Note 7 and off ba ance sheet debt re ated to non conso dated VIEs, Duke Energy does not have any mater a off ba ance sheet f nanc ng ent t es or structures. For add t ona nformat on, see Note 17 to the Conso dated F nanc a Statements, "Var ab e Interest Ent t es."

Cash and Liquidity

The Subs d ary Reg strants genera y ma nta n m n ma cash ba ances and use short term borrow ngs to meet the r work ng cap ta needs and other cash requ rements. The Subs d ary Reg strants, exc ud ng Progress Energy, support the r short term borrow ng needs through part c pat on w th Duke Energy and certa n of ts other subs d ar es n a money poo arrangement. The compan es w th short term funds may prov de short term oans to aff ates part c pat ng under th s arrangement. See Note 6 to the Conso dated F nanc a Statements, "Debt and Cred t Fac t es," for add t ona d scuss on of the money poo arrangement.

Duke Energy and the Subs d ary Reg strants, exc ud ng Progress Energy, may a so use short term debt, nc ud ng commerc a paper and the money poo , as a br dge to ong term debt f nanc ngs. The eve s of borrow ng may vary s gn f cant y over the course of the year due to the t m ng of ong term debt f nanc ngs and the mpact of f uctuat ons n cash f ows from operat ons. From t me to t me, Duke Energy's current ab t es exceed current assets resu t ng from the use of short term debt as a fund ng source to meet schedu ed matur t es of ong term debt, as we as cash needs, wh ch can f uctuate due to the seasona ty of ts bus nesses.

As of December 31, 2021, Duke Energy had approx mate y $343 m on of cash on hand, $5.0 b on ava ab e under ts $8 b on Master Cred t Fac ty and $500 m on ava ab e under the $1 b on Three Year Revo v ng Cred t Fac ty. Duke Energy expects to have suff c ent qu d ty n the form of cash on hand, cash from operat ons and ava ab e cred t capac ty to support ts fund ng needs. Add t ona y, by January 2023, Duke Energy s expect ng another $1,025 m on from GIC for the second c os ng of the nvestment n Duke Energy Ind ana. Proceeds from the m nor ty nterest nvestment are expected to part a y fund Duke Energy's $63 b on cap ta and nvestment expend ture p an. Refer to Notes 6 and 19 to the Conso dated F nanc a Statements, "Debt and Cred t Fac t es" and "Stockho ders' Equ ty," respect ve y, for nformat on regard ng Duke Energy's debt and equ ty ssuances, debt matur t es and ava ab e cred t fac t es nc ud ng the Master Cred t Fac ty.

Credit Facilities and Registration Statements

See Note 6 to the Conso dated F nanc a Statements, "Debt and Cred t Fac t es," for further nformat on regard ng cred t fac t es and she f reg strat on statements ava ab e to Duke Energy and the Duke Energy Reg strants.

Dividend Payments

In 2021, Duke Energy pa d quarter y cash d v dends for the 95th consecut ve year and expects to cont nue ts po cy of pay ng regu ar cash d v dends n the future. There s no assurance as to the amount of future d v dends because they depend on future earn ngs, cap ta requ rements, f nanc a cond t on and are subject to the d scret on of the Board of D rectors.

Duke Energy targets a d v dend payout rat o of between 65% and 75%, based upon adjusted EPS. Duke Energy ncreased the d v dend by approx mate y 2% annua y n both 2021 and 2020, and the company rema ns comm tted to cont nued growth of the d v dend.

Dividend and Other Funding Restrictions of Duke Energy Subsidiaries

As d scussed n Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters," Duke Energy's who y owned pub c ut ty operat ng compan es have restr ct ons on the amount of funds that can be transferred to Duke Energy through d v dends, advances or oans as a resu t of cond t ons mposed by var ous regu ators n conjunct on w th merger transact ons. Duke Energy Progress and Duke Energy F or da a so have restr ct ons mposed by the r f rst mortgage bond ndentures and Art c es of Incorporat on, wh ch n certa n c rcumstances, m t the r ab ty to make cash d v dends or d str but ons on common stock. Add t ona y, certa n other Duke Energy subs d ar es have other restr ct ons, such as m n mum work ng cap ta and tang b e net worth requ rements pursuant to debt and other agreements that m t the amount of funds that can be transferred to Duke Energy. At December 31, 2021, the amount of restr cted net assets of who y owned subs d ar es of Duke Energy that may not be d str buted to Duke Energy n the form of a oan or d v dend does not exceed a mater a amount of Duke Energy's net assets. Duke Energy does not have any ega or other restr ct ons on pay ng common stock d v dends to shareho ders out of ts conso dated equ ty accounts. A though these restr ct ons cap the amount of fund ng the var ous operat ng subs d ar es can prov de to Duke Energy, management does not be eve these restr ct ons w have a s gn f cant mpact on Duke Energy's ab ty to access cash to meet ts payment of d v dends on common stock and other future fund ng ob gat ons.

Cash Flows From Operating Activities

Cash f ows from operat ons of E ectr c Ut t es and Infrastructure and Gas Ut t es and Infrastructure are pr mar y dr ven by sa es of e ectr c ty and natura gas, respect ve y, and costs of operat ons. These cash f ows from operat ons are re at ve y stab e and compr se a substant a port on of Duke Energy's operat ng cash f ows. Weather cond t ons, work ng cap ta and commod ty pr ce f uctuat ons and unant c pated expenses nc ud ng unp anned p ant outages, storms, ega costs and re ated sett ements can affect the t m ng and eve of cash f ows from operat ons.

As part of Duke Energy's cont nued effort to mprove ts cash f ows from operat ons and qu d ty, Duke Energy works w th vendors to mprove terms and cond t ons, nc ud ng the extens on of payment terms. To support th s effort, Duke Energy estab shed a supp y cha n f nance program (the "program") n 2020, under wh ch supp ers, at the r so e d scret on, may se the r rece vab es from Duke Energy to the part c pat ng f nanc a nst tut on. The f nanc a nst tut on adm n sters the program. Duke Energy does not ssue any guarantees w th respect to the program and does not part c pate n negot at ons between supp ers and the f nanc a nst tut on. Duke Energy does not have an econom c nterest n the supp er's dec s on to part c pate n the program and rece ves no nterest, fees or other benef t from the f nanc a nst tut on based on supp er part c pat on n the program. Supp ers' dec s ons on wh ch nvo ces are so d do not mpact Duke Energy's payment terms, wh ch are based on commerc a terms negot ated between Duke Energy and the supp er regard ess of program part c pat on. A s gn f cant deter orat on n the cred t qua ty of Duke Energy, econom c downturn or changes n the f nanc a markets cou d m t the f nanc a nst tut ons w ngness to part c pate n the program. Duke Energy does not be eve such r sk wou d have a mater a mpact on our cash f ows from operat ons or qu d ty, as substant a y a our payments are made outs de the program.

Duke Energy be eves t has suff c ent qu d ty resources through the commerc a paper markets, and u t mate y, the Master Cred t Fac ty, to support these operat ons. Cash f ows from operat ons are subject to a number of other factors, nc ud ng, but not m ted to, regu atory constra nts, econom c trends and market vo at ty (see Item 1A, "R sk Factors," for add t ona nformat on).

Debt Issuances

Depend ng on ava ab ty based on the ssu ng ent ty, the cred t rat ng of the ssu ng ent ty, and market cond t ons, the Subs d ary Reg strants prefer to ssue f rst mortgage bonds and secured debt, fo owed by unsecured debt. Th s preference s the resu t of genera y h gher cred t rat ngs for f rst mortgage bonds and secured debt, wh ch typ ca y resu t n ower nterest costs. Duke Energy Corporat on pr mar y ssues unsecured debt.

In 2022, Duke Energy ant c pates ssu ng add t ona secur t es of $9.5 b on through debt cap ta marke s. In certa n nstances Duke Energy may ut ze nstruments other than sen or notes, nc ud ng equ ty content secur t es such as subord nated debt or preferred stock. Proceeds w pr mar y be for the purpose of fund ng cap ta expend tures and debt matur t es. See to Note 6 to the Conso dated F nanc a Statements, "Debt and Cred t Fac t es," for further nformat on regard ng s gn f cant debt ssuances n 2021.

Duke Energy's cap ta zat on s ba anced between debt and equ ty as shown n the tab e be ow.

	Projected 2022	Actual 2021	Actual 2020
Equ ty	42 %	**43 %**	44 %
Debt	58 %	**57 %**	56 %

Restrictive Debt Covenants

Duke Energy's debt and cred t agreements conta n var ous f nanc a and other covenants. Duke Energy's Master Cred t Fac ty conta ns a covenant requ r ng the debt to tota cap ta zat on rat o to not exceed 65% for each borrower, exc ud ng P edmont, and 70% for P edmont. Fa ure to meet those covenants beyond app cab e grace per ods cou d resu t n acce erated due dates and/or term nat on of the agreements or sub m ts thereto. As of December 31, 2021, each of the Duke Energy Reg strants was n comp ance w th a covenants re ated to the r debt agreements. In add t on, some cred t agreements may a ow for acce erat on of payments or term nat on of the agreements due to nonpayment, or acce erat on of other s gn f cant ndebtedness of the borrower or some of ts subs d ar es. None of the debt or cred t agreements conta n mater a adverse change c auses.

Credit Ratings

Moody's Investors Serv ce, Inc. and S&P prov de cred t rat ngs for var ous Duke Energy Reg strants. The fo ow ng tab e nc udes Duke Energy and certa n subs d ar es' cred t rat ngs and rat ngs out ook as of February 2022.

	Moody's	S&P
Duke Energy Corporation	Stab e	Stab e
Issuer Cred t Rat ng	Baa2	BBB+
Sen or Unsecured Debt	Baa2	BBB
Jun or Subord nated Debt/Preferred Stock	Baa3/Ba1	BBB
Commerc a Paper	P 2	A 2
Duke Energy Carolinas	Stab e	Stab e
Sen or Secured Debt	Aa3	A
Sen or Unsecured Debt	A2	BBB+
Progress Energy	Stab e	Stab e
Sen or Unsecured Debt	Baa1	BBB
Duke Energy Progress	Stab e	Stab e
Sen or Secured Debt	Aa3	A
Duke Energy Florida	Stab e	Stab e
Sen or Secured Debt	A1	A
Sen or Unsecured Debt	A3	BBB+
Duke Energy Ohio	Stab e	Stab e
Sen or Secured Debt	A2	A
Sen or Unsecured Debt	Baa1	BBB+
Duke Energy Indiana	Stab e	Stab e
Sen or Secured Debt	Aa3	A
Sen or Unsecured Debt	A2	BBB+
Duke Energy Kentucky	Stab e	Stab e
Sen or Unsecured Debt	Baa1	BBB+
Piedmont Natural Gas	Stab e	Stab e
Sen or Unsecured	A3	BBB+

Cred t rat ngs are ntended to prov de cred t enders a framework for compar ng the cred t qua ty of secur t es and are not a recommendat on to buy, se or ho d. The Duke Energy Reg strants' cred t rat ngs are dependent on the rat ng agenc es' assessments of the r ab ty to meet the r debt pr nc pa and nterest ob gat ons when they come due. If, as a resu t of market cond t ons or other factors, the Duke Energy Reg strants are unab e to ma nta n current ba ance sheet strength, or f earn ngs and cash f ow out ook mater a y deter orates, cred t rat ngs cou d be negat ve y mpacted.

Cash Flow Information

The fo ow ng tab e summar zes Duke Energy's cash f ows for the two most recent y comp eted f sca years.

(in millions)	Years Ended December 31, 2021	2020
Cash f ows prov ded by (used n):		
Operat ng act v t es	**$ 8,290**	$ 8,856
Invest ng act v t es	**(10,935)**	(10,604)
F nanc ng act v t es	**2,609**	1,731
Net decrease n cash, cash equ va ents and restr cted cash	**(36)**	(17)
Cash, cash equ va ents and restr cted cash at beg nn ng of per od	**556**	573
Cash, cash equ va ents and restr cted cash at end of per od	**$ 520**	$ 556

OPERATING CASH FLOWS

The fo ow ng tab e summar zes key components of Duke Energy's operat ng cash f ows for the two most recent y comp eted f sca years.

(in millions)	Years Ended December 31, 2021	2020	Variance
Net ncome	**$ 3,579**	$ 1,082	$ 2,497
Non cash adjustments to net ncome	**5,941**	8,353	(2,412)
Payments for AROs	**(540)**	(610)	70
Refund of AMT cred t carryforwards		572	(572)
Work ng cap ta	**(690)**	(541)	(149)
Net cash prov ded by operat ng act v t es	**$ 8,290**	$ 8,856	$ (566)

The var ance was dr ven pr mar y by:

- a $572 m on refund of AMT cred t carryforwards n the pr or year; and
- a $149 m on ncrease n cash outf ows from work ng cap ta pr mar y due to an ncrease n under co ected fue used n generat on due to h gher pr c ng, part a y offset by coa ash nsurance t gat on proceeds, f uctuat ons n accounts payab e eve s and t m ng of property tax accrua s and payments n the current year.

Part a y offset by:

- an $85 m on ncrease n net ncome after adjustment for non cash tems pr mar y due to h gher revenues from rate cases n var ous jur sd ct ons, h gher reta sa es vo umes and the pr or year coa ash sett ement agreement f ed w th the NCUC, part a y offset by an mpa rment charge re ated to the South Caro na Supreme Court Dec s on on coa ash, h gher deprec at on, amort zat on and accret on and nterest expense; and
- a $70 m on decrease n payments for AROs.

INVESTING CASH FLOWS

The fo ow ng tab e summar zes key components of Duke Energy's nvest ng cash f ows for the two most recent y comp eted f sca years.

(in millions)	Years Ended December 31, 2021	2020	Variance
Cap ta , nvestment and acqu s t on expend tures, net of return of nvestment cap ta	**$ (9,752)**	$ (10,144)	$ 392
Debt and equ ty secur t es, net	**5**	(62)	67
D sbursements to cance ed equ ty method nvestments	**(855)**		(855)
Other nvest ng tems	**(333)**	(398)	65
Net cash used n nvest ng act v t es	**$ (10,935)**	$ (10,604)	$ (331)

The var ance re ates pr mar y to a payment made to fund ACP's outstand ng debt, part a y offset by a decrease n cap ta expend tures due to ower overa nvestments n the Commerc a Renewab es segment. The pr mary use of cash re ated to nvest ng act v t es s typ ca y cap ta , nvestment and acqu s t on expend tures, net of return of nvestment cap ta deta ed by reportab e bus ness segment n the fo ow ng tab e.

(in millions)	Years Ended December 31, 2021	2020	Variance
E ectr c Ut t es and Infrastructure	**$ 7,653**	$ 7,612	$ 41
Gas Ut t es and Infrastructure	**1,271**	1,303	(32)
Commerc a Renewab es	**543**	965	(422)
Other	**285**	264	21
Tota cap ta , nvestment and acqu s t on expend tures, net of return of nvestment cap ta	**$ 9,752**	$ 10,144	$ (392)

FINANCING CASH FLOWS

The fo ow ng tab e summar zes key components of Duke Energy's f nanc ng cash f ows for the two most recent y comp eted f sca years.

(in millions)	Years Ended December 31, 2021	2020	Variance
Issuance of common stock	**$ 5**	$ 2,745	$ (2,740)
Issuances of ong term debt, net	**3,758**	1,824	1,934
Notes payab e and commerc a paper	**479**	(319)	798
D v dends pa d	**(3,114)**	(2,812)	(302)
Contr but ons from noncontro ng nterests	**1,575**	426	1,149
Other f nanc ng tems	**(94)**	(133)	39
Net cash prov ded by f nanc ng act v t es	**$ 2,609**	$ 1,731	$ 878

The var ance was dr ven pr mar y by:

- a $1,934 m on net ncrease n proceeds from ssuances of ong term debt, pr mar y due to t m ng of ssuances and redempt ons of ong term debt;
- a $1,149 m on ncrease n contr but ons from noncontro ng nterests, pr mar y due to a $1,025 m on rece pt from GIC to make an nd rect m nor ty nterest nvestment of 11.05% n Duke Energy Ind ana; and
- a $798 m on ncrease n net borrow ngs from notes payab e and commerc a paper.

Part a y offset by:

- a $2,740 m on decrease n proceeds from the ssuance of common stock.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Risk Management Policies

The Enterpr se R sk Management po cy framework at Duke Energy nc udes strategy, operat ona , project execut on and f nanc a or transact on re ated r sks. Enterpr se R sk Management nc udes market r sk as part of the f nanc a and transact on re ated r sks n ts framework.

Duke Energy s exposed to market r sks assoc ated w th commod ty pr ces, nterest rates and equ ty pr ces. Duke Energy has estab shed comprehens ve r sk management po c es to mon tor and manage these market r sks. Duke Energy's Ch ef Execut ve Off cer and Ch ef F nanc a Off cer are respons b e for the overa approva of market r sk management po c es and the de egat on of approva and author zat on eve s. The F nance and R sk Management Comm ttee of the Board of D rectors rece ves per od c updates from the Ch ef R sk Off cer and other members of management on market r sk pos t ons, corporate exposures and overa r sk management act v t es. The Ch ef R sk Off cer s respons b e for the overa governance of manag ng commod ty pr ce r sk, nc ud ng mon tor ng exposure m ts.

The fo ow ng d sc osures about market r sk conta n forward ook ng statements that nvo ve est mates, project ons, goa s, forecasts, assumpt ons, r sks and uncerta nt es that cou d cause actua resu ts or outcomes to d ffer mater a y from those expressed n the forward ook ng statements. See Item 1A, "R sk Factors," and "Caut onary Statement Regard ng Forward Look ng Informat on" for a d scuss on of the factors that may mpact any such forward ook ng statements made here n.

Commodity Price Risk

Pr ce r sk represents the potent a r sk of oss from adverse changes n the market pr ce of e ectr c ty or other energy commod t es. Duke Energy's exposure to commod ty pr ce r sk s nf uenced by a number of factors, nc ud ng the effects of regu at on, commod ty contract s ze and ength, market qu d ty, market cond t ons, ocat on and un que or spec f c contract terms. Duke Energy s exposed to the mpact of market f uctuat ons n the pr ces of e ectr c ty, coa , natura gas and other energy re ated products marketed and purchased as a resu t of ts ownersh p of energy re ated assets.

Duke Energy's exposure to these f uctuat ons through ts regu ated ut ty operat ons s m ted s nce these operat ons are subject to cost based regu at on and are typ ca y a owed to recover substant a y a of these costs through var ous cost recovery c auses, nc ud ng fue c auses, formu a based contracts, or other cost shar ng mechan sms. Wh e there may be a de ay n t m ng between when these costs are ncurred and when they are recovered through rates, changes from year to year genera y do not have a mater a mpact on operat ng resu ts of these regu ated operat ons.

W th n Duke Energy's Commerc a Renewab es segment, the company has exposure to market pr ce f uctuat ons n pr ces of e ectr c ty or other energy re ated products as a resu t of ts ownersh p of renewab e assets, a though ts exposure to the market pr ce of power s genera y m ted by enter ng nto contracts w th th rd part es to se the product on of these assets, usua y for a term of 10 to 15 years from commerc a operat on.

Duke Energy emp oys estab shed po c es and procedures to manage r sks assoc ated w th these market f uctuat ons, wh ch may nc ude us ng var ous commod ty der vat ves, such as swaps, futures, forwards and opt ons. For add t ona nformat on, see Note 14 to the Conso dated F nanc a Statements, "Der vat ves and Hedg ng."

Generation Portfolio Risks

For the E ectr c Ut t es and Infrastructure segment, the generat on portfo o not ut zed to serve reta operat ons or comm tted oad s subject to commod ty pr ce f uctuat ons. However, the mpact on the Conso dated Statements of Operat ons s m ted due to mechan sms n these regu ated jur sd ct ons that resu t n the shar ng of most of the net prof ts from these act v t es w th reta customers.

The major ty of the energy assets n Duke Energy's Commerc a Renewab es segment operate n reg ons managed by RTOs and are therefore governed and d spatched under the ru es of the app cab e RTO. Depend ng on the structure of power sa e agreements w th th rd part es, these assets may be exposed to bas s r sk assoc ated w th d fferent ocat ona marg na pr ces based on the spec f c de very ocat ons and requ rements spec f ed n the agreements. Add t ona y, these assets may be subject to operat ona constra nts under the RTO ru es and may be exposed to market pr ce r sk.

Hedging Strategies

Duke Energy mon tors r sks assoc ated w th commod ty pr ce changes on ts future operat ons and, where appropr ate, uses var ous commod ty nstruments such as e ectr c ty, coa and natura gas hedg ng contracts and opt ons to m t gate the effect of such f uctuat ons on operat ons. Duke Energy's pr mary use of energy commod ty der vat ves s to hedge aga nst exposure to the pr ces of power, fue for generat on and natura gas for customers. Add t ona y, Duke Energy's Commerc a Renewab es bus ness may enter nto short term or ong term hedge agreements to manage pr ce r sk assoc ated w th project output to the extent such output s not under contract to th rd part es.

Duke Energy a so manages ts exposure to bas s r sk through the use of congest on hedge products n RTOs such as f nanc a transm ss on r ghts (PJM) and congest on revenue r ghts (ERCOT), wh ch resu t n payments based on d fferent a s n ocat ona marg na pr ces. The major ty of nstruments used to manage Duke Energy's commod ty pr ce exposure are e ther not des gnated as hedges or do not qua fy for hedge account ng. These nstruments are referred to as undes gnated contracts. Mark to market changes for undes gnated contracts entered nto by regu ated bus nesses are ref ected as regu atory assets or ab t es on the Conso dated Ba ance Sheets. Undes gnated contracts entered nto by nonregu ated bus nesses are marked to market each per od, w th changes n the fa r va ue of the der vat ve nstruments ref ected n earn ngs.

Duke Energy may a so enter nto other contracts that qua fy for the NPNS except on. When a contract meets the cr ter a to qua fy as NPNS, Duke Energy app es such except on. Income recogn t on and rea zat on re ated to NPNS contracts genera y co nc de w th the phys ca de very of the commod ty. For contracts qua fy ng for the NPNS except on, no recogn t on of the contract's fa r va ue n the Conso dated F nanc a Statements s requ red unt sett ement of the contract as ong as the transact on rema ns probab e of occurr ng.

Interest Rate Risk

Duke Energy s exposed to r sk resu t ng from changes n nterest rates as a resu t of ts ssuance or ant c pated ssuance of var ab e and f xed rate debt and commerc a paper. Duke Energy manages nterest rate exposure by m t ng var ab e rate exposures to a percentage of tota debt and by mon tor ng the effects of market changes n nterest rates. Duke Energy a so enters nto f nanc a der vat ve nstruments, wh ch may nc ude nstruments such as, but not m ted to, nterest rate swaps, swapt ons and U.S. Treasury ock agreements to manage and m t gate nterest rate r sk exposure. See Notes 1, 6, 14 and 16 to the Conso dated F nanc a Statements, "Summary of S gn f cant Account ng Po c es," "Debt and Cred t Fac t es," "Der vat ves and Hedg ng," and "Fa r Va ue Measurements."

Duke Energy had $7.5 b on of unhedged ong and short term f oat ng nterest rate exposure at December 31, 2021. The mpact of a 100 bas s po nt change n nterest rates on pretax ncome s approx mate y $75 m on at December 31, 2021. Th s amount was est mated by cons der ng the mpact of the hypothet ca nterest rates on var ab e rate secur t es outstand ng, adjusted for nterest rate hedges as of December 31, 2021.

Certa n Duke Energy Reg strants have var ab e rate debt and manage nterest rate r sk by enter ng nto f nanc a contracts nc ud ng nterest rate swaps. See Notes 6 and 14 to the Conso dated F nanc a Statements, "Debt and Cred t Fac t es" and "Der vat ves and Hedg ng." Such f nanc a arrangements genera y are ndexed based upon LIBOR, wh ch s expected to be fu y phased out n 2023. The Secured Overn ght F nanc ng Rate (SOFR) has been dent f ed by regu ators and ndustry part c pants as the preferred successor rate for U.S. do ar based LIBOR. Impacted f nanc a arrangements extend ng beyond the phaseout of LIBOR may requ re contractua amendment or term nat on and renegot at on to fu y adapt to a post LIBOR env ronment, and there may be uncerta nty regard ng the effect veness of any such a ternat ve ndex methodo og es. A ternat ve ndex prov s ons are be ng assessed and ncorporated nto new f nanc a arrangements that extend beyond the phaseout of LIBOR. Add t ona y, the progress of the phaseout s be ng mon tored, nc ud ng proposed trans t on re ef from the FASB.

Credit Risk

Cred t r sk represents the oss that the Duke Energy Reg strants wou d ncur f a counterparty fa s to perform under ts contractua ob gat ons. Where exposed to cred t r sk, the Duke Energy Reg strants ana yze the counterparty's f nanc a cond t on pr or to enter ng nto an agreement and mon tor exposure on an ongo ng bas s. The Duke Energy Reg strants estab sh cred t m ts where appropr ate n the context of contractua arrangements and mon tor such m ts.

To reduce cred t exposure, the Duke Energy Reg strants seek to nc ude nett ng prov s ons w th counterpart es, wh ch perm t the offset of rece vab es and payab es w th such counterpart es. The Duke Energy Reg strants a so frequent y use master agreements w th cred t support annexes to further m t gate certa n cred t exposures. The master agreements prov de for a counterparty to post cash or etters of cred t to the exposed party for exposure n excess of an estab shed thresho d. The thresho d amount represents a negot ated unsecured cred t m t for each party to the agreement, determ ned n accordance w th the Duke Energy Reg strants' nterna corporate cred t pract ces and standards. Co atera agreements genera y a so prov de that the fa ure to post co atera when requ red s suff c ent cause to term nate transact ons and qu date a pos t ons.

The Duke Energy Reg strants a so obta n cash, etters of cred t, or surety bonds from certa n counterpart es to prov de cred t support outs de of co atera agreements, where appropr ate, based on a f nanc a ana ys s of the counterparty and the regu atory or contractua terms and cond t ons app cab e to each transact on. See Note 14 to the Conso dated F nanc a Statements, "Der vat ves and Hedg ng," for add t ona nformat on regard ng cred t r sk re ated to der vat ve nstruments.

The Duke Energy Reg strants' pr nc pa counterpart es for ts e ectr c and natura gas bus nesses are RTOs, d str but on compan es, mun c pa t es, e ectr c cooperat ves and ut t es ocated throughout the U.S. Exposure to these ent t es cons sts pr mar y of amounts due to Duke Energy Reg strants for de vered e ectr c ty. Add t ona y, there may be potent a r sks assoc ated w th remarket ng of energy and capac ty n the event of defau t by who esa e power customers. The Duke Energy Reg strants have concentrat ons of rece vab es from certa n of such ent t es that may affect the Duke Energy Reg strants' cred t r sk.

The Duke Energy Reg strants are a so subject to cred t r sk from transact ons w th the r supp ers that nvo ve prepayments or m estone payments n conjunct on w th outsourc ng arrangements, major construct on projects and certa n commod ty purchases. The Duke Energy Reg strants' cred t exposure to such supp ers may take the form of ncreased costs or project de ays n the event of nonperformance. The Duke Energy Reg strants' frequent y requ re guarantees or etters of cred t from supp ers to m t gate th s cred t r sk.

Cred t r sk assoc ated w th the Duke Energy Reg strants' serv ce to res dent a , commerc a and ndustr a customers s genera y m ted to outstand ng accounts rece vab e. The Duke Energy Reg strants m t gate th s cred t r sk by requ r ng tar ff customers to prov de a cash depos t, etter of cred t or surety bond unt a sat sfactory payment h story s estab shed, subject to the ru es and regu at ons n effect n each reta jur sd ct on at wh ch t me the depos t s typ ca y refunded. Charge offs for reta customers have h stor ca y been ns gn f cant to the operat ons of the Duke Energy Reg strants and are typ ca y recovered through reta rates. Management cont nua y mon tors customer charge offs, payment patterns and the mpact of current econom c cond t ons on customers' ab ty to pay the r outstand ng ba ance to ensure the adequacy of bad debt reserves.

In response to the COVID 19 pandem c, n March 2020, the Duke Energy Reg strants announced a suspens on of d sconnect ons for nonpayment as a resu t of the nat ona emergency. Wh e d sconnect ons have resumed, the company cont nued to offer f ex b e opt ons to customers strugg ng w th the pandem c and the econom c fa out, nc ud ng extended payment arrangements to sat sfy de nquent ba ances through June 2021. S nce then, the company has resumed standard payment arrangement opt ons . The Duke Energy Reg strants are st mon tor ng the effects of the resu tant econom c s owdown on counterpart es' ab t es to perform under the r contractua ob gat ons. The Duke Energy Reg strants have observed a s gn f cant ncrease n ut ty account arrears as of December 31, 2021. There s an expectat on of an ncrease n charge offs n the future and the Duke Energy Reg strants have reserved for these osses n the a owance for doubtfu account ba ance. See Notes 3 and 18 to the Conso dated F nanc a Statements, "Regu atory Matters" and "Revenue," respect ve y, for more nformat on. Duke Energy Oh o and Duke Energy Ind ana se certa n of the r accounts rece vab e and re ated co ect ons through CRC, a Duke Energy conso dated VIE. Losses on co ect on are f rst absorbed by the equ ty of CRC and next by the subord nated reta ned nterests he d by Duke Energy Oh o, Duke Energy Kentucky and Duke Energy Ind ana. See Note 17 to the Conso dated F nanc a Statements, "Var ab e Interest Ent t es."

The Duke Energy Reg strants prov de certa n non tar ff serv ces, pr mar y to arge commerc a and ndustr a customers n wh ch ncurred costs, nc ud ng nvested cap ta , are ntended to be recovered from the nd v dua customer and therefore are not subject to rate recovery n the event of customer defau t. Customer cred tworth ness s assessed pr or to enter ng nto these transact ons. Cred t concentrat on re ated to these transact ons ex sts for certa n of these customers.

Duke Energy's Commerc a Renewab es segment enters nto ong term agreements w th certa n cred tworthy buyers that may not nc ude the r ght to ca for co atera n the event of a cred t rat ng downgrade. Cred t concentrat on ex sts to certa n counterpart es on these agreements, nc ud ng ent t es that cou d be subject to w df re ab ty. Add t ona y, Commerc a Renewab es may nvest n projects for wh ch buyers are be ow nvestment grade, a though such buyers are requ red to post negot ated amounts of cred t support. A so, power sa es agreements and/or hedges of project output are genera y for an n t a term that does not cover the ent re fe of the asset. As a resu t, Commerc a Renewab es s exposed to market pr ce r sk and cred t r sk re ated to these agreements.

Duke Energy Caro nas has th rd party nsurance to cover certa n osses re ated to asbestos re ated njur es and damages above an aggregate se f nsured retent on. See Note 4 to the Conso dated F nanc a Statements, "Comm tments and Cont ngenc es" for nformat on on asbestos re ated njur es and damages c a ms.

The Duke Energy Reg strants a so have cred t r sk exposure through ssuance of performance and f nanc a guarantees, etters of cred t and surety bonds on beha f of ess than who y owned ent t es and th rd part es. Where the Duke Energy Reg strants have ssued these guarantees, t s poss b e that they cou d be requ red to perform under these guarantee ob gat ons n the event the ob gor under the guarantee fa s to perform. Where the Duke Energy Reg strants have ssued guarantees re ated to assets or operat ons that have been d sposed of v a sa e, they attempt to secure ndemn f cat on from the buyer aga nst a future performance ob gat ons under the guarantees. See Note 7 to the Conso dated F nanc a Statements, "Guarantees and Indemn f cat ons," for further nformat on on guarantees ssued by the Duke Energy Reg strants.

Based on the Duke Energy Reg strants' po c es for manag ng cred t r sk, the r exposures and the r cred t and other reserves, the Duke Energy Reg strants do not current y ant c pate a mater a y adverse effect on the r conso dated f nanc a pos t on or resu ts of operat ons as a resu t of nonperformance by any counterparty.

Marketable Securities Price Risk

As descr bed further n Note 15 to the Conso dated F nanc a Statements, “Investments n Debt and Equ ty Secur t es,” Duke Energy nvests n debt and equ ty secur t es as part of var ous nvestment portfo os to fund certa n ob gat ons. The vast major ty of nvestments n equ ty secur t es are w th n the NDTF and assets of the var ous pens on and other post ret rement benef t p ans.

Pension Plan Assets

Duke Energy ma nta ns nvestments to fac tate fund ng the costs of prov d ng non contr butory def ned benef t ret rement and other post ret rement benef t p ans. These nvestments are exposed to pr ce f uctuat ons n equ ty markets and changes n nterest rates. The equ ty secur t es he d n these pens on p ans are d vers f ed to ach eve broad market part c pat on and reduce the mpact of any s ng e nvestment, sector or geograph c reg on. Duke Energy has estab shed asset a ocat on targets for ts pens on p an ho d ngs, wh ch take nto cons derat on the nvestment object ves and the r sk prof e w th respect to the trust n wh ch the assets are he d. See Note 22 to the Conso dated F nanc a Statements, “Emp oyee Benef t P ans,” for add t ona nformat on regard ng nvestment strategy of pens on p an assets.

A s gn f cant dec ne n the va ue of p an asset ho d ngs cou d requ re Duke Energy to ncrease fund ng of ts pens on p ans n future per ods, wh ch cou d adverse y affect cash f ows n those per ods. Add t ona y, a dec ne n the fa r va ue of p an assets, absent add t ona cash contr but ons to the p an, cou d ncrease the amount of pens on cost requ red to be recorded n future per ods, wh ch cou d adverse y affect Duke Energy’s resu ts of operat ons n those per ods.

Nuclear Decommissioning Trust Funds

As requ red by the NRC, NCUC, PSCSC and FPSC, subs d ar es of Duke Energy ma nta n trust funds to fund the costs of nuc ear decomm ss on ng. As of December 31, 2021, these funds were nvested pr mar y n domest c and nternat ona equ ty secur t es, debt secur t es, cash and cash equ va ents and short term nvestments. Per the NRC, Interna Revenue Code, NCUC, PSCSC and FPSC requ rements, these funds may be used on y for act v t es re ated to nuc ear decomm ss on ng. These nvestments are exposed to pr ce f uctuat ons n equ ty markets and changes n nterest rates. Duke Energy act ve y mon tors ts portfo os by benchmark ng the performance of ts nvestments aga nst certa n nd ces and by ma nta n ng, and per od ca y rev ew ng, target a ocat on percentages for var ous asset c asses.

Account ng for nuc ear decomm ss on ng recogn zes that costs are recovered through reta and who esa e rates; therefore, f uctuat ons n nvestment pr ces do not mater a y affect the Conso dated Statements of Operat ons, as changes n the fa r va ue of these nvestments are pr mar y deferred as regu atory assets or regu atory ab t es pursuant to Orders by the NCUC, PSCSC, FPSC and FERC. Earn ngs or osses of the funds w u t mate y mpact the amount of costs recovered through reta and who esa e rates. See Note 9 to the Conso dated F nanc a Statements, “Asset Ret rement Ob gat ons,” for add t ona nformat on regard ng nuc ear decomm ss on ng costs. See Note 15 to the Conso dated F nanc a Statements, “Investments n Debt and Equ ty Secur t es,” for add t ona nformat on regard ng NDTF assets.

OTHER MATTERS

Environmental Regulations

The Duke Energy Reg strants are subject to federa , state and oca regu at ons regard ng a r and water qua ty, hazardous and so d waste d sposa , coa ash and other env ronmenta matters. These regu at ons can be changed from t me to t me and resu t n new ob gat ons of the Duke Energy Reg strants.

The fo ow ng sect ons out ne var ous proposed and recent y enacted eg s at on and regu at ons that may mpact the Duke Energy Reg strants. Refer to Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters," for further nformat on regard ng potent a p ant ret rements and regu atory f ngs re ated to the Duke Energy Reg strants.

Coal Combustion Residuals

In Apr 2015, EPA pub shed a ru e to regu ate the d sposa of CCR from e ectr c ut t es as so d waste. The federa regu at on c ass f es CCR as nonhazardous waste and a ows for benef c a use of CCR w th some restr ct ons. The regu at on app es to a new and ex st ng andf s, new and ex st ng surface mpoundments rece v ng CCR and ex st ng surface mpoundments ocated at stat ons generat ng e ectr c ty (regard ess of fue source), wh ch were no onger rece v ng CCR but conta ned qu ds as of the effect ve date of the ru e. The ru e estab shes requ rements regard ng andf des gn, structura ntegr ty des gn and assessment cr ter a for surface mpoundments, groundwater mon tor ng, protect on and remed a procedures and other operat ona and report ng procedures to ensure the safe d sposa and management of CCR.

On Ju y 17, 2018, EPA ssued a f na ru e (Phase 1, Part 1) rev s ng certa n c osure dead nes and groundwater protect on standards n the CCR ru e. The ru e does not change the pr mary requ rements for groundwater mon tor ng, correct ve act on, nspect ons and ma ntenance, and c osure, and thus does not mater a y affect Duke Energy’s coa ash bas n c osure p ans or comp ance ob gat ons under the CCR ru e. On October 22, 2018, a coa t on of env ronmenta groups f ed a pet t on for rev ew n the U.S. Court of Appea s for the D str ct of Co umb a (D.C. C rcu t Court) cha eng ng EPA's f na Phase 1, Part 1 rev s ons to the CCR ru e. On March 13, 2019, the D.C. C rcu t Court ssued an order n the Phase 1, Part 1 t gat on grant ng EPA’s mot on to remand the ru e w thout vacatur. To date, EPA has f na zed two not ce and comment ru emak ngs to mp ement the court’s dec s on on remand. The “Part A” ru e, wh ch was promu gated on August 28, 2020, estab shes an Apr 11, 2021 dead ne to cease p acement of CCR and non CCR waste streams nto un ned ash bas ns and n t ate c osure, and the “Part B” ru e, wh ch was promu gated on November 12, 2020, estab shes procedures to a ow fac t es to request approva to operate an ex st ng CCR surface mpoundment w th an a ternate ner.

In add t on to the requ rements of the federa CCR ru e, CCR andf s and surface mpoundments w cont nue to be regu ated by the states. Cost recovery for future expend tures w be pursued through the norma ratemak ng process w th federa and state ut ty comm ss ons and v a who esa e contracts, wh ch perm t recovery of necessary and prudent y ncurred costs assoc ated w th Duke Energy’s regu ated operat ons. For more nformat on, see Notes 3 and 9 to the Conso dated F nanc a Statements, "Regu atory Matters" and "Asset Ret rement Ob gat ons," respect ve y.

Coal Ash Act

AROs recorded on the Duke Energy Caro nas and Duke Energy Progress Conso dated Ba ance Sheets at December 31, 2021, and December 31, 2020, nc ude the ega ob gat on for c osure of coa ash bas ns and the d sposa of re ated ash as a resu t of the Coa Ash Act, the EPA CCR ru e and other agreements. The Coa Ash Act nc udes a var ance procedure for comp ance dead nes and other ssues surround ng the management of CCR and CCR surface mpoundments and proh b ts cost recovery n customer rates for un awfu d scharge of ash mpoundment waters occurr ng after January 1, 2014. The Coa Ash Act eaves the dec s on on cost recovery determ nat ons re ated to c osure of ash mpoundments to the norma ratemak ng processes before ut ty regu atory comm ss ons.

Cons stent w th the requ rements of the Coa Ash Act, Duke Energy prev ous y subm tted comprehens ve s te assessments and groundwater correct ve act on p ans to NCDEQ. In add t on, on December 31, 2019, Duke Energy subm tted updated groundwater correct ve act on p ans and s te spec f c coa ash mpoundment c osure p ans to NCDEQ.

On Apr 1, 2019, NCDEQ ssued a c osure determ nat on requ r ng Duke Energy Caro nas and Duke Energy Progress to excavate a rema n ng coa ash mpoundments at the A en, Be ews Creek, Rogers, Marsha , Mayo and Roxboro fac t es n North Caro na. On Apr 26, 2019, Duke Energy Caro nas and Duke Energy Progress f ed Pet t ons for Contested Case Hear ngs n the Off ce of Adm n strat ve Hear ngs to cha enge NCDEQ's Apr 1 Order. On December 31, 2019, Duke Energy Caro nas and Duke Energy Progress entered nto a sett ement agreement w th NCDEQ and certa n commun ty groups under wh ch Duke Energy Caro nas and Duke Energy Progress agreed to excavate seven of the n ne rema n ng coa ash bas ns at these s tes w th ash moved to on s te ned andf s, nc ud ng two at A en, one at Be ews Creek, one at Mayo, one at Roxboro, and two at Rogers. At the two rema n ng bas ns at Marsha and Roxboro, uncapped bas n ash w be excavated and moved to ned andf s. Those port ons of the bas ns at Marsha and Roxboro, wh ch were prev ous y f ed w th ash and on wh ch perm tted fac t es were constructed, w not be d sturbed and w be c osed pursuant to other state regu at ons.

Fo ow ng NCDEQ's Apr 1 Order, Duke Energy est mated the ncrementa und scounted cost to c ose the n ne rema n ng mpoundments by excavat on wou d be approx mate y $4 b on to $5 b on, potent a y ncreas ng the tota est mated costs to permanent y c ose a ash bas ns n North Caro na and South Caro na to $9.5 b on to $10.5 b on. The sett ement owers the est mated tota und scounted cost to c ose the n ne rema n ng bas ns by excavat on by approx mate y $1.5 b on as compared to Duke Energy's or g na est mate that fo owed the order. As a resu t, the est mated tota cost to permanent y c ose a ash bas ns n North Caro na and South Caro na s approx mate y $8 b on to $9 b on of wh ch approx mate y $3.1 b on has been spent through 2021. The major ty of the rema n ng spend s expected to occur over the next 15 to 20 years.

Duke Energy has comp eted excavat on of a coa ash at the R verbend, Dan R ver and Sutton p ants.

For further nformat on on ash bas ns and recovery, see Notes 3 and 9 to the Conso dated F nanc a Statements, "Regu atory Matters" and "Asset Ret rement Ob gat ons," respect ve y.

North Carolina House Bill 951

On October 13, 2021, North Caro na Governor Roy Cooper s gned nto aw eg s at on passed by the North Caro na House of Representat ves and Senate (the "Leg s at on"). Th s Leg s at on estab shes a framework overseen by the NCUC to advance state CO_2 em ss ons reduct ons through the use of east cost p ann ng wh e prov d ng for cont nued re ab ty and affordab e rates for customers served by such generat on. It a so author zes the use of performance based regu at on n North Caro na. Among other th ngs, the Leg s at on requ res the NCUC to:

- deve op an n t a carbon p an that wou d target a 70% reduct on n CO_2 em ss ons from pub c ut t es' e ectr c generat on n the state by 2030 and carbon neutra ty by 2050, cons der ng a resource opt ons and the atest techno ogy;
- adopt ru es to mp ement the requ rements of the Leg s at on author z ng performance based regu at on that nc udes mu t year rate p ans w th a max mum three year term, performance ncent ve mechan sms to track ut ty performance, and revenue decoup ng for the res dent a customer c ass;
- estab sh ru es to secur t ze costs assoc ated w th the ear y ret rement of subcr t ca coa f red e ectr c generat ng fac t es necessary to ach eve the author zed carbon reduct on goa s at 50% of rema n ng net book va ue, w th the rema n ng net book va ue recovered through norma cost of serv ce bas s; and
- n t ate a process for updat ng rates and terms of certa n ex st ng so ar power purchase agreements executed under PURPA.

Other Environmental Regulations

The Duke Energy Reg strants are a so subject to var ous federa , state and oca aws regard ng a r and water qua ty, hazardous and so d waste d sposa and other env ronmenta matters. Duke Energy cont nues to comp y w th enacted env ronmenta statutes and regu at ons even as certa n of these regu at ons are n var ous stages of c ar f cat on, rev s on or ega cha enge. The Duke Energy Reg strants cannot pred ct the outcome of these matters.

Global Climate Change and Regulation of GHG Emissions

In 2021, Pres dent B den recomm tted the Un ted States to the Par s Agreement and announced a new target for the Un ted States of 50% 52% reduct on n economyw de net GHG em ss ons from 2005 eve s by 2030. The U.S. subm tta to support th s Par s target nc udes a goa for 100% carbon free e ectr c ty by 2035. These act ons have been supp emented by a number of execut ve orders by Pres dent B den and an nd cat on by a number of regu atory agenc es, nc ud ng the EPA, that they wou d mpose add t ona regu at ons on CO_2 and methane em ss ons to wh ch Duke Energy w be subject. The Duke Energy Reg strants are mon tor ng these matters and cannot pred ct the outcome, however, there cou d be a mater a mpact on our c mate strategy.

CO_2 Emissions Reductions

The Duke Energy Reg strants' d rect GHG em ss ons cons st pr mar y of CO_2 that resu ts pr mar y from operat ng a f eet of coa f red and natura gas f red power p ants to serve ts customers re ab y and affordab y. On September 17, 2019, Duke Energy announced an updated c mate strategy w th new goa s of at east 50% reduct on n carbon em ss ons from e ectr c generat on by 2030 and net zero carbon em ss ons from e ectr c generat on by 2050. The Duke Energy Reg strants have taken act ons that have resu ted n a reduct on of CO_2 em ss ons over t me. Between 2005 and 2021, the Duke Energy Reg strants have co ect ve y owered the CO_2 em ss ons from the r e ectr c ty generat on by 44%. T me nes and n t at ves, as we as mp ementat on of new techno og es, for future reduct ons of GHG em ss ons w vary n each state n wh ch the company operates and w nvo ve co aborat on w th regu ators, customers and other stakeho ders. The goa s announced n 2019, as we as the act ons taken to reduce CO_2 em ss ons, potent a y ower the exposure to any future mandatory CO_2 em ss on reduct on requ rements, whether as a resu t of federa eg s at on, EPA regu at on, state regu at on or other as yet unknown em ss on reduct on requ rement.

Act ons to reduce CO_2 em ss ons have nc uded the ret rement of 56 coa f red e ectr c generat ng un ts w th a comb ned generat ng capac ty of 7,500 MW, wh e nvest ng n renewab es and state of the art h gh y eff c ent natura gas f red generat on that produces far fewer CO_2 em ss ons per un t of e ectr c ty generated than coa . Duke Energy a so has made nvestments to ncrease EE offer ngs and ensure cont nued operat ons of ts zero CO_2 em ss ons hydropower and nuc ear p ants. These efforts have d vers f ed ts system and s gn f cant y reduced CO_2 em ss ons.

Duke Energy w cont nue to exp ore the use of current y ava ab e and commerc a y demonstrated techno ogy to reduce CO_2 em ss ons, nc ud ng EE, w nd, so ar and storage, as we as evo v ng techno og es ke carbon capture, ut zat on and storage, the use of hydrogen and other ow carbon fue s, ong durat on storage and advanced nuc ear, n ts efforts to ach eve ts net zero goa as we as to comp y w th any future regu at ons. Duke Energy p ans to adjust to and ncorporate evo v ng and nnovat ve techno og es n a way that ba ances the re ab ty and affordab ty wh e meet ng regu atory requ rements and customer demands. Under any future scenar o nvo v ng mandatory CO_2 m tat ons, the Duke Energy Reg strants wou d p an to seek recovery of the r comp ance costs through appropr ate regu atory mechan sms. Future eve s of GHG em ss ons by the Duke Energy Reg strants w be nf uenced by var ab es that nc ude capac ty needs n the jur sd ct ons n wh ch they operate, pub c po cy, tax ncent ves, econom c cond t ons that affect e ectr c ty demand, fue pr ces, market pr ces, ava ab ty of resources and abor, comp ance w th new or ex st ng regu at ons, the ab ty to make enhancements to transm ss on and d str but on systems to support ncreased renewab es, and the ex stence of new techno og es that can be dep oyed to generate the e ectr c ty necessary to meet customer demand.

Current y, the Duke Energy Reg strants do not purchase carbon cred ts or offsets for use n connect on w th the company's net zero em ss ons goa s. Though they may purchase carbon cred ts or offsets for such uses n the future , the amount or cost of wh ch s not expected to be mater a at th s t me.

Generation Mix Planning Process

The Duke Energy Reg strants annua y, b enn a y or tr enn a y prepare engthy, forward ook ng IRPs. These deta ed, h gh y techn ca p ans are based on the company's thorough ana ys s of numerous factors that can mpact the cost of produc ng and de ver ng e ectr c ty that nf uence ong term generat on resource p ann ng dec s ons. The IRP process he ps to eva uate a range of opt ons, tak ng nto account stakeho der nput as we as forecasts of future e ectr c ty demand, fue pr ces, transm ss on mprovements, new generat ng capac ty, ntegrat on of renewab es, energy storage, EE and demand response n t at ves. The IRP process a so he ps eva uate potent a env ronmenta and regu atory scenar os to better m t gate po cy and econom c r sks. The IRPs we f e w th regu ators ook out 10 to 20 years depend ng on the jur sd ct on.

For a number of years, the Duke Energy Reg strants have nc uded a pr ce on CO_2 em ss ons n the r IRP p ann ng process to account for the potent a regu at on of CO_2 em ss ons. Incorporat ng a pr ce on CO_2 em ss ons n the IRPs a ows for the eva uat on of ex st ng and future resource needs aga nst potent a c mate change po cy r sk n the absence of po cy certa nty. One of the cha enges w th us ng a CO_2 pr ce, espec a y n the absence of a c ear and certa n po cy, s determ n ng the appropr ate pr ce to use. To address th s uncerta nty and ensure the company rema ns ag e, the Duke Energy Reg strants typ ca y use a range of potent a CO_2 pr ces to ref ect a range of potent a po cy outcomes.

In September 2020, Duke Energy Caro nas and Duke Energy Progress f ed the r IRPs n North Caro na and South Caro na, and, n December 2021, Duke Energy Ind ana f ed ts IRP, out n ng an acce erated energy trans t on wh ch a gns w th the company's 2030 CO_2 em ss ons goa . In December 2021 the PSCSC rejected Duke Energy Caro nas and Duke Energy Progress' preferred acce erated coa ret rements IRP scenar o and nstead found that the base case w thout a pr ce on CO2 em ss ons was the most reasonab e IRP scenar o.

In 2021, the State of North Caro na passed HB 951, wh ch among other th ngs, d rects the NCUC to deve op and approve a carbon reduct on p an by the end of 2022 that wou d target a 70% reduct on n CO_2 em ss ons from Duke Energy Progress' and Duke Energy Caro nas' e ectr c generat on n the state by 2030 and carbon neutra ty by 2050, cons der ng a resource opt ons and the atest techno ogy. In ght of th s eg s at on, n November 2021, the NCUC dec ned to make a determ nat on on the portfo os presented n the 2020 IRP not ng that the eg s at on may mpact the schedu e for coa p ant ret rements and new resources and m ted ts order to short term act ons for use on an nter m bas s pend ng preparat on of the carbon p an. The NCUC's carbon reduct on p an w be nformed by Duke Energy's n t a carbon p an, wh ch w be f ed w th the NCUC by May 16, 2022, bu d ng on the IRPs that were f ed n 2020 by Duke Energy Caro nas and Duke Energy Progress and ncorporat ng feedback from extens ve stakeho der engagement.

CO_2 and Methane Emissions Reductions from the Natural Gas Distribution Business

In add t on to CO_2 em ss ons resu t ng pr mar y from our operat ons of coa f red and natura gas f red power p ants, the Duke Energy Reg strants are a so respons b e for certa n methane em ss ons from the d str but on of natura gas to customers. On October 9, 2020, Duke Energy announced a new goa to ach eve net zero methane em ss ons from ts natura gas d str but on bus ness by 2030. The Duke Energy Reg strants have taken act ons that have resu ted n methane em ss on reduct ons, nc ud ng the rep acement of cast ron and bare stee p pe nes and assoc ated serv ces w th p ast c or coated stee , advanced methane eak detect on efforts, reduc ng t me to repa r nonhazardous eaks and operat ona re eases of methane, and nvestment n renewab e natura gas.

T me nes and n t at ves, as we as mp ementat on of new techno og es, for future reduct ons of upstream methane em ss ons w vary n each state n wh ch the company's natura gas d str but on bus ness operates and w nvo ve co aborat on w th regu ators, customers and other stakeho ders. EPA has a so proposed regu at ons that wou d requ re reduct on of methane em ss ons upstream of the Duke Energy Reg strants' natura gas d str but on bus ness. The mpact of these regu at ons on natura gas fue pr ces s not current y quant f ab e.

In add t on to poss b e EPA regu at on of methane em ss ons, certa n oca governments, none w th n the jur sd ct ons n wh ch the Duke Energy Reg strants operate, have enacted or are cons der ng n t at ves to e m nate natura gas use n new bu d ngs and focus on e ectr f cat on. Enactment of s m ar regu at ons n the areas n wh ch the Duke Energy Reg strants' natura gas d str but on operates cou d have a s gn f cant mpact on the natura gas d str but on bus ness and ts operat ons. At th s t me, such mpacts are not ab e to be quant f ed; however, the net zero methane goa s announced n 2020 for the natura gas d str but on bus ness, as we as the act ons taken to reduce these GHG em ss ons, potent a y owers the exposure to any future mandatory GHG em ss on reduct on requ rements. The Duke Energy Reg strants wou d p an to seek recovery of the r comp ance costs w th any new regu at ons through the regu atory process.

Physical Impacts of Climate Change

The Duke Energy Reg strants recogn ze that sc ent sts assoc ate severe weather events w th ncreas ng eve s of GHGs n the atmosphere. It s poss b e that these weather events cou d have a mater a mpact on future resu ts of operat ons shou d they occur more frequent y and w th greater sever ty. However, the uncerta n nature of potent a changes n extreme weather events (such as ncreased frequency, durat on and sever ty), the ong per od of t me over wh ch any potent a changes m ght take p ace and the nab ty to pred ct potent a changes w th any degree of accuracy, make est mat ng w th any certa nty any potent a future f nanc a r sk to the Duke Energy Reg strants' operat ons d ff cu t. Add t ona y, the Duke Energy Reg strants wou d p an to cont nue to seek recovery of storm costs through the appropr ate regu atory mechan sms. For more nformat on on storm secur t zat on n North Caro na and storm cost recovery n F or da, see Note 3 to the Conso dated F nanc a Statements, "Regu atory Matters."

The Duke Energy Reg strants rout ne y take steps to reduce the potent a mpact of severe weather events on the r e ectr c transm ss on and d str but on systems and natura gas fac t es. The steps nc ude modern z ng the e ectr c gr d through smart meters, storm harden ng, se f hea ng systems and targeted underground ng and app y ng essons earned from prev ous storms to restorat on efforts. The Duke Energy Reg strants' e ectr c generat ng fac t es and natura gas fac t es are des gned to w thstand extreme weather events w thout s gn f cant damage. The Duke Energy Reg strants ma nta n nventor es of coa , o and qu f ed natura gas to m t gate the effects of any potent a short term d srupt on n fue supp y so they can cont nue to prov de customers w th an un nterrupted supp y of e ectr c ty and/or natura gas.

New Accounting Standards

See Note 1 to the Conso dated F nanc a Statements, "Summary of S gn f cant Account ng Po c es," for a d scuss on of the mpact of new account ng standards.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See "Management's D scuss on and Ana ys s of Resu ts of Operat ons and F nanc a Cond t on Quant tat ve and Qua tat ve D sc osures About Market R sk."

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Combined Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho ders and the Board of D rectors of Duke Energy Corporat on

Opinion on the Financial Statements

We have aud ted the accompany ng conso dated ba ance sheets of Duke Energy Corporat on and subs d ar es (the "Company") as of December 31, 2021 and 2020, the re ated conso dated statements of operat ons, comprehens ve ncome, changes n equ ty, and cash f ows, for each of the three years n the per od ended December 31, 2021, and the re ated notes (co ect ve y referred to as the "f nanc a statements"). In our op n on, the f nanc a statements present fa r y, n a mater a respects, the f nanc a pos t on of the Company as of December 31, 2021 and 2020, and the resu ts of ts operat ons and ts cash f ows for each of the three years n the per od ended December 31, 2021, n conform ty w th account ng pr nc p es genera y accepted n the Un ted States of Amer ca.

We have a so aud ted, n accordance w th the standards of the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB), the Company's nterna contro over f nanc a report ng as of December 31, 2021, based on cr ter a estab shed n *Internal Control Integrated Framework (2013)* ssued by the Comm ttee of Sponsor ng Organ zat ons of the Treadway Comm ss on and our report dated February 24, 2022, expressed an unqua f ed op n on on the Company's nterna contro over f nanc a report ng.

Basis for Opinion

These f nanc a statements are the respons b ty of the Company's management. Our respons b ty s to express an op n on on the Company's f nanc a statements based on our aud ts. We are a pub c account ng f rm reg stered w th the PCAOB and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud ts n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether the f nanc a statements are free of mater a m sstatement, whether due to error or fraud. Our aud ts nc uded perform ng procedures to assess the r sks of mater a m sstatement of the f nanc a statements, whether due to error or fraud, and perform ng procedures that respond to those r sks. Such procedures nc uded exam n ng, on a test bas s, ev dence regard ng the amounts and d sc osures n the f nanc a statements. Our aud ts a so nc uded eva uat ng the account ng pr nc p es used and s gn f cant est mates made by management, as we as eva uat ng the overa presentat on of the f nanc a statements. We be eve that our aud ts prov de a reasonab e bas s for our op n on.

Critical Audit Matters

The cr t ca aud t matters commun cated be ow are matters ar s ng from the current per od aud t of the f nanc a statements that were commun cated or requ red to be commun cated to the aud t comm ttee and that (1) re ate to accounts or d sc osures that are mater a to the f nanc a statements and (2) nvo ved our espec a y cha eng ng, subject ve, or comp ex judgments. The commun cat on of cr t ca aud t matters does not a ter n any way our op n on on the f nanc a statements, taken as a who e, and we are not, by commun cat ng the cr t ca aud t matters be ow, prov d ng separate op n ons on the cr t ca aud t matters or on the accounts or d sc osures to wh ch they re ate.

Regulatory Matters Impact of Rate Regulation on the Financial Statements Refer to Notes 1, 3, and 9 to the financial statements

Critical Audit Matter Description

The Company s subject to regu at on by federa and state ut ty regu atory agenc es (the “Comm ss ons”), wh ch have jur sd ct on w th respect to the rates of the Company’s e ectr c and natura gas d str but on compan es. Management has determ ned t meets the cr ter a for the app cat on of regu ated operat ons account ng n prepar ng ts f nanc a statements under account ng pr nc p es genera y accepted n the Un ted States of Amer ca. S gn f cant judgment can be requ red to determ ne f otherw se recogn zab e ncurred costs qua fy to be presented as a regu atory asset and deferred because such costs are probab e of future recovery n customer rates. As d scussed n Note 3, regu atory proceed ngs n recent years n North Caro na and South Caro na have focused on the recoverab ty of asset ret rement ob gat ons spec f c to coa ash. As a resu t, assess ng the potent a outcomes of future regu atory orders n North Caro na and South Caro na requ res s gn f cant management judgment. As of December 31, 2021, the Company has approx mate y $14.6 b on recorded as regu atory assets.

We dent f ed the mpact of rate regu at on re ated to regu atory assets as a cr t ca aud t matter due to the s gn f cant judgments made by management, nc ud ng assumpt ons regard ng the outcome of future dec s ons by the Comm ss ons, to support ts assert ons on the ke hood of future recovery for deferred costs. G ven that management’s account ng judgments are based on assumpt ons about the outcome of future dec s ons by the Comm ss ons, aud t ng these judgments requ red spec a zed know edge of account ng for rate regu at on and the ratemak ng process due to ts nherent comp ex t es as t re ates to regu atory assets.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the recovery of regu atory assets nc uded the fo ow ng, among others:

- We tested the effect veness of management’s contro s over the eva uat on of the ke hood of the recovery n future rates and the mon tor ng and eva uat on of regu atory deve opments that may affect the ke hood of recover ng costs n future rates.
- We eva uated the Company’s d sc osures re ated to the mpacts of rate regu at on nc ud ng the ba ances recorded and regu atory deve opments.

- We read re evant regu atory orders ssued by the Comm ss ons, regu atory statutes, nterpretat ons, procedura memorandums, f ngs made by ntervenors, and other pub c y ava ab e nformat on to assess the ke hood of recovery n future rates based on precedents of the Comm ss ons' treatment of s m ar costs under s m ar c rcumstances. We a so eva uated the externa nformat on and compared t to management's recorded ba ances for comp eteness.

- For regu atory matters n process, we nspected the Company's and ntervenors' f ngs w th the Comm ss ons, that may mpact the Company's future rates, for any ev dence that m ght contrad ct management's assert ons.

- We eva uated the reasonab eness of management's judgments regard ng the recoverab ty of regu atory asset ba ances by perform ng the fo ow ng:

  We nqu red of management regard ng changes n regu atory orders and regu atory asset ba ances dur ng the year.

  We eva uated the reasonab eness of such changes based on our know edge of comm ss on approved amort zat on, expected ncurred costs, and recent y approved regu atory orders, as app cab e.

  We ut zed trend ana yses to eva uate the h stor ca cons stency of regu atory asset ba ances.

  We compared the recorded regu atory asset ba ance to an ndependent y deve oped expectat on of the correspond ng ba ance.

- We obta ned an ana ys s from management and etters from nterna ega counse for asset ret rement ob gat ons spec f c to coa ash costs, regard ng probab ty of recovery for deferred costs not yet addressed n a regu atory order to assess management's assert on that amounts are probab e of recovery.

- We obta ned representat on from management assert ng that regu atory assets recorded n the f nanc a statements are probab e of recovery.

Noncontrolling Interests - Minority Interest Investment in Duke Energy Indiana Refer to Note 1 to the financial statements

Critical Audit Matter Description

On January 28, 2021, the Company executed an agreement prov d ng for an nvestment by an aff ate of GIC Pr vate L m ted n Duke Energy Ind ana n exchange for a 19.9% m nor ty nterest ssued by Duke Energy Ind ana Ho dco, LLC, the ho d ng company for Duke Energy Ind ana. The transact on w be comp eted fo ow ng two c os ngs for an aggregate purchase pr ce of approx mate y $2 b on. The f rst c os ng occurred on September 8, 2021 and resu ted n Duke Energy Ind ana Ho dco, LLC ssu ng 11.05% of ts membersh p nterests n exchange for 50% of the purchase pr ce. The Company reta ned nd rect contro of these assets, and, therefore, no ga n or oss was recogn zed on the Conso dated Statements of Operat ons. The d fference between the net cash cons derat on rece ved and the carry ng va ue of the noncontro ng nterest was recorded as an ncrease to equ ty. The Company has the d scret on to determ ne the t m ng of the second c os ng, but the c os ng w occur no ater than January 2023.

We dent f ed the m nor ty nterest nvestment n Duke Energy Ind ana as a cr t ca aud t matter because of the extens ve aud t effort requ red to aud t the transact on, nc ud ng the need to nvo ve profess ona s n our f rm w th the appropr ate expert se to ass st us n eva uat ng management's conc us ons that there shou d be no ga n or oss assoc ated w th th s transact on recogn zed on the Conso dated Statements of Operat ons for the year ended December 31, 2021.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the m nor ty nterest nvestment n Duke Energy Ind ana nc uded the fo ow ng, among others:

- We tested the effect veness of contro s over the account ng assessment of s gn f cant and non rout ne transact ons, nc ud ng the contro s over the ncome tax treatment of such transact ons.

- We eva uated management's conc us ons re ated to account ng for the transact on by:

  Obta n ng and read ng the agreement prov d ng for the m nor ty nvestment,

  Invo v ng profess ona s n our f rm w th the appropr ate expert se to eva uate the work performed by management's expert re ated to the tax treatment of the transact on,

  Assess ng management's documentat on for account ng for the transact on.

- We eva uated the appropr ateness of the Company's d sc osures re ated to the m nor ty nterest nvestment.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

We have served as the Company's aud tor s nce 1947.

DUKE ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions, except per share amounts)	Years Ended December 31, 2021	2020	2019
Operating Revenues			
Regu ated e ectr c	**$ 22,319**	$ 21,461	$ 22,615
Regu ated natura gas	**2,008**	1,642	1,759
Nonregu ated e ectr c and other	**770**	765	705
Tota operat ng revenues	**25,097**	23,868	25,079
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**6,255**	6,051	6,826
Cost of natura gas	**705**	460	627
Operat on, ma ntenance and other	**6,042**	5,788	6,066
Deprec at on and amort zat on	**4,990**	4,705	4,548
Property and other taxes	**1,389**	1,337	1,307
Impa rment of assets and other charges	**356**	984	(8)
Tota operat ng expenses	**19,737**	19,325	19,366
Gains (Losses) on Sales of Other Assets and Other, net	**13**	10	(4)
Operating Income	**5,373**	4,553	5,709
Other Income and Expenses			
Equ ty n earn ngs (osses) of unconso dated aff ates	**28**	(2,005)	162
Other ncome and expenses, net	**643**	453	430
Tota other ncome and expenses	**671**	(1,552)	592
Interest Expense	**2,280**	2,162	2,204
Income From Continuing Operations Before Income Taxes	**3,764**	839	4,097
Income Tax Expense (Benefit) From Continuing Operations	**192**	(236)	519
Income From Continuing Operations	**3,572**	1,075	3,578
Income (Loss) From Discontinued Operations, net of tax	**7**	7	(7)
Net Income	**3,579**	1,082	3,571
Add: Net Loss Attributable to Noncontrolling Interests	**329**	295	177
Net Income Attributable to Duke Energy Corporation	**3,908**	1,377	3,748
Less: Preferred Dividends	**106**	107	41
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 3,802**	$ 1,270	$ 3,707
Earnings Per Share Basic and Diluted			
Income from cont nu ng operat ons ava ab e to Duke Energy Corporat on common stockho ders			
Bas c and D uted	**$ 4.93**	$ 1.71	$ 5.07
Income (Loss) from d scont nued operat ons attr butab e to Duke Energy Corporat on common stockho ders			
Bas c and D uted	**$ 0.01**	$ 0.01	$ (0.01)
Net ncome ava ab e to Duke Energy Corporat on common stockho ders			
Bas c and D uted	**$ 4.94**	$ 1.72	$ 5.06
We ghted average shares outstand ng			
Bas c	**769**	737	729
D uted	**769**	738	729

See Notes to Conso dated F nanc a Statements

DUKE ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31,		
(in millions)	**2021**	2020	2019
Net Income	**$ 3,579**	$ 1,082	$ 3,571
Other Comprehensive Income (Loss), net of tax[a]			
Pens on and OPEB adjustments	**7**	6	9
Net unrea zed osses on cash f ow hedges	**(68)**	(138)	(47)
Rec ass f cat on nto earn ngs from cash f ow hedges	**13**	11	6
Unrea zed (osses) ga ns on ava ab e for sa e secur t es	**(8)**	3	8
Other Comprehensive Loss, net of tax	**(56)**	(118)	(24)
Comprehensive Income	**3,523**	964	3,547
Add: Comprehensive Loss Attributable to Noncontrolling Interests	**319**	306	177
Comprehensive Income Attributable to Duke Energy Corporation	**3,842**	1,270	3,724
Less: Preferred Dividends	**106**	107	41
Comprehensive Income Available to Duke Energy Corporation Common Stockholders	**$ 3,736**	$ 1,163	$ 3,683

(a) Net of ncome tax mpacts of approx mate y $17 m on and $35 m on for the years ended December 31, 2021, and 2020, respect ve y. Tax mpacts are mmater a for other per ods presented.

See Notes to Conso dated F nanc a Statements

DUKE ENERGY CORPORATION
CONSOLIDATED BALANCE SHEETS

(in millions)	December 31, 2021	2020
ASSETS		
Current Assets		
Cash and cash equ va ents	$ 343	$ 259
Rece vab es (net of a owance for doubtfu accounts of $46 at 2021 and $29 at 2020)	1,173	1,009
Rece vab es of VIEs (net of a owance for doubtfu accounts of $76 at 2021 and $117 at 2020)	2,437	2,144
Inventory	3,199	3,167
Regu atory assets (nc udes $105 at 2021 and $53 at 2020 re ated to VIEs)	2,150	1,641
Other (nc udes $256 at 2021 and $296 at 2020 re ated to VIEs)	638	462
Tota current assets	9,940	8,682
Property, Plant and Equipment		
Cost	161,819	155,580
Accumu ated deprec at on and amort zat on	(50,555)	(48,827)
Fac t es to be ret red, net	144	29
Net property, p ant and equ pment	111,408	106,782
Other Noncurrent Assets		
Goodw	19,303	19,303
Regu atory assets (nc udes $1,823 at 2021 and $937 at 2020 re ated to VIEs)	12,487	12,421
Nuc ear decomm ss on ng trust funds	10,401	9,114
Operat ng ease r ght of use assets, net	1,266	1,524
Investments n equ ty method unconso dated aff ates	970	961
Other (nc udes $92 at 2021 and $81 at 2020 re ated to VIEs)	3,812	3,601
Tota other noncurrent assets	48,239	46,924
Total Assets	$ 169,587	$ 162,388
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	$ 3,629	$ 3,144
Notes payab e and commerc a paper	3,304	2,873
Taxes accrued	749	482
Interest accrued	533	537
Current matur t es of ong term debt (nc udes $243 at 2021 and $472 at 2020 re ated to VIEs)	3,387	4,238
Asset ret rement ob gat ons	647	718
Regu atory ab t es	1,211	1,377
Other	2,471	2,936
Tota current ab t es	15,931	16,305
Long-Term Debt (includes $4,854 at 2021 and $3,535 at 2020 related to VIEs)	60,448	55,625
Other Noncurrent Liabilities		
Deferred ncome taxes	9,379	9,244
Asset ret rement ob gat ons	12,129	12,286
Regu atory ab t es	16,152	15,029
Operat ng ease ab t es	1,074	1,340
Accrued pens on and other post ret rement benef t costs	855	969
Investment tax cred ts	833	687
Other (nc udes $319 at 2021 and $316 at 2020 re ated to VIEs)	1,650	1,719
Tota other noncurrent ab t es	42,072	41,274
Commitments and Contingencies		
Equity		
Preferred stock, Ser es A, $0.001 par va ue, 40 m on depos tary shares author zed and outstand ng at 2021 and 2020	973	973
Preferred stock, Ser es B, $0.001 par va ue, 1 m on shares author zed and outstand ng at 2021 and 2020	989	989
Common stock, $0.001 par va ue, 2 b on shares author zed; 769 m on shares outstand ng at 2021 and 2020	1	1
Add t ona pa d n cap ta	44,371	43,767
Reta ned earn ngs	3,265	2,471
Accumu ated other comprehens ve oss	(303)	(237)
Tota Duke Energy Corporat on stockho ders' equ ty	49,296	47,964
Noncontro ng nterests	1,840	1,220
Tota equ ty	51,136	49,184
Total Liabilities and Equity	$ 169,587	$ 162,388

See Notes to Conso dated F nanc a Statements

DUKE ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Years Ended December 31, 2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net ncome	**$ 3,579**	$ 1,082	$ 3,571
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es:			
Deprec at on, amort zat on and accret on (nc ud ng amort zat on of nuc ear fue)	**5,663**	5,486	5,176
Equ ty n (earn ngs) osses of unconso dated aff ates	**(28)**	2,005	(162)
Equ ty component of AFUDC	**(171)**	(154)	(139)
Impa rment of assets and other charges	**356**	984	(8)
Deferred ncome taxes	**191**	54	806
Payments for asset ret rement ob gat ons	**(540)**	(610)	(746)
Prov s on for rate refunds	**(70)**	(22)	60
Refund of AMT cred t carryforwards		572	573
(Increase) decrease n			
Net rea zed and unrea zed mark to market and hedg ng transact ons	**50**	63	(48)
Rece vab es	**(297)**	(56)	78
Inventory	**(34)**	66	(122)
Other current assets	**(1,136)**	205	10
Increase (decrease) n			
Accounts payab e	**249**	(21)	(164)
Taxes accrued	**284**	117	(224)
Other current ab t es	**(13)**	(65)	172
Other assets	**112**	(408)	(555)
Other ab t es	**95**	(442)	(69)
Net cash prov ded by operat ng act v t es	**8,290**	8,856	8,209
CASH FLOWS FROM INVESTING ACTIVITIES			
Cap ta expend tures	**(9,715)**	(9,907)	(11,122)
Contr but ons to equ ty method nvestments	**(81)**	(370)	(324)
Return of nvestment cap ta	**44**	133	11
Purchases of debt and equ ty secur t es	**(6,098)**	(8,011)	(3,348)
Proceeds from sa es and matur t es of debt and equ ty secur t es	**6,103**	7,949	3,343
D sbursements to cance ed equ ty method nvestments	**(855)**		
Other	**(333)**	(398)	(517)
Net cash used n nvest ng act v t es	**(10,935)**	(10,604)	(11,957)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the:			
Issuance of ong term debt	**9,052**	6,330	7,091
Issuance of preferred stock			1,962
Issuance of common stock	**5**	2,745	384
Payments for the redempt on of ong term debt	**(5,294)**	(4,506)	(3,476)
Proceeds from the ssuance of short term debt w th or g na matur t es greater than 90 days	**332**	3,009	397
Payments for the redempt on of short term debt w th or g na matur t es greater than 90 days	**(997)**	(2,147)	(479)
Notes payab e and commerc a paper	**1,144**	(1,181)	(298)
Contr but ons from noncontro ng nterests	**1,575**	426	843
D v dends pa d	**(3,114)**	(2,812)	(2,668)
Other	**(94)**	(133)	(26)
Net cash prov ded by f nanc ng act v t es	**2,609**	1,731	3,730
Net decrease n cash, cash equ va ents and restr cted cash	**(36)**	(17)	(18)
Cash, cash equivalents and restricted cash at beginning of period	**556**	573	591
Cash, cash equivalents and restricted cash at end of period	**$ 520**	$ 556	$ 573
Supplemental Disclosures:			
Cash pa d for nterest, net of amount cap ta zed	**$ 2,248**	$ 2,186	$ 2,195
Cash rece ved from ncome taxes	**(3)**	(585)	(651)
S gn f cant non cash transact ons:			
Accrued cap ta expend tures	**1,325**	1,116	1,356
Non cash d v dends		110	108

See Notes to Conso dated F nanc a Statements

DUKE ENERGY CORPORAT ON
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

						Duke Energy Corporation Stockholders' Accumulated Other Comprehensive Income (Loss)					
(in millions)	Preferred Stock	Common Stock Shares	Common Stock	Additional Paid-in Capital	Retained Earnings	Net Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available-for-Sale-Securities	Pension and OPEB Adjustments	Total Duke Energy Corporation Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2018	$	727	$ 1	$ 40 795	$ 3 113	$ (14)	$ (3)	$ (75)	$ 43 817	$ 17	$ 43 834
Net income (loss)					3 707				3 707	(177)	3 530
Other comprehensive (loss) income						(41)	8	9	(24)		(24)
Preferred stock Series A issuances net of issuance costs[a]	973								973		973
Preferred stock Series B issuances net of issuance costs[a]	989								989		989
Common stock issuances including dividend reinvestment and employee benefits		6		552					552		552
Common stock dividends					(2 735)				(2 735)		(2 735)
Sale of noncontrolling interest[b]				(466)		10			(456)	863	407
Contribution from noncontrolling interest [f]										428	428
Distributions to noncontrolling interest in subsidiaries										(4)	(4)
Other[c]					23	(6)	(2)	(16)	(1)	2	1
Balance at December 31, 2019	$ 1 962	733	$ 1	$ 40 881	$ 4 108	$ (51)	$ 3	$ (82)	$ 46 822	$ 1 129	$ 47 951
Net income					1 270				1 270	(295)	975
Other comprehensive (loss) ncome						(116)	3	6	(107)	(11)	(118)
Common stock issuances including dividend reinvestment and employee benefits		36		2 902					2 902		2 902
Common stock dividends					(2 815)				(2 815)		(2 815)
Contribution from noncontrolling interest[f]				(17)					(17)	426	409
Distributions to noncontrolling interest in subsidiaries										(30)	(30)
Other[d]				1	(92)				(91)	1	(90)
Balance at December 31, 2020	$ 1 962	769	$ 1	$ 43 767	$ 2 471	$ (167)	$ 6	$ (76)	$ 47 964	$ 1 220	$ 49 184
Net income	—	—	—	—	**3,802**	—	—	—	**3,802**	**(329)**	**3,473**
Other comprehensive (loss) income	—	—	—	—	—	**(65)**	**(8)**	**7**	**(66)**	**10**	**(56)**
Common stock issuances including dividend reinvestment and employee benefits	—	—	—	**68**	—	—	—	—	**68**	—	**68**
Common stock dividends	—	—	—	—	**(3,008)**	—	—	—	**(3,008)**	—	**(3,008)**
Sale of noncontrolling interest[e]	—	—	—	**545**	—	—	—	—	**545**	**454**	**999**
Contribution from noncontrolling interest net of transaction costs[f]	—	—	—	—	—	—	—	—	—	**550**	**550**
Distributions to noncontrolling interests in subsidiaries	—	—	—	—	—	—	—	—	—	**(66)**	**(66)**
Other	—	—	—	**(9)**	—	—	—	—	**(9)**	**1**	**(8)**
Balance at December 31, 2021	**$ 1,962**	**769**	**$ 1**	**$ 44,371**	**$ 3,265**	**$ (232)**	**$ (2)**	**$ (69)**	**$ 49,296**	**$ 1,840**	**$ 51,136**

(a) Duke Energy issued 40 million depositary shares of preferred stock Series A in the first quarter of 2019 and 1 million shares of preferred stock Series B in the third quarter of 2019
(b) Relates to the sale of a noncontrolling interest in the Commercial Renewables segment See Note 1 for additional discussion of the transaction
(c) Amounts in Retained Earnings and AOC primarily represent impacts to accumulated other comprehensive income due to implementation of a new accounting standard related to Reclassification of Certain Tax Effects from Accumulated Other Comprehensive ncome
(d) Amounts in Retained earnings primarily represent impacts due to implementation of a new accounting standard related to Current Estimated Credit Losses See Note 1 for additional discussion
(e) Relates to the sale of a noncontrolling interest in Duke Energy ndiana See Note 1 for additional discussion
(f) Relates to tax equity financing activity in the Commercial Renewables segment

See Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho der and the Board of D rectors of Duke Energy Caro nas, LLC

Opinion on the Financial Statements

We have aud ted the accompany ng conso dated ba ance sheets of Duke Energy Caro nas, LLC and subs d ar es (the "Company") as of December 31, 2021 and 2020, the re ated conso dated statements of operat ons and comprehens ve ncome, changes n equ ty, and cash f ows, for each of the three years n the per od ended December 31, 2021, and the re ated notes (co ect ve y referred to as the "f nanc a statements"). In our op n on, the f nanc a statements present fa r y, n a mater a respects, the f nanc a pos t on of the Company as of December 31, 2021 and 2020, and the resu ts of ts operat ons and ts cash f ows for each of the three years n the per od ended December 31, 2021, n conform ty w th account ng pr nc p es genera y accepted n the Un ted States of Amer ca.

Basis for Opinion

These f nanc a statements are the respons b ty of the Company's management. Our respons b ty s to express an op n on on the Company's f nanc a statements based on our aud ts. We are a pub c account ng f rm reg stered w th the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB) and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud ts n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether the f nanc a statements are free of mater a m sstatement, whether due to error or fraud. The Company s not requ red to have, nor were we engaged to perform, an aud t of ts nterna contro over f nanc a report ng. As part of our aud ts, we are requ red to obta n an understand ng of nterna contro over f nanc a report ng but not for the purpose of express ng an op n on on the effect veness of the Company’s nterna contro over f nanc a report ng. Accord ng y, we express no such op n on.

Our aud ts nc uded perform ng procedures to assess the r sks of mater a m sstatement of the f nanc a statements, whether due to error or fraud, and perform ng procedures that respond to those r sks. Such procedures nc uded exam n ng, on a test bas s, ev dence regard ng the amounts and d sc osures n the f nanc a statements. Our aud ts a so nc uded eva uat ng the account ng pr nc p es used and s gn f cant est mates made by management, as we as eva uat ng the overa presentat on of the f nanc a statements. We be eve that our aud ts prov de a reasonab e bas s for our op n on.

Critical Audit Matter

The cr t ca aud t matter commun cated be ow s a matter ar s ng from the current per od aud t of the f nanc a statements that was commun cated or requ red to be commun cated to the aud t comm ttee and that (1) re ates to accounts or d sc osures that are mater a to the f nanc a statements and (2) nvo ved our espec a y cha eng ng, subject ve, or comp ex judgments. The commun cat on of cr t ca aud t matters does not a ter n any way our op n on on the f nanc a statements, taken as a who e, and we are not, by commun cat ng the cr t ca aud t matter be ow, prov d ng a separate op n on on the cr t ca aud t matter or on the accounts or d sc osures to wh ch t re ates.

Regulatory Matters Impact of Rate Regulation on the Financial Statements Refer to Notes 1, 3, and 9 to the financial statements.

Critical Audit Matter Description

The Company s subject to rate regu at on by the North Caro na Ut t es Comm ss on and by the South Caro na Pub c Serv ce Comm ss on (co ect ve y the “Comm ss ons”), wh ch have jur sd ct on w th respect to the e ectr c rates of the Company. Management has determ ned t meets the cr ter a for the app cat on of regu ated operat ons account ng n prepar ng ts f nanc a statements under account ng pr nc p es genera y accepted n the Un ted States of Amer ca. S gn f cant judgment can be requ red to determ ne f otherw se recogn zab e ncurred costs qua fy to be presented as a regu atory asset and deferred because such costs are probab e of future recovery n customer rates. As d scussed n Note 3, regu atory proceed ngs n recent years n North Caro na and South Caro na have focused on the recoverab ty of asset ret rement ob gat ons spec f c to coa ash. As a resu t, assess ng the potent a outcomes of future regu atory orders n North Caro na and South Caro na requ res s gn f cant management judgment. As of December 31, 2021, the Company has approx mate y $3.5 b on recorded as regu atory assets.

We dent f ed the mpact of rate regu at on re ated to regu atory assets as a cr t ca aud t matter due to the s gn f cant judgments made by management, nc ud ng assumpt ons regard ng the outcome of future dec s ons by the Comm ss ons, to support ts assert ons on the ke hood of future recovery for deferred costs. G ven that management’s account ng judgments are based on assumpt ons about the outcome of future dec s ons by the Comm ss ons, aud t ng these judgments requ red spec a zed know edge of account ng for rate regu at on and the ratemak ng process due to ts nherent comp ex t es as t re ates to regu atory assets.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the recovery of regu atory assets nc uded the fo ow ng, among others:

- We tested the effect veness of management’s contro s over the eva uat on of the ke hood of the recovery n future rates and the mon tor ng and eva uat on of regu atory deve opments that may affect the ke hood of recover ng costs n future rates.
- We eva uated the Company’s d sc osures re ated to the mpacts of rate regu at on, nc ud ng the ba ances recorded and regu atory deve opments.

- We read re evant regu atory orders ssued by the Comm ss ons, regu atory statutes, nterpretat ons, procedura memorandums, f ngs made by ntervenors, and other pub c y ava ab e nformat on to assess the ke hood of recovery n future rates based on precedents of the Comm ss ons' treatment of s m ar costs under s m ar c rcumstances. We eva uated the externa nformat on and compared t to management's recorded ba ances for comp eteness.
- For regu atory matters n process, we nspected the Company's and ntervenors' f ngs w th the Comm ss ons, that may mpact the Company's future rates, for any ev dence that m ght contrad ct management's assert ons
- We eva uated the reasonab eness of management's judgments regard ng the recoverab ty of regu atory asset ba ances by perform ng the fo ow ng:

  We nqu red of management regard ng changes n regu atory orders and regu atory asset ba ances dur ng the year.

  We eva uated the reasonab eness of such changes based on our know edge of comm ss on approved amort zat on, expected ncurred costs, and recent y approved regu atory orders, as app cab e.

  We ut zed trend ana yses to eva uate the h stor ca cons stency of regu atory asset ba ances.

  We compared the recorded regu atory asset ba ance to an ndependent y deve oped expectat on of the correspond ng ba ance.
- We obta ned an ana ys s from management and etters from nterna ega counse for asset ret rement ob gat ons spec f c to coa ash costs, regard ng probab ty of recovery for deferred costs not yet addressed n a regu atory order to assess management's assert on that amounts are probab e of recovery.
- We obta ned representat on from management assert ng that regu atory assets recorded n the f nanc a statements are probab e of recovery.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

We have served as the Company's aud tor s nce 1947.

DUKE ENERGY CAROLINAS, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Operating Revenues	**$ 7,102**	$ 7,015	$ 7,395
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**1,601**	1,682	1,804
Operat on, ma ntenance and other	**1,833**	1,743	1,868
Deprec at on and amort zat on	**1,468**	1,462	1,388
Property and other taxes	**320**	299	292
Impa rment of assets and other charges	**227**	476	17
Tota operat ng expenses	**5,449**	5,662	5,369
Gains on Sales of Other Assets and Other, net	**2**	1	
Operating Income	**1,655**	1,354	2,026
Other Income and Expenses, net	**270**	177	151
Interest Expense	**538**	487	463
Income Before Income Taxes	**1,387**	1,044	1,714
Income Tax Expense	**51**	88	311
Net Income	**$ 1,336**	$ 956	$ 1,403
Other Comprehensive Income, net of tax			
Net unrea zed ga n on cash f ow hedges	**1**		
Other Comprehensive Income, net of tax	**1**		
Comprehensive Income	**$ 1,337**	$ 956	$ 1,403

See Notes to Conso dated F nanc a Statements

DUKE ENERGY CAROLINAS, LLC
CONSOLIDATED BALANCE SHEETS

(in millions)	December 31, 2021	2020
ASSETS		
Current Assets		
Cash and cash equ va ents	$ 7	$ 21
Rece vab es (net of a owance for doubtfu accounts of $1 at 2021 and 2020)	300	247
Rece vab es of VIEs (net of a owance for doubtfu accounts of $41 at 2021 and $22 at 2020)	844	696
Rece vab es from aff ated compan es	190	124
Inventory	1,026	1,010
Regu atory assets (nc udes $12 at 2021 re ated to VIEs)	544	473
Other	95	20
Tota current assets	3,006	2,591
Property, Plant and Equipment		
Cost	51,874	50,640
Accumu ated deprec at on and amort zat on	(17,854)	(17,453)
Fac t es to be ret red, net	102	
Net property, p ant and equ pment	34,122	33,187
Other Noncurrent Assets		
Regu atory assets (nc udes $220 at 2021 re ated to VIEs)	2,935	2,996
Nuc ear decomm ss on ng trust funds	5,759	4,977
Operat ng ease r ght of use assets, net	92	110
Other	1,248	1,187
Tota other noncurrent assets	10,034	9,270
Total Assets	$ 47,162	$ 45,048
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	$ 988	$ 1,000
Accounts payab e to aff ated compan es	266	199
Notes payab e to aff ated compan es	226	506
Taxes accrued	274	76
Interest accrued	125	117
Current matur t es of ong term debt (nc udes $5 at 2021 re ated to VIEs)	362	506
Asset ret rement ob gat ons	249	264
Regu atory ab t es	487	473
Other	546	546
Tota current ab t es	3,523	3,687
Long-Term Debt (includes $703 at 2021 related to VIEs)	12,595	11,412
Long-Term Debt Payable to Affiliated Companies	318	300
Other Noncurrent Liabilities		
Deferred ncome taxes	3,634	3,842
Asset ret rement ob gat ons	5,052	5,086
Regu atory ab t es	7,198	6,535
Operat ng ease ab t es	78	97
Accrued pens on and other post ret rement benef t costs	50	73
Investment tax cred ts	287	236
Other	536	626
Tota other noncurrent ab t es	16,835	16,495
Commitments and Contingencies		
Equity		
Member's equ ty	13,897	13,161
Accumu ated other comprehens ve oss	(6)	(7)
Tota equ ty	13,891	13,154
Total Liabilities and Equity	$ 47,162	$ 45,048

See Notes to Conso dated F nanc a Statements

DUKE ENERGY CAROLINAS, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Years Ended December 31, 2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net ncome	**$ 1,336**	$ 956	$ 1,403
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es:			
Deprec at on and amort zat on (nc ud ng amort zat on of nuc ear fue)	**1,743**	1,731	1,671
Equ ty component of AFUDC	**(65)**	(62)	(42)
Impa rment of assets and other charges	**227**	476	17
Deferred ncome taxes	**(213)**	(260)	133
Payments for asset ret rement ob gat ons	**(182)**	(162)	(278)
Prov s on for rate refunds	**(46)**	(5)	36
(Increase) decrease n			
Net rea zed and unrea zed mark to market and hedg ng transact ons		(4)	(8)
Rece vab es	**(99)**	52	(21)
Rece vab es from aff ated compan es	**(66)**	(10)	68
Inventory	**(16)**	(14)	(48)
Other current assets	**(309)**	209	(73)
Increase (decrease) n			
Accounts payab e	**5**	55	(50)
Accounts payab e to aff ated compan es	**85**	(11)	(20)
Taxes accrued	**206**	30	(127)
Other current ab t es	**(39)**	(56)	127
Other assets	**21**	(102)	(42)
Other ab t es	**116**	(47)	(37)
Net cash prov ded by operat ng act v t es	**2,704**	2,776	2,709
CASH FLOWS FROM INVESTING ACTIVITIES			
Cap ta expend tures	**(2,693)**	(2,669)	(2,714)
Purchases of debt and equ ty secur t es	**(3,425)**	(1,602)	(1,658)
Proceeds from sa es and matur t es of debt and equ ty secur t es	**3,425**	1,602	1,658
Other	**(177)**	(164)	(204)
Net cash used n nvest ng act v t es	**(2,870)**	(2,833)	(2,918)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the ssuance of ong term debt	**1,651**	998	886
Payments for the redempt on of ong term debt	**(617)**	(813)	(6)
Notes payab e to aff ated compan es	**(280)**	477	(410)
D str but ons to parent	**(600)**	(600)	(275)
Other	**(1)**	(2)	(1)
Net cash prov ded by f nanc ng act v t es	**153**	60	194
Net (decrease) ncrease n cash, cash equ va ents and restr cted cash	**(13)**	3	(15)
Cash, cash equivalents and restricted cash at beginning of period	**21**	18	33
Cash, cash equivalents and restricted cash at end of period	**$ 8**	$ 21	$ 18
Supplemental Disclosures:			
Cash pa d for nterest, net of amount cap ta zed	**$ 508**	$ 481	$ 433
Cash pa d for ncome taxes	**233**	321	122
S gn f cant non cash transact ons:			
Accrued cap ta expend tures	**359**	365	347

See Notes to Conso dated F nanc a Statements

DUKE ENERGY CAROLINAS, LLC
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions)	Member's Equity	Accumulated Other Comprehensive Income (Loss) Net Gains (Losses) on Cash Flow Hedges	Total Equity
Balance at December 31, 2018	$ 11,689	$ (6)	$ 11,683
Net ncome	1,403		1,403
D str but ons to parent	(275)		(275)
Other	1	(1)	
Balance at December 31, 2019	$ 12,818	$ (7)	$ 12,811
Net ncome	956		956
D str but ons to parent	(600)		(600)
Other[(a)]	(13)		(13)
Balance at December 31, 2020	$ 13,161	$ (7)	$ 13,154
Net ncome	**1,336**		**1,336**
Other comprehens ve ncome		**1**	**1**
D str but ons to parent	**(600)**		**(600)**
Balance at December 31, 2021	**$ 13,897**	**$ (6)**	**$ 13,891**

(a) Amounts pr mar y represent mpacts due to mp ementat on of a new account ng standard re ated to Cred t Losses. See Note 1 for add t ona d scuss on.

See Notes to Conso dated F nanc a Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho der and the Board of D rectors of Progress Energy, Inc.

Opinion on the Financial Statements

We have aud ted the accompany ng conso dated ba ance sheets of Progress Energy, Inc. and subs d ar es (the "Company") as of December 31, 2021 and 2020, the re ated conso dated statements of operat ons and comprehens ve ncome, changes n equ ty, and cash f ows, for each of the three years n the per od ended December 31, 2021, and the re ated notes (co ect ve y referred to as the "f nanc a statements"). In our op n on, the f nanc a statements present fa r y, n a mater a respects, the f nanc a pos t on of the Company as of December 31, 2021 and 2020, and the resu ts of ts operat ons and ts cash f ows for each of the three years n the per od ended December 31, 2021, n conform ty w th account ng pr nc p es genera y accepted n the Un ted States of Amer ca.

Basis for Opinion

These f nanc a statements are the respons b ty of the Company's management. Our respons b ty s to express an op n on on the Company's f nanc a statements based on our aud ts. We are a pub c account ng f rm reg stered w th the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB) and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud ts n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether the f nanc a statements are free of mater a m sstatement, whether due to error or fraud. The Company s not requ red to have, nor were we engaged to perform, an aud t of ts nterna contro over f nanc a report ng. As part of our aud ts, we are requ red to obta n an understand ng of nterna contro over f nanc a report ng but not for the purpose of express ng an op n on on the effect veness of the Company’s nterna contro over f nanc a report ng. Accord ng y, we express no such op n on.

Our aud ts nc uded perform ng procedures to assess the r sks of mater a m sstatement of the f nanc a statements, whether due to error or fraud, and perform ng procedures that respond to those r sks. Such procedures nc uded exam n ng, on a test bas s, ev dence regard ng the amounts and d sc osures n the f nanc a statements. Our aud ts a so nc uded eva uat ng the account ng pr nc p es used and s gn f cant est mates made by management, as we as eva uat ng the overa presentat on of the f nanc a statements. We be eve that our aud ts prov de a reasonab e bas s for our op n on.

Critical Audit Matter

The cr t ca aud t matter commun cated be ow s a matter ar s ng from the current per od aud t of the f nanc a statements that was commun cated or requ red to be commun cated to the aud t comm ttee and that (1) re ates to accounts or d sc osures that are mater a to the f nanc a statements and (2) nvo ved our espec a y cha eng ng, subject ve, or comp ex judgments. The commun cat on of cr t ca aud t matters does not a ter n any way our op n on on the f nanc a statements, taken as a who e, and we are not, by commun cat ng the cr t ca aud t matter be ow, prov d ng a separate op n on on the cr t ca aud t matter or on the accounts or d sc osures to wh ch t re ates.

Regulatory Matters Impact of Rate Regulation on the Financial Statements Refer to Notes 1, 3, and 9 to the financial statements.

Critical Audit Matter Description

The Company s subject to rate regu at on by the North Caro na Ut t es Comm ss on, South Caro na Pub c Serv ce Comm ss on and F or da Pub c Serv ce Comm ss on (co ect ve y the “Comm ss ons”), wh ch have jur sd ct on w th respect to the e ectr c rates of the Company. Management has determ ned t meets the cr ter a for the app cat on of regu ated operat ons account ng n prepar ng ts f nanc a statements under account ng pr nc p es genera y accepted n the Un ted States of Amer ca. S gn f cant judgment can be requ red to determ ne f otherw se recogn zab e ncurred costs qua fy to be presented as a regu atory asset and deferred because such costs are probab e of future recovery n customer rates. As d scussed n Note 3, regu atory proceed ngs n recent years n North Caro na and South Caro na have focused on the recoverab ty of asset ret rement ob gat ons spec f c to coa ash. As a resu t, assess ng the potent a outcomes of future regu atory orders n North Caro na and South Caro na requ res s gn f cant management judgment. As of December 31, 2021, the Company has approx mate y $6.9 b on recorded as regu atory assets.

We dent f ed the mpact of rate regu at on re ated to regu atory assets as a cr t ca aud t matter due to the s gn f cant judgments made by management, nc ud ng assumpt ons regard ng the outcome of future dec s ons by the Comm ss ons, to support ts assert ons on the ke hood of future recovery for deferred costs. G ven that management’s account ng judgments are based on assumpt ons about the outcome of future dec s ons by the Comm ss ons, aud t ng these judgments requ red spec a zed know edge of account ng for rate regu at on and the ratemak ng process due to ts nherent comp ex t es as t re ates to regu atory assets.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the recovery of regu atory assets nc uded the fo ow ng, among others:

- We tested the effect veness of management’s contro s over the eva uat on of the ke hood of the recovery n future rates and the mon tor ng and eva uat on of regu atory deve opments that may affect the ke hood of recover ng costs n future rates.
- We eva uated the Company’s d sc osures re ated to the mpacts of rate regu at on, nc ud ng the ba ances recorded and regu atory deve opments.
- We read re evant regu atory orders ssued by the Comm ss ons, regu atory statutes, nterpretat ons, procedura memorandums, f ngs made by ntervenors, and other pub c y ava ab e nformat on to assess the ke hood of recovery n future rates based on precedents of the Comm ss ons’ treatment of s m ar costs under s m ar c rcumstances. We eva uated the externa nformat on and compared t to management’s recorded ba ances for comp eteness.

- For regu atory matters n process, we nspected the Company's and ntervenors' f ngs w th the Comm ss ons, that may mpact the Company's future rates, for any ev dence that m ght contrad ct management's assert ons.
- We eva uated the reasonab eness of management's judgments regard ng the recoverab ty of regu atory asset ba ances by perform ng the fo ow ng:

  We nqu red of management regard ng changes n regu atory orders and regu atory asset ba ances dur ng the year

  We eva uated the reasonab eness of such changes based on our know edge of comm ss on approved amort zat on, expected ncurred costs, and recent y approved regu atory orders, as app cab e.

  We ut zed trend ana yses to eva uate the h stor ca cons stency of regu atory asset ba ances.

  We compared the recorded regu atory asset ba ance to an ndependent y deve oped expectat on of the correspond ng ba ance.
- We obta ned an ana ys s from management and etters from nterna ega counse for asset ret rement ob gat ons spec f c to coa ash costs, regard ng probab ty of recovery for deferred costs not yet addressed n a regu atory order to assess management's assert on that amounts are probab e of recovery.
- We obta ned representat on from management assert ng that regu atory assets recorded n the f nanc a statements are probab e of recovery.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

We have served as the Company's aud tor s nce 1930.

PROGRESS ENERGY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Operating Revenues	**$ 11,057**	$ 10,627	$ 11,202
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**3,584**	3,479	4,024
Operat on, ma ntenance and other	**2,529**	2,479	2,495
Deprec at on and amort zat on	**1,929**	1,818	1,845
Property and other taxes	**542**	545	561
Impa rment of assets and other charges	**82**	495	(24)
Tota operat ng expenses	**8,666**	8,816	8,901
Gains on Sales of Other Assets and Other, net	**14**	9	
Operating Income	**2,405**	1,820	2,301
Other Income and Expenses, net	**215**	129	141
Interest Expense	**794**	790	862
Income Before Income Taxes	**1,826**	1,159	1,580
Income Tax Expense	**227**	113	253
Net Income	**1,599**	1,046	1,327
Less: Net Income Attributable to Noncontrolling Interests	**1**	1	
Net Income Attributable to Parent	**$ 1,598**	$ 1,045	$ 1,327

Net Income	**$ 1,599**	$ 1,046	$ 1,327
Other Comprehensive Income, net of tax			
Pens on and OPEB adjustments	**1**	(1)	2
Net unrea zed ga n on cash f ow hedges	**3**	5	5
Unrea zed (osses) ga ns on ava ab e for sa e secur t es		(1)	1
Other Comprehensive Income, net of tax	**4**	3	8
Comprehensive Income	**1,603**	1,049	1,335
Less: Comprehensive Income Attributable to Noncontrolling Interests	**1**	1	
Comprehensive Income Attributable to Parent	**$ 1,602**	$ 1,048	$ 1,335

See Notes to Conso dated F nanc a Statements

PROGRESS ENERGY, INC.
CONSOLIDATED BALANCE SHEETS

(in millions)	December 31, 2021	2020
ASSETS		
Current Assets		
Cash and cash equ va ents	**$ 70**	$ 59
Rece vab es (net of a owance for doubtfu accounts of $11 at 2021 and $8 at 2020)	**247**	228
Rece vab es of VIEs (net of a owance for doubtfu accounts of $25 at 2021 and $29 at 2020)	**1,006**	901
Rece vab es from aff ated compan es	**121**	157
Inventory	**1,398**	1,375
Regu atory assets (nc udes $93 at 2021 and $53 at 2020 re ated to VIEs)	**1,030**	758
Other (nc udes $39 at 2021 and 2020 re ated to VIEs)	**125**	109
Tota current assets	**3,997**	3,587
Property, Plant and Equipment		
Cost	**60,894**	57,892
Accumu ated deprec at on and amort zat on	**(19,214)**	(18,368)
Fac t es to be ret red, net	**26**	29
Net property, p ant and equ pment	**41,706**	39,553
Other Noncurrent Assets		
Goodw	**3,655**	3,655
Regu atory assets (nc udes $1,603 at 2021 and $937 at 2020 re ated to VIEs)	**5,909**	5,775
Nuc ear decomm ss on ng trust funds	**4,642**	4,137
Operat ng ease r ght of use assets, net	**691**	690
Other	**1,242**	1,227
Tota other noncurrent assets	**16,139**	15,484
Total Assets	**$ 61,842**	$ 58,624
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	**$ 1,099**	$ 919
Accounts payab e to aff ated compan es	**506**	289
Notes payab e to aff ated compan es	**2,809**	2,969
Taxes accrued	**128**	121
Interest accrued	**192**	202
Current matur t es of ong term debt (nc udes $71 at 2021 and $305 at 2020 re ated to VIEs)	**1,082**	1,426
Asset ret rement ob gat ons	**275**	283
Regu atory ab t es	**478**	640
Other	**868**	793
Tota current ab t es	**7,437**	7,642
Long-Term Debt (includes $2,293 at 2021 and $1,252 at 2020 related to VIEs)	**19,591**	17,688
Long-Term Debt Payable to Affiliated Companies	**150**	150
Other Noncurrent Liabilities		
Deferred ncome taxes	**4,564**	4,396
Asset ret rement ob gat ons	**5,837**	5,866
Regu atory ab t es	**5,566**	5,051
Operat ng ease ab t es	**606**	623
Accrued pens on and other post ret rement benef t costs	**417**	505
Other	**526**	462
Tota other noncurrent ab t es	**17,516**	16,903
Commitments and Contingencies		
Equity		
Common stock, $0.01 par va ue, 100 shares author zed and outstand ng at 2021 and 2020		
Add t ona pa d n cap ta	**9,149**	9,143
Reta ned earn ngs	**8,007**	7,109
Accumu ated other comprehens ve oss	**(11)**	(15)
Tota Progress Energy, Inc. stockho der's equ ty	**17,145**	16,237
Noncontro ng nterests	**3**	4
Tota equ ty	**17,148**	16,241
Total Liabilities and Equity	**$ 61,842**	$ 58,624

See Notes to Conso dated F nanc a Statements

PROGRESS ENERGY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Years Ended December 31, 2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net ncome	**$ 1,599**	$ 1,046	$ 1,327
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es:			
Deprec at on, amort zat on and accret on (nc ud ng amort zat on of nuc ear fue)	**2,302**	2,327	2,207
Equ ty component of AFUDC	**(51)**	(42)	(66)
Impa rment of assets and other charges	**82**	495	(24)
Deferred ncome taxes	**247**	(197)	433
Payments for asset ret rement ob gat ons	**(288)**	(384)	(412)
Prov s on for rate refunds	**(36)**	2	15
(Increase) decrease n			
Net rea zed and unrea zed mark to market and hedg ng transact ons	**51**	(9)	(34)
Rece vab es	**(97)**	(69)	47
Rece vab es from aff ated compan es	**18**	(81)	81
Inventory	**(26)**	49	62
Other current assets	**(551)**	223	184
Increase (decrease) n			
Accounts payab e	**59**	(62)	(4)
Accounts payab e to aff ated compan es	**217**	(21)	(50)
Taxes accrued	**13**	75	(74)
Other current ab t es	**(32)**	139	25
Other assets	**(110)**	(137)	(341)
Other ab t es	**(99)**	(177)	(167)
Net cash prov ded by operat ng act v t es	**3,298**	3,177	3,209
CASH FLOWS FROM INVESTING ACTIVITIES			
Cap ta expend tures	**(3,668)**	(3,488)	(3,952)
Purchases of debt and equ ty secur t es	**(2,233)**	(5,998)	(1,511)
Proceeds from sa es and matur t es of debt and equ ty secur t es	**2,322**	6,010	1,504
Notes rece vab e from aff ated compan es		164	(164)
Other	**(156)**	(160)	(190)
Net cash used n nvest ng act v t es	**(3,735)**	(3,472)	(4,313)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the ssuance of ong term debt	**3,095**	1,791	2,187
Payments for the redempt on of ong term debt	**(1,883)**	(2,157)	(1,667)
Notes payab e to aff ated compan es	**(160)**	1,148	586
D v dends to parent	**(700)**	(400)	
Other	**(2)**	(13)	12
Net cash prov ded by f nanc ng act v t es	**350**	369	1,118
Net (decrease) ncrease n cash, cash equ va ents and restr cted cash	**(87)**	74	14
Cash, cash equivalents and restricted cash at beginning of period	**200**	126	112
Cash, cash equivalents and restricted cash at end of period	**$ 113**	$ 200	$ 126
Supplemental Disclosures:			
Cash pa d for nterest, net of amount cap ta zed	**$ 813**	$ 819	$ 892
Cash pa d for (rece ved from) ncome taxes	**14**	149	(79)
S gn f cant non cash transact ons:			
Accrued cap ta expend tures	**501**	363	447

See Notes to Conso dated F nanc a Statements

PROGRESS ENERGY, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions)	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss): Net Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Income (Loss): Net Unrealized Gains (Losses) on Available-for-Sale Securities	Accumulated Other Comprehensive Income (Loss): Pension and OPEB Adjustments	Total Progress Energy, Inc. Stockholder's Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2018	$ 9,143	$ 5,131	$ (12)	$ (1)	$ (7)	$ 14,254	$ 3	$ 14,257
Net ncome		1,327				1,327		1,327
Other comprehens ve ncome			5	1	2	8		8
Other[(a)]		7	(3)	(1)	(2)	1		1
Balance at December 31, 2019	$ 9,143	$ 6,465	$ (10)	$ (1)	$ (7)	$ 15,590	$ 3	$ 15,593
Net ncome		1,045				1,045	1	1,046
Other comprehens ve ncome (oss)			5	(1)	(1)	3		3
D v dends to parent		(400)				(400)		(400)
Other		(1)				(1)		(1)
Balance at December 31, 2020	$ 9,143	$ 7,109	$ (5)	$ (2)	$ (8)	$ 16,237	$ 4	$ 16,241
Net ncome		**1,598**				**1,598**	**1**	**1,599**
Other comprehens ve ncome			**3**		**1**	**4**		**4**
D str but ons to noncontro ng nterests							**(1)**	**(1)**
D v dends to parent		**(700)**				**(700)**		**(700)**
Other	**6**					**6**	**(1)**	**5**
Balance at December 31, 2021	**$ 9,149**	**$ 8,007**	**$ (2)**	**$ (2)**	**$ (7)**	**$ 17,145**	**$ 3**	**$ 17,148**

(a) Amounts n Reta ned Earn ngs and AOCI pr mar y represent mpacts to accumu ated other comprehens ve ncome due to mp ementat on of a new account ng standard re ated to Rec ass f cat on of Certa n Tax Effects from Accumu ated Other Comprehens ve Income.

See Notes to Conso dated F nanc a Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho der and the Board of D rectors of Duke Energy Progress, LLC

Opinion on the Financial Statements

We have aud ted the accompany ng conso dated ba ance sheets of Duke Energy Progress, LLC and subs d ar es (the "Company") as of December 31, 2021 and 2020, the re ated conso dated statements of operat ons and comprehens ve ncome, changes n equ ty, and cash f ows, for each of the three years n the per od ended December 31, 2021, and the re ated notes (co ect ve y referred to as the "f nanc a statements"). In our op n on, the f nanc a statements present fa r y, n a mater a respects, the f nanc a pos t on of the Company as of December 31, 2021 and 2020, and the resu ts of ts operat ons and ts cash f ows for each of the three years n the per od ended December 31, 2021, n conform ty w th account ng pr nc p es genera y accepted n the Un ted States of Amer ca.

Basis for Opinion

These f nanc a statements are the respons b ty of the Company's management. Our respons b ty s to express an op n on on the Company's f nanc a statements based on our aud ts. We are a pub c account ng f rm reg stered w th the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB) and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud ts n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether the f nanc a statements are free of mater a m sstatement, whether due to error or fraud. The Company s not requ red to have, nor were we engaged to perform, an aud t of ts nterna contro over f nanc a report ng. As part of our aud ts, we are requ red to obta n an understand ng of nterna contro over f nanc a report ng but not for the purpose of express ng an op n on on the effect veness of the Company's nterna contro over f nanc a report ng. Accord ng y, we express no such op n on.

Our aud ts nc uded perform ng procedures to assess the r sks of mater a m sstatement of the f nanc a statements, whether due to error or fraud, and perform ng procedures that respond to those r sks. Such procedures nc uded exam n ng, on a test bas s, ev dence regard ng the amounts and d sc osures n the f nanc a statements. Our aud ts a so nc uded eva uat ng the account ng pr nc p es used and s gn f cant est mates made by management, as we as eva uat ng the overa presentat on of the f nanc a statements. We be eve that our aud ts prov de a reasonab e bas s for our op n on.

Critical Audit Matter

The cr t ca aud t matter commun cated be ow s a matter ar s ng from the current per od aud t of the f nanc a statements that was commun cated or requ red to be commun cated to the aud t comm ttee and that (1) re ates to accounts or d sc osures that are mater a to the f nanc a statements and (2) nvo ved our espec a y cha eng ng, subject ve, or comp ex judgments. The commun cat on of cr t ca aud t matters does not a ter n any way our op n on on the f nanc a statements, taken as a who e, and we are not, by commun cat ng the cr t ca aud t matter be ow, prov d ng a separate op n on on the cr t ca aud t matter or on the accounts or d sc osures to wh ch t re ates.

Regulatory Matters Impact of Rate Regulation on the Financial Statements Refer to Notes 1, 3, and 9 to the financial statements.

Critical Audit Matter Description

The Company s subject to rate regu at on by the North Caro na Ut t es Comm ss on and by the South Caro na Pub c Serv ce Comm ss on (co ect ve y the "Comm ss ons"), wh ch have jur sd ct on w th respect to the e ectr c rates of the Company. Management has determ ned t meets the cr ter a for the app cat on of regu ated operat ons account ng n prepar ng ts f nanc a statements under account ng pr nc p es genera y accepted n the Un ted States of Amer ca. S gn f cant judgment can be requ red to determ ne f otherw se recogn zab e ncurred costs qua fy to be presented as a regu atory asset and deferred because such costs are probab e of future recovery n customer rates. As d scussed n Note 3, regu atory proceed ngs n recent years n North Caro na and South Caro na have focused on the recoverab ty of asset ret rement ob gat ons spec f c to coa ash. As a resu t, assess ng the potent a outcomes of future regu atory orders n North Caro na and South Caro na requ res s gn f cant management judgment. As of December 31, 2021, the Company has approx mate y $4.7 b on recorded as regu atory assets.

We dent f ed the mpact of rate regu at on re ated to regu atory assets as a cr t ca aud t matter due to the s gn f cant judgments made by management, nc ud ng assumpt ons regard ng the outcome of future dec s ons by the Comm ss ons, to support ts assert ons on the ke hood of future recovery for deferred costs. G ven that management's account ng judgments are based on assumpt ons about the outcome of future dec s ons by the Comm ss ons, aud t ng these judgments requ red spec a zed know edge of account ng for rate regu at on and the ratemak ng process due to ts nherent comp ex t es as t re ates to regu atory assets.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the recovery of regu atory assets nc uded the fo ow ng, among others:

- We tested the effect veness of management's contro s over the eva uat on of the ke hood of the recovery n future rates and the mon tor ng and eva uat on of regu atory deve opments that may affect the ke hood of recover ng costs n future rates.
- We eva uated the Company's d sc osures re ated to the mpacts of rate regu at on, nc ud ng the ba ances recorded and regu atory deve opments.
- We read re evant regu atory orders ssued by the Comm ss ons, regu atory statutes, nterpretat ons, procedura memorandums, f ngs made by ntervenors, and other pub c y ava ab e nformat on to assess the ke hood of recovery n future rates based on precedents of the Comm ss ons' treatment of s m ar costs under s m ar c rcumstances. We eva uated the externa nformat on and compared t to management's recorded ba ances for comp eteness.

- For regu atory matters n process, we nspected the Company's and ntervenors' f ngs w th the Comm ss ons, that may mpact the Company's future rates, for any ev dence that m ght contrad ct management's assert ons.
- We eva uated the reasonab eness of management's judgments regard ng the recoverab ty of regu atory asset ba ances by perform ng the fo ow ng:

  We nqu red of management regard ng changes n regu atory orders and regu atory asset ba ances dur ng the year.

  We eva uated the reasonab eness of such changes based on our know edge of comm ss on approved amort zat on, expected ncurred costs, and recent y approved regu atory orders, as app cab e.

  We ut zed trend ana yses to eva uate the h stor ca cons stency of regu atory asset ba ances.

  We compared the recorded regu atory asset ba ance to an ndependent y deve oped expectat on of the correspond ng ba ance.
- We obta ned an ana ys s from management and etters from nterna ega counse for asset ret rement ob gat ons spec f c to coa ash costs, regard ng probab ty of recovery for deferred costs not yet addressed n a regu atory order to assess management's assert on that amounts are probab e of recovery.
- We obta ned representat on from management assert ng that regu atory assets recorded n the f nanc a statements are probab e of recovery.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

We have served as the Company's aud tor s nce 1930.

DUKE ENERGY PROGRESS, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Operating Revenues	**$ 5,780**	$ 5,422	$ 5,957
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**1,778**	1,743	2,012
Operat on, ma ntenance and other	**1,467**	1,332	1,446
Deprec at on and amort zat on	**1,097**	1,116	1,143
Property and other taxes	**159**	167	176
Impa rment of assets and other charges	**63**	499	12
Tota operat ng expenses	**4,564**	4,857	4,789
Gains on Sales of Other Assets and Other, net	**13**	8	
Operating Income	**1,229**	573	1,168
Other Income and Expenses, net	**143**	75	100
Interest Expense	**306**	269	306
Income Before Income Taxes	**1,066**	379	962
Income Tax Expense (Benefit)	**75**	(36)	157
Net Income and Comprehensive Income	**$ 991**	$ 415	$ 805

See Notes to Conso dated F nanc a Statements

DUKE ENERGY PROGRESS, LLC
CONSOLIDATED BALANCE SHEETS

(in millions)	December 31, 2021	2020
ASSETS		
Current Assets		
Cash and cash equ va ents	**$ 35**	$ 39
Rece vab es (net of a owance for doubtfu accounts of $4 at 2021 and $4 at 2020)	**127**	132
Rece vab es of VIEs (net of a owance for doubtfu accounts of $17 at 2021 and $19 at 2020)	**574**	500
Rece vab es from aff ated compan es	**65**	50
Inventory	**921**	911
Regu atory assets (nc udes $39 at 2021 re ated to VIEs)	**533**	492
Other	**83**	60
Tota current assets	**2,338**	2,184
Property, Plant and Equipment		
Cost	**37,018**	35,759
Accumu ated deprec at on and amort zat on	**(13,387)**	(12,801)
Fac t es to be ret red, net	**26**	29
Net property, p ant and equ pment	**23,657**	22,987
Other Noncurrent Assets		
Regu atory assets (nc udes $720 at 2021 re ated to VIEs)	**4,118**	3,976
Nuc ear decomm ss on ng trust funds	**4,089**	3,500
Operat ng ease r ght of use assets, net	**389**	346
Other	**792**	740
Tota other noncurrent assets	**9,388**	8,562
Total Assets	**$ 35,383**	$ 33,733
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	**$ 476**	$ 454
Accounts payab e to aff ated compan es	**310**	215
Notes payab e to aff ated compan es	**172**	295
Taxes accrued	**163**	85
Interest accrued	**96**	99
Current matur t es of ong term debt (nc udes $15 at 2021 re ated to VIEs)	**556**	603
Asset ret rement ob gat ons	**274**	283
Regu atory ab t es	**381**	530
Other	**448**	411
Tota current ab t es	**2,876**	2,975
Long-Term Debt (includes $1,097 at 2021 related to VIEs)	**9,543**	8,505
Long-Term Debt Payable to Affiliated Companies	**150**	150
Other Noncurrent Liabilities		
Deferred ncome taxes	**2,208**	2,298
Asset ret rement ob gat ons	**5,401**	5,352
Regu atory ab t es	**4,868**	4,394
Operat ng ease ab t es	**350**	323
Accrued pens on and other post ret rement benef t costs	**221**	242
Investment tax cred ts	**128**	132
Other	**87**	102
Tota other noncurrent ab t es	**13,263**	12,843
Commitments and Contingencies		
Equity		
Member's Equity	**9,551**	9,260
Total Liabilities and Equity	**$ 35,383**	$ 33,733

See Notes to Conso dated F nanc a Statements

DUKE ENERGY PROGRESS, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net ncome	**$ 991**	$ 415	$ 805
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es:			
Deprec at on and amort zat on (nc ud ng amort zat on of nuc ear fue)	**1,286**	1,299	1,329
Equ ty component of AFUDC	**(34)**	(29)	(60)
Impa rment of assets and other charges	**63**	499	12
Deferred ncome taxes	**(46)**	(234)	197
Payments for asset ret rement ob gat ons	**(187)**	(304)	(390)
Prov s ons for rate refunds	**(36)**	2	12
(Increase) decrease n			
Net rea zed and unrea zed mark to market and hedg ng transact ons	**48**	1	(6)
Rece vab es	**(52)**	(4)	21
Rece vab es from aff ated compan es	**(33)**	2	(29)
Inventory	**(11)**	23	20
Other current assets	**(147)**	98	101
Increase (decrease) n			
Accounts payab e	**12**	(127)	32
Accounts payab e to aff ated compan es	**95**	12	(75)
Taxes accrued	**83**	68	(46)
Other current ab t es	**(23)**	157	68
Other assets	**(37)**	(215)	(205)
Other ab t es	**(16)**	3	37
Net cash prov ded by operat ng act v t es	**1,956**	1,666	1,823
CASH FLOWS FROM INVESTING ACTIVITIES			
Cap ta expend tures	**(1,746)**	(1,581)	(2,108)
Purchases of debt and equ ty secur t es	**(1,931)**	(1,555)	(842)
Proceeds from sa es and matur t es of debt and equ ty secur t es	**1,914**	1,516	810
Other	**(20)**	(57)	(119)
Net cash used n nvest ng act v t es	**(1,783)**	(1,677)	(2,259)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the ssuance of ong term debt	**1,959**	1,296	1,269
Payments for the redempt on of ong term debt	**(1,308)**	(1,085)	(605)
Notes payab e to aff ated compan es	**(123)**	229	(228)
D str but ons to parent	**(700)**	(400)	
Other	**(1)**	(12)	(1)
Net cash (used n) prov ded by f nanc ng act v t es	**(173)**	28	435
Net ncrease (decrease) n cash, cash equ va ents and restr cted cash		17	(1)
Cash, cash equivalents and restricted cash at beginning of period	**39**	22	23
Cash, cash equivalents and restricted cash at end of period	**$ 39**	$ 39	$ 22
Supplemental Disclosures:			
Cash pa d for nterest, net of amount cap ta zed	**$ 335**	$ 301	$ 331
Cash pa d for (rece ved from) ncome taxes	**83**	123	(30)
S gn f cant non cash transact ons:			
Accrued cap ta expend tures	**163**	149	175

See Notes to Conso dated F nanc a Statements

DUKE ENERGY PROGRESS, LLC
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions)		Member's Equity
Balance at December 31, 2018	$	8,441
Net ncome		805
Balance at December 31, 2019	$	9,246
Net ncome		415
D str but on to parent		(400)
Other		(1)
Balance at December 31, 2020	$	9,260
Net ncome		**991**
D str but on to parent		**(700)**
Balance at December 31, 2021	**$**	**9,551**

See Notes to Conso dated F nanc a Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho der and the Board of D rectors of Duke Energy F or da, LLC

Opinion on the Financial Statements

We have aud ted the accompany ng conso dated ba ance sheets of Duke Energy F or da, LLC and subs d ar es (the "Company") as of December 31, 2021 and 2020, the re ated conso dated statements of operat ons and comprehens ve ncome, changes n equ ty, and cash f ows, for each of the three years n the per od ended December 31, 2021, and the re ated notes (co ect ve y referred to as the "f nanc a statements"). In our op n on, the f nanc a statements present fa r y, n a mater a respects, the f nanc a pos t on of the Company as of December 31, 2021 and 2020, and the resu ts of ts operat ons and ts cash f ows for each of the three years n the per od ended December 31, 2021, n conform ty w th account ng pr nc p es genera y accepted n the Un ted States of Amer ca.

Basis for Opinion

These f nanc a statements are the respons b ty of the Company's management. Our respons b ty s to express an op n on on the Company's f nanc a statements based on our aud ts. We are a pub c account ng f rm reg stered w th the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB) and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud ts n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether the f nanc a statements are free of mater a m sstatement, whether due to error or fraud. The Company s not requ red to have, nor were we engaged to perform, an aud t of ts nterna contro over f nanc a report ng. As part of our aud ts, we are requ red to obta n an understand ng of nterna contro over f nanc a report ng but not for the purpose of express ng an op n on on the effect veness of the Company’s nterna contro over f nanc a report ng. Accord ng y, we express no such op n on.

Our aud ts nc uded perform ng procedures to assess the r sks of mater a m sstatement of the f nanc a statements, whether due to error or fraud, and perform ng procedures that respond to those r sks. Such procedures nc uded exam n ng, on a test bas s, ev dence regard ng the amounts and d sc osures n the f nanc a statements. Our aud ts a so nc uded eva uat ng the account ng pr nc p es used and s gn f cant est mates made by management, as we as eva uat ng the overa presentat on of the f nanc a statements. We be eve that our aud ts prov de a reasonab e bas s for our op n on.

Critical Audit Matter

The cr t ca aud t matter commun cated be ow s a matter ar s ng from the current per od aud t of the f nanc a statements that was commun cated or requ red to be commun cated to the aud t comm ttee and that (1) re ates to accounts or d sc osures that are mater a to the f nanc a statements and (2) nvo ved our espec a y cha eng ng, subject ve, or comp ex judgments. The commun cat on of cr t ca aud t matters does not a ter n any way our op n on on the f nanc a statements, taken as a who e, and we are not, by commun cat ng the cr t ca aud t matter be ow, prov d ng a separate op n on on the cr t ca aud t matter or on the accounts or d sc osures to wh ch t re ates.

Regulatory Matters Impact of Rate Regulation on the Financial Statements Refer to Notes 1 and 3 to the financial statements.

Critical Audit Matter Description

The Company s subject to rate regu at on by the F or da Pub c Serv ce Comm ss on (the “Comm ss on”), wh ch has jur sd ct on w th respect to the e ectr c rates of the Company. Management has determ ned t meets the cr ter a for the app cat on of regu ated operat ons account ng n prepar ng ts f nanc a statements under account ng pr nc p es genera y accepted n the Un ted States of Amer ca. S gn f cant judgment can be requ red to determ ne f otherw se recogn zab e ncurred costs qua fy to be presented as a regu atory asset and deferred because such costs are probab e of future recovery n customer rates. As of December 31, 2021, the Company has approx mate y $2.3 b on recorded as regu atory assets.

We dent f ed the mpact of rate regu at on re ated to regu atory assets as a cr t ca aud t matter due to the s gn f cant judgments made by management, nc ud ng assumpt ons regard ng the outcome of future dec s ons by the Comm ss on, to support ts assert ons on the ke hood of future recovery for deferred costs. G ven that management’s account ng judgments are based on assumpt ons about the outcome of future dec s ons by the Comm ss on, aud t ng these judgments requ red spec a zed know edge of account ng for rate regu at on and the ratemak ng process due to ts nherent comp ex t es as t re ates to regu atory assets.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the recovery of regu atory assets nc uded the fo ow ng, among others:

- We tested the effect veness of management’s contro s over the eva uat on of the ke hood of the recovery n future rates and the mon tor ng and eva uat on of regu atory deve opments that may affect the ke hood of recover ng costs n future rates.
- We eva uated the Company’s d sc osures re ated to the mpacts of rate regu at on, nc ud ng the ba ances recorded and regu atory deve opments.
- We read re evant regu atory orders ssued by the Comm ss on, regu atory statutes, nterpretat ons, procedura memorandums, f ngs made by ntervenors, and other pub c y ava ab e nformat on to assess the ke hood of recovery n future rates based on precedents of the Comm ss on’s treatment of s m ar costs under s m ar c rcumstances. We eva uated the externa nformat on and compared t to management’s recorded ba ances for comp eteness.
- For regu atory matters n process, we nspected the Company’s and ntervenors’ f ngs w th the Comm ss on, that may mpact the Company’s future rates, for any ev dence that m ght contrad ct management’s assert ons.

- We eva uated the reasonab eness of management's judgments regard ng the recoverab ty of regu atory asset ba ances by perform ng the fo ow ng:

  We nqu red of management regard ng changes n regu atory orders and regu atory asset ba ances dur ng the year.

  We eva uated the reasonab eness of such changes based on our know edge of comm ss on approved amort zat on, expected ncurred costs, and recent y approved regu atory orders, as app cab e.

  We ut zed trend ana yses to eva uate the h stor ca cons stency of regu atory asset ba ances.

  We compared the recorded regu atory asset ba ance to an ndependent y deve oped expectat on of the correspond ng ba ance.

- We obta ned representat on from management assert ng that regu atory assets recorded n the f nanc a statements are probab e of recovery.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

We have served as the Company's aud tor s nce 2001.

DUKE ENERGY FLORIDA, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Operating Revenues	**$ 5,259**	$ 5,188	$ 5,231
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**1,806**	1,737	2,012
Operat on, ma ntenance and other	**1,048**	1,131	1,034
Deprec at on and amort zat on	**831**	702	702
Property and other taxes	**383**	381	392
Impa rment of assets and other charges	**19**	(4)	(36)
Tota operat ng expenses	**4,087**	3,947	4,104
Gains on Sales of Other Assets and Other, net	**1**	1	
Operating Income	**1,173**	1,242	1,127
Other Income and Expenses, net	**71**	53	48
Interest Expense	**319**	326	328
Income Before Income Taxes	**925**	969	847
Income Tax Expense	**187**	198	155
Net Income	**$ 738**	$ 771	$ 692
Other Comprehensive Income (Loss), net of tax			
Unrea zed (osses) ga ns on ava ab e for sa e secur t es	**(1)**	(1)	1
Other Comprehensive (Loss) Income, net of tax	**(1)**	(1)	1
Comprehensive Income	**$ 737**	$ 770	$ 693

See Notes to Conso dated F nanc a Statements

DUKE ENERGY FLORIDA, LLC
CONSOLIDATED BALANCE SHEETS

(in millions)	December 31, 2021	2020
ASSETS		
Current Assets		
Cash and cash equ va ents	$ 23	$ 11
Rece vab es (net of a owance for doubtfu accounts of $8 at 2021 and $4 at 2020)	117	94
Rece vab es of VIEs (net of a owance for doubtfu accounts of $8 at 2021 and $10 at 2020)	432	401
Rece vab es from aff ated compan es	16	3
Inventory	477	464
Regu atory assets (nc udes $54 at 2021 and $53 at 2020 re ated to VIEs)	497	265
Other (nc udes $39 at 2021 and 2020 re ated to VIEs)	80	41
Tota current assets	1,642	1,279
Property, Plant and Equipment		
Cost	23,865	22,123
Accumu ated deprec at on and amort zat on	(5,819)	(5,560)
Net property, p ant and equ pment	18,046	16,563
Other Noncurrent Assets		
Regu atory assets (nc udes $883 at 2021 and $937 at 2020 re ated to VIEs)	1,791	1,799
Nuc ear decomm ss on ng trust funds	553	637
Operat ng ease r ght of use assets, net	302	344
Other	399	335
Tota other noncurrent assets	3,045	3,115
Total Assets	$ 22,733	$ 20,957
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	$ 623	$ 465
Accounts payab e to aff ated compan es	209	85
Notes payab e to aff ated compan es	199	196
Taxes accrued	51	82
Interest accrued	68	69
Current matur t es of ong term debt (nc udes $56 at 2021 and $305 at 2020 re ated to VIEs)	76	823
Asset ret rement ob gat ons	1	
Regu atory ab t es	98	110
Other	408	374
Tota current ab t es	1,733	2,204
Long-Term Debt (includes $1,196 at 2021 and $1,002 at 2020 related to VIEs)	8,406	7,092
Other Noncurrent Liabilities		
Deferred ncome taxes	2,434	2,191
Asset ret rement ob gat ons	436	514
Regu atory ab t es	698	658
Operat ng ease ab t es	256	300
Accrued pens on and other post ret rement benef t costs	166	231
Other	309	209
Tota other noncurrent ab t es	4,299	4,103
Commitments and Contingencies		
Equity		
Member's equ ty	8,298	7,560
Accumu ated other comprehens ve oss	(3)	(2)
Tota equ ty	8,295	7,558
Total Liabilities and Equity	$ 22,733	$ 20,957

See Notes to Conso dated F nanc a Statements

DUKE ENERGY FLORIDA, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Years Ended December 31, 2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net ncome	**$ 738**	$ 771	$ 692
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es:			
Deprec at on, amort zat on and accret on	**1,011**	1,019	869
Equ ty component of AFUDC	**(16)**	(12)	(6)
Impa rment of assets and other charges	**19**	(4)	(36)
Deferred ncome taxes	**279**	27	180
Payments for asset ret rement ob gat ons	**(101)**	(80)	(22)
(Increase) decrease n			
Net rea zed and unrea zed mark to market and hedg ng transact ons		(14)	(33)
Rece vab es	**(45)**	(64)	26
Rece vab es from aff ated compan es	**(13)**	(3)	17
Inventory	**(15)**	26	42
Other current assets	**(451)**	40	156
Increase (decrease) n			
Accounts payab e	**47**	66	(36)
Accounts payab e to aff ated compan es	**124**	(46)	40
Taxes accrued	**(30)**	39	(31)
Other current ab t es	**(7)**	(7)	(36)
Other assets	**(69)**	84	(131)
Other ab t es	**(69)**	(181)	(213)
Net cash prov ded by operat ng act v t es	**1,402**	1,661	1,478
CASH FLOWS FROM INVESTING ACTIVITIES			
Cap ta expend tures	**(1,923)**	(1,907)	(1,844)
Purchases of debt and equ ty secur t es	**(302)**	(4,443)	(669)
Proceeds from sa es and matur t es of debt and equ ty secur t es	**408**	4,495	695
Notes rece vab e from aff ated compan es		173	(173)
Other	**(136)**	(103)	(67)
Net cash used n nvest ng act v t es	**(1,953)**	(1,785)	(2,058)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the ssuance of ong term debt	**1,135**	495	918
Payments for the redempt on of ong term debt	**(575)**	(572)	(262)
Notes payab e to aff ated compan es	**3**	196	(108)
Other		(1)	13
Net cash prov ded by f nanc ng act v t es	**563**	118	561
Net ncrease (decrease) n cash, cash equ va ents and restr cted cash	**12**	(6)	(19)
Cash, cash equivalents and restricted cash at beginning of period	**50**	56	75
Cash, cash equivalents and restricted cash at end of period	**$ 62**	$ 50	$ 56
Supplemental Disclosures:			
Cash pa d for nterest, net of amount cap ta zed	**$ 308**	$ 321	$ 332
Cash (rece ved from) pa d for ncome taxes	**(15)**	138	1
S gn f cant non cash transact ons:			
Accrued cap ta expend tures	**337**	214	272

See Notes to Conso dated F nanc a Statements

DUKE ENERGY FLORIDA, LLC
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions)	Member's Equity	Accumulated Other Comprehensive Income (Loss) – Net Unrealized Gains (Losses) on Available-for-Sale Securities	Total Equity
Balance at December 31, 2018	$ 6,097	$ (2)	$ 6,095
Net ncome	692		692
Other comprehens ve ncome		1	1
Balance at December 31, 2019	$ 6,789	$ (1)	$ 6,788
Net ncome	771		771
Other comprehens ve oss		(1)	(1)
Balance at December 31, 2020	$ 7,560	$ (2)	$ 7,558
Net ncome	**738**		**738**
Other comprehens ve oss		**(1)**	**(1)**
Balance at December 31, 2021	**$ 8,298**	**$ (3)**	**$ 8,295**

See Notes to Conso dated F nanc a Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho der and the Board of D rectors of Duke Energy Oh o, Inc.

Opinion on the Financial Statements

We have aud ted the accompany ng conso dated ba ance sheets of Duke Energy Oh o, Inc. and subs d ar es (the "Company") as of December 31, 2021 and 2020, the re ated conso dated statements of operat ons and comprehens ve ncome, changes n equ ty, and cash f ows, for each of the three years n the per od ended December 31, 2021, and the re ated notes (co ect ve y referred to as the "f nanc a statements"). In our op n on, the f nanc a statements present fa r y, n a mater a respects, the f nanc a pos t on of the Company as of December 31, 2021 and 2020, and the resu ts of ts operat ons and ts cash f ows for each of the three years n the per od ended December 31, 2021, n conform ty w th account ng pr nc p es genera y accepted n the Un ted States of Amer ca.

Basis for Opinion

These f nanc a statements are the respons b ty of the Company's management. Our respons b ty s to express an op n on on the Company's f nanc a statements based on our aud ts. We are a pub c account ng f rm reg stered w th the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB) and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud ts n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether the f nanc a statements are free of mater a m sstatement, whether due to error or fraud. The Company s not requ red to have, nor were we engaged to perform, an aud t of ts nterna contro over f nanc a report ng. As part of our aud ts, we are requ red to obta n an understand ng of nterna contro over f nanc a report ng but not for the purpose of express ng an op n on on the effect veness of the Company's nterna contro over f nanc a report ng. Accord ng y, we express no such op n on.

Our aud ts nc uded perform ng procedures to assess the r sks of mater a m sstatement of the f nanc a statements, whether due to error or fraud, and perform ng procedures that respond to those r sks. Such procedures nc uded exam n ng, on a test bas s, ev dence regard ng the amounts and d sc osures n the f nanc a statements. Our aud ts a so nc uded eva uat ng the account ng pr nc p es used and s gn f cant est mates made by management, as we as eva uat ng the overa presentat on of the f nanc a statements. We be eve that our aud ts prov de a reasonab e bas s for our op n on.

Critical Audit Matter

The cr t ca aud t matter commun cated be ow s a matter ar s ng from the current per od aud t of the f nanc a statements that was commun cated or requ red to be commun cated to the aud t comm ttee and that (1) re ates to accounts or d sc osures that are mater a to the f nanc a statements and (2) nvo ved our espec a y cha eng ng, subject ve, or comp ex judgments. The commun cat on of cr t ca aud t matters does not a ter n any way our op n on on the f nanc a statements, taken as a who e, and we are not, by commun cat ng the cr t ca aud t matter be ow, prov d ng a separate op n on on the cr t ca aud t matter or on the accounts or d sc osures to wh ch t re ates.

Regulatory Matters Impact of Rate Regulation on the Financial Statements Refer to Notes 1 and 3 to the financial statements.

Critical Audit Matter Description

The Company s subject to rate regu at on by the Pub c Ut t es Comm ss on of Oh o and by the Kentucky Pub c Serv ce Comm ss on (co ect ve y the "Comm ss ons"), wh ch have jur sd ct on w th respect to the e ectr c and gas rates of the Company. Management has determ ned t meets the cr ter a for the app cat on of regu ated operat ons account ng n prepar ng ts f nanc a statements under account ng pr nc p es genera y accepted n the Un ted States of Amer ca. S gn f cant judgment can be requ red to determ ne f otherw se recogn zab e ncurred costs qua fy to be presented as a regu atory asset and deferred because such costs are probab e of future recovery n customer rates. As of December 31, 2021, the Company has approx mate y $707 m on recorded as regu atory assets.

We dent f ed the mpact of rate regu at on re ated to regu atory assets as a cr t ca aud t matter due to the s gn f cant judgments made by management, nc ud ng assumpt ons regard ng the outcome of future dec s ons by the Comm ss ons, to support ts assert ons on the ke hood of future recovery for deferred costs. G ven that management's account ng judgments are based on assumpt ons about the outcome of future dec s ons by the Comm ss ons, aud t ng these judgments requ red spec a zed know edge of account ng for rate regu at on and the ratemak ng process due to ts nherent comp ex t es as t re ates to regu atory assets.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the recovery of regu atory assets nc uded the fo ow ng, among others:

- We tested the effect veness of management's contro s over the eva uat on of the ke hood of recovery n future rates and the mon tor ng and eva uat on of regu atory deve opments that may affect the ke hood of recover ng costs n future rates.
- We eva uated the Company's d sc osures re ated to the mpacts of rate regu at on, nc ud ng the ba ances recorded and regu atory deve opments.
- We read re evant regu atory orders ssued by the Comm ss ons, regu atory statutes, nterpretat ons, procedura memorandums, f ngs made by ntervenors, and other pub c y ava ab e nformat on to assess the ke hood of recovery n future rates based on precedents of the Comm ss ons' treatment of s m ar costs under s m ar c rcumstances. We eva uated the externa nformat on and compared t to management's recorded ba ances for comp eteness.
- For regu atory matters n process, we nspected the Company's and ntervenors' f ngs w th the Comm ss ons, that may mpact the Company's future rates, for any ev dence that m ght contrad ct management's assert ons.

- We eva uated the reasonab eness of management's judgments regard ng the recoverab ty of regu atory asset ba ances by perform ng the fo ow ng:

  We nqu red of management regard ng changes n regu atory orders and regu atory asset ba ances dur ng the year.

  We eva uated the reasonab eness of such changes based on our know edge of comm ss on approved amort zat on, expected ncurred costs, and recent y approved regu atory orders, as app cab e.

  We ut zed trend ana yses to eva uate the h stor ca cons stency of regu atory asset ba ances.

  We compared the recorded regu atory asset ba ance to an ndependent y deve oped expectat on of the correspond ng ba ance.

- We obta ned representat on from management assert ng that regu atory assets recorded n the f nanc a statements are probab e of recovery.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

We have served as the Company's aud tor s nce 2002.

DUKE ENERGY OHIO, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Operating Revenues			
Regu ated e ectr c	**$ 1,493**	$ 1,405	$ 1,456
Regu ated natura gas	**544**	453	484
Tota operat ng revenues	**2,037**	1,858	1,940
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**409**	339	388
Cost of natura gas	**136**	73	95
Operat on, ma ntenance and other	**479**	463	520
Deprec at on and amort zat on	**307**	278	265
Property and other taxes	**355**	324	308
Impa rment of assets and other charges	**25**		
Tota operat ng expenses	**1,711**	1,477	1,576
Gains on Sales of Other Assets and Other, net	**1**		
Operating Income	**327**	381	364
Other Income and Expenses, net	**18**	16	24
Interest Expense	**111**	102	109
Income From Continuing Operations Before Income Taxes	**234**	295	279
Income Tax Expense From Continuing Operations	**30**	43	40
Income From Continuing Operations	**204**	252	239
Loss From Discontinued Operations, net of tax			(1)
Net Income and Comprehensive Income	**$ 204**	$ 252	$ 238

See Notes to Conso dated F nanc a Statements

DUKE ENERGY OHIO, INC.
CONSOLIDATED BALANCE SHEETS

(in millions)	December 31, 2021	2020
ASSETS		
Current Assets		
Cash and cash equ va ents	**$ 13**	$ 14
Rece vab es (net of a owance for doubtfu accounts of $4 at 2021 and 2020)	**96**	98
Rece vab es from aff ated compan es	**122**	102
Notes rece vab e from aff ated compan es	**15**	
Inventory	**116**	110
Regu atory assets	**72**	39
Other	**57**	31
Tota current assets	**491**	394
Property, Plant and Equipment		
Cost	**11,725**	11,022
Accumu ated deprec at on and amort zat on	**(3,106)**	(3,013)
Fac t es to be ret red, net	**6**	
Net property, p ant and equ pment	**8,625**	8,009
Other Noncurrent Assets		
Goodw	**920**	920
Regu atory assets	**635**	610
Operat ng ease r ght of use assets, net	**19**	20
Other	**84**	72
Tota other noncurrent assets	**1,658**	1,622
Total Assets	**$ 10,774**	$ 10,025
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	**$ 348**	$ 279
Accounts payab e to aff ated compan es	**64**	68
Notes payab e to aff ated compan es	**103**	169
Taxes accrued	**275**	247
Interest accrued	**30**	31
Current matur t es of ong term debt		50
Asset ret rement ob gat ons	**13**	3
Regu atory ab t es	**62**	65
Other	**82**	70
Tota current ab t es	**977**	982
Long-Term Debt	**3,168**	3,014
Long-Term Debt Payable to Affiliated Companies	**25**	25
Other Noncurrent Liabilities		
Deferred ncome taxes	**1,050**	981
Asset ret rement ob gat ons	**123**	108
Regu atory ab t es	**739**	748
Operat ng ease ab t es	**18**	20
Accrued pens on and other post ret rement benef t costs	**109**	113
Other	**101**	99
Tota other noncurrent ab t es	**2,140**	2,069
Commitments and Contingencies		
Equity		
Common stock, $8.50 par va ue, 120 m on shares author zed; 90 m on shares outstand ng at 2021 and 2020	**762**	762
Add t ona pa d n cap ta	**3,100**	2,776
Reta ned earn ngs	**602**	397
Tota equ ty	**4,464**	3,935
Total Liabilities and Equity	**$ 10,774**	$ 10,025

See Notes to Conso dated F nanc a Statements

DUKE ENERGY OHIO, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Years Ended December 31, 2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net ncome	**$ 204**	$ 252	$ 238
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es:			
Deprec at on, amort zat on and accret on	**311**	283	269
Equ ty component of AFUDC	**(7)**	(7)	(13)
Impa rment of assets and other charges	**25**		
Deferred ncome taxes	**42**	31	81
Payments for asset ret rement ob gat ons	**(2)**	(2)	(8)
Prov s on for rate refunds	**16**	14	7
(Increase) decrease n			
Rece vab es	**6**	(13)	20
Rece vab es from aff ated compan es	**(25)**	9	22
Inventory	**(6)**	25	(9)
Other current assets	**(60)**	(18)	(5)
Increase (decrease) n			
Accounts payab e	**38**	2	(17)
Accounts payab e to aff ated compan es	**(4)**		(10)
Taxes accrued	**26**	30	17
Other current ab t es	**11**	3	1
Other assets	**(43)**	(32)	(26)
Other ab t es	**27**	(2)	(41)
Net cash prov ded by operat ng act v t es	**559**	575	526
CASH FLOWS FROM INVESTING ACTIVITIES			
Cap ta expend tures	**(848)**	(834)	(952)
Notes rece vab e from aff ated compan es	**(10)**	(19)	
Other	**(60)**	(48)	(68)
Net cash used n nvest ng act v t es	**(918)**	(901)	(1,020)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the ssuance of ong term debt	**150**	467	1,003
Payments for the redempt on of ong term debt	**(50)**		(551)
Notes payab e to aff ated compan es	**(67)**	(144)	38
Cap ta contr but on from parent	**325**		
Net cash prov ded by f nanc ng act v t es	**358**	323	490
Net decrease n cash and cash equ va ents	**(1)**	(3)	(4)
Cash and cash equivalents at beginning of period	**14**	17	21
Cash and cash equivalents at end of period	**$ 13**	$ 14	$ 17
Supplemental Disclosures:			
Cash pa d for nterest, net of amount cap ta zed	**$ 107**	$ 97	$ 97
Cash pa d for (rece ved from) ncome taxes	**9**		(37)
S gn f cant non cash transact ons:			
Accrued cap ta expend tures	**135**	104	109

See Notes to Conso dated F nanc a Statements

DUKE ENERGY OHIO, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions)	Common Stock	Additional Paid-in Capital	Retained Earnings (Deficit)	Total Equity
Balance at December 31, 2018	$ 762	$ 2,776	$ (93)	$ 3,445
Net ncome			238	238
Balance at December 31, 2019	$ 762	$ 2,776	$ 145	$ 3,683
Net ncome			252	252
Balance at December 31, 2020	$ 762	$ 2,776	$ 397	$ 3,935
Net ncome			**204**	**204**
Contr but on from parent		**325**		**325**
Other		**(1)**	**1**	
Balance at December 31, 2021	**$ 762**	**$ 3,100**	**$ 602**	**$ 4,464**

See Notes to Conso dated F nanc a Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho der and the Board of D rectors of Duke Energy Ind ana, LLC

Opinion on the Financial Statements

We have aud ted the accompany ng conso dated ba ance sheets of Duke Energy Ind ana, LLC and subs d ary (the "Company") as of December 31, 2021 and 2020, the re ated conso dated statements of operat ons and comprehens ve ncome, changes n equ ty, and cash f ows, for each of the three years n the per od ended December 31, 2021, and the re ated notes (co ect ve y referred to as the "f nanc a statements"). In our op n on, the f nanc a statements present fa r y, n a mater a respects, the f nanc a pos t on of the Company as of December 31, 2021 and 2020, and the resu ts of ts operat ons and ts cash f ows for each of the three years n the per od ended December 31, 2021, n conform ty w th account ng pr nc p es genera y accepted n the Un ted States of Amer ca.

Basis for Opinion

These f nanc a statements are the respons b ty of the Company's management. Our respons b ty s to express an op n on on the Company's f nanc a statements based on our aud ts. We are a pub c account ng f rm reg stered w th the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB) and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud ts n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether the f nanc a statements are free of mater a m sstatement, whether due to error or fraud. The Company s not requ red to have, nor were we engaged to perform, an aud t of ts nterna contro over f nanc a report ng. As part of our aud ts, we are requ red to obta n an understand ng of nterna contro over f nanc a report ng but not for the purpose of express ng an op n on on the effect veness of the Company's nterna contro over f nanc a report ng. Accord ng y, we express no such op n on.

Our aud ts nc uded perform ng procedures to assess the r sks of mater a m sstatement of the f nanc a statements, whether due to error or fraud, and perform ng procedures that respond to those r sks. Such procedures nc uded exam n ng, on a test bas s, ev dence regard ng the amounts and d sc osures n the f nanc a statements. Our aud ts a so nc uded eva uat ng the account ng pr nc p es used and s gn f cant est mates made by management, as we as eva uat ng the overa presentat on of the f nanc a statements. We be eve that our aud ts prov de a reasonab e bas s for our op n on.

Critical Audit Matters

The cr t ca aud t matters commun cated be ow are matters ar s ng from the current per od aud t of the f nanc a statements that were commun cated or requ red to be commun cated to the aud t comm ttee and that (1) re ate to accounts or d sc osures that are mater a to the f nanc a statements and (2) nvo ved our espec a y cha eng ng, subject ve, or comp ex judgments. The commun cat on of cr t ca aud t matters does not a ter n any way our op n on on the f nanc a statements, taken as a who e, and we are not, by commun cat ng the cr t ca aud t matters be ow, prov d ng separate op n ons on the cr t ca aud t matters or on the accounts or d sc osures to wh ch they re ate.

Regulatory Matters Impact of Rate Regulation on the Financial Statements Refer to Notes 1 and 3 to the financial statements.

Critical Audit Matter Description

The Company s subject to rate regu at on by the Ind ana Ut ty Regu atory Comm ss on (the "Comm ss on"), wh ch has jur sd ct on w th respect to the e ectr c rates of the Company. Management has determ ned t meets the cr ter a for the app cat on of regu ated operat ons account ng n prepar ng ts f nanc a statements under account ng pr nc p es genera y accepted n the Un ted States of Amer ca. S gn f cant judgment can be requ red to determ ne f otherw se recogn zab e ncurred costs qua fy to be presented as a regu atory asset and deferred because such costs are probab e of future recovery n customer rates. As of December 31, 2021, the Company has approx mate y $1.6 b on recorded as regu atory assets.

We dent f ed the mpact of rate regu at on re ated to regu atory assets as a cr t ca aud t matter due to the s gn f cant judgments made by management, nc ud ng assumpt ons regard ng the outcome of future dec s ons by the Comm ss on, to support ts assert ons on the ke hood of future recovery for deferred costs. G ven that management's account ng judgments are based on assumpt ons about the outcome of future dec s ons by the Comm ss on, aud t ng these judgments requ red spec a zed know edge of account ng for rate regu at on and the ratemak ng process due to ts nherent comp ex t es as t re ates to regu atory assets.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the recovery of regu atory assets nc uded the fo ow ng, among others:

- We tested the effect veness of management's contro s over the eva uat on of the ke hood of the recovery n future rates and the mon tor ng and eva uat on of regu atory deve opments that may affect the ke hood of recover ng costs n future rates.
- We eva uated the Company's d sc osures re ated to the mpacts of rate regu at on, nc ud ng the ba ances recorded and regu atory deve opments.
- We read re evant regu atory orders ssued by the Comm ss on, regu atory statutes, nterpretat ons, procedura memorandums, f ngs made by ntervenors, and other pub c y ava ab e nformat on to assess the ke hood of recovery n future rates based on precedents of the Comm ss on's treatment of s m ar costs under s m ar c rcumstances. We eva uated the externa nformat on and compared t to management's recorded ba ances for comp eteness.
- For regu atory matters n process, we nspected the Company's and ntervenors' f ngs w th the Comm ss on, that may mpact the Company's future rates, for any ev dence that m ght contrad ct management's assert ons.

- We eva uated the reasonab eness of management's judgments regard ng the recoverab ty of regu atory asset ba ances by perform ng the fo ow ng:

  We nqu red of management regard ng changes n regu atory orders and regu atory asset ba ances dur ng the year.

  We eva uated the reasonab eness of such changes based on our know edge of comm ss on approved amort zat on, expected ncurred costs, and recent y approved regu atory orders, as app cab e.

  We ut zed trend ana yses to eva uate the h stor ca cons stency of regu atory asset ba ances.

  We compared the recorded regu atory asset ba ance to an ndependent y deve oped expectat on of the correspond ng ba ance.

- We obta ned representat on from management assert ng that regu atory assets recorded n the f nanc a statements are probab e of recovery.

Duke Energy Indiana Coal Ash Asset Retirement Obligations Refer to Notes 1, 4, and 9 to the financial statements.

Critical Audit Matter Description

Duke Energy Ind ana has asset ret rement ob gat ons assoc ated w th coa ash mpoundments at operat ng and ret red coa generat on fac t es. These ega ob gat ons are the resu t of Ind ana state and federa regu at ons. There s s gn f cant judgment n determ n ng the methods to c ose each s te s nce Duke Energy Ind ana does not have approved c osure p ans for certa n s tes. Management has app ed probab ty we ght ngs for the cash f ows for certa n s tes based the ke hood of mp ement ng potent a c osure methods. Probab ty we ght ngs for the cash f ows assoc ated w th the d fferent potent a c osure methods ("probab ty we ght ngs") creates est mat on uncerta nty. The ab ty for coa ash asset ret rement ob gat ons at Duke Energy Ind ana was $949 m on at December 31, 2021.

We dent f ed the asset ret rement ob gat ons assoc ated w th coa ash mpoundments at Duke Energy Ind ana as a cr t ca aud t matter because of the s gn f cant management est mates and assumpt ons, nc ud ng the d fferent potent a c osure methods and the probab ty we ght ngs as a resu t of pend ng ega cha enges. The aud t procedures to eva uate the reasonab eness of management's est mates and assumpt ons re ated to the probab ty we ght ngs for the cash f ows assoc ated w th the d fferent potent a c osure methods requ red a h gh degree of aud tor judgment and an ncreased extent of effort, nc ud ng the need to nvo ve our env ronmenta spec a sts.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the probab ty we ght ngs for the cash f ows assoc ated w th the d fferent potent a c osure methods for coa ash asset ret rement ob gat ons at Duke Energy Ind ana nc uded the fo ow ng, among others:

- We tested the effect veness of contro s over management's coa ash asset ret rement ob gat on est mate, nc ud ng those over management's determ nat on of the probab ty we ght ngs.
- We tested the mathemat ca accuracy of management's coa ash asset ret rement ob gat on ca cu at ons, nc ud ng the app cat on of probab ty we ght ngs.
- We made nqu r es of nterna and externa ega counse regard ng the status of the ega matters assoc ated w th the probab ty we ght ngs.
- We nspected the op n ons from nterna and externa ega counse support ng the probab ty we ght ngs.
- W th the ass stance of profess ona s n our f rm w th the appropr ate expert se, we nspected the Company's f ngs w th and orders from the Ind ana Department of Env ronmenta Management, for ev dence that m ght contrad ct management's assert ons regard ng the probab ty we ght ngs.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

We have served as the Company's aud tor s nce 2002.

DUKE ENERGY INDIANA, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Operating Revenues	**$ 3,174**	$ 2,795	$ 3,004
Operating Expenses			
Fue used n e ectr c generat on and purchased power	**985**	767	935
Operat on, ma ntenance and other	**750**	762	790
Deprec at on and amort zat on	**615**	569	525
Property and other taxes	**73**	81	69
Impa rment of assets and other charges	**9**		
Tota operat ng expenses	**2,432**	2,179	2,319
Operating Income	**742**	616	685
Other Income and Expenses, net	**42**	37	41
Interest Expense	**196**	161	156
Income Before Income Taxes	**588**	492	570
Income Tax Expense	**107**	84	134
Net Income and Comprehensive Income	**$ 481**	$ 408	$ 436

See Notes to Conso dated F nanc a Statements

DUKE ENERGY INDIANA, LLC
CONSOLIDATED BALANCE SHEETS

(in millions)	December 31, 2021	2020
ASSETS		
Current Assets		
Cash and cash equ va ents	**$ 6**	$ 7
Rece vab es (net of a owance for doubtfu accounts of $3 at 2021 and 2020)	**100**	55
Rece vab es from aff ated compan es	**98**	112
Notes rece vab e from aff ated compan es	**134**	
Inventory	**418**	473
Regu atory assets	**277**	125
Other	**68**	37
Tota current assets	**1,101**	809
Property, Plant and Equipment		
Cost	**17,343**	17,382
Accumu ated deprec at on and amort zat on	**(5,583)**	(5,661)
Net property, p ant and equ pment	**11,760**	11,721
Other Noncurrent Assets		
Regu atory assets	**1,278**	1,203
Operat ng ease r ght of use assets, net	**53**	55
Other	**296**	253
Tota other noncurrent assets	**1,627**	1,511
Total Assets	**$ 14,488**	$ 14,041
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	**$ 282**	$ 188
Accounts payab e to aff ated compan es	**221**	88
Notes payab e to aff ated compan es		131
Taxes accrued	**73**	62
Interest accrued	**49**	51
Current matur t es of ong term debt	**84**	70
Asset ret rement ob gat ons	**110**	168
Regu atory ab t es	**127**	111
Other	**105**	83
Tota current ab t es	**1,051**	952
Long-Term Debt	**4,089**	3,871
Long-Term Debt Payable to Affiliated Companies	**150**	150
Other Noncurrent Liabilities		
Deferred ncome taxes	**1,303**	1,228
Asset ret rement ob gat ons	**877**	1,008
Regu atory ab t es	**1,565**	1,627
Operat ng ease ab t es	**50**	53
Accrued pens on and other post ret rement benef t costs	**167**	171
Investment tax cred ts	**177**	168
Other	**44**	30
Tota other noncurrent ab t es	**4,183**	4,285
Commitments and Contingencies		
Equity		
Member's Equity	**5,015**	4,783
Total Liabilities and Equity	**$ 14,488**	$ 14,041

See Notes to Conso dated F nanc a Statements

DUKE ENERGY INDIANA, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Years Ended December 31, 2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net ncome	**$ 481**	$ 408	$ 436
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es:			
Deprec at on, amort zat on and accret on	**619**	572	531
Equ ty component of AFUDC	**(27)**	(23)	(18)
Impa rment of assets and other charges	**9**		
Deferred ncome taxes	**34**	29	156
Payments for asset ret rement ob gat ons	**(67)**	(63)	(48)
(Increase) decrease n			
Rece vab es	**(33)**	8	(8)
Rece vab es from aff ated compan es			41
Inventory	**55**	44	(95)
Other current assets	**(181)**	(3)	76
Increase (decrease) n			
Accounts payab e	**76**	(12)	(10)
Accounts payab e to aff ated compan es	**8**	1	4
Taxes accrued	**12**	13	(25)
Other current ab t es	**13**	6	15
Other assets	**20**	(68)	(74)
Other ab t es	**(15)**	26	16
Net cash prov ded by operat ng act v t es	**1,004**	938	997
CASH FLOWS FROM INVESTING ACTIVITIES			
Cap ta expend tures	**(818)**	(888)	(876)
Purchases of debt and equ ty secur t es	**(142)**	(37)	(26)
Proceeds from sa es and matur t es of debt and equ ty secur t es	**65**	22	20
Notes rece vab e from aff ated compan es	**(120)**	(33)	
Other	**36**	48	(49)
Net cash used n nvest ng act v t es	**(979)**	(888)	(931)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the ssuance of ong term debt	**300**	544	485
Payments for the redempt on of ong term debt	**(70)**	(513)	(213)
Notes payab e to aff ated compan es	**(131)**	101	(137)
D str but ons to parent	**(125)**	(200)	(200)
Net cash used n f nanc ng act v t es	**(26)**	(68)	(65)
Net (decrease) ncrease n cash and cash equ va ents	**(1)**	(18)	1
Cash and cash equivalents at beginning of period	**7**	25	24
Cash and cash equivalents at end of period	**$ 6**	$ 7	$ 25
Supplemental Disclosures:			
Cash pa d for nterest, net of amount cap ta zed	**$ 194**	$ 164	$ 150
Cash pa d for (rece ved from) ncome taxes	**56**	36	(6)
S gn f cant non cash transact ons:			
Accrued cap ta expend tures	**118**	101	102

See Notes to Conso dated F nanc a Statements

DUKE ENERGY INDIANA, LLC
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions)		Member's Equity
Balance at December 31, 2018	$	4,339
Net ncome		436
D str but ons to parent		(200)
Balance at December 31, 2019	$	4,575
Net ncome		408
D str but ons to parent		(200)
Balance at December 31, 2020	$	4,783
Net ncome		**481**
D str but ons to parent		**(250)**
Other		**1**
Balance at December 31, 2021	**$**	**5,015**

See Notes to Conso dated F nanc a Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho der and the Board of D rectors of P edmont Natura Gas Company, Inc.

Opinion on the Financial Statements

We have aud ted the accompany ng conso dated ba ance sheets of P edmont Natura Gas Company, Inc. and subs d ar es (the "Company") as of December 31, 2021 and 2020, the re ated conso dated statements of operat ons and comprehens ve ncome, changes n equ ty, and cash f ows, for each of the three years n the per od ended December 31, 2021, and the re ated notes (co ect ve y referred to as the "f nanc a statements"). In our op n on, the f nanc a statements present fa r y, n a mater a respects, the f nanc a pos t on of the Company as of December 31, 2021 and 2020 and the resu ts of ts operat ons and ts cash f ows for each of the three years n the per od ended December 31, 2021, n conform ty w th account ng pr nc p es genera y accepted n the Un ted States of Amer ca.

Basis for Opinion

These f nanc a statements are the respons b ty of the Company's management. Our respons b ty s to express an op n on on the Company's f nanc a statements based on our aud ts. We are a pub c account ng f rm reg stered w th the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB) and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud ts n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether the f nanc a statements are free of mater a m sstatement, whether due to error or fraud. The Company s not requ red to have, nor were we engaged to perform, an aud t of ts nterna contro over f nanc a report ng. As part of our aud ts, we are requ red to obta n an understand ng of nterna contro over f nanc a report ng but not for the purpose of express ng an op n on on the effect veness of the Company’s nterna contro over f nanc a report ng. Accord ng y, we express no such op n on.

Our aud ts nc uded perform ng procedures to assess the r sks of mater a m sstatement of the f nanc a statements, whether due to error or fraud, and perform ng procedures that respond to those r sks. Such procedures nc uded exam n ng, on a test bas s, ev dence regard ng the amounts and d sc osures n the f nanc a statements. Our aud ts a so nc uded eva uat ng the account ng pr nc p es used and s gn f cant est mates made by management, as we as eva uat ng the overa presentat on of the f nanc a statements. We be eve that our aud ts prov de a reasonab e bas s for our op n on.

Critical Audit Matter

The cr t ca aud t matter commun cated be ow s a matter ar s ng from the current per od aud t of the f nanc a statements that was commun cated or requ red to be commun cated to the aud t comm ttee and that (1) re ates to accounts or d sc osures that are mater a to the f nanc a statements and (2) nvo ved our espec a y cha eng ng, subject ve, or comp ex judgments. The commun cat on of cr t ca aud t matters does not a ter n any way our op n on on the f nanc a statements, taken as a who e, and we are not, by commun cat ng the cr t ca aud t matter be ow, prov d ng a separate op n on on the cr t ca aud t matter or on the accounts or d sc osures to wh ch t re ates.

Regulatory Matters Impact of Rate Regulation on the Financial Statements Refer to Notes 1 and 3 to the financial statements.

Critical Audit Matter Description

The Company s subject to rate regu at on by the North Caro na Ut t es Comm ss on, the Pub c Serv ce Comm ss on of South Caro na, and the Tennessee Pub c Ut ty Comm ss on (co ect ve y the “Comm ss ons”), wh ch have jur sd ct on w th respect to the gas rates of the Company. Management has determ ned t meets the cr ter a for the app cat on of regu ated operat ons account ng n prepar ng ts f nanc a statements under account ng pr nc p es genera y accepted n the Un ted States of Amer ca. S gn f cant judgment can be requ red to determ ne f otherw se recogn zab e ncurred costs qua fy to be presented as a regu atory asset and deferred because such costs are probab e of future recovery n customer rates. As of December 31, 2021, the Company has approx mate y $456.8 m on recorded as regu atory assets.

We dent f ed the mpact of rate regu at on re ated to regu atory assets as a cr t ca aud t matter due to the s gn f cant judgments made by management, nc ud ng assumpt ons regard ng the outcome of future dec s ons by the Comm ss ons, to support ts assert ons on the ke hood of future recovery for deferred costs. G ven that management’s account ng judgments are based on assumpt ons about the outcome of future dec s ons by the Comm ss ons, aud t ng these judgments requ red spec a zed know edge of account ng for rate regu at on and the ratemak ng process due to ts nherent comp ex t es as t re ates to regu atory assets.

How the Critical Audit Matter Was Addressed in the Audit

Our aud t procedures re ated to the recovery of regu atory assets nc uded the fo ow ng, among others:

- We tested the effect veness of management’s contro s over the eva uat on of the ke hood of recovery n future rates and the mon tor ng and eva uat on of regu atory deve opments that may affect the ke hood of recover ng costs n future rates.
- We eva uated the Company’s d sc osures re ated to the mpacts of rate regu at on, nc ud ng the ba ances recorded and regu atory deve opments.
- We read re evant regu atory orders ssued by the Comm ss on, regu atory statutes, nterpretat ons, procedura memorandums, f ngs made by ntervenors, and other pub c y ava ab e nformat on to assess the ke hood of recovery n future rates based on precedents of the Comm ss ons’ treatment of s m ar costs under s m ar c rcumstances. We eva uated the externa nformat on and compared t to management’s recorded ba ances for comp eteness.
- For regu atory matters n process, we nspected the Company’s and ntervenors’ f ngs w th the Comm ss ons, that may mpact the Company’s future rates, for any ev dence that m ght contrad ct management’s assert ons.

- We eva uated the reasonab eness of management's judgments regard ng the recoverab ty of regu atory asset ba ances by perform ng the fo ow ng:

  We nqu red of management regard ng changes n regu atory orders and regu atory asset ba ances dur ng the year.

  We eva uated the reasonab eness of such changes based on our know edge of comm ss on approved amort zat on, expected ncurred costs, and recent y approved regu atory orders, as app cab e.

  We ut zed trend ana yses to eva uate the h stor ca cons stency of regu atory asset ba ances.

  We compared the recorded regu atory asset ba ance to an ndependent y deve oped expectat on of the correspond ng ba ance.

- We obta ned representat on from management assert ng that regu atory assets recorded n the f nanc a statements are probab e of recovery.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

We have served as the Company's aud tor s nce 1951.

PIEDMONT NATURAL GAS COMPANY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Operating Revenues			
Regu ated natura gas	**$ 1,555**	$ 1,286	$ 1,369
Nonregu ated natura gas and other	**14**	11	12
Tota operat ng revenues	**1,569**	1,297	1,381
Operating Expenses			
Cost of natura gas	**569**	386	532
Operat on, ma ntenance and other	**327**	322	328
Deprec at on and amort zat on	**213**	180	172
Property and other taxes	**55**	53	45
Impa rment of assets and other charges	**10**	7	
Tota operat ng expenses	**1,174**	948	1,077
Operating Income	**395**	349	304
Equ ty n earn ngs of unconso dated aff ates	**9**	9	8
Other ncome and expense, net	**55**	51	20
Tota other ncome and expenses	**64**	60	28
Interest Expense	**119**	118	87
Income Before Income Taxes	**340**	291	245
Income Tax Expense	**30**	18	43
Net Income and Comprehensive Income	**$ 310**	$ 273	$ 202

See Notes to Conso dated F nanc a Statements

PIEDMONT NATURAL GAS COMPANY, INC.
CONSOLIDATED BALANCE SHEETS

(in millions)	December 31, 2021	2020
ASSETS		
Current Assets		
Rece vab es (net of a owance for doubtfu accounts of $15 at 2021 and $12 at 2020)	**$ 318**	$ 250
Rece vab es from aff ated compan es	**11**	10
Inventory	**109**	68
Regu atory assets	**141**	153
Other	**9**	20
Tota current assets	**588**	501
Property, Plant and Equipment		
Cost	**9,918**	9,134
Accumu ated deprec at on and amort zat on	**(1,899)**	(1,749)
Fac t es to be ret red, net	**11**	
Net property, p ant and equ pment	**8,030**	7,385
Other Noncurrent Assets		
Goodw	**49**	49
Regu atory assets	**316**	302
Operat ng ease r ght of use assets, net	**16**	20
Investments n equ ty method unconso dated aff ates	**95**	88
Other	**288**	270
Tota other noncurrent assets	**764**	729
Total Assets	**$ 9,382**	$ 8,615
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	**$ 196**	$ 230
Accounts payab e to aff ated compan es	**40**	79
Notes payab e to aff ated compan es	**518**	530
Taxes accrued	**63**	23
Interest accrued	**37**	34
Current matur t es of ong term debt		160
Regu atory ab t es	**56**	88
Other	**81**	69
Tota current ab t es	**991**	1,213
Long-Term Debt	**2,968**	2,620
Other Noncurrent Liabilities		
Deferred ncome taxes	**815**	821
Asset ret rement ob gat ons	**22**	20
Regu atory ab t es	**1,058**	1,044
Operat ng ease ab t es	**14**	19
Accrued pens on and other post ret rement benef t costs	**7**	8
Other	**158**	155
Tota other noncurrent ab t es	**2,074**	2,067
Commitments and Contingencies		
Equity		
Common stock, no par va ue: 100 shares author zed and outstand ng at 2021 and 2020	**1,635**	1,310
Reta ned earn ngs	**1,714**	1,405
Tota equ ty	**3,349**	2,715
Total Liabilities and Equity	**$ 9,382**	$ 8,615

See Notes to Conso dated F nanc a Statements

PIEDMONT NATURAL GAS COMPANY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Years Ended December 31, 2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net ncome	**$ 310**	$ 273	$ 202
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es:			
Deprec at on and amort zat on	**216**	182	174
Equ ty component of AFUDC	**(20)**	(19)	
Impa rment of assets and other charges	**10**	7	
Deferred ncome taxes	**4**	53	136
Equ ty n (earn ngs) osses from unconso dated aff ates	**(9)**	(9)	(8)
Prov s on for rate refunds	**(4)**	(33)	2
(Increase) decrease n			
Rece vab es	**(77)**	10	28
Rece vab es from aff ated compan es	**(1)**		12
Inventory	**(40)**	3	(2)
Other current assets	**33**	(66)	(25)
Increase (decrease) n			
Accounts payab e	**(25)**	16	(7)
Accounts payab e to aff ated compan es	**(39)**	76	(35)
Taxes accrued	**37**	3	(60)
Other current ab t es	**(26)**	(11)	1
Other assets	**26**	(11)	1
Other ab t es	**(4)**	7	(10)
Net cash prov ded by operat ng act v t es	**391**	481	409
CASH FLOWS FROM INVESTING ACTIVITIES			
Cap ta expend tures	**(850)**	(901)	(1,053)
Contr but ons to equ ty method nvestments	**(9)**		(16)
Other	**(31)**	(28)	(14)
Net cash used n nvest ng act v t es	**(890)**	(929)	(1,083)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the ssuance of ong term debt	**347**	394	596
Payments for the redempt on of ong term debt	**(160)**		(350)
Notes payab e to aff ated compan es	**(13)**	54	278
Cap ta contr but on from parent	**325**		150
Net cash prov ded by f nanc ng act v t es	**499**	448	674
Net decrease n cash and cash equ va ents			
Cash and cash equivalents at beginning of period			
Cash and cash equivalents at end of period	**$**	$	$
Supplemental Disclosures:			
Cash pa d for nterest, net of amount cap ta zed	**$ 114**	$ 115	$ 84
Cash rece ved from ncome taxes	**(13)**	(36)	(31)
S gn f cant non cash transact ons:			
Accrued cap ta expend tures	**97**	106	109

See Notes to Conso dated F nanc a Statements

PIEDMONT NATURAL GAS COMPANY, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions)	Common Stock	Retained Earnings	Total Equity
Balance at December 31, 2018	$ 1,160	$ 931	$ 2,091
Net ncome		202	202
Contr but on from parent	150		150
Balance at December 31, 2019	$ 1,310	$ 1,133	$ 2,443
Net ncome		273	273
Other		(1)	(1)
Balance at December 31, 2020	$ 1,310	$ 1,405	$ 2,715
Net ncome		**310**	**310**
Contr but on from parent	**325**		**325**
Other		**(1)**	**(1)**
Balance at December 31, 2021	**$ 1,635**	**$ 1,714**	**$ 3,349**

See Notes to Conso dated F nanc a Statements

Index to Combined Notes To Consolidated Financial Statements

The notes to the conso dated f nanc a statements are a comb ned presentat on. The fo ow ng tab e nd cates the reg strants to wh ch the notes app y.

	Applicable Notes																								
Registrant	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**	**22**	**23**	**24**	**25**
Duke Energy	•	•	•	•	•	•	•	•	•	•	•	•		•	•	•	•	•	•	•	•	•	•	•	•
Duke Energy Caro nas	•	•	•	•	•	•		•	•	•	•		•	•	•	•	•	•		•	•	•	•	•	•
Progress Energy	•	•	•	•	•	•			•	•	•		•	•	•	•	•	•		•	•	•	•	•	•
Duke Energy Progress	•	•	•	•	•	•			•	•	•		•	•	•	•	•	•		•	•	•	•	•	•
Duke Energy F or da	•	•	•	•	•	•			•	•	•		•	•	•	•	•	•		•	•	•	•	•	•
Duke Energy Oh o	•	•	•	•	•	•			•	•	•		•	•		•	•	•		•	•	•	•	•	•
Duke Energy Ind ana	•	•	•	•	•	•		•	•	•	•		•	•	•	•	•	•		•	•	•	•	•	•
P edmont	•	•	•	•	•	•			•	•	•	•	•	•		•		•		•	•	•	•	•	•

Tab es w th n the notes may not sum across due to ( ) Progress Energy's conso dat on of Duke Energy Progress, Duke Energy F or da and other subs d ar es that are not reg strants and ( ) subs d ar es that are not reg strants but nc uded n the conso dated Duke Energy ba ances.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and Basis of Consolidation

Duke Energy s an energy company headquartered n Char otte, North Caro na, subject to regu at on by the FERC and other regu atory agenc es sted be ow. Duke Energy operates n the U.S. pr mar y through ts d rect and nd rect subs d ar es. Certa n Duke Energy subs d ar es are a so subs d ary reg strants, nc ud ng Duke Energy Caro nas; Progress Energy; Duke Energy Progress; Duke Energy F or da; Duke Energy Oh o; Duke Energy Ind ana and P edmont. When d scuss ng Duke Energy's conso dated f nanc a nformat on, t necessar y nc udes the resu ts of ts separate Subs d ary Reg strants, wh ch a ong w th Duke Energy, are co ect ve y referred to as the Duke Energy Reg strants.

The nformat on n these comb ned notes re ates to each of the Duke Energy Reg strants as noted n the Index to Comb ned Notes to Conso dated F nanc a Statements. However, none of the Subs d ary Reg strants make any representat on as to nformat on re ated so e y to Duke Energy or the Subs d ary Reg strants of Duke Energy other than tse f.

These Conso dated F nanc a Statements nc ude, after e m nat ng ntercompany transact ons and ba ances, the accounts of the Duke Energy Reg strants and subs d ar es or VIEs where the respect ve Duke Energy Reg strants have contro . See Note 17 for add t ona nformat on on VIEs. These Conso dated F nanc a Statements a so ref ect the Duke Energy Reg strants' proport onate share of certa n jo nt y owned generat on and transm ss on fac t es. See Note 8 for add t ona nformat on on jo nt ownersh p. Substant a y a of the Subs d ary Reg strants' operat ons qua fy for regu atory account ng.

Duke Energy Caro nas s a regu ated pub c ut ty pr mar y engaged n the generat on, transm ss on, d str but on and sa e of e ectr c ty n port ons of North Caro na and South Caro na. Duke Energy Caro nas s subject to the regu atory prov s ons of the NCUC, PSCSC, NRC and FERC.

Progress Energy s a pub c ut ty ho d ng company, wh ch conducts operat ons through ts who y owned subs d ar es, Duke Energy Progress and Duke Energy F or da. Progress Energy s subject to regu at on by FERC and other regu atory agenc es sted be ow.

Duke Energy Progress s a regu ated pub c ut ty pr mar y engaged n the generat on, transm ss on, d str but on and sa e of e ectr c ty n port ons of North Caro na and South Caro na. Duke Energy Progress s subject to the regu atory prov s ons of the NCUC, PSCSC, NRC and FERC.

Duke Energy F or da s a regu ated pub c ut ty pr mar y engaged n the generat on, transm ss on, d str but on and sa e of e ectr c ty n port ons of F or da. Duke Energy F or da s subject to the regu atory prov s ons of the FPSC, NRC and FERC.

Duke Energy Oh o s a regu ated pub c ut ty pr mar y engaged n the transm ss on and d str but on of e ectr c ty n port ons of Oh o and Kentucky, the generat on and sa e of e ectr c ty n port ons of Kentucky and the transportat on and sa e of natura gas n port ons of Oh o and Kentucky. Duke Energy Oh o conducts compet t ve auct ons for reta e ectr c ty supp y n Oh o whereby the energy pr ce s recovered from reta customers and recorded n Operat ng Revenues on the Conso dated Statements of Operat ons and Comprehens ve Income. Operat ons n Kentucky are conducted through ts who y owned subs d ary, Duke Energy Kentucky. References here n to Duke Energy Oh o co ect ve y nc ude Duke Energy Oh o and ts subs d ar es, un ess otherw se noted. Duke Energy Oh o s subject to the regu atory prov s ons of the PUCO, KPSC and FERC.

Duke Energy Ind ana s a regu ated pub c ut ty pr mar y engaged n the generat on, transm ss on, d str but on and sa e of e ectr c ty n port ons of Ind ana. Duke Energy Ind ana s subject to the regu atory prov s ons of the IURC and FERC.

P edmont s a regu ated pub c ut ty pr mar y engaged n the d str but on of natura gas n port ons of North Caro na, South Caro na and Tennessee. P edmont s subject to the regu atory prov s ons of the NCUC, PSCSC, TPUC and FERC.

Certa n pr or year amounts have been rec ass f ed to conform to the current year presentat on.

Other Current Assets and Liabilities

The fo ow ng tab e prov des a descr pt on of amounts nc uded n Other w th n Current Assets or Current L ab t es that exceed 5% of tota Current Assets or Current L ab t es on the Duke Energy Reg strants' Conso dated Ba ance Sheets at e ther December 31, 2021, or 2020.

(in millions)	Location	December 31, 2021	2020
Duke Energy			
Accrued compensat on	Current L ab t es	**$ 915**	$ 662
Other accrued ab t es	Current L ab t es	**649**	1,455
Duke Energy Carolinas			
Accrued compensat on	Current L ab t es	**$ 277**	$ 213
Duke Energy Progress			
Customer depos ts	Current L ab t es	**$ 144**	$ 144
Other accrued ab t es	Current L ab t es	**163**	132
Duke Energy Florida			
Customer depos ts	Current L ab t es	**$ 200**	$ 203
Other accrued ab t es	Current L ab t es	**89**	81
Duke Energy Ohio			
Gas Storage	Current Assets	**$ 25**	$ 21
Co atera ab t es	Current L ab t es	**57**	41

Discontinued Operations

Duke Energy has e ected to present cash f ows of d scont nued operat ons comb ned w th cash f ows of cont nu ng operat ons. Un ess otherw se noted, the notes to these conso dated f nanc a statements exc ude amounts re ated to d scont nued operat ons for a per ods presented. For the years ended December 31, 2021, 2020 and 2019, the Income (Loss) From D scont nued Operat ons, net of tax on Duke Energy's Conso dated Statements of Operat ons s ent re y attr butab e to contro ng nterest.

Noncontrolling Interest

Duke Energy ma nta ns a contro ng f nanc a nterest n certa n ess than who y owned nonregu ated subs d ar es. As a resu t, Duke Energy conso dates these subs d ar es and presents the th rd party nvestors' port on of Duke Energy's net ncome (oss), net assets and comprehens ve ncome (oss) as noncontro ng nterest. Noncontro ng nterest s nc uded as a component of equ ty on the Conso dated Ba ance Sheet.

Severa operat ng agreements of Duke Energy's subs d ar es w th noncontro ng nterest are subject to a ocat ons of tax attr butes and cash f ows n accordance w th contractua agreements that vary throughout the ves of the subs d ar es. Therefore, Duke Energy and the other nvestors' (the owners) nterests n the subs d ar es are not f xed, and the subs d ar es app y the HLBV method n a ocat ng ncome or oss and other comprehens ve ncome or oss (a measured on a pretax bas s) to the owners. The HLBV method measures the amounts that each owner wou d hypothet ca y c a m at each ba ance sheet report ng date, nc ud ng tax benef ts rea zed by the owners, most of wh ch s over the IRS recapture per od, upon a hypothet ca qu dat on of the subs d ary at the net book va ue of ts under y ng assets. The change n the amount that each owner wou d hypothet ca y rece ve at the report ng date compared to the amount t wou d have rece ved on the prev ous report ng date represents the amount of ncome or oss a ocated to each owner for the report ng per od.

Other operat ng agreements of Duke Energy's subs d ar es w th noncontro ng nterest a ocate prof t and oss based on the r pro rata shares of the ownersh p nterest n the respect ve subs d ary. Therefore, Duke Energy a ocates net ncome or oss and other comprehens ve ncome or oss of these subs d ar es to the owners based on the r pro rata shares.

In 2019, Duke Energy comp eted a sa e of m nor ty nterest n a port on of certa n renewab e assets w th n the Commerc a Renewab es Segment for pretax proceeds to Duke Energy of $415 m on. The port on of Duke Energy's commerc a renewab es energy portfo o so d nc udes 49% of 37 operat ng w nd, so ar and battery storage assets and 33% of 11 operat ng so ar assets across the U.S. Duke Energy reta ned contro of these assets, and, therefore, no ga n or oss was recogn zed on the Conso dated Statements of Operat ons. The d fference between the cons derat on rece ved and the carry ng va ue of the noncontro ng nterest c a m on net assets was $466 m on, net of tax benef t of $8 m on, and was recorded to equ ty.

The fo ow ng tab e presents a ocated osses to noncontro ng nterest for the years ended December 31, 2021, 2020 and 2019.

(in millions)	December 31, 2021	2020	2019
Noncontrolling Interest Allocation of Income			
A ocated osses to noncontro ng tax equ ty members ut z ng the HLBV method	**$ 298**	$ 271	$ 165
A ocated osses to noncontro ng members based on pro rata shares of ownersh p	**31**	24	12
Total Noncontrolling Interest Allocated Losses	**$ 329**	$ 295	$ 177

2021 Sale of Minority Interest in Duke Energy Indiana

On January 28, 2021, Duke Energy executed an agreement prov d ng for an nvestment by an aff ate of GIC n Duke Energy Ind ana n exchange for a 19.9% m nor ty nterest ssued by Duke Energy Ind ana Ho dco, LLC, the ho d ng company for Duke Energy Ind ana. The transact on w be comp eted fo ow ng two c os ngs for an aggregate purchase pr ce of approx mate y $2 b on. The f rst c os ng, wh ch occurred on September 8, 2021, resu ted n Duke Energy Ind ana Ho dco, LLC ssu ng 11.05% of ts membersh p nterests n exchange for approx mate y $1,025 m on or 50% of the purchase pr ce. Duke Energy reta ned nd rect contro of these assets, and, therefore, no ga n or oss was recogn zed on the Conso dated Statements of Operat ons. The d fference between the cash cons derat on rece ved, net of transact on costs of approx mate y $27 m on, and the carry ng va ue of the noncontro ng nterest s $545 m on and was recorded as an ncrease to equ ty. Under the terms of the agreement, Duke Energy has the d scret on to determ ne the t m ng of the second c os ng, but t w occur no ater than January 2023. At the second c os ng, Duke Energy w ssue and se add t ona membersh p nterests such that GIC w own 19.9% of the membersh p nterests for the rema n ng 50% of the purchase pr ce.

Acquisitions

The Duke Energy Reg strants conso date assets and ab t es from acqu s t ons as of the purchase date and nc ude earn ngs from acqu s t ons n conso dated earn ngs after the purchase date.

Significant Accounting Policies

Use of Estimates

In prepar ng f nanc a statements that conform to GAAP, the Duke Energy Reg strants must make est mates and assumpt ons that affect the reported amounts of assets and ab t es, the reported amounts of revenues and expenses and the d sc osure of cont ngent assets and ab t es at the date of the f nanc a statements. Actua resu ts cou d d ffer from those est mates.

Regulatory Accounting

The major ty of the Duke Energy Reg strants' operat ons are subject to pr ce regu at on for the sa e of e ectr c ty and natura gas by state ut ty comm ss ons or FERC. When pr ces are set on the bas s of spec f c costs of the regu ated operat ons and an effect ve franch se s n p ace such that suff c ent natura gas or e ectr c serv ces can be so d to recover those costs, the Duke Energy Reg strants app y regu atory account ng. Regu atory account ng changes the t m ng of the recogn t on of costs or revenues re at ve to a company that does not app y regu atory account ng. As a resu t, regu atory assets and regu atory ab t es are recogn zed on the Conso dated Ba ance Sheets. Regu atory assets and ab t es are amort zed cons stent w th the treatment of the re ated cost n the ratemak ng process. Regu atory assets are rev ewed for recoverab ty each report ng per od. If a regu atory asset s no onger deemed probab e of recovery, the deferred cost s charged to earn ngs. See Note 3 for further nformat on.

Regu atory account ng ru es a so requ re recogn t on of a d sa owance (a so ca ed " mpa rment") oss f t becomes probab e that part of the cost of a p ant under construct on (or a recent y comp eted p ant or an abandoned p ant) w be d sa owed for ratemak ng purposes and a reasonab e est mate of the amount of the d sa owance can be made. For examp e, f a cost cap s set for a p ant st under construct on, the amount of the d sa owance s a resu t of a judgment as to the u t mate cost of the p ant. These d sa owances can requ re judgments on a owed future rate recovery.

When t becomes probab e that regu ated generat on, transm ss on or d str but on assets w be abandoned, the cost of the asset s removed from p ant n serv ce. The va ue that may be reta ned as a regu atory asset on the ba ance sheet for the abandoned property s dependent upon amounts that may be recovered through regu ated rates, nc ud ng any return. As such, an mpa rment charge cou d be part a y or fu y offset by the estab shment of a regu atory asset f rate recovery s probab e. The mpa rment charge for a d sa owance of costs for regu ated p ants under construct on, recent y comp eted or abandoned s based on d scounted cash f ows.

The Duke Energy Reg strants ut ze cost track ng mechan sms, common y referred to as fue adjustment c auses or PGA c auses. These c auses a ow for the recovery of fue and fue re ated costs, port ons of purchased power, natura gas costs and hedg ng costs through surcharges on customer rates. The d fference between the costs ncurred and the surcharge revenues s recorded e ther as an adjustment to Operat ng Revenues, Operat ng Expenses Fue used n e ectr c generat on or Operat ng Expenses Cost of natura gas on the Conso dated Statements of Operat ons, w th an off sett ng mpact on regu atory assets or ab t es.

Cash, Cash Equivalents and Restricted Cash

A h gh y qu d nvestments w th matur t es of three months or ess at the date of acqu s t on are cons dered cash equ va ents. Duke Energy, Progress Energy and Duke Energy F or da have restr cted cash ba ances re ated pr mar y to co atera assets, escrow depos ts and VIEs. Duke Energy Caro nas and Duke Energy Progress have restr cted cash ba ances re ated to VIEs from storm recovery bonds ssued n 2021. See Note 17 for add t ona nformat on. Restr cted cash amounts are nc uded n Other w th n Current Assets and Other Noncurrent Assets on the Conso dated Ba ance Sheets. The fo ow ng tab e presents the components of cash, cash equ va ents and restr cted cash nc uded n the Conso dated Ba ance Sheets.

	December 31, 2021				
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida
Current Assets					
Cash and cash equ va ents	$ 343	$ 7	$ 70	$ 35	$ 23
Other	170		39		39
Other Noncurrent Assets					
Other	7	1	4	4	
Tota cash, cash equ va ents and restr cted cash	$ 520	$ 8	$ 113	$ 39	$ 62

	December 31, 2020				
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida
Current Assets					
Cash and cash equ va ents	$ 259	$ 21	$ 59	$ 39	$ 11
Other	194		39		39
Other Noncurrent Assets					
Other	103		102		
Tota cash, cash equ va ents and restr cted cash	$ 556	$ 21	$ 200	$ 39	$ 50

Inventory

Inventory re ated to regu ated operat ons s va ued at h stor ca cost. Inventory re ated to nonregu ated operat ons s va ued at the ower of cost or market. Inventory s charged to expense or cap ta zed to property, p ant and equ pment when ssued, pr mar y us ng the average cost method. Excess or obso ete nventory s wr tten down to the ower of cost or net rea zab e va ue. Once nventory has been wr tten down, t creates a new cost bas s for the nventory that s not subsequent y wr tten up. Prov s ons for nventory wr te offs were not mater a at December 31, 2021, and 2020, respect ve y. The components of nventory are presented n the tab es be ow.

	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Mater a s and supp es	$ 2,397	$ 793	$ 1,067	$ 729	$ 338	$ 80	$ 311	$ 14
Coa	486	195	167	94	73	19	105	
Natura gas, o and other	316	38	164	98	66	17	2	95
Tota nventory	$ 3,199	$ 1,026	$ 1,398	$ 921	$ 477	$ 116	$ 418	$ 109

	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Mater a s and supp es	$ 2,312	$ 785	$ 999	$ 673	$ 325	$ 78	$ 307	$ 12
Coa	561	186	193	131	63	16	165	
Natura gas, o and other	294	39	183	107	76	16	1	56
Tota nventory	$ 3,167	$ 1,010	$ 1,375	$ 911	$ 464	$ 110	$ 473	$ 68

Investments in Debt and Equity Securities

The Duke Energy Reg strants c ass fy nvestments n equ ty secur t es as FV NI and nvestments n debt secur t es as AFS. Both categor es are recorded at fa r va ue on the Conso dated Ba ance Sheets. Rea zed and unrea zed ga ns and osses on secur t es c ass f ed as FV NI are reported through net ncome. Unrea zed ga ns and osses for debt secur t es c ass f ed as AFS are nc uded n AOCI unt rea zed, un ess t s determ ned the carry ng va ue of an nvestment has a cred t oss. For certa n nvestments of regu ated operat ons, such as substant a y a of the NDTF, rea zed and unrea zed ga ns and osses (nc ud ng any cred t osses) on debt secur t es are recorded as a regu atory asset or ab ty. The cred t oss port on of debt secur t es of nonregu ated operat ons are nc uded n earn ngs. Investments n debt and equ ty secur t es are c ass f ed as e ther current or noncurrent based on management's ntent and ab ty to se these secur t es, tak ng nto cons derat on current market qu d ty. See Note 15 for further nformat on.

Goodwill

Duke Energy, Progress Energy, Duke Energy Oh o and P edmont perform annua goodw mpa rment tests as of August 31 each year at the report ng un t eve , wh ch s determ ned to be a bus ness segment or one eve be ow. Duke Energy, Progress Energy, Duke Energy Oh o and P edmont update these tests between annua tests f events or c rcumstances occur that wou d more ke y than not reduce the fa r va ue of a report ng un t be ow ts carry ng va ue. See Note 11 for further nformat on.

Intangible Assets

Intang b e assets are nc uded n Other n Other Noncurrent Assets on the Conso dated Ba ance Sheets. Genera y, ntang b e assets are amort zed us ng an amort zat on method that ref ects the pattern n wh ch the econom c benef ts of the ntang b e asset are consumed or on a stra ght ne bas s f that pattern s not read y determ nab e. Amort zat on of ntang b es s ref ected n Deprec at on and amort zat on on the Conso dated Statements of Operat ons. Intang b e assets are subject to mpa rment test ng and f mpa red, the carry ng va ue s accord ng y reduced.

RECs are used to measure comp ance w th renewab e energy standards and are he d pr mar y for consumpt on. See Note 11 for further nformat on.

Long-Lived Asset Impairments

The Duke Energy Reg strants eva uate ong ved assets, exc ud ng goodw , for mpa rment when c rcumstances nd cate the carry ng va ue of those assets may not be recoverab e. An mpa rment ex sts when a ong ved asset's carry ng va ue exceeds the est mated und scounted cash f ows expected to resu t from the use and eventua d spos t on of the asset. The est mated cash f ows may be based on a ternat ve expected outcomes that are probab ty we ghted. If the carry ng va ue of the ong ved asset s not recoverab e based on these est mated future und scounted cash f ows, the carry ng va ue of the asset s wr tten down to ts then current est mated fa r va ue and an mpa rment charge s recogn zed.

The Duke Energy Reg strants assess fa r va ue of ong ved assets us ng var ous methods, nc ud ng recent comparab e th rd party sa es, nterna y deve oped d scounted cash f ow ana ys s and ana ys s from outs de adv sors. Tr gger ng events to reassess cash f ows may nc ude, but are not m ted to, s gn f cant changes n commod ty pr ces, the cond t on of an asset or management's nterest n se ng the asset.

Equity Method Investment Impairments

Investments n aff ates that are not contro ed by Duke Energy, but over wh ch t has s gn f cant nf uence, are accounted for us ng the equ ty method. Equ ty method nvestments are assessed for mpa rment whenever events or changes n c rcumstances nd cate that the carry ng amount of the nvestment may not be recoverab e. If the dec ne n va ue s cons dered to be other than temporary, the nvestment s wr tten down to ts est mated fa r va ue, wh ch estab shes a new cost bas s n the nvestment.

Impa rment assessments use a d scounted cash f ow ncome approach and nc ude cons derat on of the sever ty and durat on of any dec ne n the fa r va ue of the nvestments. The est mated cash f ows may be based on a ternat ve expected outcomes that are probab ty we ghted. Key nputs that nvo ve est mates and s gn f cant management judgment nc ude cash f ow project ons, se ect on of a d scount rate, probab ty we ght ng of potent a outcomes, and whether any dec ne n va ue s cons dered temporary.

Property, Plant and Equipment

Property, p ant and equ pment are stated at the ower of deprec ated h stor ca cost net of any d sa owances or fa r va ue, f mpa red. The Duke Energy Reg strants cap ta ze a construct on re ated d rect abor and mater a costs, as we as nd rect construct on costs such as genera eng neer ng, taxes and f nanc ng costs. See "A owance for Funds Used Dur ng Construct on and Interest Cap ta zed" sect on be ow for nformat on on cap ta zed f nanc ng costs. Costs of renewa s and betterments that extend the usefu fe of property, p ant and equ pment are a so cap ta zed. The cost of repa rs, rep acements and major ma ntenance projects, wh ch do not extend the usefu fe or ncrease the expected output of the asset, are expensed as ncurred. Deprec at on s genera y computed over the est mated usefu fe of the asset us ng the compos te stra ght ne method. Deprec at on stud es are conducted per od ca y to update compos te rates and are approved by state ut ty comm ss ons and/or the FERC when requ red. The compos te we ghted average deprec at on rates, exc ud ng nuc ear fue , are nc uded n the tab e that fo ows.

	Years Ended December 31,		
	2021	**2020**	**2019**
Duke Energy	**2.9 %**	3.0 %	3.1 %
Duke Energy Caro nas	**2.7 %**	2.8 %	2.8 %
Progress Energy	**3.1 %**	3.2 %	3.1 %
Duke Energy Progress	**3.0 %**	3.1 %	3.1 %
Duke Energy F or da	**3.3 %**	3.3 %	3.1 %
Duke Energy Oh o	**2.9 %**	2.9 %	2.6 %
Duke Energy Ind ana	**3.6 %**	3.5 %	3.3 %
P edmont	**2.1 %**	2.3 %	2.4 %

In genera , when the Duke Energy Reg strants ret re regu ated property, p ant and equ pment, the or g na cost p us the cost of ret rement, ess sa vage va ue and any deprec at on a ready recogn zed, s charged to accumu ated deprec at on. However, when t becomes probab e the asset w be ret red substant a y n advance of ts or g na expected usefu fe or s abandoned, the cost of the asset and the correspond ng accumu ated deprec at on s recogn zed as a separate asset. If the asset s st n operat on, the net amount s c ass f ed as Fac t es to be ret red, net on the Conso dated Ba ance Sheets. If the asset s no onger operat ng, the net amount s c ass f ed n Regu atory assets on the Conso dated Ba ance Sheets f deemed recoverab e (see d scuss on of ong ved asset mpa rments above). The carry ng va ue of the asset s based on h stor ca cost f the Duke Energy Reg strants are a owed to recover the rema n ng net book va ue and a return equa to at east the ncrementa borrow ng rate. If not, an mpa rment s recogn zed to the extent the net book va ue of the asset exceeds the present va ue of future revenues d scounted at the ncrementa borrow ng rate.

When the Duke Energy Reg strants se ent re regu ated operat ng un ts, or ret re or se nonregu ated propert es, the or g na cost and accumu ated deprec at on and amort zat on ba ances are removed from Property, P ant and Equ pment on the Conso dated Ba ance Sheets. Any ga n or oss s recorded n earn ngs, un ess otherw se requ red by the app cab e regu atory body. See Note 10 for add t ona nformat on.

Leases

Duke Energy determ nes f an arrangement s a ease at contract ncept on based on whether the arrangement nvo ves the use of a phys ca y d st nct dent f ed asset and whether Duke Energy has the r ght to obta n substant a y a of the econom c benef ts from the use of the asset throughout the per od as we as the r ght to d rect the use of the asset. As a po cy e ect on, Duke Energy does not eva uate arrangements w th n t a contract terms of ess than one year as eases.

Operat ng eases are nc uded n Operat ng ease ROU assets, net, Other current ab t es and Operat ng ease ab t es on the Conso dated Ba ance Sheets. F nance eases are nc uded n Property, p ant and equ pment, Current matur t es of ong term debt and Long Term Debt on the Conso dated Ba ance Sheets.

For essee and essor arrangements, Duke Energy has e ected a po cy to not separate ease and non ease components for a asset c asses. For essor arrangements, ease and non ease components are on y comb ned under one arrangement and accounted for under the ease account ng framework f the non ease components are not the predom nant component of the arrangement and the ease component wou d be c ass f ed as an operat ng ease.

Nuclear Fuel

Nuc ear fue s c ass f ed as Property, P ant and Equ pment on the Conso dated Ba ance Sheets.

Nuc ear fue n the front end fue process ng phase s cons dered work n progress and not amort zed unt p aced n serv ce. Amort zat on of nuc ear fue s nc uded w th n Fue used n e ectr c generat on and purchased power on the Conso dated Statements of Operat ons. Amort zat on s recorded us ng the un ts of product on method.

Allowance for Funds Used During Construction and Interest Capitalized

For regu ated operat ons, the debt and equ ty costs of f nanc ng the construct on of property, p ant and equ pment are ref ected as AFUDC and cap ta zed as a component of the cost of property, p ant and equ pment. AFUDC equ ty s reported on the Conso dated Statements of Operat ons as non cash ncome n Other ncome and expenses, net. AFUDC debt s reported as a non cash offset to Interest Expense. After construct on s comp eted, the Duke Energy Reg strants are perm tted to recover these costs through the r nc us on n rate base and the correspond ng subsequent deprec at on or amort zat on of those regu ated assets.

AFUDC equ ty, a permanent d fference for ncome taxes, reduces the ETR when cap ta zed and ncreases the ETR when deprec ated or amort zed. See Note 23 for add t ona nformat on.

For nonregu ated operat ons, nterest s cap ta zed dur ng the construct on phase w th an offsett ng non cash cred t to Interest Expense on the Conso dated Statements of Operat ons.

Asset Retirement Obligations

AROs are recogn zed for ega ob gat ons assoc ated w th the ret rement of property, p ant and equ pment. Substant a y a AROs are re ated to regu ated operat ons. When record ng an ARO, the present va ue of the projected ab ty s recogn zed n the per od n wh ch t s ncurred, f a reasonab e est mate of fa r va ue can be made. The ab ty s accreted over t me. For operat ng p ants, the present va ue of the ab ty s added to the cost of the assoc ated asset and deprec ated over the rema n ng fe of the asset. For ret red p ants, the present va ue of the ab ty s recorded as a regu atory asset un ess determ ned not to be probab e of recovery.

The present va ue of the n t a ob gat on and subsequent updates are based on d scounted cash f ows, wh ch nc ude est mates regard ng t m ng of future cash f ows, se ect on of d scount rates and cost esca at on rates, among other factors. These est mates are subject to change. Deprec at on expense s adjusted prospect ve y for any changes to the carry ng amount of the assoc ated asset. The Duke Energy Reg strants rece ve amounts to fund the cost of the ARO for regu ated operat ons through a comb nat on of regu ated revenues and earn ngs on the NDTF. As a resu t, amounts recovered n regu ated revenues, earn ngs on the NDTF, accret on expense and deprec at on of the assoc ated asset are netted and deferred as a regu atory asset or ab ty.

Accounts Payable

Dur ng 2020, Duke Energy estab shed a supp y cha n f nance program (the "program") w th a g oba f nanc a nst tut on. The program s vo untary and a ows Duke Energy supp ers, at the r so e d scret on, to se the r rece vab es from Duke Energy to the f nanc a nst tut on at a rate that everages Duke Energy's cred t rat ng and, wh ch may resu t n favorab e terms compared to the rate ava ab e to the supp er on the r own cred t rat ng. Supp ers part c pat ng n the program, determ ne at the r so e d scret on wh ch nvo ces they w se to the f nanc a nst tut on. Supp ers' dec s ons on wh ch nvo ces are so d do not mpact Duke Energy's payment terms, wh ch are based on commerc a terms negot ated between Duke Energy and the supp er regard ess of program part c pat on. The commerc a terms negot ated between Duke Energy and ts supp ers are cons stent regard ess of whether the supp er e ects to part c pate n the program. Duke Energy does not ssue any guarantees w th respect to the program and does not part c pate n negot at ons between supp ers and the f nanc a nst tut on. Duke Energy does not have an econom c nterest n the supp er's dec s on to part c pate n the program and rece ves no nterest, fees or other benef t from the f nanc a nst tut on based on supp er part c pat on n the program.

The fo ow ng tab e presents the outstand ng accounts payab e ba ance so d to the f nanc a nst tut on by our supp ers and the supp er nvo ces so d to the f nanc a nst tut on under the program nc uded w th n Net cash prov ded by operat ng act v t es on the Conso dated Statements of Cash F ows as of December 31, 2021, and December 31, 2020.

	December 31, 2021					December 30, 2020		
(in millions)	Duke Energy	Progress Energy	Duke Energy Florida	Duke Energy Ohio	Piedmont	Duke Energy	Duke Energy Ohio	Piedmont
Outstand ng Accounts Payab e Ba ance So d	$ 19	$ 9	$ 9	$ 6	$ 4	$ 15	$ 1	$ 14
Supp ers Invo ces Sett ed Through The Program	122	10	10	12	100	45	9	36

Revenue Recognition

Duke Energy recogn zes revenue as customers obta n contro of prom sed goods and serv ces n an amount that ref ects cons derat on expected n exchange for those goods or serv ces. Genera y, the de very of e ectr c ty and natura gas resu ts n the transfer of contro to customers at the t me the commod ty s de vered and the amount of revenue recogn zed s equa to the amount b ed to each customer, nc ud ng est mated vo umes de vered when b ngs have not yet occurred. See Note 18 for further nformat on.

Derivatives and Hedging

Der vat ve and non der vat ve nstruments may be used n connect on w th commod ty pr ce and nterest rate act v t es, nc ud ng swaps, futures, forwards and opt ons. A der vat ve nstruments, except those that qua fy for the NPNS except on, are recorded on the Conso dated Ba ance Sheets at fa r va ue. Qua fy ng der vat ve nstruments may be des gnated as e ther cash f ow hedges or fa r va ue hedges. Other der vat ve nstruments (undes gnated contracts) e ther have not been des gnated or do not qua fy as hedges. The effect ve port on of the change n the fa r va ue of cash f ow hedges s recorded n AOCI. The effect ve port on of the change n the fa r va ue of a fa r va ue hedge s offset n net ncome by changes n the hedged tem. For act v ty subject to regu atory account ng, ga ns and osses on der vat ve contracts are ref ected as regu atory assets or ab t es and not as other comprehens ve ncome or current per od ncome. As a resu t, changes n fa r va ue of these der vat ves have no mmed ate earn ngs mpact.

Forma documentat on, nc ud ng transact on type and r sk management strategy, s ma nta ned for a contracts accounted for as a hedge. At ncept on and at east every three months thereafter, the hedge contract s assessed to see f t s h gh y effect ve n offsett ng changes n cash f ows or fa r va ues of hedged tems.

See Note 14 for further nformat on.

Captive Insurance Reserves

Duke Energy has capt ve nsurance subs d ar es that prov de coverage, on an ndemn ty bas s, to the Subs d ary Reg strants as we as certa n th rd part es, on a m ted bas s, for f nanc a osses, pr mar y re ated to property, workers' compensat on and genera ab ty. L ab t es nc ude prov s ons for est mated osses ncurred but not reported (IBNR), as we as est mated prov s ons for known c a ms. IBNR reserve est mates are pr mar y based upon h stor ca oss exper ence, ndustry data and other actuar a assumpt ons. Reserve est mates are adjusted n future per ods as actua osses d ffer from exper ence.

Duke Energy, through ts capt ve nsurance ent t es, a so has re nsurance coverage w th th rd part es for certa n osses above a per occurrence and/or aggregate retent on. Rece vab es for re nsurance coverage are recogn zed when rea zat on s deemed probab e.

Unamortized Debt Premium, Discount and Expense

Prem ums, d scounts and expenses ncurred w th the ssuance of outstand ng ong term debt are amort zed over the term of the debt ssue. The ga n or oss on ext ngu shment assoc ated w th ref nanc ng h gher cost debt ob gat ons n the regu ated operat ons s amort zed over the rema n ng fe of the or g na nstrument. Amort zat on expense s recorded as Interest Expense n the Conso dated Statements of Operat ons and s ref ected as Deprec at on, amort zat on and accret on w th n Net cash prov ded by operat ng act v t es on the Conso dated Statements of Cash F ows.

Prem ums, d scounts and expenses are presented as an adjustment to the carry ng va ue of the debt amount and nc uded n Long Term Debt on the Conso dated Ba ance Sheets presented.

Preferred Stock

Preferred stock s rev ewed to determ ne the appropr ate ba ance sheet c ass f cat on and embedded features, such as ca opt ons, are eva uated to determ ne f they shou d be b furcated and accounted for separate y. Costs d rect y re ated to the ssuance of preferred stock are recorded as a reduct on of the proceeds rece ved. The ab ty for the d v dend s recogn zed when dec ared. The accumu ated d v dends on the cumu at ve preferred stock s recogn zed to net ncome ava ab e to Duke Energy Corporat on n the EPS ca cu at on. See Note 19 for further nformat on.

Loss Contingencies and Environmental Liabilities

Cont ngent osses are recorded when t s probab e a oss has occurred and the oss can be reasonab y est mated. When a range of the probab e oss ex sts and no amount w th n the range s a better est mate than any other amount, the m n mum amount n the range s recorded. Un ess otherw se requ red by GAAP, ega fees are expensed as ncurred.

Env ronmenta ab t es are recorded on an und scounted bas s when env ronmenta remed at on or other ab t es become probab e and can be reasonab y est mated. Env ronmenta expend tures re ated to past operat ons that do not generate current or future revenues are expensed. Env ronmenta expend tures re ated to operat ons that generate current or future revenues are expensed or cap ta zed, as appropr ate. Certa n env ronmenta expend tures rece ve regu atory account ng treatment and are recorded as regu atory assets.

See Notes 3 and 4 for further nformat on.

Pension and Other Post-Retirement Benefit Plans

Duke Energy ma nta ns qua f ed, non qua f ed and other post ret rement benef t p ans. E g b e emp oyees of the Subs d ary Reg strants part c pate n the respect ve qua f ed, non qua f ed and other post ret rement benef t p ans and the Subs d ary Reg strants are a ocated the r proport onate share of benef t costs. See Note 22 for further nformat on, nc ud ng s gn f cant account ng po c es assoc ated w th these p ans.

Severance and Special Termination Benefits

Duke Energy has severance p ans under wh ch n genera , the onger a term nated emp oyee worked pr or to term nat on the greater the amount of severance benef ts. A ab ty for nvo untary severance s recorded once an nvo untary severance p an s comm tted to by management f nvo untary severances are probab e and can be reasonab y est mated. For nvo untary severance benef ts ncrementa to ts ongo ng severance p an benef ts, the fa r va ue of the ob gat on s expensed at the commun cat on date f there are no future serv ce requ rements or over the requ red future serv ce per od. Duke Energy a so offers spec a term nat on benef ts under vo untary severance programs. Spec a term nat on benef ts are recorded mmed ate y upon emp oyee acceptance absent a s gn f cant retent on per od. Otherw se, the cost s recorded over the rema n ng serv ce per od. Emp oyee acceptance of vo untary severance benef ts s determ ned by management based on the facts and c rcumstances of the benef ts be ng offered. See Note 20 for further nformat on.

Guarantees

If necessary, ab t es are recogn zed at the t me of ssuance or mater a mod f cat on of a guarantee for the est mated fa r va ue of the ob gat on t assumes. Fa r va ue s est mated us ng a probab ty we ghted approach. The ob gat on s reduced over the term of the guarantee or re ated contract n a systemat c and rat ona method as r sk s reduced. Duke Energy recogn zes a ab ty for the best est mate of ts oss due to the nonperformance of the guaranteed party. Th s ab ty s recogn zed at the ncept on of a guarantee and s updated per od ca y. See Note 7 for further nformat on.

Stock-Based Compensation

Stock based compensat on represents costs re ated to stock based awards granted to emp oyees and Board of D rectors members. Duke Energy recogn zes stock based compensat on based upon the est mated fa r va ue of awards, net of est mated forfe tures at the date of ssuance. The recogn t on per od for these costs beg ns at e ther the app cab e serv ce ncept on date or grant date and cont nues throughout the requ s te serv ce per od. Compensat on cost s recogn zed as expense or cap ta zed as a component of property, p ant and equ pment. See Note 21 for further nformat on.

Income Taxes

Duke Energy and ts subs d ar es f e a conso dated federa ncome tax return and other state and fore gn jur sd ct ona returns. The Subs d ary Reg strants are part es to a tax shar ng agreement w th Duke Energy. Income taxes recorded represent amounts the Subs d ary Reg strants wou d ncur as separate C Corporat ons. Deferred ncome taxes have been prov ded for temporary d fferences between GAAP and tax bases of assets and ab t es because the d fferences create taxab e or tax deduct b e amounts for future per ods. ITCs assoc ated w th regu ated operat ons are deferred and amort zed as a reduct on of ncome tax expense over the est mated usefu ves of the re ated propert es. For ITCs assoc ated w th nonregu ated operat ons see “Account ng for Renewab e Energy Tax Cred ts.”

Accumu ated deferred ncome taxes are va ued us ng the enacted tax rate expected to app y to taxab e ncome n the per ods n wh ch the deferred tax asset or ab ty s expected to be sett ed or rea zed. In the event of a change n tax rates, deferred tax assets and ab t es are remeasured as of the enactment date of the new rate. To the extent that the change n the va ue of the deferred tax represents an ob gat on to customers, the mpact of the remeasurement s deferred to a regu atory ab ty. Rema n ng mpacts are recorded n ncome from cont nu ng operat ons. Duke Energy's resu ts of operat ons cou d be mpacted f the est mate of the tax effect of revers ng temporary d fferences s not ref ect ve of actua outcomes, s mod f ed to ref ect new deve opments or nterpretat ons of the tax aw, rev sed to ncorporate new account ng pr nc p es, or changes n the expected t m ng or manner of a reversa .

Tax re ated nterest and pena t es are recorded n Interest Expense and Other Income and Expenses, net n the Conso dated Statements of Operat ons.

See Note 23 for further nformat on.

Accounting for Renewable Energy Tax Credits

When Duke Energy rece ves ITCs on w nd or so ar fac t es assoc ated w th ts nonregu ated operat ons, t reduces the bas s of the property recorded on the Conso dated Ba ance Sheets by the amount of the ITC and, therefore, the ITC benef t s u t mate y recogn zed n the statement of operat ons through reduced deprec at on expense. Add t ona y, certa n tax cred ts and government grants resu t n an n t a tax deprec ab e base n excess of the book carry ng va ue by an amount equa to one ha f of the ITC. Deferred tax benef ts are recorded as a reduct on to ncome tax expense n the per od that the bas s d fference s created.

Duke Energy rece ves PTCs on w nd fac t es that are recogn zed as e ectr c ty s produced and records re ated amounts as a reduct on of ncome tax expense.

Excise Taxes

Certa n exc se taxes ev ed by state or oca governments are requ red to be pa d even f not co ected from the customer. These taxes are recogn zed on a gross bas s. Taxes for wh ch Duke Energy operates mere y as a co ect on agent for the state and oca government are accounted for on a net bas s. Exc se taxes accounted for on a gross bas s w th n both Operat ng Revenues and Property and other taxes n the Conso dated Statements of Operat ons were as fo ows.

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Duke Energy	**$ 420**	$ 415	$ 421
Duke Energy Caro nas	**44**	43	39
Progress Energy	**250**	249	256
Duke Energy Progress	**22**	26	21
Duke Energy F or da	**228**	223	235
Duke Energy Oh o	**102**	96	101
Duke Energy Ind ana	**23**	25	23
P edmont	**1**	2	2

Dividend Restrictions and Unappropriated Retained Earnings

Duke Energy does not have any current ega , regu atory or other restr ct ons on pay ng common stock d v dends to shareho ders. However, f Duke Energy were to defer d v dend payments on the preferred stock, the dec arat on of common stock d v dends wou d be proh b ted. See Note 19 for more nformat on. Add t ona y, as further descr bed n Note 3, Duke Energy Caro nas, Duke Energy Progress, Duke Energy Oh o, Duke Energy Ind ana and P edmont have restr ct ons on pay ng d v dends or otherw se advanc ng funds to Duke Energy due to cond t ons estab shed by regu ators n conjunct on w th merger transact on approva s. At December 31, 2021, and 2020, an ns gn f cant amount of Duke Energy's conso dated Reta ned earn ngs ba ance represents und str buted earn ngs of equ ty method nvestments.

New Accounting Standards

The fo ow ng new account ng standard was adopted by the Duke Energy Reg strants n 2021.

Leases with Variable Lease Payments. In Ju y 2021, the FASB ssued new account ng gu dance requ r ng essors to c ass fy a ease w th var ab e ease payments that do not depend on a reference ndex or rate as an operat ng ease f both of the fo ow ng are met: (1) the ease wou d have to be c ass f ed as a sa es type or d rect f nanc ng ease under pr or gu dance, and (2) the essor wou d have recogn zed a day one oss. Duke Energy e ected to adopt the gu dance mmed ate y upon ssuance of the new standard and w be app y ng the new standard prospect ve y to new ease arrangements meet ng the cr ter a. Duke Energy d d not have any ease arrangements that th s new account ng gu dance mater a y mpacted.

The fo ow ng new account ng standard was adopted by Duke Energy Reg strants n 2020.

Current Expected Credit Losses. In June 2016, the FASB ssued new account ng gu dance for cred t osses. Duke Energy adopted the new account ng gu dance for cred t osses effect ve January 1, 2020, us ng the mod f ed retrospect ve method of adopt on, wh ch does not requ re restatement of pr or year resu ts. Duke Energy d d not adopt any pract ca exped ents.

Duke Energy recogn zes a owances for cred t osses based on management's est mate of osses expected to be ncurred over the ves of certa n assets or guarantees. Management mon tors cred t qua ty, changes n expected cred t osses and the appropr ateness of the a owance for cred t osses on a forward ook ng bas s. Management rev ews the r sk of oss per od ca y as part of the ex st ng assessment of co ectab ty of rece vab es.

Duke Energy rev ews the cred t qua ty of ts counterpart es as part of ts regu ar r sk management process and requ res cred t enhancements, such as depos ts or etters of cred t, as appropr ate and as a owed by regu ators.

Duke Energy recorded cumu at ve effects of changes n account ng pr nc p es re ated to the adopt on of the new cred t oss standard for a owances and cred t osses of trade and other rece vab es, nsurance rece vab es and f nanc a guarantees. These amounts are nc uded n the Conso dated Ba ance Sheets n Rece vab es, Rece vab es of VIEs, Other Noncurrent Assets and Other Noncurrent L ab t es. See Notes 7 and 18 for more nformat on.

Duke Energy recorded an adjustment for the cumu at ve effect of a change n account ng pr nc p e due to the adopt on of th s standard on January 1, 2020, as shown n the tab e be ow:

	January 1, 2020					
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Piedmont
Tota pretax mpact to Reta ned Earn ngs	$ 120	$ 16	$ 2	$ 1	$ 1	$ 1

The fo ow ng new account ng standard has been ssued but not yet adopted by the Duke Energy Reg strants as of December 31, 2021.

Reference Rate Reform. In March 2020, the FASB ssued new account ng gu dance for reference rate reform. Th s gu dance s e ect ve and prov des exped ents to fac tate f nanc a report ng for the ant c pated trans t on away from the London Inter bank Offered Rate (LIBOR) and other nterbank reference rates start ng n 2021 w th a rates expected to be fu y phased out n 2023. The opt ona exped ents are effect ve for mod f cat on of ex st ng contracts or new arrangements executed between March 12, 2020, through December 31, 2022.

Duke Energy has var ab e rate debt and manages nterest rate r sk by enter ng nto f nanc a contracts nc ud ng nterest rate swaps that are genera y ndexed to LIBOR. Impacted f nanc a arrangements extend ng beyond the phase out of the app cab e LIBOR rate may requ re contractua amendment or term nat on to fu y adapt to a post LIBOR env ronment. Duke Energy s assess ng these f nanc a arrangements and s eva uat ng the use of opt ona exped ents out ned n the new account ng gu dance. A ternat ve ndex prov s ons are a so be ng assessed and ncorporated nto new f nanc a arrangements that extend beyond the phase out of the app cab e LIBOR rate. The fu outcome of the trans t on away from LIBOR cannot be determ ned at th s t me, but s not expected to have a mater a mpact on the f nanc a statements.

2. BUSINESS SEGMENTS

Reportab e segments are determ ned based on nformat on used by the ch ef operat ng dec s on maker n dec d ng how to a ocate resources and eva uate the performance of the bus ness. Duke Energy eva uates segment performance based on segment ncome. Segment ncome s def ned as ncome from cont nu ng operat ons net of ncome attr butab e to noncontro ng nterests and preferred stock d v dends. Segment ncome, as d scussed be ow, nc udes ntercompany revenues and expenses that are e m nated on the Conso dated F nanc a Statements. Certa n governance costs are a ocated to each segment. In add t on, d rect nterest expense and ncome taxes are nc uded n segment ncome.

Products and serv ces are so d between aff ate compan es and reportab e segments of Duke Energy at cost. Segment assets as presented n the tab es that fo ow exc ude a ntercompany assets.

Duke Energy

Duke Energy's segment structure nc udes the fo ow ng segments: E ectr c Ut t es and Infrastructure, Gas Ut t es and Infrastructure and Commerc a Renewab es.

The E ectr c Ut t es and Infrastructure segment nc udes Duke Energy's regu ated e ectr c ut t es n the Caro nas, F or da and the M dwest. The regu ated e ectr c ut t es conduct operat ons through the Subs d ary Reg strants that are substant a y a regu ated and, accord ng y, qua fy for regu atory account ng treatment. E ectr c Ut t es and Infrastructure a so nc udes Duke Energy's e ectr c transm ss on nfrastructure nvestments.

The Gas Ut t es and Infrastructure segment nc udes P edmont, Duke Energy's natura gas oca d str but on compan es n Oh o and Kentucky, and Duke Energy's natura gas storage and m dstream p pe ne nvestments. Gas Ut t es and Infrastructure's operat ons are substant a y a regu ated and, accord ng y, qua fy for regu atory account ng treatment.

The Commerc a Renewab es segment s pr mar y compr sed of nonregu ated ut ty sca e w nd and so ar generat on assets ocated throughout the U.S.

The rema nder of Duke Energy’s operat ons s presented as Other, wh ch s pr mar y compr sed of nterest expense on ho d ng company debt, una ocated corporate costs and Duke Energy’s who y owned capt ve nsurance company, B son. Other a so nc udes Duke Energy's nterest n NMC. See Note 12 for add t ona nformat on on the nvestment n NMC.

Bus ness segment nformat on s presented n the fo ow ng tab es. Segment assets presented exc ude ntercompany assets.

	Year Ended December 31, 2021						
(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Total Reportable Segments	Other	Eliminations	Total
Unaff ated Revenues	$ 22,570	$ 2,022	$ 476	$ 25,068	$ 29	$	$ 25,097
Intersegment Revenues	33	90		123	82	(205)	
Tota Revenues	$ 22,603	$ 2,112	$ 476	$ 25,191	$ 111	$ (205)	$ 25,097
Interest Expense	$ 1,432	$ 142	$ 72	$ 1,646	$ 643	$ (9)	$ 2,280
Deprec at on and amort zat on	4,251	303	225	4,779	237	(26)	4,990
Equ ty n earn ngs (osses) of unconso dated aff ates	7	8	(34)	(19)	47		28
Income tax expense (benef t)	494	55	(78)	471	(279)		192
Segment ncome (oss)[(a)(b)(c)(d)]	3,850	396	201	4,447	(652)		3,795
Less noncontro ng nterest							329
Add back preferred stock d v dend							106
Income from d scont nued operat ons, net of tax							7
Net ncome							$ 3,579
Cap ta nvestments expend tures and acqu s t ons	$ 7,653	$ 1,271	$ 543	$ 9,467	$ 285	$	$ 9,752
Segment assets	143,841	15,179	6,977	165,997	3,590		169,587

(a) E ectr c Ut t es and Infrastructure nc udes $160 m on of expense recorded w th n Impa rment of assets and other charges, $77 m on of ncome w th n Other Income and expenses, $5 m on of expense w th n Operat ons, ma ntenance and other, $13 m on of ncome w th n regu ated operat ng revenues, $3 m on of expense w th n nterest expense and $6 m on of expense w th n Deprec at on and amort zat on on the Duke Energy Caro nas' Conso dated Statement of Operat ons re ated to the South Caro na Supreme Court dec s on on coa ash and nsurance proceeds; t a so nc udes $42 m on of expense recorded w th n Impa rment of assets and other charges, $34 m on of ncome w th n Other Income and expenses, $7 m on of expense w th n Operat ons, ma ntenance, and other, $15 m on of ncome w th n Regu ated e ectr c operat ng revenues, $5 m on of expense w th n nterest expense and $1 m on of expense w th n Deprec at on and amort zat on on the Duke Energy Progress' Conso dated Statement of Operat ons. See Notes 3 and 4 for more nformat on.

(b) Gas Ut t es and Infrastructure nc udes $20 m on, recorded w th n Equ ty n earn ngs (osses) of unconso dated aff ates on the Conso dated Statements of Operat ons, re ated to natura gas p pe ne nvestments. See Note 3 for add t ona nformat on.

(c) Commerc a Renewab es nc udes a $35 m on oss re ated to Texas Storm Ur of wh ch ($8 m on) s recorded w th n Nonregu ated e ectr c and other revenues, $2 m on w th n Operat ons, ma ntenance and other, $29 m on w th n Equ ty n earn ngs (osses) of unconso dated aff ates and $12 m on w th n Loss Attr butab e to Noncontro ng Interests on the Conso dated Statements of Operat ons. See Note 4 for add t ona nformat on.

(d) Other nc udes $133 m on recorded w th n Impa rment of assets and other charges, $42 m on w th n Operat ons, ma ntenance and other, and $17 m on w th n Deprec at on and amort zat on on the Conso dated Statements of Operat ons, re ated to the workp ace and workp ace rea gnment. See Note 10 for add t ona nformat on.

	Year Ended December 31, 2020						
(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Total Reportable Segments	Other	Eliminations	Total
Unaff ated Revenues	$ 21,687	$ 1,653	$ 502	$ 23,842	$ 26	$	$ 23,868
Intersegment Revenues	33	95		128	71	(199)	
Tota Revenues	$ 21,720	$ 1,748	$ 502	$ 23,970	$ 97	$ (199)	$ 23,868
Interest Expense	$ 1,320	$ 135	$ 66	$ 1,521	$ 657	$ (16)	$ 2,162
Deprec at on and amort zat on	4,068	258	199	4,525	209	(29)	4,705
Equ ty n earn ngs (osses) of unconso dated aff ates	(1)	(2,017)		(2,018)	13		(2,005)
Income tax expense (benef t)	340	(349)	(65)	(74)	(162)		(236)
Segment ncome (oss)[(a)(b)(c)]	2,669	(1,266)	286	1,689	(426)		1,263
Less noncontro ng nterest							295
Add back preferred stock d v dend							107
Income from d scont nued operat ons, net of tax							7
Net ncome							$ 1,082
Cap ta nvestments expend tures and acqu s t ons	$ 7,629	$ 1,309	$ 1,219	$ 10,157	$ 264	$	$ 10,421
Segment assets	138,225	13,849	6,716	158,790	3,598		162,388

(a) E ectr c Ut t es and Infrastructure nc udes $948 m on of Impa rment of assets and other charges and a reversa of $152 m on nc uded n Regu ated e ectr c operat ng revenue re ated to the CCR Sett ement Agreement f ed w th the NCUC. Add t ona y, E ectr c Ut t es and Infrastructure nc udes $19 m on of Impa rment of assets and other charges re ated to the C emson Un vers ty Comb ned Heat and Power P ant, $5 m on of Impa rment charges re ated to the natura gas p pe ne assets and $16 m on of shareho der contr but ons w th n Operat ons, ma ntenance and other re ated to Duke Energy Caro nas' and Duke Energy Progress' 2019 North Caro na rate cases. See Note 3 for add t ona nformat on.

(b) Gas Ut t es and Infrastructure nc udes $2.1 b on recorded w th n Equ ty n (osses) earn ngs of unconso dated aff ates and $7 m on of Impa rment of assets and other charges re ated to natura gas p pe ne nvestments. See Notes 3 and 12 for add t ona nformat on.

(c) Other nc udes a $98 m on reversa of 2018 severance costs due to a part a sett ement n the Duke Energy Caro nas' 2019 North Caro na rate case. See Note 20 for add t ona nformat on.

	Year Ended December 31, 2019						
(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Total Reportable Segments	Other	Eliminations	Total
Unaff ated Revenues	$ 22,798	$ 1,770	$ 487	$ 25,055	$ 24	$	$ 25,079
Intersegment Revenues	33	96		129	71	(200)	
Tota Revenues	$ 22,831	$ 1,866	$ 487	$ 25,184	$ 95	$ (200)	$ 25,079
Interest Expense	$ 1,345	$ 117	$ 95	$ 1,557	$ 705	$ (58)	$ 2,204
Deprec at on and amort zat on	3,951	256	168	4,375	178	(5)	4,548
Equ ty n earn ngs (osses) of unconso dated aff ates	9	114	(4)	119	43		162
Income tax expense (benef t)	785	22	(115)	692	(173)		519
Segment ncome (oss)[(a)(b)]	3,536	432	198	4,166	(452)		3,714
Less noncontro ng nterest							177
Add back preferred stock d v dend							41
Loss from d scont nued operat ons, net of tax							(7)
Net ncome							$ 3,571
Cap ta nvestments expend tures and acqu s t ons	$ 8,263	$ 1,539	$ 1,423	$ 11,225	$ 221	$	$ 11,446
Segment assets	135,561	13,921	6,020	155,502	3,148	188	158,838

(a) E ectr c Ut t es and Infrastructure nc udes a $27 m on reduct on of a pr or year mpa rment at C trus County CC re ated to the p ant's cost cap.

(b) Gas Ut t es and Infrastructure nc udes an after tax mpa rment charge of $19 m on for the rema n ng nvestment n Const tut on. See Note 12 for add t ona nformat on.

Geographical Information

Substant a y a assets and revenues from cont nu ng operat ons are w th n the U.S.

Major Customers

For the year ended December 31, 2021, revenues from one customer of Duke Energy Progress are $586 m on. Duke Energy Progress has one reportab e segment, E ectr c Ut t es and Infrastructure. No other Subs d ary Reg strant has an nd v dua customer represent ng more than 10% of ts revenues.

Products and Services

The fo ow ng tab e summar zes revenues of the reportab e segments by type.

(in millions)	Retail Electric	Wholesale Electric	Retail Natural Gas	Other	Total Revenues
2021					
E ectr c Ut t es and Infrastructure	**$ 19,410**	**$ 2,216**	**$**	**$ 977**	**$ 22,603**
Gas Ut t es and Infrastructure			**2,025**	**87**	**2,112**
Commerc a Renewab es		**411**		**65**	**476**
Tota Reportab e Segments	**$ 19,410**	**$ 2,627**	**$ 2,025**	**$ 1,129**	**$ 25,191**
2020					
E ectr c Ut t es and Infrastructure	$ 18,898	$ 1,878	$	$ 944	$ 21,720
Gas Ut t es and Infrastructure			1,691	57	1,748
Commerc a Renewab es		434		68	502
Tota Reportab e Segments	$ 18,898	$ 2,312	$ 1,691	$ 1,069	$ 23,970
2019					
E ectr c Ut t es and Infrastructure	$ 19,745	$ 2,231	$	$ 855	$ 22,831
Gas Ut t es and Infrastructure			1,782	84	1,866
Commerc a Renewab es		389		98	487
Tota Reportab e Segments	$ 19,745	$ 2,620	$ 1,782	$ 1,037	$ 25,184

Duke Energy Ohio

Duke Energy Oh o has two reportab e segments, E ectr c Ut t es and Infrastructure and Gas Ut t es and Infrastructure.

E ectr c Ut t es and Infrastructure transm ts and d str butes e ectr c ty n port ons of Oh o and generates, d str butes and se s e ectr c ty n port ons of Northern Kentucky. Gas Ut t es and Infrastructure transports and se s natura gas n port ons of Oh o and Northern Kentucky. Both reportab e segments conduct operat ons pr mar y through Duke Energy Oh o and ts who y owned subs d ary, Duke Energy Kentucky. The rema nder of Duke Energy Oh o's operat ons s presented as Other.

A Duke Energy Oh o assets and revenues from cont nu ng operat ons are w th n the U.S.

	Year Ended December 31, 2021					
(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Eliminations	Total
Tota revenues	**$ 1,493**	**$ 544**	**$ 2,037**	**$**	**$**	**$ 2,037**
Interest expense	**$ 87**	**$ 24**	**$ 111**	**$**	**$**	**$ 111**
Deprec at on and amort zat on	**217**	**90**	**307**			**307**
Income tax expense (benef t)	**15**	**19**	**34**	**(4)**		**30**
Segment ncome (oss)/Net ncome	**141**	**78**	**219**	**(15)**		**204**
Cap ta expend tures	**$ 486**	**$ 362**	**$ 848**	**$**	**$**	**$ 848**
Segment assets	**6,882**	**3,892**	**10,774**	**29**	**(29)**	**10,774**

	Year Ended December 31, 2020					
(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Eliminations	Total
Tota revenues	$ 1,405	$ 453	$ 1,858	$	$	$ 1,858
Interest expense	$ 85	$ 17	$ 102	$	$	$ 102
Deprec at on and amort zat on	200	78	278			278
Income tax expense (benef t)	19	26	45	(2)		43
Segment ncome (oss)/Net Income	162	96	258	(6)		252
Cap ta expend tures	$ 548	$ 286	$ 834	$	$	$ 834
Segment assets	6,615	3,380	9,995	32	(2)	10,025

	Year Ended December 31, 2019					
(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Eliminations	Total
Tota revenues	$ 1,456	$ 484	$ 1,940	$	$	$ 1,940
Interest expense	$ 80	$ 29	$ 109	$	$	$ 109
Deprec at on and amort zat on	182	83	265			265
Income tax expense (benef t)	20	21	41	(1)		40
Segment ncome (oss)	159	85	244	(5)		239
Loss from d scont nued operat ons, net of tax						(1)
Net ncome						$ 238
Cap ta expend tures	$ 680	$ 272	$ 952	$	$	$ 952
Segment assets	6,188	3,116	9,304	34		9,338

3. REGULATORY MATTERS

REGULATORY ASSETS AND LIABILITIES

The Duke Energy Reg strants record regu atory assets and ab t es that resu t from the ratemak ng process. See Note 1 for further nformat on.

The fo ow ng tab es present the regu atory assets and ab t es recorded on the Conso dated Ba ance Sheets of Duke Energy and Progress Energy. See separate tab es be ow for ba ances by nd v dua reg strant.

	Duke Energy		Progress Energy	
	December 31,		December 31,	
(in millions)	2021	2020	2021	2020
Regulatory Assets				
AROs coa ash	**$ 3,408**	$ 3,408	**$ 1,399**	$ 1,357
AROs nuc ear and other	**684**	754	**620**	685
Accrued pens on and OPEB	**2,017**	2,317	**725**	875
Deferred fue and purchased power	**1,253**	213	**718**	162
Storm cost secur t zed ba ance, net	**991**		**759**	
Nuc ear asset secur t zed ba ance, net	**937**	991	**937**	991
Debt fa r va ue adjustment	**884**	950		
Ret red generat on fac t es	**357**	417	**265**	363
Post n serv ce carry ng costs (PISCC) and deferred operat ng expenses	**356**	397	**47**	51
Hedge costs deferra s	**348**	351	**137**	148
Deferred asset Lee and Harr s COLA	**317**	356	**21**	32
Advanced meter ng nfrastructure (AMI)	**311**	311	**130**	102
Customer connect project	**242**	136	**124**	55
Demand s de management (DSM)/Energy eff c ency (EE)	**235**	242	**230**	241
Vacat on accrua	**221**	221	**42**	42
Storm cost deferra s	**213**	1,102	**189**	893
NCEMPA deferra s	**165**	124	**165**	124
CEP deferra	**161**	117		
Der vat ves natura gas supp y contracts	**139**	122		
COR sett ement	**123**	128	**32**	33
Nuc ear deferra	**120**	123	**42**	35
Deferred p pe ne ntegr ty costs	**108**	92		
Costs of remova regu atory asset	**107**		**107**	
Manufactured gas p ant (MGP)	**104**	104		
Qua fy ng fac ty contract buyouts	**94**	107	**94**	107
ABSAT, coa ash bas n c osure	**90**	98	**23**	27
Incrementa COVID 19 expenses	**87**	76	**28**	23
Amounts due from customers	**85**	110		
Deferred severance charges	**54**	86	**18**	29
Other	**426**	609	**87**	158
Tota regu atory assets	**14,637**	14,062	**6,939**	6,533
Less: current port on	**2,150**	1,641	**1,030**	758
Tota noncurrent regu atory assets	**$ 12,487**	$ 12,421	**$ 5,909**	$ 5,775
Regulatory Liabilities				
Net regu atory ab ty re ated to ncome taxes	**$ 7,199**	$ 7,368	**$ 2,394**	$ 2,411
Costs of remova	**6,150**	5,883	**2,955**	2,666
AROs nuc ear and other	**2,053**	1,512		
Prov s on for rate refunds	**274**	344	**87**	123
Hedge cost deferra s	**271**	24	**117**	8
Accrued pens on and OPEB	**213**	177		
Other	**1,203**	1,098	**491**	483
Tota regu atory ab t es	**17,363**	16,406	**6,044**	5,691
Less: current port on	**1,211**	1,377	**478**	640
Tota noncurrent regu atory ab t es	**$ 16,152**	$ 15,029	**$ 5,566**	$ 5,051

Descr pt ons of regu atory assets and ab t es summar zed n the tab es above and be ow fo ow. See tab es be ow for recovery and amort zat on per ods at the separate reg strants.

AROs coal ash. Represents deferred deprec at on and accret on re ated to the ega ob gat on to c ose ash bas ns. The costs are deferred unt recovery treatment has been determ ned. See Notes 1 and 9 for add t ona nformat on.

AROs nuclear and other. Represents regu atory assets or ab t es, nc ud ng deferred deprec at on and accret on, re ated to ega ob gat ons assoc ated w th the future ret rement of property, p ant and equ pment, exc ud ng amounts re ated to coa ash. The AROs re ate pr mar y to decomm ss on ng nuc ear power fac t es. The amounts a so nc ude certa n deferred ga ns and osses on NDTF nvestments. See Notes 1 and 9 for add t ona nformat on.

Accrued pension and OPEB. Accrued pens on and OPEB represent regu atory assets and ab t es re ated to each of the Duke Energy Reg strants' respect ve shares of unrecogn zed actuar a ga ns and osses and unrecogn zed pr or serv ce cost and cred t attr butab e to Duke Energy's pens on p ans and OPEB p ans. The regu atory asset or ab ty s amort zed w th the recogn t on of actuar a ga ns and osses and pr or serv ce cost and cred t to net per od c benef t costs for pens on and OPEB p ans. The accrued pens on and OPEB regu atory assets are expected to be recovered pr mar y over the average rema n ng serv ce per ods or fe expectanc es of emp oyees covered by the benef t p ans. See Note 22 for add t ona deta .

Deferred fuel and purchased power. Represents certa n energy re ated costs that are recoverab e or refundab e as approved by the app cab e regu atory body.

Storm cost securitized balance, net. Represents the North Caro na port on of storm restorat on expend tures re ated to Hurr cane F orence, Hurr cane M chae , Hurr cane Dor an and W nter Storm D ego (2018 and 2019 events).

Nuclear asset securitized balance, net. Represents the ba ance assoc ated w th Crysta R ver Un t 3 ret rement approved for recovery by the FPSC on September 15, 2015, and the upfront f nanc ng costs secur t zed n 2016 w th ssuance of the assoc ated bonds. The regu atory asset ba ance s net of the AFUDC equ ty port on.

Debt fair value adjustment. Purchase account ng adjustments recorded to state the carry ng va ue of Progress Energy and P edmont at fa r va ue n connect on w th the 2012 and 2016 mergers, respect ve y. Amount s amort zed over the fe of the re ated debt.

Retired generation facilities. Represents amounts to be recovered for fac t es that have been ret red and are probab e of recovery.

Post-in-service carrying costs (PISCC) and deferred operating expenses. Represents deferred deprec at on and operat ng expenses as we as carry ng costs on the port on of cap ta expend tures p aced n serv ce but not yet ref ected n reta rates as p ant n serv ce.

Hedge costs deferrals. Amounts re ate to unrea zed ga ns and osses on der vat ves recorded as a regu atory asset or ab ty, respect ve y, unt the contracts are sett ed.

Deferred asset Lee and Harris COLA. Represents deferred costs ncurred for the cance ed Lee and Harr s nuc ear projects.

AMI. Represents deferred costs re ated to the nsta at on of AMI meters and rema n ng net book va ue of non AMI meters to be rep aced at Duke Energy Caro nas, net book va ue of ex st ng meters at Duke Energy F or da, Duke Energy Progress and Duke Energy Oh o and future recovery of net book va ue of e ectromechan ca meters that have been rep aced w th AMI meters at Duke Energy Ind ana.

Customer connect project. Represents ncrementa operat ng expenses and carry ng costs on deferred amounts re ated to the dep oyment of the new customer nformat on system.

DSM/EE. Deferred costs re ated to var ous DSM and EE programs recoverab e through var ous mechan sms.

Vacation accrual. Represents vacat on ent t ement, wh ch s genera y recovered n the fo ow ng year.

Storm cost deferrals. Represents deferred ncrementa costs ncurred re ated to major weather re ated events.

NCEMPA deferrals. Represents reta a ocated cost deferra s and returns assoc ated w th the add t ona ownersh p nterest n assets acqu red from NCEMPA n 2015.

CEP deferral. Represents deferred deprec at on, PISCC and deferred property tax for Duke Energy Oh o Gas cap ta assets for the Cap ta Expend ture Program (CEP).

Derivatives natural gas supply contracts. Represents costs for certa n ong dated, f xed quant ty forward natura gas supp y contracts, wh ch are recoverab e through PGA c auses.

COR settlement. Represents approved COR sett ements that are be ng amort zed over the average rema n ng ves, at the t me of approva , of the assoc ated assets.

Nuclear deferral. Inc udes amounts re ated to eve z ng nuc ear p ant outage costs, wh ch a ows for the recogn t on of nuc ear outage expenses over the refue ng cyc e rather than when the outage occurs, resu t ng n the deferra of operat ons and ma ntenance costs assoc ated w th refue ng.

Deferred pipeline integrity costs. Represents p pe ne ntegr ty management costs n comp ance w th federa regu at ons.

Costs of removal regulatory asset. Represents the excess of spend over funds rece ved from customers to cover the future remova of property, p ant and equ pment from ret red or abandoned s tes as property s ret red, net of certa n deferred ga ns on NDTF nvestments.

MGP. Represents remed at on costs ncurred at former MGP s tes and the deferra of costs to be ncurred at Duke Energy Oh o's East End and West End s tes.

Qualifying facility contract buyouts. Represents term nat on payments for regu atory recovery through the capac ty c ause.

ABSAT, coal ash basin closure. Represents deferred deprec at on and returns assoc ated w th Ash Bas n Strateg c Act on Team (ABSAT) cap ta assets re ated to convert ng the ash hand ng system from wet to dry.

Incremental COVID-19 expenses. Represents ncrementa costs re ated to ensur ng cont nu ty and qua ty of serv ce n a safe manner dur ng the COVID 19 pandem c.

Amounts due from customers. Re ates pr mar y to marg n decoup ng and IMR recovery mechan sms.

Deferred severance charges. Represents costs ncurred for emp oyees separat on from Duke Energy.

Net regulatory liability related to income taxes. Amounts for a reg strants nc ude regu atory ab t es re ated pr mar y to mpacts from the Tax Act. See Note 23 for add t ona nformat on. Amounts have no mmed ate mpact on rate base as regu atory assets are offset by deferred tax ab t es.

Costs of removal. Represents funds rece ved from customers to cover the future remova of property, p ant and equ pment from ret red or abandoned s tes as property s ret red. A so nc udes certa n deferred ga ns on NDTF nvestments.

Provision for rate refunds. Represents est mated amounts due to customers based on record ng nter m rates subject to refund.

Amounts to be refunded to customers. Represents requ red rate reduct ons to reta customers by the app cab e regu atory body.

RESTRICTIONS ON THE ABILITY OF CERTAIN SUBSIDIARIES TO MAKE DIVIDENDS, ADVANCES AND LOANS TO DUKE ENERGY

As a cond t on to the approva of merger transact ons, the NCUC, PSCSC, PUCO, KPSC and IURC mposed cond t ons on the ab ty of Duke Energy Caro nas, Duke Energy Progress, Duke Energy Oh o, Duke Energy Kentucky, Duke Energy Ind ana and P edmont to transfer funds to Duke Energy through oans or advances, as we as restr cted amounts ava ab e to pay d v dends to Duke Energy. Certa n subs d ar es may transfer funds to the Parent by obta n ng approva of the respect ve state regu atory comm ss ons. These cond t ons mposed restr ct ons on the ab ty of the pub c ut ty subs d ar es to pay cash d v dends as d scussed be ow.

Duke Energy Progress and Duke Energy F or da a so have restr ct ons mposed by the r f rst mortgage bond ndentures, wh ch n certa n c rcumstances, m t the r ab ty to make cash d v dends or d str but ons on common stock. Amounts restr cted as a resu t of these prov s ons were not mater a at December 31, 2021.

Duke Energy Ind ana has certa n d v dend restr ct ons as a resu t of the m nor ty nterest nvestment agreement entered n January 2021 w th GIC. Duke Energy Ind ana w dec are d v dends before the second c os ng, wh ch s requ red to be comp eted no ater than January 2023, n accordance w th the agreement. See add t ona nformat on n Note 1.

Add t ona y, certa n other subs d ar es of Duke Energy have restr ct ons on the r ab ty to d v dend, oan or advance funds to Duke Energy due to spec f c ega or regu atory restr ct ons, nc ud ng, but not m ted to, m n mum work ng cap ta and tang b e net worth requ rements.

The restr ct ons d scussed be ow were not a mater a amount of Duke Energy's and Progress Energy's net assets at December 31, 2021.

Duke Energy Carolinas

Duke Energy Caro nas must m t cumu at ve d str but ons subsequent to mergers to ( ) the amount of reta ned earn ngs on the day pr or to the c os ng of the mergers, p us ( ) any future earn ngs recorded.

Duke Energy Progress

Duke Energy Progress must m t cumu at ve d str but ons subsequent to the mergers between Duke Energy and Progress Energy and Duke Energy and P edmont to ( ) the amount of reta ned earn ngs on the day pr or to the c os ng of the respect ve mergers, p us ( ) any future earn ngs recorded.

Duke Energy Ohio

Duke Energy Oh o w not dec are and pay d v dends out of cap ta or unearned surp us w thout the pr or author zat on of the PUCO. Duke Energy Oh o rece ved FERC and PUCO approva to pay d v dends from ts equ ty accounts that are ref ect ve of the amount that t wou d have n ts reta ned earn ngs account had push down account ng for the C nergy merger not been app ed to Duke Energy Oh o's ba ance sheet. The cond t ons nc ude a comm tment from Duke Energy Oh o that equ ty, adjusted to remove the mpacts of push down account ng, w not fa be ow 30% of tota cap ta .

Duke Energy Kentucky s requ red to pay d v dends so e y out of reta ned earn ngs and to ma nta n a m n mum of 35% equ ty n ts cap ta structure.

Duke Energy Indiana

Duke Energy Ind ana must m t cumu at ve d str but ons subsequent to the merger between Duke Energy and C nergy to ( ) the amount of reta ned earn ngs on the day pr or to the c os ng of the merger, p us ( ) any future earn ngs recorded. In add t on, Duke Energy Ind ana w not dec are and pay d v dends out of cap ta or unearned surp us w thout pr or author zat on of the IURC.

Piedmont

P edmont must m t cumu at ve d str but ons subsequent to the acqu s t on of P edmont by Duke Energy to ( ) the amount of reta ned earn ngs on the day pr or to the c os ng of the merger, p us ( ) any future earn ngs recorded.

RATE-RELATED INFORMATION

The NCUC, PSCSC, FPSC, IURC, PUCO, TPUC and KPSC approve rates for reta e ectr c and natura gas serv ces w th n the r states. The FERC approves rates for e ectr c sa es to who esa e customers served under cost based rates (exc ud ng Oh o and Ind ana), as we as sa es of transm ss on serv ce. The FERC a so regu ates cert f cat on and s t ng of new nterstate natura gas p pe ne projects.

Duke Energy Carolinas and Duke Energy Progress

2021 Coal Ash Settlement

On January 22, 2021, Duke Energy Caro nas and Duke Energy Progress entered nto the Coa Combust on Res dua s Sett ement Agreement (the “CCR Sett ement Agreement”) w th the North Caro na Pub c Staff (Pub c Staff), the North Caro na Attorney Genera ’s Off ce and the S erra C ub (co ect ve y, the "Sett ng Part es"), wh ch was f ed w th the NCUC on January 25, 2021. The CCR Sett ement Agreement reso ves a coa ash prudence and cost recovery ssues n connect on w th 2019 rate cases f ed by Duke Energy Caro nas and Duke Energy Progress w th the NCUC, as we as the equ tab e shar ng ssue on remand from the 2017 Duke Energy Caro nas and Duke Energy Progress North Caro na rate cases as a resu t of the December 11, 2020 North Caro na Supreme Court op n on. The sett ement a so prov des c ar ty on coa ash cost recovery n North Caro na for Duke Energy Caro nas and Duke Energy Progress through January 2030 and February 2030 (the "Term"), respect ve y.

Duke Energy Caro nas and Duke Energy Progress agreed not to seek recovery of approx mate y $1 b on of systemw de deferred coa ash expend tures, but w reta n the ab ty to earn a debt and equ ty return dur ng the amort zat on per od, wh ch sha be f ve years under the 2019 North Caro na rate cases and w be set by the NCUC n future rate case proceed ngs. The equ ty return and the amort zat on per od on deferred coa ash costs under the 2017 Duke Energy Caro nas and Duke Energy Progress North Caro na rate cases w rema n unaffected. The equ ty return on deferred coa ash costs under the 2019 North Caro na rate cases and future rate cases n North Caro na w be set at 150 bas s po nts ower than the author zed return on equ ty (ROE) then n effect, w th a cap ta structure composed of 48% debt and 52% equ ty. Duke Energy Caro nas and Duke Energy Progress reta n the ab ty to earn a fu WACC return dur ng the deferra per od, wh ch s the per od from when costs are ncurred unt they are recovered n rates.

The Sett ng Part es agreed that execut on by Duke Energy Caro nas and Duke Energy Progress of a sett ement agreement between themse ves and the NCDEQ dated December 31, 2019, (the “DEQ Sett ement”) and the coa ash management p ans nc uded there n or subsequent y approved by DEQ are reasonab e and prudent. The Sett ng Part es reta n the r ght to cha enge the reasonab eness and prudence of act ons taken by Duke Energy Caro nas and Duke Energy Progress and costs ncurred to mp ement the scope of work agreed upon n the DEQ Sett ement, after February 1, 2020, and March 1, 2020, for Duke Energy Caro nas and Duke Energy Progress, respect ve y. The Sett ng Part es further agreed to wa ve r ghts through the Term to cha enge the reasonab eness or prudence of Duke Energy Caro nas’ and Duke Energy Progress’ h stor ca coa ash management pract ces, and to wa ve the r ght to assert any arguments that future coa ash costs, nc ud ng f nanc ng costs, sha be shared between e ther company and customers through equ tab e shar ng or any other rate base or return adjustment that shares the revenue requ rement burden of coa ash costs not otherw se d sa owed due to mprudence.

The Sett ng Part es agreed to a shar ng arrangement for future coa ash nsurance t gat on proceeds between Duke Energy Caro nas and Duke Energy Progress and North Caro na customers. For more nformat on, see Note 4 "Comm tments and Cont ngenc es."

As a resu t of the CCR Sett ement Agreement, Duke Energy Caro nas and Duke Energy Progress recorded a pretax charge of approx mate y $454 m on and $494 m on, respect ve y, n the fourth quarter of 2020 to Impa rment of assets and other charges and a reversa of approx mate y $50 m on and $102 m on, respect ve y, to Regu ated e ectr c operat ng revenues on the respect ve Conso dated Statements of Operat ons.

The Coa Ash Sett ement was approved w thout mod f cat on n the NCUC Orders n the 2019 rate cases on March 31, 2021, and Apr 16, 2021, for Duke Energy Caro nas and Duke Energy Progress, respect ve y. The NCUC ssued an Order on Remand Accept ng CCR Sett ement and Aff rm ng Prev ous Orders Sett ng Rates and Impos ng Pena t es n the 2017 rate cases on June 25, 2021.

Carbon Plan

The NCUC s requ red by North Caro na House B 951 (HB 951) to adopt an n t a Carbon P an on or before December 31, 2022. The NCUC has d rected Duke Energy Caro nas and Duke Energy Progress to f e a proposed Carbon P an on or before May 16, 2022. Duke Energy Caro nas and Duke Energy Progress cannot pred ct the outcome of th s matter.

Performance-Based Regulation Rules

On February 10, 2022, the NCUC adopted ru es to govern the app cat on and rev ew process for the Performance Based Regu at on (PBR) author zed under HB 951. The PBR ru es are construct ve and cons stent w th the po cy object ves of HB 951.

2020 North Carolina Storm Securitization Filings

On October 26, 2020, Duke Energy Caro nas and Duke Energy Progress f ed a jo nt pet t on w th the NCUC, as agreed to n part a sett ements reached n the 2019 North Caro na Rate Cases for Duke Energy Caro nas and Duke Energy Progress, seek ng author zat on for the f nanc ng of the costs of each ut ty's storm recovery act v t es requ red as a resu t of Hurr cane F orence, Hurr cane M chae , Hurr cane Dor an and W nter Storm D ego. Spec f ca y, Duke Energy Caro nas and Duke Energy Progress requested that the NCUC f nd that the r storm recovery costs and re ated f nanc ng costs are appropr ate y f nanced by debt secured by storm recovery property, and that the comm ss on ssue f nanc ng orders by wh ch each ut ty may accomp sh such f nanc ng us ng a secur t zat on structure. On January 27, 2021, Duke Energy Caro nas, Duke Energy Progress and the Pub c Staff f ed an Agreement and St pu at on of Part a Sett ement, subject to rev ew and approva of the NCUC, reso v ng certa n account ng ssues, nc ud ng agreement to support an 18 to 20 year bond per od. In the NCUC Orders n the 2019 rate cases ssued on March 31, 2021, and Apr 16, 2021, for Duke Energy Caro nas and Duke Energy Progress, respect ve y, the reasonab eness and prudence of the deferred storm costs was approved. On May 20, 2021, the NCUC ssued f nanc ng orders author z ng the compan es to ssue storm recovery bonds, subject to the terms of the f nanc ng orders, and approv ng the Agreement and St pu at on of Part a Sett ement n ts ent rety. The storm recovery bonds were ssued by Duke Energy Caro nas and Duke Energy Progress on November 24, 2021.

COVID-19 Filings

North Carolina

Duke Energy Caro nas and Duke Energy Progress f ed a jo nt pet t on on August 7, 2020, w th the NCUC for deferra treatment of ncrementa costs and the cost of wa ved customer fees due to the COVID 19 pandem c. On December 29, 2021, the NCUC approved Duke Energy Caro nas' and Duke Energy Progress' jo nt pet t on to defer est mated ncrementa pandem c re ated costs, w thout prejud ce, to the NCUC's future determ nat on of the appropr ate ratemak ng treatment u t mate y to be accorded such costs n future rate case proceed ngs.

Duke Energy Carolinas

Regulatory Assets and Liabilities

The fo ow ng tab es present the regu atory assets and ab t es recorded on Duke Energy Caro nas' Conso dated Ba ance Sheets.

(in millions)	December 31, 2021	December 31, 2020	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets[a]				
AROs coa ash	**$ 1,227**	$ 1,414	(h)	(b)
Accrued pens on and OPEB[c]	**365**	427	Yes	( )
Deferred fue and purchased power	**339**	42	(e)	2023
Storm cost secur t zed ba ance, net	**232**			2041
Ret red generat on fac t es[c]	**54**	11	Yes	2023
PISCC[c]	**31**	32	Yes	(b)
Hedge costs deferra s[c]	**171**	174	Yes	(b)
Deferred asset Lee COLA	**296**	324		(b)
AMI	**140**	154	Yes	(b)
Customer connect project	**66**	50	Yes	(b)
Vacat on accrua	**83**	84		2022
Storm cost deferra s	**22**	205	Yes	(b)
COR sett ement	**91**	95	Yes	(b)
Nuc ear deferra	**78**	88		2023
ABSAT, coa ash bas n c osure	**67**	71	Yes	(b)
Incrementa COVID 19 expenses	**51**	31	Yes	(b)
Deferred severance charges	**36**	57		2023
Other	**130**	210		(b)
Tota regu atory assets	**3,479**	3,469		
Less: current port on	**544**	473		
Tota noncurrent regu atory assets	**$ 2,935**	$ 2,996		
Regulatory Liabilities[a]				
Net regu atory ab ty re ated to ncome taxes[d]	**$ 2,785**	$ 2,874		(b)
Costs of remova [c]	**2,009**	1,975	Yes	(f)
AROs nuc ear and other	**2,053**	1,512		(b)
Prov s on for rate refunds[c]	**124**	170	Yes	
Hedge cost deferra s	**154**	16		(b)
Accrued pens on and OPEB[c]	**44**	32	Yes	( )
Other	**516**	429		(b)
Tota regu atory ab t es	**7,685**	7,008		
Less: current port on	**487**	473		
Tota noncurrent regu atory ab t es	**$ 7,198**	$ 6,535		

(a) Regu atory assets and ab t es are exc uded from rate base un ess otherw se noted.
(b) The expected recovery or refund per od var es or has not been determ ned.
(c) Inc uded n rate base.
(d) Inc udes regu atory ab t es re ated to the change n the federa tax rate as a resu t of the Tax Act and the change n the North Caro na tax rate, both d scussed n Note 23. Port ons are nc uded n rate base.
(e) Pays nterest on over recovered costs n North Caro na. Inc udes certa n purchased power costs n North Caro na and South Caro na and costs of d str buted energy n South Caro na.
(f) Recovered over the fe of the assoc ated assets.
(g) Inc udes ncent ves on DSM/EE nvestments and s recovered through an annua r der mechan sm.
(h) Earns a debt and equ ty return on coa ash expend tures for North Caro na and South Caro na reta customers as perm tted by var ous regu atory orders.
( ) Recovered pr mar y over the average rema n ng serv ce per ods or fe expectanc es of emp oyees covered by the benef t p ans. See Note 22 for add t ona deta .

2017 North Carolina Rate Case

On August 25, 2017, Duke Energy Caro nas f ed an app cat on w th the NCUC for a rate ncrease for reta customers of approx mate y $647 m on. On February 28, 2018, Duke Energy Caro nas and the Pub c Staff f ed an Agreement and St pu at on of Part a Sett ement reso v ng certa n port ons of the proceed ng. Terms of the sett ement nc uded an ROE of 9.9% and a cap ta structure of 52% equ ty and 48% debt. On June 22, 2018, the NCUC ssued an order approv ng the St pu at on of Part a Sett ement and requ r ng a revenue reduct on.

The North Caro na Attorney Genera and other part es separate y f ed Not ces of Appea to the North Caro na Supreme Court. The North Caro na Supreme Court conso dated the Duke Energy Caro nas and Duke Energy Progress appea s. On December 11, 2020, the North Caro na Supreme Court ssued an op n on, wh ch aff rmed, n part, and reversed and remanded, n part, the NCUC's dec s ons. In the Op n on, the court uphe d the NCUC's dec s on to nc ude coa ash costs n the cost of serv ce, as we as the NCUC's d scret on to a ow a return on the unamort zed ba ance of coa ash costs. The court a so remanded to the NCUC a s ng e ssue to cons der the assessment of support for the Pub c Staff's equ tab e shar ng argument. On January 22, 2021, Duke Energy Caro nas and Duke Energy Progress entered nto the CCR Sett ement Agreement w th the Sett ng Part es, wh ch was f ed w th the NCUC on January 25, 2021, and approved by the NCUC on March 31, 2021. The NCUC ssued an Order on Remand Accept ng CCR Sett ement and Aff rm ng Prev ous Orders Sett ng Rates and Impos ng Pena t es on June 25, 2021.

2019 North Carolina Rate Case

On September 30, 2019, Duke Energy Caro nas f ed an app cat on w th the NCUC for a net rate ncrease for reta customers of approx mate y $291 m on, wh ch represented an approx mate 6% ncrease n annua base revenues. The gross rate case revenue ncrease request was $445 m on, wh ch was offset by an EDIT r der of $154 m on to return to customers North Caro na and federa EDIT resu t ng from recent reduct ons n corporate tax rates. The request for a rate ncrease was dr ven by major cap ta nvestments subsequent to the prev ous base rate case, coa ash pond c osure costs, acce erated coa p ant deprec at on and deferred 2018 storm costs. Duke Energy Caro nas requested rates be effect ve no ater than August 1, 2020.

On March 25, 2020, Duke Energy Caro nas and the Pub c Staff f ed an Agreement and St pu at on of Part a Sett ement, subject to rev ew and approva of the NCUC, reso v ng certa n ssues n the base rate proceed ng. On Ju y 24, 2020, Duke Energy Caro nas f ed ts request for approva of ts not ce to customers requ red to mp ement temporary rates. On Ju y 27, 2020, Duke Energy Caro nas f ed a jo nt mot on w th Duke Energy Progress and the Pub c Staff not fy ng the comm ss on that the part es reached a jo nt part a sett ement w th the Pub c Staff. A so, on Ju y 27, 2020, Duke Energy Caro nas f ed a etter stat ng that t ntended to update ts temporary rates ca cu at on to ref ect the terms of the part a sett ement. On Ju y 31, 2020, Duke Energy Caro nas and the Pub c Staff f ed a Second Agreement and St pu at on of Part a Sett ement (Second Part a Sett ement), subject to rev ew and approva of the NCUC, reso v ng certa n rema n ng ssues n the base rate proceed ng. The rema n ng tems t gated at hear ng nc uded recovery of deferred coa ash comp ance costs that are subject to asset ret rement ob gat on account ng, mp ementat on of new deprec at on rates and the amort zat on per od of the oss on the hydro stat on sa e.

On August 4, 2020, Duke Energy Caro nas f ed an amended mot on for approva of ts amended not ce to customers, seek ng to exerc se ts statutory r ght to mp ement temporary rates subject to refund on or after August 24, 2020. The revenue requ rement to be recovered, subject to refund, through the temporary rates was based on and cons stent w th the base rate component of the Second Part a Sett ement and exc uded the tems to be t gated noted above. The NCUC approved the August 4, 2020 amended temporary rates mot on on August 6, 2020, and temporary rates went nto effect on August 24, 2020.

The Duke Energy Caro nas ev dent ary hear ng conc uded on September 18, 2020, and post hear ng f ngs were made w th the NCUC from a part es by November 4, 2020. On January 22, 2021, Duke Energy Caro nas and Duke Energy Progress entered nto the CCR Sett ement Agreement w th the Sett ng Part es, wh ch was f ed w th the NCUC on January 25, 2021.

On March 31, 2021, the NCUC ssued an order approv ng the March 25, 2020, and Ju y 31, 2020, part a sett ements. The order nc udes approva of 1) an ROE of 9.6% based upon a cap ta structure of 52% equ ty and 48% debt; 2) deferra treatment of approx mate y $800 m on of gr d mprovement projects w th a return; 3) a f ow back per od of f ve years for unprotected federa EDIT; and 4) the reasonab eness and prudence of $213 m on of deferred storm costs, wh ch were removed from the rate case and for wh ch Duke Energy Caro nas f ed a pet t on seek ng secur t zat on n October 2020. Add t ona y, the order approved w thout mod f cat on the CCR Sett ement Agreement.

The order den ed Duke Energy Caro nas' proposa to shorten the rema n ng deprec ab e ves of certa n Duke Energy Caro nas coa f red generat ng un ts, nd cat ng the NCUC has not had the chance to fu y exam ne the ssue w th n the context of an ntegrated resource p ann ng (IRP) proceed ng, and upon ret rement the rema n ng net book va ue of these un ts shou d be p aced n a regu atory asset account to be amort zed over an appropr ate per od to be determ ned n a future rate case.

On May 21, 2021, the NCUC ssued an Order Approv ng Rate Schedu es, wh ch resu ted n a net ncrease of approx mate y $33 m on. Rev sed customer rates became effect ve on June 1, 2021.

2018 South Carolina Rate Case

On November 8, 2018, Duke Energy Caro nas f ed an app cat on w th the PSCSC for a rate ncrease for reta customers of approx mate y $168 m on.

After hear ngs n March 2019, the PSCSC ssued an order on May 21, 2019, wh ch nc uded an ROE of 9.5% and a cap ta structure of 53% equ ty and 47% debt. The order a so nc uded the fo ow ng mater a components:

- Approva of cance at on of the Lee Nuc ear Project, w th Duke Energy Caro nas ma nta n ng the comb ned operat ng cense;
- Approva of recovery of $125 m on (South Caro na reta port on) of Lee Nuc ear Project deve opment costs (nc ud ng AFUDC through December 2017) over a 12 year per od, but den a of a return on the deferred ba ance of costs;
- Approva of recovery of $96 m on of coa ash costs over a f ve year per od w th a return at Duke Energy Caro nas' WACC;

- Den a of recovery of $115 m on of certa n coa ash costs deemed to be re ated to the Coa Ash Act and ncrementa to the federa CCR ru e;
- Approva of a $66 m on decrease to base rates to ref ect the change n ongo ng tax expense, pr mar y the reduct on n the federa ncome tax rate from 35% to 21%;
- Approva of a $45 m on decrease through the EDIT R der to return EDIT resu t ng from the federa tax rate change and deferred revenues s nce January 2018 re ated to the change, to be returned n accordance w th the Average Rate Assumpt on Method (ARAM) for protected EDIT, over a 20 year per od for unprotected EDIT assoc ated w th Property, P ant and Equ pment, over a f ve year per od for unprotected EDIT not assoc ated w th Property, P ant and Equ pment and over a f ve year per od for the deferred revenues; and
- Approva of a $17 m on decrease through the EDIT R der re ated to reduct ons n the North Caro na state ncome tax rate from 6.9% to 2.5% to be returned over a f ve year per od.

As a resu t of the order, rev sed customer rates were effect ve June 1, 2019. On May 31, 2019, Duke Energy Caro nas f ed a Pet t on for Rehear ng or Recons derat on of that order contend ng substant a r ghts of Duke Energy Caro nas were prejud ced by un awfu , arb trary and capr c ous ru ngs by the PSCSC on certa n ssues presented n the proceed ng. On June 19, 2019, the PSCSC ssued a d rect ve deny ng Duke Energy Caro nas' request to rehear or recons der the comm ss on's ru ngs on certa n ssues presented n the proceed ng nc ud ng coa ash remed at on and d sposa costs, ROE and the recovery of a return on deferred operat on and ma ntenance expenses. An order deta ng the comm ss on's dec s on n the d rect ve was ssued on October 18, 2019. Duke Energy Caro nas f ed a not ce of appea on November 15, 2019, w th the Supreme Court of South Caro na. On November 20, 2019, the South Caro na Energy Users Comm ttee f ed a Not ce of Appea w th the Supreme Court of South Caro na. In t a br efs were f ed on Apr 21, 2020, wh ch nc uded the South Caro na Energy User's Comm ttee br ef argu ng that the PSCSC erred n a ow ng Duke Energy Caro nas' recovery of costs re ated to the Lee Nuc ear Stat on. Response br efs were f ed on Ju y 6, 2020, and rep y br efs were f ed on August 11, 2020. Ora arguments were heard before the Supreme Court of South Caro na on May 26, 2021.

On October 27, 2021, the Supreme Court of South Caro na aff rmed the PSCSC's May 2019 order to:

- D sa ow cost recovery on certa n CCR comp ance costs the PSCSC deemed to be ncrementa to the federa CCR ru es;
- D sa ow recovery of certa n coa ash nsurance t gat on expenses;
- D sa ow a return on certa n deferred expenses; and
- A ow recovery of Lee Nuc ear Project preconstruct on costs.

The Supreme Court of South Caro nas' dec s on notes the pr or determ nat on made by the PSCSC that Duke Energy cou d subm t coa ash costs for recovery that were not n t a y approved n the rate case order f such costs can be attr buted to the CCR ru es. As a resu t of the court's op n on, Duke Energy Caro nas recogn zed a pretax charge of approx mate y $160 m on to Impa rment of assets and other charges, and a $31 m on ncrease n Other ncome and expenses, net n the Conso dated Statements of Operat ons for the year ended December 31, 2021, pr nc pa y re ated to coa ash remed at on at ret red coa ash bas n s tes. On November 29, 2021, Duke Energy Caro nas f ed a pet t on for rehear ng on severa grounds, nc ud ng the Supreme Court of South Caro nas' dec s on on coa ash cost recovery and certa n deferred expenses. On February 1, 2022, the Supreme Court of South Caro na den ed the pet t on for rehear ng.

Oconee Nuclear Station Subsequent License Renewal

On June 7, 2021, Duke Energy Caro nas f ed a subsequent cense renewa app cat on for the Oconee Nuc ear Stat on (ONS) w th the U.S. Nuc ear Regu atory Comm ss on (NRC) to renew ONS's operat ng cense for an add t ona 20 years. The subsequent cense renewa wou d extend operat ons of the fac ty from 60 to 80 years. The current cense for un ts 1 and 2 exp re n 2033 and the cense for un t 3 exp res n 2034. By a Federa Reg ster Not ce dated Ju y 28, 2021, the NRC prov ded a 60 day comment per od for persons whose nterest may be affected by the ssuance of a subsequent renewed cense for ONS to f e a request for a hear ng and a pet t on for eave to ntervene. On September 27, 2021, Beyond Nuc ear and S erra C ub (Pet t oners) f ed a Hear ng Request and Pet t on to Intervene (Hear ng Request) and a Pet t on for Wa ver. The Hear ng Request proposed three content ons purport ng to cha enge Duke Energy Caro nas' env ronmenta report (ER). In genera , the proposed content ons c a med that the ER d d not cons der certa n nformat on regard ng the env ronmenta aspects of severe acc dents caused by a hypothet ca fa ure of the Jocassee Dam, and therefore d d not sat sfy the Nat ona Env ronmenta Po cy Act (NEPA) of 1969, as amended, or the NRC's NEPA mp ement ng regu at ons. Duke Energy Caro nas f ed ts answer to the proposed content ons on October 22, 2021, and the Pet t oners f ed the r rep y to Duke Energy Caro nas' answer on November 5, 2021. On February 11, 2022, the Atom c Safety and L cens ng Board (ASLB) ssued ts dec s on on the Hear ng Request and found that the Pet t oners fa ed to estab sh that the proposed content ons are t gab e. The ASLB a so den ed the Pet t oners' Pet t on for Wa ver and term nated the proceed ng.

Duke Energy Caro nas and Duke Energy Progress ntend to seek renewa of operat ng censes and 20 year cense extens ons for a of the r nuc ear stat ons. New deprec at on rates were mp emented for a of the nuc ear fac t es dur ng the second quarter of 2021. Duke Energy Caro nas and Duke Energy Progress cannot pred ct the outcome of th s matter.

Duke Energy Progress

Regulatory Assets and Liabilities

The fo ow ng tab es present the regu atory assets and ab t es recorded on Duke Energy Progress' Conso dated Ba ance Sheets.

(in millions)	December 31, 2021	December 31, 2020	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets[a]				
AROs coa ash	**$ 1,389**	$ 1,347	(h)	(b)
AROs nuc ear and other	**613**	683		(c)
Accrued pens on and OPEB	**351**	393		(k)
Deferred fue and purchased power	**303**	158	(f)	2023
Storm cost secur t zed ba ance, net	**759**			2041
Ret red generat on fac t es	**171**	189	Yes	(b)
PISCC and deferred operat ng expenses	**47**	51	Yes	2054
Hedge costs deferra s	**60**	89		(b)
Deferred asset Harr s COLA	**21**	32		(b)
AMI	**92**	57	Yes	(b)
Customer connect project	**57**	25	Yes	(b)
DSM/EE[e]	**218**	224	( )	( )
Vacat on accrua	**42**	42		2022
Storm cost deferra s[d]	**170**	785	Yes	(b)
NCEMPA deferra s	**165**	124	(g)	2042
COR sett ement	**32**	33	Yes	(b)
Nuc ear deferra	**42**	35		2023
ABSAT, coa ash bas n c osure	**23**	27	Yes	(b)
Incrementa COVID 19 expenses	**28**	23	Yes	(b)
Deferred severance charges	**18**	29		2023
Other	**50**	122		(b)
Tota regu atory assets	**4,651**	4,468		
Less: current port on	**533**	492		
Tota noncurrent regu atory assets	**$ 4,118**	$ 3,976		
Regulatory Liabilities[a]				
Net regu atory ab ty re ated to ncome taxes[l]	**$ 1,695**	$ 1,662		(b)
Costs of remova	**2,955**	2,666	Yes	(j)
Prov s on for rate refunds	**87**	123	Yes	
Hedge cost deferra s	**117**	8		(b)
Other	**395**	465		(b)
Tota regu atory ab t es	**5,249**	4,924		
Less: current port on	**381**	530		
Tota noncurrent regu atory ab t es	**$ 4,868**	$ 4,394		

(a) Regu atory assets and ab t es are exc uded from rate base un ess otherw se noted.
(b) The expected recovery or refund per od var es or has not been determ ned.
(c) Recovery per od for costs re ated to nuc ear fac t es runs through the decomm ss on ng per od of each un t.
(d) South Caro na storm costs are nc uded n rate base.
(e) Inc uded n rate base.
(f) Pays nterest on over recovered costs n North Caro na. Inc udes certa n purchased power costs n North Caro na and South Caro na and costs of d str buted energy n South Caro na.
(g) South Caro na reta a ocated costs are earn ng a return.
(h) Earns a debt and equ ty return on coa ash expend tures for North Caro na and South Caro na reta customers as perm tted by var ous regu atory orders.
( ) Inc udes ncent ves on DSM/EE nvestments and s recovered through an annua r der mechan sm.
(j) Recovered over the fe of the assoc ated assets.
(k) Recovered pr mar y over the average rema n ng serv ce per ods or fe expectanc es of emp oyees covered by the benef t p ans. See Note 22 for add t ona deta .
( ) Inc udes regu atory ab t es re ated to the change n the federa tax rate as a resu t of the Tax Act and the change n the North Caro na tax rate, both d scussed n Note 23. Port ons are nc uded n rate base.

2017 North Carolina Rate Case

On June 1, 2017, Duke Energy Progress f ed an app cat on w th the NCUC for a rate ncrease for reta customers of approx mate y $477 m on, wh ch was subsequent y adjusted to $420 m on. On November 22, 2017, Duke Energy Progress and the Pub c Staff f ed an Agreement and St pu at on of Part a Sett ement reso v ng certa n port ons of the proceed ng. Terms of the sett ement nc uded an ROE of 9.9% and a cap ta structure of 52% equ ty and 48% debt. On February 23, 2018, the NCUC ssued an order approv ng the st pu at on. The Pub c Staff, the North Caro na Attorney Genera and the S erra C ub f ed not ces of appea to the North Caro na Supreme Court.

The North Caro na Supreme Court conso dated the Duke Energy Caro nas and Duke Energy Progress appea s. On December 11, 2020, the North Caro na Supreme Court ssued an op n on, wh ch aff rmed, n part, and reversed and remanded, n part, the NCUC's dec s ons. In the Op n on, the court uphe d the NCUC's dec s on to nc ude coa ash costs n the cost of serv ce, as we as the NCUC's d scret on to a ow a return on the unamort zed ba ance of coa ash costs. The court a so remanded to the NCUC a s ng e ssue to cons der the assessment of support for the Pub c Staff's equ tab e shar ng argument. On January 22, 2021, Duke Energy Progress and Duke Energy Caro nas entered nto the CCR Sett ement Agreement w th the Sett ng Part es, wh ch was f ed w th the NCUC on January 25, 2021, and approved by the NCUC on Apr 16, 2021. The NCUC ssued an Order on Remand Accept ng CCR Sett ement and Aff rm ng Prev ous Orders Sett ng Rates and Impos ng Pena t es on June 25, 2021.

2019 North Carolina Rate Case

On October 30, 2019, Duke Energy Progress f ed an app cat on w th the NCUC for a net rate ncrease for reta customers of approx mate y $464 m on, wh ch represented an approx mate 12.3% ncrease n annua base revenues. The gross rate case revenue ncrease request was $586 m on, wh ch was offset by r ders of $122 m on, pr mar y an EDIT r der of $120 m on to return to customers North Caro na and federa EDIT resu t ng from recent reduct ons n corporate tax rates. The request for a rate ncrease was dr ven by major cap ta nvestments subsequent to the prev ous base rate case, coa ash pond c osure costs, acce erated coa p ant deprec at on and deferred 2018 storm costs. Duke Energy Progress sought to defer and recover ncrementa Hurr cane Dor an storm costs n th s proceed ng and requested rates be effect ve no ater than September 1, 2020. As a resu t of the COVID 19 pandem c, on March 24, 2020, the NCUC suspended the procedura schedu e and postponed the prev ous y schedu ed ev dent ary hear ng on th s matter ndef n te y.

On June 2, 2020, Duke Energy Progress and the Pub c Staff f ed an Agreement and St pu at on of Part a Sett ement, subject to rev ew and approva of the NCUC, reso v ng certa n ssues n the base rate proceed ng. On Ju y 27, 2020, Duke Energy Progress f ed a jo nt mot on w th Duke Energy Caro nas and the Pub c Staff not fy ng the comm ss on that the part es reached a jo nt part a sett ement w th the Pub c Staff. On Ju y 31, 2020, Duke Energy Progress and the Pub c Staff f ed a Second Agreement and St pu at on of Part a Sett ement, subject to rev ew and approva of the NCUC, reso v ng certa n rema n ng ssues n the base rate proceed ng. The rema n ng tems t gated at hear ng nc uded recovery of deferred coa ash comp ance costs that are subject to asset ret rement ob gat on account ng and mp ementat on of new deprec at on rates.

On August 7, 2020, Duke Energy Progress f ed a mot on for approva of not ce requ red to mp ement temporary rates, seek ng to exerc se ts statutory r ght to mp ement temporary rates subject to refund on or after September 1, 2020. The revenue requ rement to be recovered subject to refund through the temporary rates was based on and cons stent w th the terms of the base rate component of the sett ement agreements w th the Pub c Staff and exc uded tems to be t gated noted above. In add t on, Duke Energy Progress a so sought author zat on to p ace a temporary decrement EDIT R der nto effect, concurrent w th the temporary base rate change. The NCUC approved the August 7, 2020 temporary rates mot on on August 11, 2020, and temporary rates went nto effect on September 1, 2020.

On January 22, 2021, Duke Energy Progress and Duke Energy Caro nas entered nto the CCR Sett ement Agreement w th the Sett ng Part es, wh ch was f ed w th the NCUC on January 25, 2021.

On Apr 16, 2021, the NCUC ssued an order approv ng the June 2, 2020, and Ju y 31, 2020, part a sett ements. The order nc udes approva of 1) an ROE of 9.6% based upon a cap ta structure of 52% equ ty and 48% debt; 2) deferra treatment of approx mate y $400 m on of gr d mprovement projects w th a return; 3) a f ow back per od of f ve years for unprotected federa EDIT; and 4) the reasonab eness and prudence of approx mate y $714 m on of deferred storm costs, wh ch were removed from the rate case and for wh ch Duke Energy Progress f ed a pet t on seek ng secur t zat on n October 2020. Add t ona y, the order approved w thout mod f cat on the CCR Sett ement Agreement.

The order den ed Duke Energy Progress' proposa to shorten the rema n ng deprec ab e ves of certa n Duke Energy Progress coa f red generat ng un ts, nd cat ng the NCUC has not had the chance to fu y exam ne the ssue w th n the context of an IRP proceed ng, and upon ret rement the rema n ng net book va ue of these un ts shou d be p aced n a regu atory asset account to be amort zed over an appropr ate per od to be determ ned n a future rate case.

On May 21, 2021, the NCUC ssued an Order Approv ng Rate Schedu es, wh ch resu ted n a net ncrease of approx mate y $178 m on. Rev sed customer rates became effect ve on June 1, 2021.

2018 South Carolina Rate Case

On November 8, 2018, Duke Energy Progress f ed an app cat on w th the PSCSC for a rate ncrease for reta customers of approx mate y $59 m on.

After hear ngs n Apr 2019, the PSCSC ssued an order on May 21, 2019, wh ch nc uded an ROE of 9.5% and a cap ta structure of 53% equ ty and 47% debt. The order a so nc uded the fo ow ng mater a components:

- Approva of recovery of $4 m on of coa ash costs over a f ve year per od w th a return at Duke Energy Progress' WACC;
- Den a of recovery of $65 m on of certa n coa ash costs deemed to be re ated to the Coa Ash Act and ncrementa to the federa CCR ru e;
- Approva of a $17 m on decrease to base rates to ref ect the change n ongo ng tax expense, pr mar y the reduct on n the federa ncome tax rate from 35% to 21%;

- Approva of a $12 m on decrease through the EDIT Tax Sav ngs R der resu t ng from the federa tax rate change and deferred revenues s nce January 2018 re ated to the change, to be returned n accordance w th ARAM for protected EDIT, over a 20 year per od for unprotected EDIT assoc ated w th Property, P ant and Equ pment, over a f ve year per od for unprotected EDIT not assoc ated w th Property, P ant and Equ pment and over a three year per od for the deferred revenues; and

- Approva of a $12 m on ncrease due to the exp rat on of EDIT re ated to reduct ons n the North Caro na state ncome tax rate from 6.9% to 2.5%.

As a resu t of the order, rev sed customer rates were effect ve June 1, 2019. On May 31, 2019, Duke Energy Progress f ed a Pet t on for Rehear ng or Recons derat on of that order contend ng substant a r ghts of Duke Energy Progress were prejud ced by un awfu , arb trary and capr c ous ru ngs by the PSCSC on certa n ssues presented n the proceed ng. On June 19, 2019, the PSCSC ssued a d rect ve deny ng Duke Energy Progress' request to rehear or recons der the comm ss on's ru ngs on certa n ssues presented n the proceed ng nc ud ng coa ash remed at on and d sposa costs, ROE and the recovery of a return on deferred operat on and ma ntenance expenses, but a ow ng add t ona t gat on re ated costs. As a resu t of the d rect ve a ow ng t gat on re ated costs, customer rates were rev sed effect ve Ju y 1, 2019. An order deta ng the comm ss on's dec s on n the d rect ve was ssued on October 18, 2019. In November 2019, Duke Energy Progress appea ed the dec s on to the Supreme Court of South Caro na.

On October 27, 2021, the Supreme Court of South Caro na aff rmed the PSCSC's May 2019 order to:

- D sa ow cost recovery on certa n CCR comp ance costs the PSCSC deemed to be ncrementa to the federa CCR ru es;

- D sa ow recovery of certa n coa ash nsurance t gat on expenses; and

- D sa ow a return on certa n deferred expenses.

The Supreme Court of South Caro nas' dec s on notes the pr or determ nat on made by the PSCSC that Duke Energy cou d subm t coa ash costs for recovery that were not n t a y approved n the rate case order f such costs can be attr buted to the CCR ru es. As a resu t of the court's op n on, Duke Energy Progress recogn zed a pretax charge of approx mate y $42 m on to Impa rment of assets and other charges, and a $6 m on ncrease n Other ncome and expenses, net, n the Conso dated Statements of Operat ons for the year ended December 31, 2021, pr nc pa y re ated to coa ash remed at on at ret red coa ash bas n s tes. On November 29, 2021, Duke Energy Progress f ed a pet t on for rehear ng on severa grounds, nc ud ng the Supreme Court of South Caro nas' dec s on on coa ash cost recovery and certa n deferred expenses. On February 1, 2022, the Supreme Court of South Caro na den ed the pet t on for rehear ng.

FERC Return on Equity Complaints

On October 11, 2019, North Caro na Eastern Mun c pa Power Agency (NCEMPA) f ed a comp a nt at the FERC aga nst Duke Energy Progress pursuant to Sect on 206 of the Federa Power Act (FPA), a eg ng that the 11% stated ROE component conta ned n the demand formu a rate n the Fu Requ rements Power Purchase Agreement (FRPPA) between NCEMPA and Duke Energy Progress s unjust and unreasonab e. On Ju y 16, 2020, the FERC set th s matter for hear ng and sett ement judge procedures and estab shed a refund effect ve date of October 11, 2019. In ts order sett ng the matter for sett ement, the FERC a owed for the cons derat on of var at ons to the base transm ss on re ated ROE methodo ogy deve oped n ts Order No. 569 A, through the ntroduct on of "spec f c facts and c rcumstances" nvo v ng ssues spec f c to the case. The part es reached a sett ement n pr nc p e at a sett ement conference on January 7, 2021, and f ed a sett ement package on March 10, 2021. The FERC Tr a Staff f ed comments n support of the sett ement. On Apr 19, 2021, the Sett ement Judge cert f ed the sett ement to the FERC as an uncontested sett ement. The FERC approved the sett ement on May 25, 2021, and Duke Energy Progress f ed comp ance documents on June 10, 2021. The FERC accepted the comp ance f ng on October 8, 2021.

On October 16, 2020, North Caro na E ectr c Membersh p Corporat on (NCEMC) f ed a comp a nt at the FERC aga nst Duke Energy Progress pursuant to Sect on 206 of the FPA, a eg ng that the 11% stated ROE component n the demand formu a rate n the Power Supp y and Coord nat on Agreement between NCEMC and Duke Energy Progress s unjust and unreasonab e. Under FPA Sect on 206, the ear est refund effect ve date that the FERC can estab sh s the date of the f ng of the comp a nt. Duke Energy Progress responded to the comp a nt on November 20, 2020, seek ng d sm ssa , demonstrat ng that the 11% ROE s just and reasonab e for the serv ce prov ded. The part es f ed respons ve p ead ngs and are awa t ng an order from the FERC. Duke Energy Progress cannot pred ct the outcome of th s matter.

Duke Energy Florida

Regulatory Assets and Liabilities

The fo ow ng tab es present the regu atory assets and ab t es recorded on Duke Energy F or da's Conso dated Ba ance Sheets.

(in millions)	December 31, 2021	December 31, 2020	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets[a]				
AROs coa ash	**$ 10**	$ 10		(b)
AROs nuc ear and other	**7**	2		(b)
Accrued pens on and OPEB[c]	**374**	482	Yes	(g)
Deferred fue and purchased power	**415**	4	(f)	2022
Nuc ear asset secur t zed ba ance, net	**937**	991		2036
Ret red generat on fac t es[c]	**94**	174	Yes	2044
Hedge costs deferra s[c]	**77**	59	Yes	2038
AMI[c]	**38**	45	Yes	2032
Customer connect project	**67**	30		2037
DSM/EE[c]	**12**	17	Yes	2025
Storm cost deferra s[c]	**19**	108	(e)	(b)
Costs of remova regu atory asset[c]	**107**		(d)	(b)
Qua fy ng fac ty contract buyouts[c]	**94**	107	Yes	2034
Other	**37**	35	(d)	(b)
Tota regu atory assets	**2,288**	2,064		
Less: current port on	**497**	265		
Tota noncurrent regu atory assets	**$ 1,791**	$ 1,799		
Regulatory Liabilities[a]				
Net regu atory ab ty re ated to ncome taxes[c]	**$ 699**	$ 749		(b)
Other	**97**	19	(d)	(b)
Tota regu atory ab t es	**796**	768		
Less: current port on	**98**	110		
Tota noncurrent regu atory ab t es	**$ 698**	$ 658		

(a) Regu atory assets and ab t es are exc uded from rate base un ess otherw se noted.
(b) The expected recovery or refund per od var es or has not been determ ned.
(c) Inc uded n rate base.
(d) Certa n costs earn/pay a return.
(e) Earns a debt return/ nterest once co ect ons beg n.
(f) Earns commerc a paper rate.
(g) Recovered pr mar y over the average rema n ng serv ce per ods or fe expectanc es of emp oyees covered by the benef t p ans. See Note 22 for add t ona deta .

2021 Settlement Agreement

On January 14, 2021, Duke Energy F or da f ed a Sett ement Agreement (the “2021 Sett ement”) w th the FPSC. The part es to the 2021 Sett ement nc ude Duke Energy F or da, the Off ce of Pub c Counse (OPC), the F or da Industr a Power Users Group, Wh te Spr ngs Agr cu tura Chem ca s, Inc. d/b/a PCS Phosphate and NUCOR Stee F or da, Inc. (co ect ve y, the “Part es”).

Pursuant to the 2021 Sett ement, the Part es agreed to a base rate stay out prov s on that exp res year end 2024; however, Duke Energy F or da s a owed an ncrease to ts base rates of an ncrementa $67 m on n 2022, $49 m on n 2023 and $79 m on n 2024, subject to adjustment n the event of tax reform dur ng the years 2021, 2022 and 2023. The Part es a so agreed to an ROE band of 8.85% to 10.85% w th a m dpo nt of 9.85% based on a cap ta structure of 53% equ ty and 47% debt. The ROE band can be ncreased by 25 bas s po nts f the average 30 year U.S. Treasury rate ncreases 50 bas s po nts or more over a s x month per od n wh ch case the m dpo nt ROE wou d r se from 9.85% to 10.10%. Duke Energy F or da w a so be ab e to reta n the reta port on of the DOE award of approx mate y $173 m on for spent nuc ear fue , wh ch s expected to be rece ved n 2022, n order to m t gate customer rates over the term of the 2021 Sett ement. In return, Duke Energy F or da w be ab e to recogn ze the $173 m on nto earn ngs from 2022 through 2024.

In add t on to these terms, the 2021 Sett ement conta ned prov s ons re ated to the acce erated deprec at on of Crysta R ver Un ts 4 5, the approva of approx mate y $1 b on n future nvestments n new cost effect ve so ar power, the mp ementat on of a new E ectr c Veh c e Charg ng Stat on Program and the deferra and recovery of costs n connect on w th the mp ementat on of Duke Energy F or da’s V s on F or da program, wh ch exp ores var ous emerg ng non carbon em tt ng generat on techno ogy, d str buted techno og es and res ency projects, among other th ngs. The 2021 Sett ement a so reso ved rema n ng unrecovered storm costs for Hurr cane M chae and Hurr cane Dor an.

The FPSC approved the 2021 Sett ement on May 4, 2021, ssu ng an order on June 4, 2021. Rev sed customer rates became effect ve January 1, 2022, w th subsequent base rate ncreases effect ve January 1, 2023, and January 1, 2024.

Storm Restoration Cost Recovery

Duke Energy F or da f ed a pet t on w th the FPSC on Apr 30, 2019, to recover $223 m on of est mated reta ncrementa storm restorat on costs for Hurr cane M chae , cons stent w th the prov s ons n the 2017 Sett ement, and the FPSC approved the pet t on on June 11, 2019. The FPSC a so approved a ow ng Duke Energy F or da to use the tax sav ngs resu t ng from the Tax Act to recover these storm costs n eu of mp ement ng a storm surcharge. Approved storm costs were fu y recovered by year end 2021. On November 22, 2019, Duke Energy F or da f ed a pet t on for approva of actua reta recoverab e storm restorat on costs re ated to Hurr cane M chae n the amount of $191 m on p us nterest. On May 19, 2020, Duke Energy F or da f ed a supp ementa true up reduc ng the actua reta recoverab e storm restorat on costs re ated to Hurr cane M chae by approx mate y $3 m on, resu t ng n a tota request to recover $188 m on actua reta recoverab e storm restorat on costs, p us nterest. Approx mate y $80 m on of these costs are nc uded n Regu atory assets w th n Current Assets and Other Noncurrent Assets on the Conso dated Ba ance Sheets as of December 31, 2020.

Duke Energy F or da f ed a pet t on w th the FPSC on December 19, 2019, to recover $169 m on of est mated reta ncrementa storm restorat on costs for Hurr cane Dor an, cons stent w th the prov s ons n the 2017 Sett ement and the FPSC approved the pet t on on February 24, 2020. The f na actua amount of $145 m on was f ed on September 30, 2020. The 2021 Sett ement reso ved a matters regard ng storm cost recovery re at ng to Hurr cane M chae and Hurr cane Dor an.

Clean Energy Connection

On Ju y 1, 2020, Duke Energy F or da pet t oned the FPSC for approva of a vo untary so ar program. The program cons sts of 10 new so ar generat ng fac t es w th comb ned capac ty of approx mate y 750 MW. The program a ows part c pants to support cost effect ve so ar deve opment n F or da by pay ng a subscr pt on fee based on per k owatt subscr pt ons and rece v ng a cred t on the r b based on the actua generat on assoc ated w th the r port on of the so ar portfo o. The est mated cost of the 10 new so ar generat on fac t es s approx mate y $1 b on over the next three years, and th s nvestment w be nc uded n base rates offset by the revenue from the subscr pt on fees. The cred ts w be nc uded for recovery n the fue cost recovery c ause. The FPSC approved the program n January 2021.

On February 24, 2021, the League of Un ted Lat n Amer can C t zens (LULAC) f ed a not ce of appea of the FPSC’s order approv ng the C ean Energy Connect on to the Supreme Court of F or da. LULAC's n t a br ef was f ed on May 26, 2021, and Appe ees' response br efs were f ed on Ju y 26, 2021. LULAC's rep y br ef was f ed on September 24, 2021, and ts request for ora argument was f ed on September 28, 2021. The Supreme Court of F or da heard the ora argument on February 9, 2022. The FPSC approva order rema ns n effect pend ng the outcome of the appea . Duke Energy F or da cannot pred ct the outcome of th s matter.

Duke Energy Ohio

Regulatory Assets and Liabilities

The fo ow ng tab es present the regu atory assets and ab t es recorded on Duke Energy Oh o's Conso dated Ba ance Sheets.

(in millions)	December 31, 2021	December 31, 2020	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets[a]				
AROs coa ash	**$ 33**	$ 22	Yes	(b)
Accrued pens on and OPEB	**133**	149		(g)
Deferred fue and purchased power	**38**			2022
PISCC and deferred operat ng expenses[c]	**16**	16	Yes	2083
Hedge costs deferra s	**5**	7		(b)
AMI	**24**	36		(b)
Customer connect project	**41**	26		(b)
DSM/EE	**5**	1	(f)	(e)
Vacat on accrua	**6**	6		2022
Storm cost deferra s	**2**	4		2023
CEP deferra	**161**	117	Yes	(b)
Deferred p pe ne ntegr ty costs	**24**	21	Yes	(b)
MGP	**104**	104		(b)
Other	**115**	140		(b)
Tota regu atory assets	**707**	649		
Less: current port on	**72**	39		
Tota noncurrent regu atory assets	**$ 635**	$ 610		
Regulatory Liabilities[a]				
Net regu atory ab ty re ated to ncome taxes	**$ 602**	$ 628		(b)
Costs of remova	**39**	68		(d)
Prov s on for rate refunds	**61**	45		(b)
Accrued pens on and OPEB	**21**	17		(g)
Other	**78**	55		(b)
Tota regu atory ab t es	**801**	813		
Less: current port on	**62**	65		
Tota noncurrent regu atory ab t es	**$ 739**	$ 748		

(a) Regu atory assets and ab t es are exc uded from rate base un ess otherw se noted.
(b) The expected recovery or refund per od var es or has not been determ ned.
(c) Inc uded n rate base.
(d) Recovery over the fe of the assoc ated assets.
(e) Recovered v a a r der mechan sm.
(f) Inc udes ncent ves on DSM/EE nvestments.
(g) Recovered pr mar y over the average rema n ng serv ce per ods or fe expectanc es of emp oyees covered by the benef t p ans. See Note 22 for add t ona deta .

Duke Energy Ohio Electric Base Rate Case

Duke Energy Oh o f ed w th the PUCO an e ectr c d str but on base rate case app cat on on October 1, 2021, w th support ng test mony f ed on October 15, 2021, request ng an ncrease n e ectr c d str but on base rates of approx mate y $55 m on and an ROE of 10.3%. Th s s an approx mate 3.3% average ncrease n the customer's tota b across a customer c asses. The dr vers for th s case are cap ta nvested s nce Duke Energy Oh o's ast e ectr c d str but on base rate case n 2017. Duke Energy Oh o s a so seek ng to adjust the caps on ts D str but on Cap ta Investment (DCI) R der. Duke Energy Oh o ant c pates the PUCO w ru e on the request by the summer of 2022. Duke Energy Oh o cannot pred ct the outcome of th s matter.

Ohio House Bill 6 and House Bill 128

On Ju y 23, 2019, House B 6 was s gned nto aw and became effect ve January 1, 2020. Among other th ngs, the b a owed for fund ng through a r der mechan sm referred to as the C ean A r Fund (CAF) R der, of two nuc ear generat ng fac t es ocated n Northern Oh o owned by Energy Harbor (f/k/a F rstEnergy So ut ons) and certa n renewab e resources, repea of energy eff c ency mandates and recovery of prudent y ncurred costs, net of any revenues, for Oh o nvestor owned ut t es that are part c pants under the OVEC power agreement. The OVEC recovery s through a non bypassab e r der that rep aced any ex st ng recovery mechan sm approved by the PUCO and w rema n n p ace through 2030. As such, Duke Energy Oh o created the Legacy Generat on R der that rep aced the Pr ce Stab zat on R der effect ve January 1, 2020. The amounts recoverab e from customers are subject to an annua cap, w th ncrementa costs that exceed such cap e g b e for deferra and recovery, subject to rev ew. See Note 17 for add t ona d scuss on of Duke Energy Oh o's ownersh p nterest n OVEC. House B 128 (HB 128) was s gned nto aw on March 31, 2021, and became effect ve June 30, 2021. The b removes nuc ear p ant fund ng nc uded n HB 6, e m nates the CAF R der and estab shes the So ar Generat on Fund R der to recover the renewab e nvestments or g na y nc uded n HB 6. HB 128 does not mpact OVEC cost recovery or any transm ss on or d str but on r der.

Energy Efficiency Cost Recovery

In response to changes n Oh o aw that e m nated Oh o's energy eff c ency mandates, the PUCO ssued an order on February 26, 2020, d rect ng ut t es to w nd down the r demand s de management programs by September 30, 2020, and to term nate the programs by December 31, 2020. Duke Energy Oh o took the fo ow ng act ons:

- On March 27, 2020, Duke Energy Oh o f ed an app cat on for rehear ng seek ng c ar f cat on on the f na true up and reconc at on process after 2020. On November 18, 2020, the PUCO ssued an order rep ac ng the cost cap prev ous y mposed upon Duke Energy Oh o w th a cap on shared sav ngs recovery. On December 18, 2020, Duke Energy Oh o f ed an add t ona app cat on for rehear ng cha eng ng, among other th ngs, the mpos t on of the cap on shared sav ngs. On January 13, 2021, the app cat on for rehear ng was granted for further cons derat on.
- On October 9, 2020, Duke Energy Oh o f ed an app cat on to mp ement a vo untary energy eff c ency program portfo o to commence on January 1, 2021. The app cat on proposed a mechan sm for recovery of program costs and a benef t assoc ated w th avo ded transm ss on and d str but on costs. The app cat on rema ns under rev ew.
- On November 18, 2020, the PUCO ssued an order d rect ng a ut t es to set the r energy eff c ency r ders to zero effect ve January 1, 2021, and to f e a separate app cat on for f na reconc at on of a energy eff c ency costs pr or to December 31, 2020.
- Effect ve January 1, 2021, Duke Energy Oh o suspended ts energy eff c ency programs.
- On June 14, 2021, the PUCO ssued an entry for each ut ty to f e by Ju y 15, 2021, a proposa to reestab sh ow ncome programs through December 31, 2021. Duke Energy Oho f ed ts app cat on on Ju y 14, 2021.

Duke Energy Oh o cannot pred ct the outcome of th s matter.

Natural Gas Pipeline Extension

Duke Energy Oh o s nsta ng a new natura gas p pe ne (the Centra Corr dor Project) n ts Oh o serv ce terr tory to ncrease system re ab ty and enab e the ret rement of o der nfrastructure. Duke Energy Oh o current y est mates the p pe ne deve opment costs and construct on act v t es w range from $185 m on to $195 m on n d rect costs (exc ud ng overheads and AFUDC) and that construct on of the p pe ne extens on w be comp eted n February 2022. An ev dent ary hear ng on Duke Energy Oh o's app cat on for a Cert f cate of Env ronmenta Compat b ty and Pub c Need conc uded on Apr 11, 2019. On November 21, 2019, the Oh o Power S t ng Board (OPSB) approved Duke Energy Oh o's app cat on subject to 41 cond t ons on construct on. App cat ons for rehear ng were f ed by severa stakeho ders on December 23, 2019, argu ng that the OPSB approva was ncorrect. On February 20, 2020, the OPSB den ed the rehear ng requests. On Apr 15, 2020, those stakeho ders f ed a not ce of appea at the Supreme Court of Oh o of the OPSB's dec s on approv ng Duke Energy Oh o's Centra Corr dor Project app cat on. The Supreme Court of Oh o aff rmed the OPSB order on September 22, 2021.

On September 22, 2020, Duke Energy Oh o f ed an app cat on w th the OPSB for approva to amend the cert f cated p pe ne route due to changes n the route negot ated w th property owners and mun c pa t es. On January 21, 2021, the OPSB approved the amended f ng w th recommended cond t ons that reaff rm prev ous cond t ons and prov de gu dance regard ng oca perm tt ng and construct on superv s on.

MGP Cost Recovery

In an order ssued n 2013, the PUCO approved Duke Energy Oh o's deferra and recovery of costs re ated to env ronmenta remed at on at two s tes (East End and West End) that housed former MGP operat ons. Duke Energy Oh o has co ected approx mate y $55 m on n env ronmenta remed at on costs ncurred between 2008 through 2012 through R der MGP, wh ch s current y suspended. Duke Energy Oh o has made annua app cat ons w th the PUCO to recover ts ncrementa remed at on costs cons stent w th the PUCO's d rect ve n Duke Energy Oh o's 2012 natura gas base rate case. To date, the PUCO has not ru ed on Duke Energy Oh o's annua app cat ons for the ca endar years 2013 through 2019. On September 28, 2018, the Staff of the PUCO (Staff) ssued a report recommend ng a d sa owance of approx mate y $12 m on of the $26 m on n MGP remed at on costs ncurred between 2013 through 2017 that the Staff be eves are not e g b e for recovery. The Staff nterprets the PUCO's 2013 order grant ng Duke Energy Oh o recovery of MGP remed at on as m t ng the recovery to work d rect y on the East End and West End s tes. On October 30, 2018, Duke Energy Oh o f ed rep y comments object ng to the Staff's recommendat ons and exp a n ng, among other th ngs, the ob gat on Duke Energy Oh o has under Oh o aw to remed ate a areas mpacted by the former MGPs and not just phys ca property that housed the former p ants and equ pment. On March 29, 2019, Duke Energy Oh o f ed ts annua app cat on to recover ncrementa remed at on expense for the ca endar year 2018 seek ng recovery of approx mate y $20 m on n remed at on costs. On Ju y 12, 2019, the Staff recommended a d sa owance of approx mate y $11 m on for work that the Staff be eves occurred n areas not author zed for recovery. Add t ona y, the Staff recommended that any d scuss on perta n ng to Duke Energy Oh o's recovery of ongo ng MGP costs shou d be d rect y t ed to or netted aga nst nsurance proceeds co ected by Duke Energy Oh o. An ev dent ary hear ng conc uded on November 21, 2019. In t a br efs were f ed on January 17, 2020, and rep y br efs were f ed on February 14, 2020.

On March 31, 2020, Duke Energy Oh o f ed ts annua app cat on to recover ncrementa MGP remed at on expense seek ng recovery of approx mate y $39 m on n remed at on costs ncurred dur ng 2019. On Ju y 23, 2020, the Staff recommended a d sa owance of approx mate y $4 m on for work the Staff be eves occurred n areas not author zed for recovery. Add t ona y, the Staff recommended nsurance proceeds, net of t gat on costs and attorney fees, shou d be pa d to customers and not be he d by Duke Energy Oh o unt a nvest gat on and remed at on s comp ete. Duke Energy Oh o f ed comments n response to the Staff's report on August 21, 2020, and ntervenor comments were f ed on November 9, 2020.

The 2013 PUCO order a so conta ned cond t ona dead nes for comp et ng the MGP env ronmenta remed at on and the deferra of re ated remed at on costs. Subsequent to the order, the dead ne was extended to December 31, 2019. On May 10, 2019, Duke Energy Oh o f ed an app cat on request ng a cont nuat on of ts ex st ng deferra author ty for MGP remed at on that must occur after December 31, 2019. On Ju y 12, 2019, the Staff recommended the comm ss on deny the deferra author ty request. On September 13, 2019, ntervenor comments were f ed oppos ng Duke Energy Oh o's request for cont nuat on of ex st ng deferra author ty and on October 2, 2019, Duke Energy Oh o f ed rep y comments.

A St pu at on and Recommendat on was f ed jo nt y by Duke Energy Oh o, the Staff, the Off ce of the Oh o Consumers' Counse and the Oh o Energy Group on August 31, 2021, wh ch s subject to rev ew and approva by the PUCO. If approved, the St pu at on and Recommendat on wou d, among other th ngs, reso ve a open ssues regard ng MGP remed at on costs ncurred between 2013 and 2019, Duke Energy Oh o's request for add t ona deferra author ty beyond 2019 and the pend ng ssues re ated to the Tax Act as t re ates to Duke Energy Oh o's natura gas operat ons. These mpacts are not expected to have a mater a mpact on Duke Energy Oh o's f nanc a statements. The St pu at on and Recommendat on further acknow edges Duke Energy Oh o's ab ty to f e a request for add t ona deferra author ty n the future re ated to env ronmenta remed at on of any MGP mpacts n the Oh o R ver f necessary, subject to spec f c cond t ons. On October 15, 2021, the PUCO granted mot ons to ntervene f ed n September 2021 by Interstate Gas Supp y, Inc. and Reta Energy Supp y Assoc at on on a m ted bas s. An ev dent ary hear ng was he d on November 18, 2021, and br ef ng was conc uded on December 23, 2021. Duke Energy Oh o cannot pred ct the outcome of th s matter.

Tax Act Ohio

On December 21, 2018, Duke Energy Oh o f ed an app cat on to change ts base rate tar ffs and estab sh a new r der to mp ement the benef ts of the Tax Act for natura gas customers. Duke Energy Oh o requested comm ss on approva to mp ement the tar ff changes and r der effect ve Apr 1, 2019. The new r der w f ow through to customers the benef t of the reduct on n the statutory federa tax rate from 35% to 21% s nce January 1, 2018, a future benef ts of the ower tax rates and a fu refund of deferred ncome taxes co ected at the h gher tax rates n pr or years. Deferred ncome taxes subject to norma zat on ru es w be refunded cons stent w th federa aw and deferred ncome taxes not subject to norma zat on ru es w be refunded over a 10 year per od. The PUCO estab shed a procedura schedu e and test mony was f ed on Ju y 31, 2019. An ev dent ary hear ng occurred on August 7, 2019. In t a br efs were f ed on September 11, 2019. Rep y br efs were f ed on September 25, 2019. The St pu at on and Recommendat on f ed on August 31, 2021, d sc osed n the MGP Cost Recovery matter above, a so reso ves the outstand ng ssues n th s proceed ng. On October 15, 2021, the PUCO granted mot ons to ntervene f ed n September 2021 by Interstate Gas Supp y, Inc. and Reta Energy Supp y Assoc at on on a m ted bas s. An ev dent ary hear ng was he d on November 18, 2021, and br ef ng was conc uded on December 23, 2021. Duke Energy Oh o cannot pred ct the outcome of th s matter.

Duke Energy Kentucky Natural Gas Base Rate Case

On June 1, 2021, Duke Energy Kentucky f ed an app cat on w th the KPSC request ng an ncrease n natura gas base rates of approx mate y $15 m on, an approx mate 13% average ncrease across a customer c asses. The dr vers for th s case are cap ta nvested s nce Duke Energy Kentucky's ast natura gas base rate case n 2018. Duke Energy Kentucky a so sought mp ementat on of a r der n order to recover from or pay to customers the f nanc a mpact of governmenta d rect ves and mandates, nc ud ng changes n federa or state tax rates and regu at ons ssued by the P pe ne and Hazardous Mater a s Safety Adm n strat on (PHMSA). On October 8, 2021, Duke Energy Kentucky f ed a St pu at on and Recommendat on jo nt y w th the Kentucky Attorney Genera , subject to rev ew and approva by the KPSC, wh ch f approved, wou d reso ve the case. The St pu at on and Recommendat on nc uded a $9 m on ncrease n base revenues, an ROE of 9.375% for natura gas base rates and 9.3% for natura gas r ders, a r der for PHMSA requ red cap ta nvestments w th an annua 5% rate ncrease cap and a four year natura gas base rate case stay out. The ev dent ary hear ng was he d on October 18, 2021. On December 28, 2021, the KPSC approved the St pu at on and Recommendat on w th m nor mod f cat ons, author z ng a $9 m on ncrease. Rates were effect ve January 4, 2022.

Midwest Propane Caverns

Duke Energy Oh o uses propane stored n caverns to meet peak demand dur ng w nter. Once the Centra Corr dor Project s comp ete, the propane peak ng fac t es w no onger be necessary and w be ret red. On October 7, 2021, Duke Energy Oh o requested deferra treatment of the property, p ant and equ pment as we as costs re ated to propane nventory and decomm ss on ng costs. On January 6, 2022, the Staff ssued a report recommend ng deferra author ty for costs re ated to propane nventory and decomm ss on ng but not for the net book va ue of the rema n ng assets. As a resu t of the Staff's report, Duke Energy Oh o recorded a $19 m on charge to Impa rment of assets and other charges on the Conso dated Statements of Operat ons and Comprehens ve Income n the fourth quarter of 2021. There s approx mate y $6 m on and $27 m on n Net, property, p ant and equ pment on the Conso dated Ba ance Sheets as of December 31, 2021, and December 31, 2020, respect ve y, re ated to the propane caverns. The PUCO estab shed a procedura schedu e for the subm ss on of comments by March 7, 2022. Duke Energy Oh o cannot pred ct the outcome of th s matter.

Regional Transmission Organization Realignment

Duke Energy Oh o, nc ud ng Duke Energy Kentucky, transferred contro of ts transm ss on assets from MISO to PJM, effect ve December 31, 2011. The PUCO approved a sett ement re ated to Duke Energy Oh o's recovery of certa n costs of the RTO rea gnment v a a non bypassab e r der. Duke Energy Oh o s a owed to recover a MISO Transm ss on Expans on P ann ng (MTEP) costs d rect y or nd rect y charged to Oh o customers. The KPSC a so approved a request to effect the RTO rea gnment, subject to a comm tment not to seek doub e recovery n a future rate case of the transm ss on expans on fees that may be charged by MISO and PJM n the same per od or over app ng per ods.

The fo ow ng tab e prov des a reconc at on of the beg nn ng and end ng ba ance of Duke Energy Oh o's recorded ab ty for ts ex t ob gat on and share of MTEP costs recorded n Other w th n Current L ab t es and Other Noncurrent L ab t es on the Conso dated Ba ance Sheets. The reta port ons of MTEP costs b ed by MISO are recovered by Duke Energy Oh o through a non bypassab e r der. As of December 31, 2021, and 2020, $33 m on and $37 m on, respect ve y, are recorded n Regu atory assets on Duke Energy Oh o's Conso dated Ba ance Sheets.

(in millions)	December 31, 2020	Provisions/ Adjustments	Cash Reductions	December 31, 2021
Duke Energy Oh o	$ 50	$	$ (4)	$ 46

Duke Energy Indiana

Regulatory Assets and Liabilities

The fo ow ng tab es present the regu atory assets and ab t es recorded on Duke Energy Ind ana's Conso dated Ba ance Sheets.

(in millions)	December 31, 2021	December 31, 2020	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets[(a)]				
AROs coa ash	**$ 749**	$ 615	Yes	(b)
Accrued pens on and OPEB	**222**	245		(e)
Deferred fue and purchased power	**158**	9		2022
Ret red generat on fac t es[(c)]	**38**	43	Yes	2030
PISCC and deferred operat ng expenses[(c)]	**262**	298	Yes	(b)
Hedge costs deferra s	**35**	22		(b)
AMI	**17**	19		2031
Customer connect project	**11**	5		(b)
Vacat on accrua	**13**	12		2022
Other	**50**	60		(b)
Tota regu atory assets	**1,555**	1,328		
Less: current port on	**277**	125		
Tota noncurrent regu atory assets	**$ 1,278**	$ 1,203		
Regulatory Liabilities[(a)]				
Net regu atory ab ty re ated to ncome taxes	**$ 908**	$ 956		(b)
Costs of remova	**575**	599		(d)
Accrued pens on and OPEB	**113**	100		(e)
Other	**96**	83		(b)
Tota regu atory ab t es	**1,692**	1,738		
Less: current port on	**127**	111		
Tota noncurrent regu atory ab t es	**$ 1,565**	$ 1,627		

(a) Regu atory assets and ab t es are exc uded from rate base un ess otherw se noted.
(b) The expected recovery or refund per od var es or has not been determ ned.
(c) Inc uded n rate base.
(d) Refunded over the fe of the assoc ated assets.
(e) Recovered pr mar y over the average rema n ng serv ce per ods or fe expectanc es of emp oyees covered by the benef t p ans. See Note 22 for add t ona deta .

2019 Indiana Rate Case

On Ju y 2, 2019, Duke Energy Ind ana f ed a genera rate case w th the IURC for a rate ncrease for reta customers of approx mate y $395 m on. The rebutta case, f ed on December 4, 2019, updated the requested revenue requ rement to resu t n a 15.6% or $396 m on average reta rate ncrease, nc ud ng the mpacts of the Ut ty Rece pts Tax. Hear ngs conc uded on February 7, 2020. On June 29, 2020, the IURC ssued an order n the rate case approv ng a revenue ncrease of $146 m on before certa n adjustments and ratemak ng ref nements. The order approved Duke Energy Ind ana's requested forecasted rate base of $10.2 b on as of December 31, 2020, nc ud ng the Edwardsport Integrated Gas f cat on Comb ned Cyc e (IGCC) P ant. The IURC reduced Duke Energy Ind ana's request by s ght y more than $200 m on, when account ng for the ut ty rece pts tax and other adjustments. Approx mate y 50% of the reduct on was due to a prospect ve change n deprec at on and use of regu atory asset for the end of fe nventory at ret red generat ng p ants, approx mate y 20% s due to the approved ROE of 9.7% versus the requested ROE of 10.4% and approx mate y 20% was re ated to m sce aneous earn ngs neutra adjustments. Step one rates were est mated to be approx mate y 75% of the tota and became effect ve on Ju y 30, 2020. Step two rates are est mated to be the rema n ng 25% of the tota rate ncrease. Step two rates were approved on Ju y 28, 2021, and mp emented n August 2021. Step two rates are based on a return on equ ty of 9.7% and actua December 31, 2020 cap ta structure w th a 54% equ ty component. Step two rates w be reconc ed to January 1, 2021. Severa groups appea ed the IURC order to the Ind ana Court of Appea s. Appe ate br efs were f ed on October 14, 2020, focus ng on three ssues: who esa e sa es a ocat ons, coa ash bas n cost recovery and the Edwardsport IGCC operat ng and ma ntenance expense eve approved. The appea was fu y br efed n January 2021, and an ora argument was he d on Apr 8, 2021. The Ind ana Court of Appea s aff rmed the IURC dec s on on May 13, 2021. The Ind ana Off ce of Ut ty Consumer Counse or (OUCC) and the Duke Industr a Group f ed a jo nt pet t on to transfer the rate case appea to the Ind ana Supreme Court on June 28, 2021. Response br efs were f ed Ju y 19, 2021. The Ind ana Supreme Court granted the pet t on to transfer on September 16, 2021, and ora arguments were heard on November 16, 2021. Duke Energy Ind ana cannot pred ct the outcome of th s matter.

2020 Indiana Coal Ash Recovery Case

In Duke Energy Ind ana's 2019 rate case, the IURC approved coa ash bas n c osure costs expended through 2018 nc ud ng f nanc ng costs as a regu atory asset and nc uded n rate base. The IURC a so opened a subdocket for post 2018 coa ash re ated expend tures. Duke Energy Ind ana f ed test mony on Apr 15, 2020, n the coa ash subdocket request ng recovery for the post 2018 coa ash bas n c osure costs for p ans that have been approved by the Ind ana Department of Env ronmenta Management (IDEM) as we as cont nu ng deferra , w th carry ng costs, on the ba ance. An ev dent ary hear ng was he d on September 14, 2020. Br ef ng was comp eted by m d September 2021. On November 3, 2021, the IURC ssued an order a ow ng recovery for post 2018 coa ash bas n c osure costs for the p ans that have been approved by IDEM, as we as cont nu ng deferra , w th carry ng costs, on the ba ance. The OUCC f ed a not ce of appea to the Ind ana Court of Appea s on December 3, 2021. Duke Energy Ind ana cannot pred ct the outcome of th s matter.

Piedmont

Regulatory Assets and Liabilities

The fo ow ng tab es present the regu atory assets and ab t es recorded on P edmont's Conso dated Ba ance Sheets.

(in millions)	December 31, 2021	December 31, 2020	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets[a]				
AROs nuc ear and other	**$ 22**	$ 20		(d)
Accrued pens on and OPEB[c]	**82**	88		(g)
Vacat on accrua	**12**	12		2022
Der vat ves natura gas supp y contracts[f]	**139**	122		
Deferred p pe ne ntegr ty costs[c]	**84**	71		2025
Amounts due from customers	**85**	110	(e)	(b)
Other	**33**	32		(b)
Tota regu atory assets	**457**	455		
Less: current port on	**141**	153		
Tota noncurrent regu atory assets	**$ 316**	$ 302		
Regulatory Liabilities[a]				
Net regu atory ab ty re ated to ncome taxes	**$ 510**	$ 499		(b)
Costs of remova [c]	**572**	575		(d)
Prov s on for rate refunds	**2**	6		
Accrued pens on and OPEB[c]	**5**	3		(g)
Other	**25**	49	(e)	(b)
Tota regu atory ab t es	**1,114**	1,132		
Less: current port on	**56**	88		
Tota noncurrent regu atory ab t es	**$ 1,058**	$ 1,044		

(a) Regu atory assets and ab t es are exc uded from rate base un ess otherw se noted.
(b) The expected recovery or refund per od var es or has not been determ ned.
(c) Inc uded n rate base.
(d) Recovery over the fe of the assoc ated assets.
(e) Certa n costs earn/pay a return.
(f) Ba ance w f uctuate w th changes n the market. Current contracts extend nto 2031.
(g) Recovered pr mar y over the average rema n ng serv ce per ods or fe expectanc es of emp oyees covered by the benef t p ans. See Note 22 for add t ona deta .

2020 Tennessee Rate Case

On Ju y 2, 2020, P edmont f ed an app cat on w th the TPUC, ts f rst genera rate case n Tennessee n n ne years, for a rate ncrease for reta customers of approx mate y $30 m on, wh ch represents an approx mate 15% ncrease n annua revenues. The rate ncrease s dr ven by s gn f cant nfrastructure upgrade nvestments s nce P edmont's prev ous rate case. Approx mate y ha f of the p ant add t ons be ng added to rate base are categor es of cap ta nvestment not covered under the IMR mechan sm, wh ch was approved n 2013. P edmont amended ts requested ncrease to approx mate y $26 m on n December 2020. As author zed under Tennessee aw, P edmont mp emented nter m rates on January 2, 2021, at the eve requested n ts adjusted request. A sett ement reached w th the Tennessee Consumer Advocate n m d January was approved by the TPUC on February 16, 2021. The sett ement resu ts n an ncrease of revenues of approx mate y $16 m on and an ROE of 9.8%. Rev sed customer rates became effect ve on January 2, 2021. P edmont refunded customers the d fference between b s prev ous y rendered under nter m rates and such b s f rendered under approved rates, p us nterest n Apr 2021.

2021 North Carolina Rate Case

On March 22, 2021, P edmont f ed an app cat on w th the NCUC for a rate ncrease for reta customers of approx mate y $109 m on, wh ch represents an approx mate 10% ncrease n reta revenues. The rate ncrease s dr ven by customer growth and s gn f cant nfrastructure upgrade nvestments (p ant add t ons) s nce the ast genera rate case. Approx mate y 70% of the p ant add t ons be ng ro ed nto rate base are categor es of p ant nvestment not covered under the IMR mechan sm, wh ch was or g na y approved as part of the 2013 North Caro na Rate Case. On Ju y 28, 2021, P edmont amended ts requested ncrease to approx mate y $97 m on.

On September 7, 2021, P edmont and the Pub c Staff, the Caro na Ut ty Customers Assoc at on, Inc. and the Caro na Industr a Group for Fa r Ut ty Rates IV f ed a St pu at on of Part a Sett ement (St pu at on), wh ch s subject to rev ew and approva by the NCUC, reso v ng most ssues between these part es. Major components of the St pu at on nc ude:

- A return on equ ty of 9.6% and a cap ta structure of 51.6% equ ty and 48.4% debt;
- Cont nuat on of the IMR mechan sm and marg n decoup ng; and
- A base rate ncrease of approx mate y $67 m on, subject to comp et on of the Robeson County LNG fac ty and the Pender Ons ow County expans on project.

An ev dent ary hear ng to rev ew the St pu at on and other ssues conc uded on September 9, 2021. On October 12, 2021, P edmont not f ed the NCUC of ts ntent to mp ement the st pu ated rates effect ve November 1, 2021, on a temporary bas s and subject to refund. On October 18, 2021, P edmont and the Pub c Staff f ed supp ementa test mony attest ng to the comp et on of the Robeson County LNG fac ty and the Pender Ons ow County expans on project and to the propr ety of nc ud ng the cap ta nvestment for these two projects n th s proceed ng. On January 6, 2022, the NCUC ssued an order approv ng the St pu at on. No refunds need to be rendered to customers ar s ng from P edmont's mp ementat on of nter m rates.

OTHER REGULATORY MATTERS

Atlantic Coast Pipeline, LLC

At ant c Coast P pe ne (ACP p pe ne) was p anned to be an approx mate y 600 m e nterstate natura gas p pe ne runn ng from West V rg n a to North Caro na. Duke Energy nd rect y owns a 47% nterest, wh ch s accounted for as an equ ty method nvestment through ts Gas Ut t es and Infrastructure segment.

As a resu t of the uncerta nty created by var ous ega ru ngs, the potent a mpact on the cost and schedu e for the project, the ongo ng ega cha enges and the r sk of add t ona ega cha enges and de ays through the construct on per od and Dom n on's dec s on to se substant a y a of ts gas transm ss on and storage segment assets, Duke Energy's Board of D rectors and management dec ded that t was not prudent to cont nue to nvest n the project. On Ju y 5, 2020, Duke Energy and Dom n on announced the cance at on of the ACP p pe ne project.

As part of the pretax charges to earn ngs of approx mate y $2.1 b on recorded n June 2020, w th n Equ ty n earn ngs (osses) of unconso dated aff ates on the Duke Energy Conso dated Statements of Operat ons, Duke Energy estab shed ab t es re ated to the cance at on of the ACP p pe ne project. In February 2021, Duke Energy pa d approx mate y $855 m on to fund ACP's outstand ng debt, re ev ng Duke Energy of ts guarantee. At December 31, 2021, there s $47 m on and $53 m on w th n Other Current L ab t es and Other Noncurrent L ab t es, respect ve y, n the Gas Ut t es and Infrastructure segment. The ab t es represent Duke Energy's ob gat on of approx mate y $100 m on to sat sfy rema n ng ARO requ rements to restore construct on s tes.

See Notes 7 and 12 for add t ona nformat on regard ng th s transact on.

Potential Coal Plant Retirements

The Subs d ary Reg strants per od ca y f e ntegrated resource p ans (IRPs) w th the r state regu atory comm ss ons. The IRPs prov de a v ew of forecasted energy needs over a ong term (10 to 20 years) and opt ons be ng cons dered to meet those needs. IRPs f ed by the Subs d ary Reg strants nc uded p ann ng assumpt ons to potent a y ret re certa n coa f red generat ng fac t es n North Caro na and Ind ana ear er than the r current est mated usefu ves. Duke Energy cont nues to eva uate the potent a need to ret re these coa f red generat ng fac t es ear er than the current est mated usefu ves and p ans to seek regu atory recovery for amounts that wou d not be otherw se recovered when any of these assets are ret red.

The tab e be ow conta ns the net carry ng va ue of generat ng fac t es p anned for ret rement or nc uded n recent IRPs as eva uated for potent a ret rement. Do ar amounts n the tab e be ow are nc uded n Net property, p ant and equ pment on the Conso dated Ba ance Sheets as of December 31, 2021, and exc ude cap ta zed asset ret rement costs.

	Capacity (in MW)	Remaining Net Book Value (in millions)
Duke Energy Caro nas		
A en Steam Stat on Un t 1[(a)]	167	$ 12
A en Steam Stat on Un t 5[(b)]	259	277
C ffs de Un t 5[(b)]	546	365
Duke Energy Progress		
Mayo Un t 1[(b)]	713	631
Roxboro Un ts 3 4[(b)]	1,409	457
Duke Energy F or da		
Crysta R ver Un ts 4 5[(c)]	1,442	1,650
Duke Energy Ind ana[(d)]		
G bson Un ts 1 5[(e)]	2,845	1,829
Cayuga Un ts 1 2[(e)]	1,005	696
Tota Duke Energy	8,386	$ 5,917

(a) As part of the 2015 reso ut on of a awsu t nvo v ng a eged New Source Rev ew v o at ons, Duke Energy Caro nas must ret re A en Steam Stat on Un ts 1 through 3 by December 31, 2024. The ong term energy opt ons cons dered n the IRP cou d resu t n ret rement of these un ts ear er than the r current est mated usefu ves. Un t 3 w th a capac ty of 270 MW and a net book va ue of $26 m on at December 31, 2020, was ret red n March 2021, and un t 2 w th a capac ty of 167 MW and a net book va ue of $44 m on at December 31, 2020, was ret red n December 2021.

(b) These un ts were nc uded n the IRP f ed by Duke Energy Caro nas and Duke Energy Progress n North Caro na and South Caro na on September 1, 2020. The ong term energy opt ons cons dered n the IRP cou d resu t n ret rement of these un ts ear er than the r current est mated usefu ves. In 2019, Duke Energy Caro nas and Duke Energy Progress f ed North Caro na rate cases that nc uded deprec at on stud es that acce erate end of fe dates for these p ants. The NCUC ssued orders n the 2019 rate cases of Duke Energy Caro nas and Duke Energy Progress on March 31, 2021, and Apr 16, 2021, respect ve y, n wh ch the proposa s to shorten the rema n ng deprec ab e ves of these un ts were den ed, wh e nd cat ng the IRP proceed ng was the appropr ate proceed ng for the rev ew of generat ng p ant ret rements. A en Un t 4 w th a capac ty of 267 MW and a net book va ue of $170 m on at December 31, 2020, was ret red n December 2021.

(c) On January 14, 2021, Duke Energy F or da f ed the 2021 Sett ement w th the FPSC, wh ch proposed deprec at on rates ref ect ng ret rement dates for Duke Energy F or da's ast two coa f red generat ng fac t es, Crysta R ver Un ts 4 5, e ght years ahead of schedu e n 2034 rather than n 2042. The FPSC approved the 2021 Sett ement on May 4, 2021.

(d) Ga agher Un ts 2 and 4 w th a tota capac ty of 280 MW and a tota net book va ue of $102 m on at December 31, 2020, were ret red on June 1, 2021.

(e) The rate case f ed Ju y 2, 2019, nc uded proposed deprec at on rates ref ect ng ret rement dates from 2026 to 2038. The deprec at on rates ref ect ng these updated ret rement dates were approved by the IURC as part of the rate case order ssued on June 29, 2020.

4. COMMITMENTS AND CONTINGENCIES

INSURANCE

General Insurance

The Duke Energy Reg strants have nsurance and re nsurance coverage e ther d rect y or through ndemn f cat on from Duke Energy's capt ve nsurance company, B son, and ts aff ates, cons stent w th compan es engaged n s m ar commerc a operat ons w th s m ar type propert es. The Duke Energy Reg strants' coverage nc udes ( ) commerc a genera ab ty coverage for ab t es ar s ng to th rd part es for bod y njury and property damage; ( ) workers' compensat on; ( ) automob e ab ty coverage; and (v) property coverage for a rea and persona property damage. Rea and persona property damage coverage exc udes e ectr c transm ss on and d str but on nes, but nc udes damages ar s ng from bo er and mach nery breakdowns, earthquakes, f ood damage and extra expense, but not outage or rep acement power coverage. A coverage s subject to certa n deduct b es or retent ons, sub m ts, exc us ons, terms and cond t ons common for compan es w th s m ar types of operat ons. The Duke Energy Reg strants se f nsure the r e ectr c transm ss on and d str but on nes aga nst oss due to storm damage and other natura d sasters. As d scussed further n Note 3, Duke Energy F or da ma nta ns a storm damage reserve and has a regu atory mechan sm to recover the cost of named storms on an exped ted bas s.

The cost of the Duke Energy Reg strants' coverage can f uctuate from year to year ref ect ng c a ms h story and cond t ons of the nsurance and re nsurance markets.

In the event of a oss, terms and amounts of nsurance and re nsurance ava ab e m ght not be adequate to cover c a ms and other expenses ncurred. Un nsured osses and other expenses, to the extent not recovered by other sources, cou d have a mater a effect on the Duke Energy Reg strants' resu ts of operat ons, cash f ows or f nanc a pos t on. Each company s respons b e to the extent osses may be exc uded or exceed m ts of the coverage ava ab e.

Nuclear Insurance

Duke Energy Caro nas owns and operates McGu re and Oconee and operates and has a part a ownersh p nterest n Catawba. McGu re and Catawba each have two reactors. Oconee has three reactors. The other jo nt owners of Catawba re mburse Duke Energy Caro nas for certa n expenses assoc ated w th nuc ear nsurance per the Catawba jo nt owner agreements.

Duke Energy Progress owns and operates Rob nson, Brunsw ck and Harr s. Rob nson and Harr s each have one reactor. Brunsw ck has two reactors.

Duke Energy F or da owns Crysta R ver Un t 3, wh ch permanent y ceased operat on n 2013 and ach eved a SAFSTOR cond t on n Ju y 2019. On October 1, 2020, Crysta R ver Un t 3 changed decomm ss on ng strateg es from SAFSTOR to DECON.

In the event of a oss, terms and amounts of nsurance ava ab e m ght not be adequate to cover property damage and other expenses ncurred. Un nsured osses and other expenses, to the extent not recovered by other sources, cou d have a mater a effect on Duke Energy Caro nas', Duke Energy Progress' and Duke Energy F or da's resu ts of operat ons, cash f ows or f nanc a pos t on. Each company s respons b e to the extent osses may be exc uded or exceed m ts of the coverage ava ab e.

Nuclear Liability Coverage

The Pr ce Anderson Act requ res owners of nuc ear reactors to prov de for pub c nuc ear ab ty protect on per nuc ear nc dent up to a max mum tota f nanc a protect on ab ty. The max mum tota f nanc a protect on ab ty, wh ch s approx mate y $13.5 b on, s subject to change every f ve years for nf at on and for the number of censed reactors. Tota nuc ear ab ty coverage cons sts of a comb nat on of pr vate pr mary nuc ear ab ty nsurance coverage and a mandatory ndustry r sk shar ng program to prov de for excess nuc ear ab ty coverage above the max mum reasonab y ava ab e pr vate pr mary coverage. The U.S. Congress cou d mpose revenue ra s ng measures on the nuc ear ndustry to pay c a ms.

Primary Liability Insurance

Duke Energy Caro nas and Duke Energy Progress have purchased the max mum reasonab y ava ab e pr vate pr mary nuc ear ab ty nsurance as requ red by aw, wh ch s $450 m on per stat on. Duke Energy F or da has purchased $100 m on pr mary nuc ear ab ty nsurance n comp ance w th the aw.

Excess Liability Program

Th s program prov des $13.1 b on of coverage per nc dent through the Pr ce Anderson Act's mandatory ndustryw de excess secondary f nanc a protect on program of r sk poo ng. Th s amount s the product of potent a cumu at ve retrospect ve prem um assessments of $138 m on t mes the current 95 censed commerc a nuc ear reactors n the U.S. Under th s program, operat ng un t censees cou d be assessed retrospect ve prem ums to compensate for pub c nuc ear ab ty damages n the event of a nuc ear nc dent at any censed fac ty n the U.S. Retrospect ve prem ums may be assessed at a rate not to exceed $20.5 m on per year per censed reactor for each nc dent. The assessment may be subject to state prem um taxes.

Nuclear Property and Accidental Outage Coverage

Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da are members of Nuc ear E ectr c Insurance L m ted (NEIL), an ndustry mutua nsurance company, wh ch prov des property damage, nuc ear acc dent decontam nat on and premature decomm ss on ng nsurance for each stat on for osses resu t ng from damage to ts nuc ear p ants, e ther due to acc dents or acts of terror sm. Add t ona y, NEIL prov des acc denta outage coverage for osses n the event of a major acc denta outage at an nsured nuc ear stat on.

Pursuant to regu at ons of the NRC, each company's property damage nsurance po c es prov de that a proceeds from such nsurance be app ed, f rst, to p ace the p ant n a safe and stab e cond t on after a qua fy ng acc dent and second, to decontam nate the p ant before any proceeds can be used for decomm ss on ng, p ant repa r or restorat on.

Losses resu t ng from acts of terror sm are covered as common occurrences, such that f terror st acts occur aga nst one or more commerc a nuc ear power p ants nsured by NEIL w th n a 12 month per od, they wou d be treated as one event and the owners of the p ants where the act occurred wou d share one fu m t of ab ty. The fu m t of ab ty s current y $3.2 b on. NEIL sub m ts the tota aggregate for a of the r po c es for non nuc ear terror st events to approx mate y $1.8 b on.

Each nuc ear fac ty has acc dent property damage, nuc ear acc dent decontam nat on and premature decomm ss on ng ab ty nsurance from NEIL w th m ts of $1.5 b on, except for Crysta R ver Un t 3. Crysta R ver Un t 3's m t s $50 m on and s on an actua cash va ue bas s. A nuc ear fac t es except for Catawba and Crysta R ver Un t 3 a so share an add t ona $1.25 b on nuc ear acc dent nsurance m t above the r ded cated under y ng m t. Th s shared add t ona excess m t s not subject to re nstatement n the event of a oss. Catawba has a ded cated $1.25 b on of add t ona nuc ear acc dent nsurance m t above ts ded cated under y ng m t. Catawba and Oconee a so have an add t ona $750 m on of non nuc ear acc dent property damage m t. A coverages are subject to sub m ts and s gn f cant deduct b es.

NEIL's Acc denta Outage po cy prov des some coverage, s m ar to bus ness nterrupt on, for osses n the event of a major acc dent property damage outage of a nuc ear un t. Coverage s prov ded on a week y m t bas s after a s gn f cant wa t ng per od deduct b e and at 100% of the app cab e week y m ts for 52 weeks and 80% of the app cab e week y m ts for up to the next 110 weeks. Coverage s prov ded unt these app cab e week y per ods are met, where the acc denta outage po cy m t w not exceed $490 m on for Catawba, $434 m on for McGu re, $364 m on for Harr s, $336 m on for Brunsw ck, $322 m on for Oconee and $280 m on for Rob nson. NEIL sub m ts the acc denta outage recovery up to the f rst 104 weeks of coverage not to exceed $328 m on from non nuc ear acc denta property damage. Coverage amounts decrease n the event more than one un t at a stat on s out of serv ce due to a common acc dent. A coverages are subject to sub m ts and s gn f cant deduct b es.

Potential Retroactive Premium Assessments

In the event of NEIL osses, NEIL's board of d rectors may assess member compan es' retroact ve prem ums of amounts up to 10 t mes the r annua prem ums for up to s x years after a oss. NEIL has never exerc sed th s assessment. The max mum aggregate annua retrospect ve prem um ob gat ons for Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da are $140 m on, $88 m on and $1 m on, respect ve y. Duke Energy Caro nas' max mum assessment amount nc udes 100% of potent a ob gat ons to NEIL for jo nt y owned reactors. Duke Energy Caro nas wou d seek re mbursement from the jo nt owners for the r port on of these assessment amounts.

ENVIRONMENTAL

The Duke Energy Reg strants are subject to federa , state and oca aws regard ng a r and water qua ty, hazardous and so d waste d sposa , coa ash and other env ronmenta matters. These aws can be changed from t me to t me, mpos ng new ob gat ons on the Duke Energy Reg strants. The fo ow ng env ronmenta matters mpact a of the Duke Energy Reg strants.

Remediation Activities

In add t on to the ARO recorded as a resu t of var ous env ronmenta regu at ons, d scussed n Note 9, the Duke Energy Reg strants are respons b e for env ronmenta remed at on at var ous s tes. These nc ude certa n propert es that are part of ongo ng operat ons and s tes former y owned or used by Duke Energy ent t es. These s tes are n var ous stages of nvest gat on, remed at on and mon tor ng. Managed n conjunct on w th re evant federa , state and oca agenc es, remed at on act v t es vary based upon s te cond t ons and ocat on, remed at on requ rements, comp ex ty and shar ng of respons b ty. If remed at on act v t es nvo ve jo nt and severa ab ty prov s ons, str ct ab ty, or cost recovery or contr but on act ons, the Duke Energy Reg strants cou d potent a y be he d respons b e for env ronmenta mpacts caused by other potent a y respons b e part es and may a so benef t from nsurance po c es or contractua ndemn t es that cover some or a c eanup costs. L ab t es are recorded when osses become probab e and are reasonab y est mab e. The tota costs that may be ncurred cannot be est mated because the extent of env ronmenta mpact, a ocat on among potent a y respons b e part es, remed at on a ternat ves and/or regu atory dec s ons have not yet been determ ned at a s tes. Add t ona costs assoc ated w th remed at on act v t es are ke y to be ncurred n the future and cou d be s gn f cant. Costs are typ ca y expensed as Operat on, ma ntenance and other n the Conso dated Statements of Operat ons un ess regu atory recovery of the costs s deemed probab e.

The fo ow ng tab es conta n nformat on regard ng reserves for probab e and est mab e costs re ated to the var ous env ronmenta s tes. These reserves are recorded n Other w th n Other Noncurrent L ab t es on the Conso dated Ba ance Sheets.

(in millions)	December 31, 2021	December 31, 2020
Reserves for Environmental Remediation		
Duke Energy	**$ 88**	$ 75
Duke Energy Caro nas	**19**	19
Progress Energy	**23**	19
Duke Energy Progress	**11**	6
Duke Energy F or da	**11**	12
Duke Energy Oh o	**34**	22
Duke Energy Ind ana	**4**	6
P edmont	**9**	10

Add t ona osses n excess of recorded reserves that cou d be ncurred for the stages of nvest gat on, remed at on and mon tor ng for env ronmenta s tes that have been eva uated at th s t me are not mater a .

LITIGATION

Duke Energy

Michael Johnson et al. v. Duke Energy Corporation et al.

On September 23, 2020, p a nt ff M chae Johnson, a former Duke Energy emp oyee and part c pant n the Duke Energy Ret rement Sav ngs P an (P an) brought su t on h s own beha f and on beha f of other part c pants and benef c ar es s m ar y s tuated aga nst Duke Energy Corporat on, the Duke Energy Benef ts Comm ttee, and other unnamed nd v dua defendants. The comp a nt, wh ch was subsequent y amended to add a current part c pant as a p a nt ff on November 23, 2020, a eges that the defendants breached the r f duc ary dut es w th respect to certa n fees assoc ated w th the P an n v o at on of the Emp oyee Ret rement Income Secur ty Act of 1974 and seeks cert f cat on of a c ass of a nd v dua s who were part c pants or benef c ar es of the P an at any t me on or after September 23, 2014. The defendants f ed a mot on to d sm ss the p a nt ffs' amended comp a nt on December 18, 2020. On January 31, 2022, the court den ed the defendants' mot on to d sm ss. Duke Energy w be f ng ts answer to the amended comp a nt, fo ow ng wh ch d scovery w commence. Duke Energy cannot pred ct the outcome of th s matter.

Texas Storm Uri Tort Litigation

Severa Duke Energy renewab es project compan es, ocated n the E ectr c Re ab ty Counc of Texas (ERCOT) market, were named n awsu ts ar s ng out of Texas Storm Ur n m d February 2021. Severa add t ona su ts, where Duke Energy Corporat on had been named, were d sm ssed The current awsu ts seek recovery for property damages, persona njury and for wrongfu death a eged y caused by the power outages, wh ch the p a nt ffs c a m was the resu t of co ect ve fa ures of generators, transm ss on and d str but on operators, reta energy prov ders and others nc ud ng ERCOT. The cases have been conso dated nto a Texas state court mu t d str ct t gat on (MDL) proceed ng for d scovery purposes. W th the except on of a few be wether cases wh ch are st be ng dec ded, a the awsu ts n the MDL w be stayed unt mot ons to d sm ss are f ed and cons dered by the court n m d 2022. The be wether cases w nc ude those n wh ch the Duke Energy ent t es are named. Duke Energy cannot pred ct the outcomes of these matters.

Duke Energy Carolinas and Duke Energy Progress

Coal Ash Insurance Coverage Litigation

In March 2017, Duke Energy Caro nas and Duke Energy Progress f ed a c v act on n the North Caro na Bus ness Court aga nst var ous nsurance prov ders. The awsu t sought payment for coa ash re ated ab t es covered by th rd party ab ty nsurance po c es. The nsurance po c es were ssued between 1971 and 1986 and prov de th rd party ab ty nsurance for property damage. The c v act on sought damages for breach of contract and ndemn f cat on for costs ar s ng from the Coa Ash Act and the EPA CCR ru e at 15 coa f red p ants n North Caro na and Sou h Caro na.

Duke Energy Caro nas and Duke Energy Progress have now reso ved c a ms aga nst a of the nsurers sued n th s t gat on and have d sm ssed the r c a ms aga nst a of the nsurers. Duke Energy Caro nas and Duke Energy Progress have rece ved approx mate y $418 m on of coa ash nsurance t gat on proceeds from sett ements w th nsurer defendants and the proceeds w be d str buted n accordance w th the terms of the CCR sett ement agreement.

Duke Energy Carolinas

Ruben Villano, et al. v. Duke Energy Carolinas, LLC

On June 16, 2021, a group of n ne nd v dua s went over a ow head dam adjacent to the Dan R ver Steam Stat on n Eden, North Caro na, wh e water tub ng. Emergency personne rescued four peop e and f ve others were conf rmed deceased. On August 11, 2021, Duke Energy Caro nas was served w th the comp a nt f ed n Durham County Super or Court on beha f of four surv vors, wh ch was ater amended to nc ude a the decedents a ong w th the surv vors, except for one m nor. The awsu t a eges that Duke Energy Caro nas knew that the r ver was used for recreat ona purposes and that Duke Energy d d not adequate y warn about the dam. On September 30, 2021, Duke Energy Caro nas f ed ts mot on to d sm ss and mot on for transfer of venue from Durham County to Rock ngham County, both of wh ch were den ed on November 15, 2021. On November 15, 2021, Duke Energy Caro nas was a so served w th P a nt ffs Second Amended Comp a nt, wh ch added the f na m nor p a nt ff and conso dated a the act ons nto one awsu t. Duke Energy Caro nas has f ed ts Answer and Aff rmat ve Defenses to the Second Amended Comp a nt. D scovery has now commenced. Duke Energy Caro nas cannot pred ct the outcome of th s matter.

NTE Carolinas II, LLC Litigation

In November 2017, Duke Energy Caro nas entered nto a standard FERC arge generator nterconnect on agreement (LGIA) w th NTE Caro nas II, LLC (NTE), a company that proposed to bu d a comb ned cyc e natura gas p ant n Rock ngham County, North Caro na. On September 6, 2019, Duke Energy Caro nas f ed a awsu t n Meck enburg County Super or Court aga nst NTE for breach of contract, a eg ng that NTE's fa ure to pay benchmark payments for Duke Energy Caro nas' transm ss on system upgrades requ red under the nterconnect on agreement const tuted a term nat on of the nterconnect on agreement. Duke Energy Caro nas s seek ng a monetary judgment aga nst NTE because NTE fa ed to make mu t p e m estone payments. The awsu t was moved to federa court n North Caro na. NTE f ed a mot on to d sm ss Duke Energy Caro nas' comp a nt and brought counterc a ms a eg ng ant compet t ve conduct and v o at ons of state and federa statutes. Duke Energy Caro nas f ed a mot on to d sm ss NTE's counterc a ms.

On May 21, 2020, n response to a NTE pet t on cha eng ng Duke Energy Caro nas' term nat on of the LGIA, FERC ssued a ru ng that 1) FERC has exc us ve jur sd ct on to determ ne whether a transm ss on prov der may term nate a LGIA; 2) FERC approva s requ red to term nate a conform ng LGIA f objected to by the nterconnect on customer; and 3) Duke Energy may not announce the term nat on of a conform ng LGIA un ess FERC has approved the term nat on. FERC's Off ce of Enforcement a so n t ated an nvest gat on of Duke Energy Caro nas nto matters perta n ng to the LGIA. Duke Energy Caro nas s cooperat ng w th the Off ce of Enforcement and cannot pred ct the outcome of th s nvest gat on.

On August 17, 2020, the court den ed both NTE's and Duke Energy Caro nas' mot ons to d sm ss. In October 2021, NTE f ed a Second Amended Counterc a m and Comp a nt, and n January 2022, NTE f ed a Th rd Amended Counterc a m and Comp a nt. Duke Energy Caro nas has responded to these p ead ngs. On December 6, 2021, Duke Energy Caro nas f ed an Amended Comp a nt. D scovery s schedu ed to end by Apr 2022, after wh ch the part es w f e d spos t ve mot ons for the court's cons derat on. The case s schedu ed to be tr a ready by August 1, 2022. Duke Energy Caro nas cannot pred ct the outcome of th s matter.

Asbestos-related Injuries and Damages Claims

Duke Energy Caro nas has exper enced numerous c a ms for ndemn f cat on and med ca cost re mbursement re ated to asbestos exposure. These c a ms re ate to damages for bod y njur es a eged to have ar sen from exposure to or use of asbestos n connect on w th construct on and ma ntenance act v t es conducted on ts e ectr c generat on p ants pr or to 1985.

Duke Energy Caro nas has recogn zed asbestos re ated reserves of $501 m on and $572 m on at December 31, 2021, and 2020, respect ve y. These reserves are c ass f ed n Other w th n Other Noncurrent L ab t es and Other w th n Current L ab t es on the Conso dated Ba ance Sheets. The change n the reserves s a resu t of a th rd party study comp eted n 2021 as we as sett ements made throughout the year. These reserves are based upon Duke Energy Caro nas' best est mate for current and future asbestos c a ms through 2041 and are recorded on an und scounted bas s. In ght of the uncerta nt es nherent n a onger term forecast, management does not be eve they can reasonab y est mate the ndemn ty and med ca costs that m ght be ncurred after 2041 re ated to such potent a c a ms. It s poss b e Duke Energy Caro nas may ncur asbestos ab t es n excess of the recorded reserves.

Duke Energy Caro nas has th rd party nsurance to cover certa n osses re ated to asbestos re ated njur es and damages above an aggregate se f nsured retent on. Rece vab es for nsurance recover es were $644 m on and $704 m on at December 31, 2021, and 2020, respect ve y. These amounts are c ass f ed n Other w th n Other Noncurrent Assets and Rece vab es w th n Current Assets on the Conso dated Ba ance Sheets. Any future payments up to the po cy m t w be re mbursed by the th rd party nsurance carr er. Duke Energy Caro nas s not aware of any uncerta nt es regard ng the ega suff c ency of nsurance c a ms. Duke Energy Caro nas be eves the nsurance recovery asset s probab e of recovery as the nsurance carr er cont nues to have a strong f nanc a strength rat ng.

As descr bed n Note 1, Duke Energy adopted the new gu dance for cred t osses effect ve January 1, 2020, us ng the mod f ed retrospect ve method of adopt on, wh ch does not requ re restatement of pr or year reported resu ts. The reserve for cred t osses for nsurance rece vab es for the asbestos re ated njur es and damages based on adopt on of the new standard s $12 m on and $15 m on for Duke Energy and Duke Energy Caro nas as of December 31, 2021, and December 31, 2020, respect ve y. The nsurance rece vab e s eva uated based on the r sk of defau t and the h stor ca osses, current cond t ons and expected cond t ons around co ectab ty. Management eva uates the r sk of defau t annua y based on payment h story, cred t rat ng and changes n the r sk of defau t from cred t agenc es.

Duke Energy Progress and Duke Energy Florida

Spent Nuclear Fuel Matters

On June 18, 2018, Duke Energy Progress and Duke Energy F or da sued the U.S. n the U.S. Court of Federa C a ms for damages ncurred for the per od 2014 through 2018. The awsu t c a med the Department of Energy breached a contract n fa ng to accept spent nuc ear fue under the Nuc ear Waste Po cy Act of 1982 and asserted damages for the cost of on s te storage n the amount of $100 m on and $200 m on for Duke Energy Progress and Duke Energy F or da, respect ve y. The Department of Energy f ed a mot on for part a summary judgment re at ng to approx mate y $60 m on of Duke Energy F or da's c a med damages. A hear ng on the mot on was he d on February 9, 2022. Tr a s schedu ed for Apr 2022. Duke Energy Progress and Duke Energy F or da cannot pred ct the outcome of th s matter.

Duke Energy Florida

Power Purchase Dispute Arbitration

Duke Energy F or da, on beha f of ts customers, entered nto a PPA for the purchase of f rm capac ty and energy from a qua fy ng fac ty under the Pub c Ut t es Regu atory Po c es Act of 1978. Duke Energy F or da determ ned the qua fy ng fac ty d d not perform n accordance w th the PPA, and Duke Energy F or da term nated the PPA. The qua fy ng fac ty counterparty f ed a conf dent a Amer can Arb trat on Assoc at on (AAA) arb trat on demand, cha eng ng the term nat on of the PPA and seek ng damages.

The f na arb trat on hear ng occurred dur ng the week of December 7, 2020. An nter m arb tra award was ssued n March 2021, upho d ng Duke Energy F or da's pos t ons on a ssues and award ng the company term nat on costs. In May 2021, the f na arb tra award was ssued award ng Duke Energy F or da ts c a med fees and costs. On August 18, 2021, Duke Energy F or da f ed a mot on n F or da state court to conf rm the arb tra award. On December 13, 2021, the court entered a f na judgment conf rm ng the arb trat on award.

Duke Energy Indiana

Coal Ash Basin Closure Plan Appeal

On January 27, 2020, Hoos er Env ronmenta Counc (HEC) f ed a Pet t on for Adm n strat ve Rev ew w th the Ind ana Off ce of Env ronmenta Adjud cat on cha eng ng the Ind ana Department of Env ronmenta Management's (IDEM's) December 10, 2019 part a approva of Duke Energy Ind ana's ash pond c osure p an at Ga agher. After hear ng ora arguments n ear y Apr 2021 on Duke Energy Ind ana's and HEC's compet ng Mot ons for Summary Judgment, on May 4, 2021, the adm n strat ve court rejected a of HEC's c a ms and ssued a ru ng n favor of Duke Energy Ind ana. On June 3, 2021, HEC f ed an appea n Super or Court to seek jud c a rev ew of the order. On June 25, 2021, Duke Energy Ind ana f ed ts response to the Pet t on to Rev ew. On August 30, 2021, HEC served Duke Energy Ind ana w th ts Br ef n Support of Pet t on for Jud c a Rev ew. On October 29, 2021, Duke Energy Ind ana and IDEM f ed the r response br efs. On December 13, 2021, HEC f ed and served ts Rep y Br ef.

On January 11, 2022, Duke Energy Ind ana rece ved a comp ance ob gat on etter from the EPA not fy ng the company that the two bas ns at ssue n the t gat on are subject to requ rements of the CCR Ru e. The etter does not prov de a dead ne for comp ance. Duke Energy Ind ana s eva uat ng the EPA etter, ts potent a mpacts on the t gat on and the extent to wh ch th s etter cou d app y to CCR surface mpoundments at ts other Ind ana s tes.

Fo ow ng the January 11, 2022 EPA not ce of comp ance etter, the part es f ed a jo nt mot on to stay the t gat on for 45 days, wh ch was approved by the court. As a resu t, the ora argument schedu ed for February 1, 2022, was postponed unt the end of the 45 day stay. Duke Energy Ind ana cannot pred ct the outcome of th s matter.

Other Litigation and Legal Proceedings

The Duke Energy Reg strants are nvo ved n other ega , tax and regu atory proceed ngs ar s ng n the ord nary course of bus ness, some of wh ch nvo ve s gn f cant amounts. The Duke Energy Reg strants be eve the f na d spos t on of these proceed ngs w not have a mater a effect on the r resu ts of operat ons, cash f ows or f nanc a pos t on for the years presented. Reserves are c ass f ed on the Conso dated Ba ance Sheets n Other w th n Other Noncurrent L ab t es and Other w th n Current L ab t es.

OTHER COMMITMENTS AND CONTINGENCIES

General

As part of the r norma bus ness, the Duke Energy Reg strants are party to var ous f nanc a guarantees, performance guarantees and other contractua comm tments to extend guarantees of cred t and other ass stance to var ous subs d ar es, nvestees and other th rd part es. These guarantees nvo ve e ements of performance and cred t r sk, wh ch are not fu y recogn zed on the Conso dated Ba ance Sheets and have uncapped max mum potent a payments. See Note 7 for more nformat on.

Purchase Obligations

Purchased Power

Duke Energy Progress, Duke Energy F or da and Duke Energy Oh o have ongo ng purchased power contracts, nc ud ng renewab e energy contracts, w th other ut t es, who esa e marketers, co generators and qua f ed fac t es. These purchased power contracts genera y prov de for capac ty and energy payments. In add t on, Duke Energy Progress and Duke Energy F or da have var ous contracts to secure transm ss on r ghts.

The fo ow ng tab e presents executory purchased power contracts w th terms exceed ng one year, exc ud ng contracts c ass f ed as eases.

		Minimum Purchase Amount at December 31, 2021						
(in millions)	Contract Expiration	2022	2023	2024	2025	2026	Thereafter	Total
Duke Energy Progress[(a)]	2028 2032	$ 22	$ 22	$ 21	$ 22	$ 18	$ 45	$ 150
Duke Energy F or da[(b)]	2023 2025	354	374	262	91			1,081
Duke Energy Oh o[(c)(d)]	2023	53	34					87

(a) Contracts represent between 18% and 100% of net p ant output.
(b) Contracts represent 100% of net p ant output.
(c) Contracts represent 15% of net p ant output.
(d) Exc udes PPA w th OVEC. See Note 17 for add t ona nformat on.

Gas Supply and Capacity Contracts

Duke Energy Oh o and P edmont rout ne y enter nto ong term natura gas supp y commod ty and capac ty comm tments and other agreements that comm t future cash f ows to acqu re serv ces needed n the r bus nesses. These comm tments nc ude p pe ne and storage capac ty contracts and natura gas supp y contracts to prov de serv ce to customers. Costs ar s ng from the natura gas supp y commod ty and capac ty comm tments, wh e s gn f cant, are pass through costs to customers and are genera y fu y recoverab e through the fue adjustment or PGA procedures and prudence rev ews n North Caro na and South Caro na and under the Tennessee Incent ve P an n Tennessee. In the M dwest, these costs are recovered v a the Gas Cost Recovery Rate n Oh o or the Gas Cost Adjustment C ause n Kentucky. The t me per ods for f xed payments under p pe ne and storage capac ty contracts are up to 14 years. The t me per ods for f xed payments under natura gas supp y contracts are up to f ve years. The t me per od for the natura gas supp y purchase comm tments s up to 10 years.

Certa n storage and p pe ne capac ty contracts requ re the payment of demand charges that are based on rates approved by the FERC n order to ma nta n r ghts to access the natura gas storage or p pe ne capac ty on a f rm bas s dur ng the contract term. The demand charges that are ncurred n each per od are recogn zed n the Conso dated Statements of Operat ons and Comprehens ve Income as part of natura gas purchases and are nc uded n Cost of natura gas.

The fo ow ng tab e presents future uncond t ona purchase ob gat ons under natura gas supp y and capac ty contracts as of December 31, 2021.

(in millions)	2022	2023	2024	2025	2026	Thereafter	Total
Duke Energy Oh o	$ 62	$ 37	$ 25	$ 16	$ 13	$ 47	$ 200
P edmont	324	272	225	134	122	503	1,580

5. LEASES

As part of ts operat ons, Duke Energy eases certa n a rcraft, space on commun cat on towers, ndustr a equ pment, f eet veh c es, fue transportat on (barges and ra cars), and and off ce space under var ous terms and exp rat on dates. Add t ona y, Duke Energy Caro nas, Duke Energy Progress and Duke Energy Ind ana have f nance eases re ated to f rm natura gas p pe ne transportat on capac ty. Duke Energy Progress and Duke Energy F or da have entered nto certa n PPAs, wh ch are c ass f ed as f nance and operat ng eases.

Duke Energy has certa n ease agreements, wh ch nc ude var ab e ease payments that are based on the usage of an asset. These var ab e ease payments are not nc uded n the measurement of the ROU assets or operat ng ease ab t es on the Conso dated F nanc a Statements.

Certa n Duke Energy ease agreements nc ude opt ons for renewa and ear y term nat on. The ntent to renew a ease var es depend ng on the ease type and asset. Renewa opt ons that are reasonab y certa n to be exerc sed are nc uded n the ease measurements. The dec s on to term nate a ease ear y s dependent on var ous econom c factors. No term nat on opt ons have been nc uded n any of the ease measurements.

Duke Energy Caro nas entered nto a sa e easeback arrangement n December 2019, to construct and occupy an off ce tower. The ease agreement was eva uated as a sa e easeback of rea estate and t was determ ned that the transact on d d not qua fy for sa e easeback account ng. As a resu t, the transact on s be ng accounted for as a f nanc ng. For th s transact on, Duke Energy Caro nas w cont nue to record the rea estate on the Conso dated Ba ance Sheets w th n Property, P ant and Equ pment as f t were the ega owner and w cont nue to recogn ze deprec at on expense over the est mated usefu fe. In add t on, the fa ed sa e easeback ob gat on s reported w th n Long Term Debt on the Conso dated Ba ance Sheets, w th the month y ease payments commenc ng after the construct on phase be ng sp t between nterest expense and pr nc pa pay down of the debt.

Duke Energy operates var ous renewab e energy projects and se s the generated output to ut t es, e ectr c cooperat ves, mun c pa t es and commerc a and ndustr a customers through ong term PPAs. In certa n s tuat ons, these PPAs and the assoc ated renewab e energy projects qua fy as operat ng eases. Renta ncome from these eases s accounted for as Nonregu ated e ectr c and other revenues n the Conso dated Statements of Operat ons. There are no m n mum ease payments as a payments are cont ngent based on actua e ectr c ty generated by the renewab e energy projects. Cont ngent ease payments were $259 m on, $275 m on and $264 m on for the years ended December 31, 2021, 2020, and 2019, respect ve y. Renewab e energy projects owned by Duke Energy and accounted for as operat ng eases had a cost bas s of $3,339 m on and $3,335 m on and accumu ated deprec at on of $966 m on and $848 m on at December 31, 2021, and 2020, respect ve y. These assets are pr nc pa y c ass f ed as nonregu ated e ectr c generat on and transm ss on assets.

P edmont has certa n agreements w th Duke Energy Caro nas for the construct on and transportat on of natura gas p pe nes to supp y ts natura gas p ant needs. P edmont accounts for these p pe ne atera contracts as sa es type eases s nce the present va ue of the sum of the ease payments equa s the fa r va ue of the assets. These p pe ne atera assets owned by P edmont had a current net nvestment bas s of $2 m on as of December 31, 2021, and 2020, and a ong term net nvestment bas s of $203 m on and $205 m on as of December 31, 2021, and 2020, respect ve y. These assets are c ass f ed n Other, w th n Current Assets and Other Noncurrent Assets, respect ve y, on P edmont's Conso dated Ba ance Sheets. Duke Energy Caro nas accounts for the contracts as f nance eases. The act v ty for these contracts s e m nated n conso dat on at Duke Energy.

The fo ow ng tab es present the components of ease expense.

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Operat ng ease expense[a]	$ 250	$ 43	$ 155	$ 83	$ 72	$ 11	$ 18	$ 7
Short term ease expense[a]	5		2	1	1		2	
Var ab e ease expense[a]	41	17	22	10	12			1
F nance ease expense								
Amort zat on of eased assets[b]	219	5	37	18	19		1	
Interest on ease ab t es[c]	55	33	48	42	6			
Tota f nance ease expense	274	38	85	60	25		1	
Tota ease expense	$ 570	$ 98	$ 264	$ 154	$ 110	$ 11	$ 21	$ 8

(a) Inc uded n Operat ons, ma ntenance and other or, for barges and ra cars, Fue used n e ectr c generat on and purchased power on the Conso dated Statements of Operat ons.
(b) Inc uded n Deprec at on and amort zat on on the Conso dated Statements of Operat ons.
(c) Inc uded n Interest Expense on the Conso dated Statements of Operat ons.

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Operat ng ease expense[a]	$ 283	$ 53	$ 162	$ 72	$ 90	$ 11	$ 19	$ 7
Short term ease expense[a]	4		2	1	1		1	
Var ab e ease expense[a]	30	13	13	5	8		1	1
F nance ease expense								
Amort zat on of eased assets[b]	119	8	24	6	18		1	
Interest on ease ab t es[c]	61	30	44	37	7			
Tota f nance ease expense	180	38	68	43	25		1	
Tota ease expense	$ 497	$ 104	$ 245	$ 121	$ 124	$ 11	$ 22	$ 8

(a) Inc uded n Operat ons, ma ntenance and other or, for barges and ra cars, Fue used n e ectr c generat on and purchased power on the Conso dated Statements of Operat ons.
(b) Inc uded n Deprec at on and amort zat on on the Conso dated Statements of Operat ons.
(c) Inc uded n Interest Expense on the Conso dated Statements of Operat ons.

The fo ow ng tab e presents operat ng ease matur t es and a reconc at on of the und scounted cash f ows to operat ng ease ab t es.

	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
2022	$ 225	$ 24	$ 118	$ 63	$ 55	$ 2	$ 6	$ 5
2023	212	21	118	64	54	2	6	5
2024	185	14	110	56	54	2	4	5
2025	156	10	96	42	54	2	4	5
2026	136	10	92	38	54	2	4	
Thereafter	594	42	290	220	70	16	50	
Tota operat ng ease payments	1,508	121	824	483	341	26	74	20
Less: present va ue d scount	(247)	(21)	(124)	(83)	(41)	(7)	(20)	(1)
Tota operat ng ease ab t es[a]	$ 1,261	$ 100	$ 700	$ 400	$ 300	$ 19	$ 54	$ 19

(a) Certa n operat ng ease payments nc ude renewa opt ons that are reasonab y certa n to be exerc sed.

The fo ow ng tab e presents f nance ease matur t es and a reconc at on of the und scounted cash f ows to f nance ease ab t es.

	December 31, 2021					
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana
2022	$ 201	$ 38	$ 111	$ 86	$ 25	$ 1
2023	198	38	103	78	25	1
2024	143	38	88	79	9	1
2025	76	38	85	80	5	1
2026	77	38	86	81	5	1
Thereafter	658	464	637	636	1	24
Tota f nance ease payments	1,353	654	1,110	1,040	70	29
Less: amounts represent ng nterest	(438)	(365)	(420)	(411)	(9)	(19)
Tota f nance ease ab t es	$ 915	$ 289	$ 690	$ 629	$ 61	$ 10

The fo ow ng tab es conta n add t ona nformat on re ated to eases.

(in millions)	Classification	December 31, 2021							
		Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Assets									
Operat ng	Operat ng ease ROU assets, net	$ 1,266	$ 92	$ 691	$ 389	$ 302	$ 19	$ 53	$ 16
F nance	Net property, p ant and equ pment	950	302	729	627	102		7	
Tota ease assets		$ 2,216	$ 394	$ 1,420	$ 1,016	$ 404	$ 19	$ 60	$ 16
Liabilities									
Current									
Operat ng	Other current ab t es	$ 187	$ 22	$ 94	$ 50	$ 44	$ 1	$ 4	$ 5
F nance	Current matur t es of ong term debt	151	6	61	41	20			
Noncurrent									
Operat ng	Operat ng ease ab t es	1,074	78	606	350	256	18	50	14
F nance	Long Term Debt	764	283	629	588	41		10	
Tota ease ab t es		$ 2,176	$ 389	$ 1,390	$ 1,029	$ 361	$ 19	$ 64	$ 19

(in millions)	Classification	December 31, 2020							
		Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Assets									
Operat ng	Operat ng ease ROU assets, net	$ 1,524	$ 110	$ 690	$ 346	$ 344	$ 20	$ 55	$ 20
F nance	Net property, p ant and equ pment	797	312	416	297	119		7	
Tota ease assets		$ 2,321	$ 422	$ 1,106	$ 643	$ 463	$ 20	$ 62	$ 20
Liabilities									
Current									
Operat ng	Other current ab t es	$ 177	$ 20	$ 73	$ 31	$ 42	$ 1	$ 3	$ 4
F nance	Current matur t es of ong term debt	129	5	26	7	19			
Noncurrent									
Operat ng	Operat ng ease ab t es	1,340	97	623	323	300	20	53	19
F nance	Long Term Debt	716	289	351	289	62		10	
Tota ease ab t es		$ 2,362	$ 411	$ 1,073	$ 650	$ 423	$ 21	$ 66	$ 23

(in millions)	Year Ended December 31, 2021							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Cash paid for amounts included in the measurement of lease liabilities[(a)]								
Operat ng cash f ows from operat ng eases	$ 245	$ 25	$ 117	$ 62	$ 55	$ 2	$ 6	$ 5
Operat ng cash f ows from f nance eases	55	33	48	42	6			
F nanc ng cash f ows from f nance eases	219	5	37	18	19		1	
Lease assets obtained in exchange for new lease liabilities (non-cash)								
Operat ng[(b)]	$ 182	$ 4	$ 99	$ 99	$	$	$	$
F nance	322		322	322				

(a) No amounts were c ass f ed as nvest ng cash f ows from operat ng eases for the year ended December 31, 2021.
(b) Does not nc ude ROU assets recorded as a resu t of the adopt on of the new ease standard.

(in millions)	Year Ended December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Cash paid for amounts included in the measurement of lease liabilities[a]								
Operat ng cash f ows from operat ng eases	$ 271	$ 31	$ 124	$ 52	$ 72	$ 2	$ 6	$ 5
Operat ng cash f ows from f nance eases	61	30	44	37	7			
F nanc ng cash f ows from f nance eases	119	8	24	6	18		1	
Lease assets obtained in exchange for new lease liabilities (non-cash)								
Operat ng[b]	$ 116	$ 17	$	$	$	$	$ 1	$
F nance	125	125						

(a) No amounts were c ass f ed as nvest ng cash f ows from operat ng eases for the year ended December 31, 2020.
(b) Does not nc ude ROU assets recorded as a resu t of the adopt on of the new ease standard.

	December 31, 2021							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Weighted average remaining lease term (years)								
Operat ng eases	**9**	**9**	**8**	**10**	**7**	**16**	**16**	**4**
F nance eases	**10**	**18**	**13**	**13**	**11**		**24**	
Weighted average discount rate[a]								
Operat ng eases	**3.6 %**	**3.5 %**	**3.6 %**	**3.4 %**	**3.8 %**	**4.2 %**	**4.1 %**	**3.6 %**
F nance eases	**7.3 %**	**11.6 %**	**9.0 %**	**9.0 %**	**8.2 %**	**%**	**11.9 %**	**%**

(a) The d scount rate s ca cu ated us ng the rate mp c t n a ease f t s read y determ nab e. Genera y, the rate used by the essor s not prov ded to Duke Energy and n these cases the ncrementa borrow ng rate s used. Duke Energy w typ ca y use ts fu y co atera zed ncrementa borrow ng rate as of the commencement date to ca cu ate and record the ease. The ncrementa borrow ng rate s nf uenced by the essee's cred t rat ng and ease term and as such may d ffer for nd v dua eases, embedded eases or portfo os of eased assets.

	December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Weighted average remaining lease term (years)								
Operat ng eases	10	9	10	12	8	17	18	5
F nance eases	13	19	15	17	11		25	
Weighted average discount rate[a]								
Operat ng eases	3.8 %	3.4 %	3.8 %	3.9 %	3.8 %	4.2 %	4.2 %	3.6 %
F nance eases	8.4 %	11.6 %	11.9 %	12.4 %	8.2 %	%	11.9 %	%

(a) The d scount rate s ca cu ated us ng the rate mp c t n a ease f t s read y determ nab e. Genera y, the rate used by the essor s not prov ded to Duke Energy and n these cases the ncrementa borrow ng rate s used. Duke Energy w typ ca y use ts fu y co atera zed ncrementa borrow ng rate as of the commencement date to ca cu ate and record the ease. The ncrementa borrow ng rate s nf uenced by the essee's cred t rat ng and ease term and as such may d ffer for nd v dua eases, embedded eases or portfo os of eased assets.

6. DEBT AND CREDIT FACILITIES

Summary of Debt and Related Terms

The fo ow ng tab es summar ze outstand ng debt.

	December 31, 2021								
(in millions)	Weighted Average Interest Rate	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unsecured debt, matur ng 2022 2082	3.71 %	$ 24,564	$ 1,150	$ 2,250	$	$ 150	$ 1,330	$ 700	$ 2,990
Secured debt, matur ng 2022 2052	2.50 %	5,584	1,094	2,397	1,120	1,278			
F rst mortgage bonds, matur ng 2022 2051[a]	3.87 %	31,026	10,507	15,450	8,375	7,075	1,850	3,219	
F nance eases, matur ng 2022 2051[b]	5.81 %	915	289	690	629	61		10	
Tax exempt bonds, matur ng 2027 2041[c]	0.65 %	360		48	48		27	285	
Notes payab e and commerc a paper[d]	0.35 %	3,929							
Money poo / ntercompany borrow ngs			526	2,959	322	199	128	150	518
Fa r va ue hedge carry ng va ue adjustment		4	4						
Unamort zed debt d scount and prem um, net[e]		1,119	(21)	(34)	(19)	(14)	(27)	(18)	(6)
Unamort zed debt ssuance costs[f]		(362)	(67)	(128)	(54)	(68)	(13)	(23)	(16)
Tota debt	3.50 %	$ 67,139	$ 13,482	$ 23,632	$ 10,421	$ 8,681	$ 3,295	$ 4,323	$ 3,486
Short term notes payab e and commerc a paper		(3,304)							
Short term money poo / ntercompany borrow ngs			(226)	(2,809)	(172)	(199)	(103)		(518)
Current matur t es of ong term debt[g]		(3,387)	(362)	(1,082)	(556)	(76)		(84)	
Tota ong term debt[g]		$ 60,448	$ 12,894	$ 19,741	$ 9,693	$ 8,406	$ 3,192	$ 4,239	$ 2,968

(a) Substant a y a e ectr c ut ty property s mortgaged under mortgage bond ndentures.
(b) Duke Energy nc udes $256 m on of f nance ease purchase account ng adjustments re ated to Duke Energy F or da re ated to PPAs that are not accounted for as f nance eases n the r respect ve f nanc a statements because of grandfather ng prov s ons n GAAP.
(c) Substant a y a tax exempt bonds are secured by f rst mortgage bonds, etters of cred t or the Master Cred t Fac ty.
(d) Inc udes $625 m on c ass f ed as Long Term Debt on the Conso dated Ba ance Sheets due to the ex stence of ong term cred t fac t es that backstop these commerc a paper ba ances, a ong w th Duke Energy's ab ty and ntent to ref nance these ba ances on a ong term bas s. The we ghted average days to matur ty for Duke Energy's commerc a paper program was 15 days.
(e) Duke Energy nc udes $1,121 m on and $100 m on n purchase account ng adjustments re ated to Progress Energy and P edmont, respect ve y.
(f) Duke Energy nc udes $29 m on n purchase account ng adjustments pr mar y re ated to the merger w th Progress Energy.
(g) Refer to Note 17 for add t ona nformat on on amounts from conso dated VIEs.

(in millions)	Weighted Average Interest Rate	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
	December 31, 2020								
Unsecured debt, matur ng 2021 2078	3.71 %	$ 23,669	$ 1,150	$ 3,150	$ 700	$ 350	$ 1,180	$ 403	$ 2,800
Secured debt, matur ng 2021 2052	2.67 %	4,270	543	1,584	252	1,332			
F rst mortgage bonds, matur ng 2021 2050[a]	4.00 %	29,177	10,008	14,100	7,875	6,225	1,850	3,219	
F nance eases, matur ng 2022 2051[b]	6.96 %	845	294	377	296	81		10	
Tax exempt bonds, matur ng 2027 2041[c]	0.75 %	477		48	48		77	352	
Notes payab e and commerc a paper[d]	0.51 %	3,407							
Money poo / ntercompany borrow ngs			806	3,119	445	196	194	281	530
Fa r va ue hedge carry ng va ue adjustment		4	4						
Unamort zed debt d scount and prem um, net[e]		1,217	(20)	(31)	(19)	(11)	(29)	(18)	(5)
Unamort zed debt ssuance costs[f]		(330)	(62)	(113)	(44)	(62)	(14)	(25)	(15)
Tota debt	3.62 %	$ 62,736	$ 12,723	$ 22,234	$ 9,553	$ 8,111	$ 3,258	$ 4,222	$ 3,310
Short term notes payab e and commerc a paper		(2,873)							
Short term money poo / ntercompany borrow ngs			(506)	(2,969)	(295)	(196)	(169)	(131)	(530)
Current matur t es of ong term debt[g]		(4,238)	(506)	(1,426)	(603)	(823)	(50)	(70)	(160)
Tota ong term debt[g]		$ 55,625	$ 11,711	$ 17,839	$ 8,655	$ 7,092	$ 3,039	$ 4,021	$ 2,620

(a) Substant a y a e ectr c ut ty property s mortgaged under mortgage bond ndentures.
(b) Duke Energy nc udes $24 m on and $341 m on of f nance ease purchase account ng adjustments re ated to Duke Energy Progress and Duke Energy F or da, respect ve y, re ated to PPAs that are not accounted for as f nance eases n the r respect ve f nanc a statements because of grandfather ng prov s ons n GAAP.
(c) Substant a y a tax exempt bonds are secured by f rst mortgage bonds, etters of cred t or the Master Cred t Fac ty.
(d) Inc udes $625 m on that was c ass f ed as Long Term Debt on the Conso dated Ba ance Sheets due to the ex stence of ong term cred t fac t es that backstop these commerc a paper ba ances, a ong w th Duke Energy's ab ty and ntent to ref nance these ba ances on a ong term bas s. The we ghted average days to matur ty for Duke Energy's commerc a paper programs was 23 days.
(e) Duke Energy nc udes $1,196 m on and $117 m on n purchase account ng adjustments re ated to Progress Energy and P edmont, respect ve y.
(f) Duke Energy nc udes $33 m on n purchase account ng adjustments pr mar y re ated to the merger w th Progress Energy.
(g) Refer to Note 17 for add t ona nformat on on amounts from conso dated VIEs.

Current Maturities of Long-Term Debt

The fo ow ng tab e shows the s gn f cant components of Current matur t es of Long Term Debt on the Conso dated Ba ance Sheets. The Duke Energy Reg strants current y ant c pate sat sfy ng these ob gat ons w th cash on hand and proceeds from add t ona borrow ngs.

(in millions)	Maturity Date	Interest Rate	December 31, 2021
Unsecured Debt[a]			
Duke Energy (Parent)	March 2022	3.227 %	**300**
Duke Energy (Parent)[b]	March 2022	0.851 %	**300**
Progress Energy	Apr 2022	3.150 %	**450**
Duke Energy (Parent)	August 2022	3.050 %	**500**
Duke Energy (Parent)	August 2022	2.400 %	**500**
First Mortgage Bonds			
Duke Energy Ind ana	January 2022	8.850 %	**53**
Duke Energy Caro nas	May 2022	3.350 %	**350**
Duke Energy Progress	May 2022	2.800 %	**500**
Other[c]			**434**
Current matur t es of ong term debt			**$ 3,387**

(a) In December 2021, Duke Energy Progress ear y ret red $700 m on of unsecured debt w th an or g na matur ty date of February 2022.
(b) Debt has a f oat ng nterest rate.
(c) Inc udes f nance ease ob gat ons, amort z ng debt and sma bu et matur t es.

Maturities and Call Options

The fo ow ng tab e shows the annua matur t es of ong term debt for the next f ve years and thereafter. Amounts presented exc ude short term notes payab e, commerc a paper and money poo borrow ngs and debt ssuance costs for the Subs d ary Reg strants.

	December 31, 2021							
(in millions)	Duke Energy[(a)]	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
2022	$ 3,387	$ 362	$ 1,082	$ 556	$ 76	$	$ 84	$
2023	4,725	1,018	1,046	719	327	475	303	45
2024	1,917	19	138	72	66		4	40
2025	3,078	496	639	575	64	245	4	205
2026	3,125	921	310	229	81	70	154	40
Thereafter	46,844	10,528	17,766	8,168	7,949	2,442	3,814	2,660
Tota ong term debt, nc ud ng current matur t es	$ 63,076	$ 13,344	$ 20,981	$ 10,319	$ 8,563	$ 3,232	$ 4,363	$ 2,990

(a) Exc udes $1,250 m on n purchase account ng adjustments re ated to the Progress Energy merger and the P edmont acqu s t on.

The Duke Energy Reg strants have the ab ty under certa n debt fac t es to ca and repay the ob gat on pr or to ts schedu ed matur ty. Therefore, the actua t m ng of future cash repayments cou d be mater a y d fferent than as presented above.

Short-Term Obligations Classified as Long-Term Debt

Tax exempt bonds that may be put to the Duke Energy Reg strants at the opt on of the ho der and certa n commerc a paper ssuances and money poo borrow ngs are c ass f ed as Long Term Debt on the Conso dated Ba ance Sheets. These tax exempt bonds, commerc a paper ssuances and money poo borrow ngs, wh ch are short term ob gat ons by nature, are c ass f ed as ong term due to Duke Energy's ntent and ab ty to ut ze such borrow ngs as ong term f nanc ng. As Duke Energy's Master Cred t Fac ty and other b atera etter of cred t agreements have non cance ab e terms n excess of one year as of the ba ance sheet date, Duke Energy has the ab ty to ref nance these short term ob gat ons on a ong term bas s. The fo ow ng tab es show short term ob gat ons c ass f ed as ong term debt.

	December 31, 2021				
(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana
Tax exempt bonds	$ 312	$	$	$ 27	$ 285
Commerc a paper[(a)]	625	300	150	25	150
Tota	$ 937	$ 300	$ 150	$ 52	$ 435

	December 31, 2020				
(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana
Tax exempt bonds	$ 312	$	$	$ 27	$ 285
Commerc a paper[(a)]	625	300	150	25	150
Tota	$ 937	$ 300	$ 150	$ 52	$ 435

(a) Progress Energy amounts are equa to Duke Energy Progress amounts.

Summary of Significant Debt Issuances

The fo ow ng tab es summar ze s gn f cant debt ssuances (n m ons).

			Year Ended December 31, 2021					
Issuance Date	Maturity Date	Interest Rate	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Piedmont
Unsecured Debt								
March 2021[a]	March 2031	2.500 %	$ 350	$	$	$	$	$ 350
June 2021[b][c]	June 2023	0.299 %	500	500				
June 2021[c]	June 2031	2.550 %	1,000	1,000				
June 2021[c]	June 2041	3.300 %	750	750				
June 2021[c]	June 2051	3.500 %	750	750				
September 2021[d]	January 2082	3.250 %	500	500				
Secured Debt								
November 2021[e]	Ju y 2031	1.679 %	100		100			
November 2021[e]	Ju y 2041	2.617 %	137		137			
November 2021[e]	Ju y 2028	1.295 %	221			221		
November 2021[e]	Ju y 2037	2.387 %	352			352		
November 2021[e]	Ju y 2041	2.799 %	197			197		
First Mortgage Bonds								
Apr 2021[f]	Apr 2031	2.550 %	550		550			
Apr 2021[f]	Apr 2051	3.450 %	450		450			
August 2021[g]	August 2031	2.000 %	650			650		
August 2021[g]	August 2051	2.900 %	450			450		
December 2021[h]	December 2031	2.400 %	650				650	
December 2021[h]	December 2051	3.000 %	500				500	
Tota ssuances			$ 8,107	$ 3,500	$ 1,237	$ 1,870	$ 1,150	$ 350

(a) Debt ssued to repay at matur ty $160 m on sen or unsecured notes due June 2021, pay down short term debt and for genera corporate purposes.
(b) Debt has a f oat ng nterest rate.
(c) Debt ssued to repay $1.75 b on of Duke Energy (Parent) debt matur t es, to repay a port on of short term debt and for genera corporate purposes.
(d) Debt ssued to repay n October 2021 $500 m on of Duke Energy (Parent) unsecured notes. The nterest rate resets every f ve years.
(e) Debt ssued to f nance the North Caro na port on of storm restorat on expend tures re ated to Hurr cane F orence, Hurr cane M chae , Hurr cane Dor an and W nter Storm D ego.
(f) Debt ssued to repay at matur ty $500 m on f rst mortgage bonds due June 2021, pay down short term debt and for genera company purposes.
(g) Debt ssued to repay at matur ty a tota of $600 m on f rst mortgage bonds due September 2021, pay down short term debt and for genera company purposes.
(h) Proceeds w be used to f nance or ref nance, n who e or n part, ex st ng or new e g b e projects under the susta nab e f nanc ng framework.

			Year Ended December 31, 2020							
Issuance Date	Maturity Date	Interest Rate	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unsecured Debt										
May 2020[a]	June 2030	2.450 %	$ 500	$ 500	$	$	$	$	$	$
May 2020[b]	June 2050	3.350 %	400							400
August 2020[c][d]	February 2022	0.400 %	700			700				
September 2020[e]	September 2025	0.900 %	650	650						
September 2020[e]	June 2030	2.450 %	350	350						
First Mortgage Bonds										
January 2020[f]	February 2030	2.450 %	500		500					
January 2020[f]	August 2049	3.200 %	400		400					
March 2020[g]	Apr 2050	2.750 %	550						550	
May 2020[b]	June 2030	2.125 %	400					400		
June 2020[b]	June 2030	1.750 %	500				500			
August 2020[h]	August 2050	2.500 %	600			600				
Tota ssuances			$ 5,550	$ 1,500	$ 900	$ 1,300	$ 500	$ 400	$ 550	$ 400

(a) Debt ssued to repay $500 m on borrow ng made under Duke Energy (Parent) revo v ng cred t fac ty n March 2020, and for genera corporate purposes.
(b) Debt ssued to repay short term debt and for genera corporate purposes.
(c) Debt ssued to repay $700 m on term oan due December 2020.
(d) Debt ssuance has a f oat ng nterest rate.
(e) Debt ssued to repay a port on of outstand ng commerc a paper, to repay a port on of Duke Energy (Parent)'s outstand ng $1.7 b on term oan due March 2021 and for genera corporate purposes.
(f) Debt ssued to repay at matur ty $450 m on f rst mortgage bonds due June 2020 and for genera corporate purposes.
(g) Debt ssued to repay at matur ty $500 m on f rst mortgage bonds due Ju y 2020 and to pay down short term debt.
(h) Debt ssued to repay at matur ty $300 m on f rst mortgage bonds due September 2020 and for genera corporate purposes.

AVAILABLE CREDIT FACILITIES

Master Credit Facility

In March 2021, Duke Energy amended ts ex st ng $8 b on Master Cred t Fac ty to extend the term nat on date to March 2026. The Duke Energy Reg strants, exc ud ng Progress Energy, have borrow ng capac ty under the Master Cred t Fac ty up to a spec f ed sub m t for each borrower. Duke Energy has the un atera ab ty at any t me to ncrease or decrease the borrow ng sub m ts of each borrower, subject to a max mum sub m t for each borrower. The amount ava ab e under the Master Cred t Fac ty has been reduced to backstop ssuances of commerc a paper, certa n etters of cred t and var ab e rate demand tax exempt bonds that may be put to the Duke Energy Reg strants at the opt on of the ho der.

The tab e be ow nc udes the current borrow ng sub m ts and ava ab e capac ty under these cred t fac t es.

	December 31, 2021							
(in millions)	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Fac ty s ze[a]	$ 8,000	$ 2,650	$ 1,225	$ 1,150	$ 900	$ 775	$ 600	$ 700
Reduct on to backstop ssuances								
Commerc a paper[b]	(2,863)	(1,128)	(506)	(307)	(181)	(119)	(150)	(472)
Outstand ng etters of cred t	(38)	(25)	(4)	(2)	(7)			
Tax exempt bonds	(81)						(81)	
Ava ab e capac ty	$ 5,018	$ 1,497	$ 715	$ 841	$ 712	$ 656	$ 369	$ 228

(a) Represents the sub m t of each borrower.
(b) Duke Energy ssued $625 m on of commerc a paper and oaned the proceeds through the money poo to Duke Energy Caro nas, Duke Energy Progress, Duke Energy Oh o and Duke Energy Ind ana. The ba ances are c ass f ed as Long Term Debt Payab e to Aff ated Compan es n the Conso dated Ba ance Sheets.

Three-Year Revolving Credit Facility

Duke Energy (Parent) has a $1 b on revo v ng cred t fac ty. In March 2021, Duke Energy extended the term nat on date of the fac ty from May 2022 to May 2024. Borrow ngs under th s fac ty w be used for genera corporate purposes. As of December 31, 2021, $500 m on has been drawn under th s fac ty. Th s ba ance s c ass f ed as Long term debt on Duke Energy's Conso dated Ba ance Sheets. Any undrawn comm tments can be drawn, and borrow ngs can be prepa d, at any t me throughout the term of the fac ty. Dur ng the f rst quarter of 2020, an add t ona $500 m on was drawn under th s fac ty to manage qu d ty mpacts from COVID 19. The add t ona $500 m on was pa d down dur ng the second quarter of 2020. The terms and cond t ons of the fac ty are genera y cons stent w th those govern ng Duke Energy's Master Cred t Fac ty.

Duke Energy Ohio Term Loan Facility

In October 2021, Duke Energy Oh o entered nto a two year term oan fac ty w th comm tments tota ng $100 m on. Borrow ngs under the fac ty w be used to pay down short term debt and for genera corporate purposes. The term oan was fu y drawn at the t me of c os ng n October. The ba ance s c ass f ed as Long Term Debt on Duke Energy Oh o's Conso dated Ba ance Sheets.

Duke Energy Indiana Term Loan Facility

In October 2021, Duke Energy Ind ana entered nto a two year term oan fac ty w th comm tments tota ng $300 m on. Borrow ngs under the fac ty w be used to pay down short term debt and for genera corporate purposes. The term oan was fu y drawn at the t me of c os ng n October. The ba ance s c ass f ed as Long Term Debt on Duke Energy Ind ana's Conso dated Ba ance Sheets.

Duke Energy Kentucky Term Loan Facility

In October 2021, Duke Energy Kentucky entered nto a two year term oan fac ty w th comm tments tota ng $50 m on. Borrow ngs under the fac ty w be used to pay down short term debt and for genera corporate purposes. The term oan was fu y drawn at the t me of c os ng n October. The ba ance s c ass f ed as Long Term Debt on Duke Energy Oh o's Conso dated Ba ance Sheets.

Other Debt Matters

In September 2019, Duke Energy f ed a Form S 3 w th the SEC. Under th s Form S 3, wh ch s uncapped, the Duke Energy Reg strants, exc ud ng Progress Energy, may ssue debt and other secur t es, nc ud ng preferred stock, n the future at amounts, pr ces and w th terms to be determ ned at the t me of future offer ngs. The reg strat on statement was f ed to rep ace a s m ar pr or f ng upon exp rat on of ts three year term and a so a ows for the ssuance of common and preferred stock by Duke Energy.

Duke Energy has an effect ve Form S 3 w th the SEC to se up to $3 b on of var ab e denom nat on f oat ng rate demand notes, ca ed Prem erNotes. The Form S 3 states that no more than $1.5 b on of the notes w be outstand ng at any part cu ar t me. The notes are offered on a cont nuous bas s and bear nterest at a f oat ng rate per annum determ ned by the Duke Energy Prem erNotes Comm ttee, or ts des gnee, on a week y bas s. The nterest rate payab e on notes he d by an nvestor may vary based on the pr nc pa amount of the nvestment. The notes have no stated matur ty date, are non transferab e and may be redeemed n who e or n part by Duke Energy or at the nvestor's opt on at any t me. The ba ance as of December 31, 2021, and 2020, was $1,066 m on and $1,168 m on, respect ve y. The notes are short term debt ob gat ons of Duke Energy and are ref ected as Notes payab e and commerc a paper on Duke Energy's Conso dated Ba ance Sheets.

Money Pool and Intercompany Credit Agreements

The Subs d ary Reg strants, exc ud ng Progress Energy, are e g b e to rece ve support for the r short term borrow ng needs through part c pat on w th Duke Energy and certa n of ts subs d ar es n a money poo arrangement. Under th s arrangement, those compan es w th short term funds may prov de short term oans to aff ates part c pat ng n th s arrangement. The money poo s structured such that the Subs d ary Reg strants, exc ud ng Progress Energy, separate y manage the r cash needs and work ng cap ta requ rements. Accord ng y, there s no net sett ement of rece vab es and payab es between money poo part c pants. Duke Energy (Parent), may oan funds to ts part c pat ng subs d ar es, but may not borrow funds through the money poo . Accord ng y, as the money poo act v ty s between Duke Energy and ts who y owned subs d ar es, a money poo ba ances are e m nated w th n Duke Energy's Conso dated Ba ance Sheets.

Money poo rece vab e ba ances are ref ected w th n Notes rece vab e from aff ated compan es on the Subs d ary Reg strants' Conso dated Ba ance Sheets. Money poo payab e ba ances are ref ected w th n e ther Notes payab e to aff ated compan es or Long Term Debt Payab e to Aff ated Compan es on the Subs d ary Reg strants' Conso dated Ba ance Sheets.

Progress Energy has a revo v ng cred t agreement w th Duke Energy (Parent) wh ch a ows up to $2.5 b on n ntercompany borrow ngs. The ba ance s ref ected w th n Notes payab e to aff ated compan es on the Progress Energy Conso dated Ba ance Sheets.

Restrictive Debt Covenants

The Duke Energy Reg strants' debt and cred t agreements conta n var ous f nanc a and other covenants. Duke Energy's Master Cred t Fac ty conta ns a covenant requ r ng the debt to tota cap ta zat on rat o not to exceed 65% for each borrower, exc ud ng P edmont, and 70% for P edmont. Fa ure to meet those covenants beyond app cab e grace per ods cou d resu t n acce erated due dates and/or term nat on of the agreements. As of December 31, 2021, each of the Duke Energy Reg strants was n comp ance w th a covenants re ated to the r debt agreements. In add t on, some cred t agreements may a ow for acce erat on of payments or term nat on of the agreements due to nonpayment, or acce erat on of other s gn f cant ndebtedness of the borrower or some of ts subs d ar es. None of the debt or cred t agreements conta n mater a adverse change c auses.

Other Loans

As of December 31, 2021, and 2020, Duke Energy had oans outstand ng of $819 m on, nc ud ng $34 m on at Duke Energy Progress and $817 m on, nc ud ng $35 m on at Duke Energy Progress, respect ve y, aga nst the cash surrender va ue of fe nsurance po c es t owns on the ves of ts execut ves. The amounts outstand ng were carr ed as a reduct on of the re ated cash surrender va ue that s nc uded n Other w th n Other Noncurrent Assets on the Conso dated Ba ance Sheets.

7. GUARANTEES AND INDEMNIFICATIONS

Duke Energy has var ous f nanc a and performance guarantees and ndemn f cat ons w th non conso dated ent t es, wh ch are ssued n the norma course of bus ness. As d scussed be ow, these contracts nc ude performance guarantees, standby etters of cred t, debt guarantees and ndemn f cat ons. Duke Energy enters nto these arrangements to fac tate commerc a transact ons w th th rd part es by enhanc ng the va ue of the transact on to the th rd party. At December 31, 2021, Duke Energy does not be eve cond t ons are ke y for s gn f cant performance under these guarantees. To the extent ab t es are ncurred as a resu t of the act v t es covered by the guarantees, such ab t es are nc uded on the accompany ng Conso dated Ba ance Sheets.

On January 2, 2007, Duke Energy comp eted the sp n off of ts prev ous y who y owned natura gas bus nesses to shareho ders. Guarantees ssued by Duke Energy or ts aff ates, or ass gned to Duke Energy pr or to the sp n off, rema ned w th Duke Energy subsequent to the sp n off. Guarantees ssued by Spectra Energy Cap ta , LLC (Spectra Cap ta) or ts aff ates pr or to the sp n off rema ned w th Spectra Cap ta subsequent to the sp n off, except for guarantees that were ater ass gned to Duke Energy. Duke Energy has ndemn f ed Spectra Cap ta aga nst any osses ncurred under certa n of the guarantee ob gat ons that rema n w th Spectra Cap ta . At December 31, 2021, the max mum potent a amount of future payments assoc ated w th these guarantees were $48 m on, the major ty of wh ch exp re by 2028.

In October 2017, ACP executed a $3.4 b on revo v ng cred t fac ty w th a stated matur ty date of October 2021. Duke Energy entered nto a guarantee agreement to support ts share of the ACP revo v ng cred t fac ty. In Ju y 2020, ACP reduced the s ze of the cred t fac ty to $1.9 b on. Duke Energy's max mum exposure to oss under the terms of the guarantee was $860 m on as of December 31, 2020. Th s amount represented 47% of the outstand ng borrow ngs under the cred t fac ty and was recogn zed w th n Other Current L ab t es on the Conso dated Ba ance Sheets at December 31, 2020, of wh ch $95 m on was prev ous y recogn zed due the adopt on of new gu dance for cred t osses effect ve January 1, 2020. In February 2021, Duke Energy pa d approx mate y $855 m on to fund ACP's outstand ng debt, re ev ng Duke Energy of ts guarantee. See Notes 3 and 12 for more nformat on.

In add t on to the Spectra Cap ta and ACP revo v ng cred t fac ty guarantees above, Duke Energy has ssued performance guarantees to customers and other th rd part es that guarantee the payment and performance of other part es, nc ud ng certa n non who y owned ent t es, as we as guarantees of debt of certa n non conso dated ent t es. If such ent t es were to defau t on payments or performance, Duke Energy wou d be requ red under the guarantees to make payments on the ob gat ons of these ent t es. The max mum potent a amount of future payments requ red under these guarantees as of December 31, 2021, was $53 m on of wh ch a exp re between 2022 and 2030, w th the rema n ng performance guarantees hav ng no contractua exp rat on. Add t ona y, certa n guarantees have uncapped max mum potent a payments; however, Duke Energy does not be eve these guarantees w have a mater a effect on ts resu ts of operat ons, cash f ows or f nanc a pos t on.

Duke Energy uses bank ssued standby etters of cred t to secure the performance of who y owned and non who y owned ent t es to a th rd party or customer. Under these arrangements, Duke Energy has payment ob gat ons to the ssu ng bank that are tr ggered by a draw by the th rd party or customer due to the fa ure of the who y owned or non who y owned ent ty to perform accord ng to the terms of ts under y ng contract. At December 31, 2021, Duke Energy had ssued a tota of $586 m on n etters of cred t, wh ch exp re between 2022 and 2023. The unused amount under these etters of cred t was $54 m on.

Duke Energy recogn zed $3 m on and $11 m on as of December 31, 2021, and 2020, respect ve y, pr mar y n Other w th n Other Noncurrent L ab t es on the Conso dated Ba ance Sheets, for the guarantees d scussed above. As current est mates change, add t ona osses re ated to guarantees and ndemn f cat ons to th rd part es, wh ch cou d be mater a , may be recorded by the Duke Energy Reg strants n the future.

8. JOINT OWNERSHIP OF GENERATING AND TRANSMISSION FACILITIES

The Duke Energy Reg strants ma nta n ownersh p nterests n certa n jo nt y owned generat ng and transm ss on fac t es. The Duke Energy Reg strants are ent t ed to a share of the generat ng capac ty and output of each un t equa to the r respect ve ownersh p nterests. The Duke Energy Reg strants pay the r ownersh p share of add t ona construct on costs, fue nventory purchases and operat ng expenses. The Duke Energy Reg strants share of revenues and operat ng costs of the jo nt y owned fac t es s nc uded w th n the correspond ng ne n the Conso dated Statements of Operat ons. Each part c pant n the jo nt y owned fac t es must prov de ts own f nanc ng.

The fo ow ng tab e presents the Duke Energy Reg strants' nterest of jo nt y owned p ant or fac t es and amounts nc uded on the Conso dated Ba ance Sheets. A fac t es are operated by the Duke Energy Reg strants and are nc uded n the E ectr c Ut t es and Infrastructure segment.

	December 31, 2021			
(in millions except for ownership interest)	Ownership Interest	Property, Plant and Equipment	Accumulated Depreciation	Construction Work in Progress
Duke Energy Caro nas				
Catawba (un ts 1 and 2)[(a)]	19.25 %	$ 1,044	$ 525	$ 20
W.S. Lee CC[(b)]	87.27 %	632	67	3
Duke Energy Ind ana				
G bson (un t 5)[(c)]	50.05 %	440	221	3
Verm on[(d)]	62.50 %	175	108	5
Transm ss on and oca fac t es[(c)]	Various	6,164	1,477	190

(a) Jo nt y owned w th North Caro na Mun c pa Power Agency Number 1, NCEMC and PMPA.
(b) Jo nt y owned w th NCEMC.
(c) Jo nt y owned w th WVPA and IMPA.
(d) Jo nt y owned w th WVPA.

9. ASSET RETIREMENT OBLIGATIONS

Duke Energy records an ARO when t has a ega ob gat on to ncur ret rement costs assoc ated w th the ret rement of a ong ved asset and the ob gat on can be reasonab y est mated. Certa n assets of the Duke Energy Reg strants have an ndeterm nate fe, such as transm ss on and d str but on fac t es, and thus the fa r va ue of the ret rement ob gat on s not reasonab y est mab e. A ab ty for these AROs w be recorded when a fa r va ue s determ nab e.

The Duke Energy Reg strants' regu ated operat ons accrue costs of remova for property that does not have an assoc ated ega ret rement ob gat on based on regu atory orders from state comm ss ons. These costs of remova are recorded as a regu atory ab ty n accordance w th regu atory account ng treatment. The Duke Energy Reg strants do not accrue the est mated cost of remova for any nonregu ated assets. See Note 3 for the est mated cost of remova for assets w thout an assoc ated ega ret rement ob gat on, wh ch are nc uded n Regu atory ab t es on the Conso dated Ba ance Sheets.

The fo ow ng tab e presents the AROs recorded on the Conso dated Ba ance Sheets.

	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Decomm ss on ng of nuc ear power fac t es[a]	$ 7,046	$ 2,847	$ 4,156	$ 3,792	$ 364	$	$	$
C osure of ash mpoundments	5,293	2,390	1,872	1,839	33	82	949	
Other	437	64	84	44	40	54	38	22
Tota asset ret rement ob gat on	$ 12,776	$ 5,301	$ 6,112	$ 5,675	$ 437	$ 136	$ 987	$ 22
Less: Current port on	647	249	275	274	1	13	110	
Tota noncurrent asset ret rement ob gat on	$ 12,129	$ 5,052	$ 5,837	$ 5,401	$ 436	$ 123	$ 877	$ 22

(a) Duke Energy amount nc udes purchase account ng adjustments re ated to the merger w th Progress Energy.

Nuclear Decommissioning Liability

AROs re ated to nuc ear decomm ss on ng are based on s te spec f c cost stud es. The NCUC, PSCSC and FPSC requ re updated cost est mates for decomm ss on ng nuc ear p ants every f ve years.

The fo ow ng tab e summar zes nformat on about the most recent s te spec f c nuc ear decomm ss on ng cost stud es. Decomm ss on ng costs are stated n 2018 or 2019 do ars, depend ng on the year of the cost study, and nc ude costs to decomm ss on p ant components not subject to rad oact ve contam nat on.

(in millions)	Annual Funding Requirement[a]	Decommissioning Costs[a]	Year of Cost Study
Duke Energy	$ 15	$ 9,105	2018 or 2019
Duke Energy Caro nas[b][c]		4,365	2018
Duke Energy Progress[d]	15	4,181	2019
Duke Energy F or da[e]		559	N/A

(a) Amount represents annua fund ng requ rement for the current f sca year. Amounts for Progress Energy equa the sum of Duke Energy Progress and Duke Energy F or da.

(b) Decomm ss on ng costs for Duke Energy Caro nas ref ects ts ownersh p nterest n jo nt y owned reactors. Other jo nt owners are respons b e for decomm ss on ng costs re ated to the r nterest n the reactors.

(c) Duke Energy Caro nas' s te spec f c nuc ear decomm ss on ng cost study comp eted n 2018 was f ed w th the NCUC and PSCSC n 2019. A new fund ng study was a so comp eted and f ed w th the NCUC and PSCSC n 2019.

(d) Duke Energy Progress' s te spec f c nuc ear decomm ss on ng cost study comp eted n 2019 was f ed w th the NCUC and PSCSC n March 2020. Duke Energy Progress a so comp eted a fund ng study, wh ch was f ed w th the NCUC and PSCSC n Ju y 2020. In October 2021, Duke Energy Progress f ed the 2019 nuc ear decomm ss on ng cost study w th the FERC, as we as a rev sed rate schedu e for decomm ss on ng expense to be co ected from who esa e customers. The FERC accepted the f ng, as f ed on December 9, 2021.

(e) Dur ng 2019, Duke Energy F or da reached an agreement to transfer decomm ss on ng work for Crysta R ver Un t 3 to a th rd party and decomm ss on ng costs are based on the agreement w th th s th rd party rather than a cost study. Regu atory approva was rece ved from the NRC and the FPSC n Apr 2020 and August 2020, respect ve y.

Nuclear Decommissioning Trust Funds

Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da each ma nta n NDTFs that are ntended to pay for the decomm ss on ng costs of the r respect ve nuc ear power p ants. The NDTF nvestments are managed and nvested n accordance w th app cab e requ rements of var ous regu atory bod es nc ud ng the NRC, FERC, NCUC, PSCSC, FPSC and the IRS.

Use of the NDTF nvestments s restr cted to nuc ear decomm ss on ng act v t es nc ud ng cense term nat on, spent fue and s te restorat on. The cense term nat on and spent fue ob gat ons re ate to contam nated decomm ss on ng and are recorded as AROs. The s te restorat on ob gat on re ates to non contam nated decomm ss on ng and s recorded to cost of remova w th n Regu atory ab t es on the Conso dated Ba ance Sheets.

The fo ow ng tab e presents the fa r va ue of NDTF assets ega y restr cted for purposes of sett ng AROs assoc ated w th nuc ear decomm ss on ng. Duke Energy F or da entered nto an agreement w th a th rd party to decomm ss on Crysta R ver Un t 3 and was granted an exempt on from the NRC, wh ch a ows for use of the NDTF for a aspects of nuc ear decomm ss on ng. The ent re ba ance of Duke Energy F or da's NDTF may be app ed toward cense term nat on, spent fue and s te restorat on costs ncurred to decomm ss on Crysta R ver Un t 3 and s exc uded from the tab e be ow. See Note 16 for add t ona nformat on re ated to the fa r va ue of the Duke Energy Reg strants' NDTFs.

(in millions)	December 31, 2021	2020
Duke Energy	**$ 8,933**	$ 7,726
Duke Energy Caro nas	**5,068**	4,381
Duke Energy Progress	**3,865**	3,345

Nuclear Operating Licenses

As descr bed n Note 3, Duke Energy Caro nas and Duke Energy Progress ntend to seek renewa of operat ng censes and 20 year cense extens ons for a of the r nuc ear stat ons. The fo ow ng tab e nc udes the current exp rat on of nuc ear operat ng censes.

Unit	Year of Expiration
Duke Energy Carolinas	
Catawba Un ts 1 and 2	2043
McGu re Un t 1	2041
McGu re Un t 2	2043
Oconee Un ts 1 and 2	2033
Oconee Un t 3	2034
Duke Energy Progress	
Brunsw ck Un t 1	2036
Brunsw ck Un t 2	2034
Harr s	2046
Rob nson	2030

The NRC has acknow edged permanent cessat on of operat on and permanent remova of fue from the reactor vesse at Crysta R ver Un t 3. Therefore, the cense no onger author zes operat on of the reactor. Dur ng 2019, Duke Energy F or da entered nto an agreement for the acce erated decomm ss on ng of Crysta R ver Un t 3. Regu atory approva was rece ved from the NRC and the FPSC n Apr 2020 and August 2020, respect ve y. See Note 3 for more nformat on.

Closure of Ash Impoundments

The Duke Energy Reg strants are subject to state and federa regu at ons cover ng the c osure of coa ash mpoundments, nc ud ng the EPA CCR ru e and the Coa Ash Act, and other agreements. AROs recorded on the Duke Energy Reg strants' Conso dated Ba ance Sheets nc ude the ega ob gat on for c osure of coa ash bas ns and the d sposa of re ated ash as a resu t of these regu at ons and agreements.

The ARO amount recorded on the Conso dated Ba ance Sheets s based upon est mated c osure costs for mpacted ash mpoundments. The amount recorded represents the d scounted cash f ows for est mated c osure costs based upon spec f c c osure p ans. Actua costs to be ncurred w be dependent upon factors that vary from s te to s te. The most s gn f cant factors are the method and t me frame of c osure at the nd v dua s tes. C osure methods cons dered nc ude remov ng the water from ash bas ns, conso dat ng mater a as necessary and capp ng the ash w th a synthet c barr er, excavat ng and re ocat ng the ash to a ned structura f or ned andf or recyc ng the ash for concrete or some other benef c a use. The u t mate method and t metab e for c osure w be n comp ance w th standards set by federa and state regu at ons and other agreements. The ARO amount w be adjusted as add t ona nformat on s ga ned through the c osure and post c osure process, nc ud ng acceptance and approva of comp ance approaches, wh ch may change management assumpt ons, and may resu t n a mater a change to the ba ance. See ARO L ab ty Ro forward sect on be ow for nformat on on rev s ons made to the coa ash ab ty dur ng 2021 and 2020.

Asset ret rement costs assoc ated w th the AROs for operat ng p ants and ret red p ants are nc uded n Net property, p ant and equ pment and Regu atory assets, respect ve y, on the Conso dated Ba ance Sheets. See Note 3 for add t ona nformat on on Regu atory assets re ated to AROs and Note 4 for add t ona nformat on on comm tments and cont ngenc es.

Cost recovery for future expend tures w be pursued through the norma ratemak ng process w th federa and state ut ty comm ss ons, wh ch perm t recovery of necessary and prudent y ncurred costs assoc ated w th Duke Energy’s regu ated operat ons. See Note 3 for add t ona nformat on on recovery of coa ash costs.

ARO Liability Rollforward

The fo ow ng tab es present changes n the ab ty assoc ated w th AROs.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Balance at December 31, 2019	$ 13,318	$ 5,734	$ 6,471	$ 5,893	$ 578	$ 80	$ 832	$ 17
Accret on expense[(a)]	542	258	246	225	21	4	33	1
L ab t es sett ed[(b)]	(724)	(198)	(451)	(358)	(93)	(2)	(74)	
L ab t es ncurred n the current year	22		5		5			
Rev s ons n est mates of cash f ows[(c)]	(154)	(444)	(122)	(125)	3	29	385	2
Balance at December 31, 2020	13,004	5,350	6,149	5,635	514	111	1,176	20
Accret on expense[(a)]	**512**	**242**	**229**	**212**	**17**	**4**	**35**	**1**
L ab t es sett ed[(b)]	**(613)**	**(210)**	**(324)**	**(214)**	**(110)**	**(3)**	**(77)**	
L ab t es ncurred n the current year	**32**	**8**	**6**		**6**			
Rev s ons n est mates of cash f ows[(c)]	**(159)**	**(89)**	**52**	**42**	**10**	**24**	**(147)**	**1**
Balance at December 31, 2021	**$ 12,776**	**$ 5,301**	**$ 6,112**	**$ 5,675**	**$ 437**	**$ 136**	**$ 987**	**$ 22**

(a) Substant a y a accret on expense for the years ended December 31, 2021, and 2020, re ates to Duke Energy's regu ated operat ons and has been deferred n accordance w th regu atory account ng treatment.

(b) Amounts pr mar y re ate to ash mpoundment c osures and nuc ear decomm ss on ng.

(c) Pr mar y re ates to decreases due to rev sed bas n c osure cost est mates, part a y offset by ncreases re ated to new c osure p an approva s, post c osure ma ntenance and benef c at on costs. Duke Energy Ind ana est mates a so nc ude the mpacts of c osure est mates for certa n ash mpoundments due to the mpact of Hoos er Env ronmenta Counc 's pet t on f ed w th the court cha eng ng the Ind ana Department of Env ronmenta Management's part a approva of Duke Energy Ind ana's ash pond c osure p an. See Note 4 for more nformat on on Hoos er Env ronmenta Counc 's pet t on. The amounts recorded represent the d scounted cash f ows for est mated c osure costs based upon the probab ty we ght ngs of the potent a c osure methods as eva uated on a s te by s te bas s.

10. PROPERTY, PLANT AND EQUIPMENT

The fo ow ng tab es summar ze the property, p ant and equ pment for Duke Energy and ts subs d ary reg strants.

	December 31, 2021								
(in millions)	Average Remaining Useful Life (Years)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Land		$ 2,162	$ 543	$ 957	$ 482	$ 475	$ 219	$ 122	$ 279
P ant Regu ated									
E ectr c generat on, d str but on and transm ss on	40	120,855	44,910	53,447	32,417	21,030	6,573	15,925	
Natura gas transm ss on and d str but on	54	12,079					3,347		8,732
Other bu d ngs and mprovements	37	1,921	550	514	228	286	381	321	155
P ant Nonregu ated									
E ectr c generat on, d str but on and transm ss on	28	7,104							
Other bu d ngs and mprovements	11	401							
Nuc ear fue		3,181	1,856	1,325	1,325				
Equ pment	13	2,659	614	791	497	294	403	262	122
Construct on n process		6,168	2,078	2,297	954	1,343	515	460	262
Other	14	5,289	1,323	1,563	1,115	437	287	253	368
Tota property, p ant and equ pment[(a)(e)]		161,819	51,874	60,894	37,018	23,865	11,725	17,343	9,918
Tota accumu ated deprec at on regu ated[(b)(c)]		(47,611)	(17,854)	(19,214)	(13,387)	(5,819)	(3,106)	(5,583)	(1,899)
Tota accumu ated deprec at on nonregu ated[(d)(e)]		(2,944)							
Fac t es to be ret red, net		144	102	26	26		6		11
Tota net property, p ant and equ pment		$111,408	$ 34,122	$ 41,706	$ 23,657	$ 18,046	$ 8,625	$ 11,760	$ 8,030

(a) Inc udes f nance eases of $958 m on, $335 m on, $729 m on, $627 m on, $102 m on and $10 m on at Duke Energy, Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da and Duke Energy Ind ana, respect ve y, pr mar y w th n P ant Regu ated. The Progress Energy, Duke Energy Progress and Duke Energy F or da amounts are net of $178 m on, $45 m on and $133 m on, respect ve y, of accumu ated amort zat on of f nance eases.

(b) Inc udes $1,799 m on, $1,064 m on, $735 m on and $735 m on of accumu ated amort zat on of nuc ear fue at Duke Energy, Duke Energy Caro nas, Progress Energy and Duke Energy Progress, respect ve y.

(c) Inc udes accumu ated amort zat on of f nance eases of $9 m on, $33 m on and $3 m on at Duke Energy, Duke Energy Caro nas and Duke Energy Ind ana, respect ve y.

(d) Inc udes accumu ated amort zat on of f nance eases of ($1 m on) at Duke Energy.

(e) Inc udes gross property, p ant and equ pment cost of conso dated VIEs of $7,339 m on and accumu ated deprec at on of conso dated VIEs of $1,474 m on at Duke Energy.

Duke Energy cont nues to execute on ts bus ness transformat on strategy, nc ud ng the eva uat on of n off ce work po c es cons der ng the exper ence w th the COVID 19 pandem c and a so workforce rea gnment of ro es and respons b t es. In May 2021, Duke Energy management approved the sa e of certa n propert es and entered nto an agreement to ex t certa n eased space on December 31, 2021. The sa e of the propert es s subject to abandonment account ng and resu ted n an mpa rment charge. Add t ona y, the ex t of the eased space resu ted n the mpa rment of re ated furn ture, f xtures and equ pment. Dur ng the 12 months ended December 31, 2021, Duke Energy recorded a pretax charge to earn ngs of $192 m on on the Conso dated Statements of Operat ons, wh ch nc udes $133 m on w th n Impa rment of assets and other charges, $42 m on w th n Operat ons, ma ntenance and other and $17 m on w th n Deprec at on and amort zat on.

In 2021, Duke Energy cont nued to mon tor recoverab ty of ts renewab e merchant p ants ocated n the E ectr c Re ab ty Counc of Texas West market and n the PJM West market due to f uctuat ng market pr c ng and ong term forecasted energy pr ces. The assets were not mpa red as of December 31, 2021, because the carry ng va ue of approx mate y $200 m on cont nues to approx mate the aggregate est mated future und scounted cash f ows. A cont nued dec ne n energy market pr c ng or other factors unfavorab y mpact ng the econom cs wou d ke y resu t n a future mpa rment. Duke Energy reta ned 51% ownersh p nterest n these fac t es fo ow ng the 2019 transact on to se a m nor ty nterest n certa n renewab e assets. See Note 1 for further nformat on.

		December 31, 2020							
(in millions)	Average Remaining Useful Life (Years)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Land		$ 2,046	$ 536	$ 908	$ 463	$ 445	$ 171	$ 118	$ 279
P ant Regu ated									
E ectr c generat on, d str but on and transm ss on	39	117,107	44,059	50,785	31,375	19,410	6,255	16,008	
Natura gas transm ss on and d str but on	54	10,799					3,136		7,663
Other bu d ngs and mprovements	36	2,038	740	459	197	262	374	300	165
P ant Nonregu ated									
E ectr c generat on, d str but on and transm ss on	27	5,444							
Other bu d ngs and mprovements	10	519							
Nuc ear fue		3,284	1,837	1,447	1,447				
Equ pment	15	2,608	620	759	498	261	385	238	122
Construct on n process		6,645	1,645	2,013	709	1,304	407	409	581
Other	14	5,090	1,203	1,521	1,070	441	294	309	324
Tota property, p ant and equ pment[(a)(e)]		155,580	50,640	57,892	35,759	22,123	11,022	17,382	9,134
Tota accumu ated deprec at on regu ated[(b)(c)]		(46,216)	(17,453)	(18,368)	(12,801)	(5,560)	(3,013)	(5,661)	(1,749)
Tota accumu ated deprec at on nonregu ated[(d)(e)]		(2,611)							
Fac t es to be ret red, net		29		29	29				
Tota net property, p ant and equ pment		$106,782	$ 33,187	$ 39,553	$ 22,987	$ 16,563	$ 8,009	$ 11,721	$ 7,385

(a) Inc udes f nance eases of $832 m on, $335 m on, $416 m on, $297 m on, $119 m on, and $10 m on at Duke Energy, Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da and Duke Energy Ind ana, respect ve y, pr mar y w th n P ant Regu ated. The Progress Energy, Duke Energy Progress and Duke Energy F or da amounts are net of $141 m on, $24 m on and $117 m on, respect ve y, of accumu ated amort zat on of f nance eases.

(b) Inc udes $1,832 m on, $1,010 m on, $822 m on and $822 m on of accumu ated amort zat on of nuc ear fue at Duke Energy, Duke Energy Caro nas, Progress Energy and Duke Energy Progress, respect ve y.

(c) Inc udes accumu ated amort zat on of f nance eases of $12 m on, $23 m on, and $3 m on at Duke Energy, Duke Energy Caro nas and Duke Energy Ind ana, respect ve y.

(d) Inc udes accumu ated amort zat on of f nance eases of $23 m on at Duke Energy.

(e) Inc udes gross property, p ant and equ pment cost of conso dated VIEs of $6,394 m on and accumu ated deprec at on of conso dated VIEs of $1,242 m on at Duke Energy.

The fo ow ng tab e presents cap ta zed nterest, wh ch nc udes the debt component of AFUDC.

	Years Ended December 31,		
(in millions)	2021	2020	2019
Duke Energy	**$ 72**	$ 112	$ 159
Duke Energy Caro nas	**29**	28	30
Progress Energy	**20**	17	31
Duke Energy Progress	**14**	12	28
Duke Energy F or da	**6**	5	3
Duke Energy Oh o	**20**	26	22
Duke Energy Ind ana[(a)]	**(17)**	10	26
P edmont	**9**	8	26

(a) Duke Energy Ind ana s pr mar y comprom sed of ($24 m on) of PISCC amort zat on, wh ch s part a y offset by $7 m on of the debt component of AFUDC.

11. GOODWILL AND INTANGIBLE ASSETS

GOODWILL

Duke Energy

The fo ow ng tab e presents goodw by reportab e segment for Duke Energy nc uded on Duke Energy's Conso dated Ba ance Sheets at December 31, 2021, and 2020.

(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Total
Goodw Ba ance at December 31, 2020	$ 17,379	$ 1,924	$ 122	$ 19,425
Accumu ated mpa rment charges			(122)	(122)
Goodw ba ance at December 31, 2020, adjusted for accumu ated mpa rment charges	**$ 17,379**	**$ 1,924**	**$**	**$ 19,303**
Goodw Ba ance at December 31, 2021	**$ 17,379**	**$ 1,924**	**$ 122**	**$ 19,425**
Accumu ated mpa rment charges			**(122)**	**(122)**
Goodw ba ance at December 31, 2021, adjusted for accumu ated mpa rment charges	**$ 17,379**	**$ 1,924**	**$**	**$ 19,303**

Duke Energy Ohio

Duke Energy Oh o's Goodw ba ance of $920 m on, a ocated $596 m on to E ectr c Ut t es and Infrastructure and $324 m on to Gas Ut t es and Infrastructure, s presented net of accumu ated mpa rment charges of $216 m on on the Conso dated Ba ance Sheets at December 31, 2021, and 2020.

Progress Energy

Progress Energy's Goodw s nc uded n the E ectr c Ut t es and Infrastructure segment and there are no accumu ated mpa rment charges.

Piedmont

P edmont's Goodw s nc uded n the Gas Ut t es and Infrastructure segment and there are no accumu ated mpa rment charges.

Goodwill Impairment Testing

Duke Energy, Progress Energy, Duke Energy Oh o and P edmont are requ red to perform an annua goodw mpa rment test as of the same date each year and, accord ng y, perform the r annua mpa rment test ng of goodw as of August 31. Duke Energy, Progress Energy, Duke Energy Oh o and P edmont update the r test between annua tests f events or c rcumstances occur that wou d more ke y than not reduce the fa r va ue of a report ng un t be ow ts carry ng va ue. As the fa r va ue for Duke Energy, Progress Energy, Duke Energy Oh o and P edmont exceeded the r respect ve carry ng va ues at the date of the annua mpa rment ana ys s, no goodw mpa rment charges were recorded n 2021.

INTANGIBLE ASSETS

The fo ow ng tab es show the carry ng amount and accumu ated amort zat on of ntang b e assets nc uded n Other w th n Other Noncurrent Assets on the Conso dated Ba ance Sheets of the Duke Energy Reg strants at December 31, 2021, and 2020.

	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Em ss on a owances	$ 8	$	$ 5	$ 2	$ 3	$	$ 2	$
Renewab e energy cert f cates	**204**	**73**	**131**	**131**				
Natura gas, coa and power contracts	**24**						**24**	
Renewab e operat ng and deve opment projects	**106**							
Other	**28**							
Tota gross carry ng amounts	**370**	**73**	**136**	**133**	**3**		**26**	
Accumu ated amort zat on natura gas, coa and power contracts	**(24)**						**(24)**	
Accumu ated amort zat on renewab e operat ng and deve opment projects	**(38)**							
Accumu ated amort zat on other	**(4)**							
Tota accumu ated amort zat on	**(66)**						**(24)**	
Tota ntang b e assets, net	**$ 304**	**$ 73**	**$ 136**	**$ 133**	**$ 3**	**$**	**$ 2**	**$**

	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Em ss on a owances	$ 8	$	$ 5	$ 2	$ 3	$	$ 2	$
Renewab e energy cert f cates	196	65	130	130		1		
Natura gas, coa and power contracts	24						24	
Renewab e operat ng and deve opment projects	107							
Other	20							
Tota gross carry ng amounts	355	65	135	132	3	1	26	
Accumu ated amort zat on natura gas, coa and power contracts	(23)						(23)	
Accumu ated amort zat on renewab e operat ng and deve opment projects	(34)							
Accumu ated amort zat on other	(3)							
Tota accumu ated amort zat on	(60)						(23)	
Tota ntang b e assets, net	$ 295	$ 65	$ 135	$ 132	$ 3	$ 1	$ 3	$

Amortization Expense

Amort zat on expense amounts for natura gas, coa and power contracts, renewab e operat ng projects and other ntang b e assets are mmater a for the years ended December 31, 2021, 2020 and 2019, and are expected to be mmater a for the next f ve years as of December 31, 2021.

12. INVESTMENTS IN UNCONSOLIDATED AFFILIATES

EQUITY METHOD INVESTMENTS

Investments n aff ates that are not contro ed by Duke Energy, but over wh ch t has s gn f cant nf uence, are accounted for us ng the equ ty method.

The fo ow ng tab e presents Duke Energy's nvestments n unconso dated aff ates accounted for under the equ ty method, as we as the respect ve equ ty n earn ngs, by segment, for per ods presented n th s f ng.

	Years Ended December 31,				
	2021		2020		2019
(in millions)	Investments	Equity in earnings (losses)	Investments	Equity in earnings (losses)	Equity in earnings (losses)
E ectr c Ut t es and Infrastructure	**$ 104**	**$ 7**	$ 105	$ (1)	$ 9
Gas Ut t es and Infrastructure	**231**	**8**	215	(2,017)	114
Commerc a Renewab es	**513**	**(34)**	534		(4)
Other	**122**	**47**	107	13	43
Tota	**$ 970**	**$ 28**	$ 961	$ (2,005)	$ 162

Dur ng the years ended December 31, 2021, 2020 and 2019, Duke Energy rece ved d str but ons from equ ty nvestments of $80 m on, $37 m on and $55 m on, respect ve y, wh ch are nc uded n Other assets w th n Cash F ows from Operat ng Act v t es on the Conso dated Statements of Cash F ows. Dur ng the years ended December 31, 2021, 2020 and 2019, Duke Energy rece ved d str but ons from equ ty nvestments of $44 m on, $133 m on and $11 m on, respect ve y, wh ch are nc uded n Return of nvestment cap ta w th n Cash F ows from Invest ng Act v t es on the Conso dated Statements of Cash F ows.

Dur ng the years ended December 31, 2021, 2020 and 2019, P edmont rece ved d str but ons from equ ty nvestments of $8 m on, $2 m on and $1 m on, respect ve y, wh ch are nc uded n Other assets w th n Cash F ows from Operat ng Act v t es and $2 m on, $2 m on and $4 m on, respect ve y, wh ch are nc uded w th n Cash F ows from Invest ng Act v t es on the Conso dated Statements of Cash F ows.

S gn f cant nvestments n aff ates accounted for under the equ ty method are d scussed be ow.

Electric Utilities and Infrastructure

Duke Energy owns 50% nterests n both DATC and P oneer, wh ch bu d, own and operate e ectr c transm ss on fac t es n North Amer ca.

Gas Utilities and Infrastructure

Pipeline Investments

P edmont owns a 21.49% nvestment n Card na , an ntrastate p pe ne ocated n North Caro na.

Duke Energy owns a 7.5% nterest n Saba Tra , a 517 m e nterstate natura gas p pe ne, wh ch prov des natura gas to Duke Energy F or da and F or da Power and L ght.

Duke Energy recorded OTTIs of $25 m on w th n Equ ty n earn ngs (osses) of unconso dated aff ates on Duke Energy's Conso dated Statements of Operat ons for the year ended December 31, 2019, to comp ete y mpa r ts 24% ownersh p nterest n Const tut on.

Duke Energy owns a 47% nterest n the ACP p pe ne. In 2020, Duke Energy determ ned t wou d no onger cont nue ts nvestment n the construct on of the ACP p pe ne. See Notes 3 and 7 for further nformat on.

Storage Facilities

P edmont owns a 45% nterest n P ne Need e, an nterstate LNG storage fac ty ocated n North Caro na, and a 50% nterest n Hardy Storage, an underground nterstate natura gas storage fac ty ocated n West V rg n a.

Renewable Natural Gas Investments

Duke Energy owns a 29.68% nvestment n Susta nRNG, a deve oper of renewab e natura gas projects, and a 70% nterest n Susta n T&W, Susta nRNG's renewab e natura gas project ocated n Georg a.

Commercial Renewables

DS Cornerstone, LLC, wh ch owns w nd farm projects n the U.S. was part of a sa e of m nor ty nterest n a certa n port on of renewab e assets n 2019. See Note 1 for more nformat on on the sa e. Pr or to the sa e, Duke Energy had a 50% nterest n DS Cornerstone, LLC. Subsequent to the sa e, Duke Energy has a 26% nterest n the nvestment.

In 2020, Duke Energy comp eted ts acqu s t on of 70 d str buted fue ce projects from B oom Energy Corporat on, wh ch approx mates 43 MW of capac ty serv ng commerc a and ndustr a customers across the U.S. Duke Energy s not the pr mary benef c ary of the d str buted fue ce portfo o and does not conso date these assets.

Other

Duke Energy has a 17.5% nd rect econom c ownersh p nterest and a 25% board representat on and vot ng r ghts nterest n NMC, wh ch owns and operates a methano and MTBE bus ness n Juba , Saud Arab a.

Significant Subsidiaries

For the year ended December 31, 2020, Duke Energy's nvestment n ACP met the requ rements of S X Ru e 4 08(g) to prov de summar zed f nanc a nformat on. The fo ow ng tab e prov des summary nformat on for ACP as requ red under S X Ru e 1 02(bb) for the per od of s gn f cance and comparat ve pr or year per ods n Duke Energy's conso dated ba ance sheets and conso dated statements of operat ons. For the year ended December 31, 2021, there were no nvestments that met the s gn f cance requ rements.

(in millions)	December 31, 2020
Current assets	$ 43
Noncurrent assets	93
Current ab t es	1,965
Noncurrent ab t es	167
Membersh p nterests	(1,996)

	Years Ended December 31,	
	2020	2019
Net revenues	$	$
Operat ng oss	(4,612)	(5)
Net (oss) ncome	(4,512)	246
Net (oss) ncome attr butab e to Duke Energy	$ (2,121)	$ 116

13. RELATED PARTY TRANSACTIONS

The Subs d ary Reg strants engage n re ated party transact ons n accordance w th the app cab e state and federa comm ss on regu at ons. Refer to the Conso dated Ba ance Sheets of the Subs d ary Reg strants for ba ances due to or due from re ated part es. Mater a amounts re ated to transact ons w th re ated part es nc uded n the Conso dated Statements of Operat ons and Comprehens ve Income are presented n the fo ow ng tab e.

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
Duke Energy Carolinas			
Corporate governance and shared serv ce expenses[a]	**$ 894**	$ 753	$ 841
Indemn f cat on coverages[b]	**24**	20	20
Jo nt D spatch Agreement (JDA) revenue[c]	**41**	25	60
JDA expense[c]	**207**	114	186
Intercompany natura gas purchases[d]	**11**	15	15
Progress Energy			
Corporate governance and shared serv ce expenses[a]	**$ 856**	$ 715	$ 778
Indemn f cat on coverages[b]	**41**	36	37
JDA revenue[c]	**207**	114	186
JDA expense[c]	**41**	25	60
Intercompany natura gas purchases[d]	**75**	75	76
Duke Energy Progress			
Corporate governance and shared serv ce expenses[a]	**$ 504**	$ 420	$ 462
Indemn f cat on coverages[b]	**19**	17	15
JDA revenue[c]	**207**	114	186
JDA expense[c]	**41**	25	60
Intercompany natura gas purchases[d]	**75**	75	76
Duke Energy Florida			
Corporate governance and shared serv ce expenses[a]	**$ 352**	$ 295	$ 316
Indemn f cat on coverages[b]	**22**	19	22
Duke Energy Ohio			
Corporate governance and shared serv ce expenses[a]	**$ 329**	$ 326	$ 354
Indemn f cat on coverages[b]	**4**	4	4
Duke Energy Indiana			
Corporate governance and shared serv ce expenses[a]	**$ 409**	$ 401	$ 412
Indemn f cat on coverages[b]	**8**	8	7
Piedmont			
Corporate governance and shared serv ce expenses[a]	**$ 139**	$ 140	$ 138
Indemn f cat on coverages[b]	**3**	3	3
Intercompany natura gas sa es[d]	**86**	90	91
Natura gas storage and transportat on costs[e]	**22**	23	23

(a) The Subs d ary Reg strants are charged the r proport onate share of corporate governance and other shared serv ces costs, pr mar y re ated to human resources, emp oyee benef ts, nformat on techno ogy, ega and account ng fees, as we as other th rd party costs. These amounts are pr mar y recorded n Operat on, ma ntenance and other on the Conso dated Statements of Operat ons and Comprehens ve Income.

(b) The Subs d ary Reg strants ncur expenses re ated to certa n ndemn f cat on coverages through B son, Duke Energy's who y owned capt ve nsurance subs d ary. These expenses are recorded n Operat on, ma ntenance and other on the Conso dated Statements of Operat ons and Comprehens ve Income.

(c) Duke Energy Caro nas and Duke Energy Progress part c pate n a JDA, wh ch a ows the co ect ve d spatch of power p ants between the serv ce terr tor es to reduce customer rates. Revenues from the sa e of power and expenses from the purchase of power pursuant to the JDA are recorded n Operat ng Revenues and Fue used n e ectr c generat on and purchased power, respect ve y, on the Conso dated Statements of Operat ons and Comprehens ve Income.

(d) P edmont prov des ong term natura gas de very serv ce to certa n Duke Energy Caro nas and Duke Energy Progress natura gas f red generat on fac t es. P edmont records the sa es n Operat ng Revenues, and Duke Energy Caro nas and Duke Energy Progress record the re ated purchases as a component of Fue used n e ectr c generat on and purchased power on the r respect ve Conso dated Statements of Operat ons and Comprehens ve Income. These ntercompany revenues and expenses are e m nated n conso dat on.

(e) P edmont has re ated party transact ons as a customer of ts equ ty method nvestments n P ne Need e, Hardy Storage, and Card na natura gas storage and transportat on fac t es. These expenses are nc uded n Cost of natura gas on P edmont's Conso dated Statements of Operat ons and Comprehens ve Income.

In add t on to the amounts presented above, the Subs d ary Reg strants have other aff ate transact ons, nc ud ng renta of off ce space, part c pat on n a money poo arrangement, other operat ona transact ons and the r proport onate share of certa n charged expenses. See Note 6 for more nformat on regard ng money poo . These transact ons of the Subs d ary Reg strants are ncurred n the ord nary course of bus ness and are e m nated n conso dat on.

As d scussed n Note 17, certa n trade rece vab es have been so d by Duke Energy Oh o and Duke Energy Ind ana to CRC, an aff ate formed by a subs d ary of Duke Energy. The proceeds obta ned from the sa es of rece vab es are arge y cash but do nc ude a subord nated note from CRC for a port on of the purchase pr ce.

Intercompany Income Taxes

Duke Energy and the Subs d ary Reg strants f e a conso dated federa ncome tax return and other state and jur sd ct ona returns. The Subs d ary Reg strants have a tax shar ng agreement w th Duke Energy for the a ocat on of conso dated tax ab t es and benef ts. Income taxes recorded represent amounts the Subs d ary Reg strants wou d ncur as separate C Corporat ons. The fo ow ng tab e nc udes the ba ance of ntercompany ncome tax rece vab es and payab es for the Subs d ary Reg strants.

(in millions)	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
December 31, 2021							
Intercompany ncome tax rece vab e	**$**	**$**	**$**	**$ 40**	**$ 19**	**$**	**$**
Intercompany ncome tax payab e	**62**		**84**			**10**	**27**
December 31, 2020							
Intercompany ncome tax rece vab e	$	$	$	$	$	$ 9	$ 10
Intercompany ncome tax payab e	31	33	46	35	2		

14. DERIVATIVES AND HEDGING

The Duke Energy Reg strants use commod ty and nterest rate contracts to manage commod ty pr ce r sk and nterest rate r sk. The pr mary use of commod ty der vat ves s to hedge the generat on portfo o aga nst changes n the pr ces of e ectr c ty and natura gas. P edmont enters nto natura gas supp y contracts to prov de d vers f cat on, re ab ty and natura gas cost benef ts to ts customers. Interest rate der vat ves are used to manage nterest rate r sk assoc ated w th borrow ngs.

A der vat ve nstruments not dent f ed as NPNS are recorded at fa r va ue as assets or ab t es on the Conso dated Ba ance Sheets. Cash co atera re ated to der vat ve nstruments executed under master nett ng arrangements s offset aga nst the co atera zed der vat ves on the Conso dated Ba ance Sheets. The cash mpacts of sett ed der vat ves are recorded as operat ng act v t es on the Conso dated Statements of Cash F ows.

INTEREST RATE RISK

The Duke Energy Reg strants are exposed to changes n nterest rates as a resu t of the r ssuance or ant c pated ssuance of var ab e rate and f xed rate debt and commerc a paper. Interest rate r sk s managed by m t ng var ab e rate exposures to a percentage of tota debt and by mon tor ng changes n nterest rates. To manage r sk assoc ated w th changes n nterest rates, the Duke Energy Reg strants may enter nto nterest rate swaps, U.S. Treasury ock agreements and other f nanc a contracts. In ant c pat on of certa n f xed rate debt ssuances, a ser es of forward start ng nterest rate swaps or Treasury ocks may be executed to ock n components of current market nterest rates. These nstruments are ater term nated pr or to or upon the ssuance of the correspond ng debt.

Cash Flow Hedges

For a der vat ve des gnated as hedg ng the exposure to var ab e cash f ows of a future transact on, referred to as a cash f ow hedge, the effect ve port on of the der vat ve's ga n or oss s n t a y reported as a component of other comprehens ve ncome and subsequent y rec ass f ed nto earn ngs once the future transact on mpacts earn ngs. Amounts for nterest rate contracts are rec ass f ed to earn ngs as nterest expense over the term of the re ated debt. Ga ns and osses rec ass f ed out of AOCI for the years ended December 31, 2021, 2020 and 2019, were not mater a . Duke Energy's nterest rate der vat ves des gnated as hedges nc ude nterest rate swaps used to hedge ex st ng debt w th n the Commerc a Renewab es segment and forward start ng nterest rate swaps not accounted for under regu atory account ng.

Undesignated Contracts

Undes gnated contracts pr mar y nc ude contracts not des gnated as a hedge because they are accounted for under regu atory account ng or contracts that do not qua fy for hedge account ng.

Duke Energy’s nterest rate swaps for ts regu ated operat ons emp oy regu atory account ng. W th regu atory account ng, the mark to market ga ns or osses on the swaps are deferred as regu atory ab t es or regu atory assets, respect ve y. Regu atory assets and ab t es are amort zed cons stent w th the treatment of the re ated costs n the ratemak ng process. The accrua of nterest on the swaps s recorded as Interest Expense on the Duke Energy Reg strant's Conso dated Statements of Operat ons and Comprehens ve Income.

The fo ow ng tab es show not ona amounts of outstand ng der vat ves re ated to nterest rate r sk.

	December 31, 2021					
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Indiana	Duke Energy Ohio
Cash f ow hedges	$ 2,415	$	$	$	$	$
Undes gnated contracts	1,177	350	500	500	300	27
Tota not ona amount[(a)]	$ 3,592	$ 350	$ 500	$ 500	$ 300	$ 27

	December 31, 2020				
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Ohio
Cash f ow hedges	$ 632	$	$	$	$
Undes gnated contracts	1,177	400	750	750	27
Tota not ona amount[(a)]	$ 1,809	$ 400	$ 750	$ 750	$ 27

(a) Duke Energy nc udes amounts re ated to conso dated VIEs of $665 m on n cash f ow hedges as of December 31, 2021, and $632 m on n cash f ow hedges as of December 31, 2020.

COMMODITY PRICE RISK

The Duke Energy Reg strants are exposed to the mpact of changes n the pr ces of e ectr c ty purchased and so d n bu k power markets and natura gas purchases, nc ud ng P edmont's natura gas supp y contracts. Exposure to commod ty pr ce r sk s nf uenced by a number of factors nc ud ng the term of contracts, the qu d ty of markets and de very ocat ons. To manage r sk assoc ated w th commod ty pr ces, the Duke Energy Reg strants may enter nto ong term power purchase or sa es contracts and ong term natura gas supp y agreements.

Cash Flow Hedges

For der vat ves des gnated as hedg ng the exposure to var ab e cash f ows of a future transact on, referred to as a cash f ow hedge, the der vat ve's ga n or oss s n t a y reported as a component of other comprehens ve ncome and subsequent y rec ass f ed nto earn ngs once the future transact on mpacts earn ngs. Ga ns and osses rec ass f ed out of accumu ated other comprehens ve ncome (oss) for the year ended December 31, 2021, 2020 and 2019, were not mater a . Duke Energy’s commod ty der vat ves des gnated as hedges nc ude ong term e ectr c ty sa es n the Commerc a Renewab es segment.

Undesignated Contracts

For the Subs d ary Reg strants, bu k power e ectr c ty and natura gas purchases f ow through fue adjustment c auses, formu a based contracts or other cost shar ng mechan sms. D fferences between the costs nc uded n rates and the ncurred costs, nc ud ng undes gnated der vat ve contracts, are arge y deferred as regu atory assets or regu atory ab t es. P edmont po c es a ow for the use of f nanc a nstruments to hedge commod ty pr ce r sks. The strategy and object ve of these hedg ng programs are to use the f nanc a nstruments to reduce natura gas cost vo at ty for customers.

Volumes

The tab es be ow nc ude vo umes of outstand ng commod ty der vat ves. Amounts d sc osed represent the abso ute va ue of not ona vo umes of commod ty contracts exc ud ng NPNS. The Duke Energy Reg strants have netted contractua amounts where offsett ng purchase and sa e contracts ex st w th dent ca de very ocat ons and t mes of de very. Where a commod ty pos t ons are perfect y offset, no quant t es are shown.

	December 31, 2021						
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana	Piedmont
E ectr c ty (GWh)[(a)]	22,344				1,681	10,688	
Natura gas (m ons of Dth)	823	264	215	215		8	336

	December 31, 2020						
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana	Piedmont
E ectr c ty (GWh)[(a)]	35,409				2,559	10,802	
Natura gas (m ons of Dth)	678	145	158	158		2	373

(a) Duke Energy nc udes 9,975 GWh and 22,048 GWh re ated to cash f ow hedges as of December 31, 2021, and 2020, respect ve y.

LOCATION AND FAIR VALUE OF DERIVATIVE ASSETS AND LIABILITIES RECOGNIZED IN THE CONSOLIDATED BALANCE SHEETS

The fo ow ng tab es show the fa r va ue and ba ance sheet ocat on of der vat ve nstruments. A though der vat ves subject to master nett ng arrangements are netted on the Conso dated Ba ance Sheets, the fa r va ues presented be ow are shown gross and cash co atera on the der vat ves has not been netted aga nst the fa r va ues shown.

Derivative Assets	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Commodity Contracts								
Not Designated as Hedging Instruments								
Current	$ 199	$ 99	$ 72	$ 72	$	$ 2	$ 23	$ 3
Noncurrent	113	63	50	50				
Total Derivative Assets Commodity Contracts	$ 312	$ 162	$ 122	$ 122	$	$ 2	$ 23	$ 3
Interest Rate Contracts								
Designated as Hedging Instruments								
Current	$ 3	$	$	$	$	$	$	$
Noncurrent	3							
Not Designated as Hedging Instruments								
Current	$ 2	$	$ 2	$ 2	$	$	$	$
Total Derivative Assets Interest Rate Contracts	$ 8	$	$ 2	$ 2	$	$	$	$
Total Derivative Assets	$ 320	$ 162	$ 124	$ 124	$	$ 2	$ 23	$ 3

Derivative Liabilities	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Commodity Contracts								
Designated as Hedging Instruments								
Current	$ 27	$	$	$	$	$	$	$
Noncurrent	117							
Not Designated as Hedging Instruments								
Current	$ 72	$ 18	$ 19	$ 5	$ 14	$	$ 13	$ 21
Noncurrent	132	9	5	5				118
Total Derivative Liabilities Commodity Contracts	$ 348	$ 27	$ 24	$ 10	$ 14	$	$ 13	$ 139
Interest Rate Contracts								
Designated as Hedging Instruments								
Current	$ 75	$	$	$	$	$	$	$
Noncurrent	21							
Not Designated as Hedging Instruments								
Current	10	8				1		
Noncurrent	18					4	14	
Total Derivative Liabilities Interest Rate Contracts	$ 124	$ 8	$	$	$	$ 5	$ 14	$
Total Derivative Liabilities	$ 472	$ 35	$ 24	$ 10	$ 14	$ 5	$ 27	$ 139

Derivative Assets	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Commodity Contracts								
Not Designated as Hedging Instruments								
Current	$ 30	$ 14	$ 9	$ 9	$	$ 1	$ 6	$ 1
Noncurrent	13	6	6	6				
Total Derivative Assets Commodity Contracts	$ 43	$ 20	$ 15	$ 15	$	$ 1	$ 6	$ 1
Interest Rate Contracts								
Not Designated as Hedging Instruments								
Current	$ 18	$	$ 18	$ 18	$	$	$	$
Total Derivative Assets Interest Rate Contracts	$ 18	$	$ 18	$ 18	$	$	$	$
Total Derivative Assets	$ 61	$ 20	$ 33	$ 33	$	$ 1	$ 6	$ 1

Derivative Liabilities	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Commodity Contracts								
Designated as Hedging Instruments								
Current	$ 14	$	$	$	$	$	$	$
Noncurrent	70							
Not Designated as Hedging Instruments								
Current	$ 30	$ 13	$ 2	$ 2	$	$	$ 1	$ 15
Noncurrent	137	3	27	12				107
Total Derivative Liabilities Commodity Contracts	$ 251	$ 16	$ 29	$ 14	$	$	$ 1	$ 122
Interest Rate Contracts								
Designated as Hedging Instruments								
Current	$ 15	$	$	$	$	$	$	$
Noncurrent	48							
Not Designated as Hedging Instruments								
Current	5	4				1		
Noncurrent	5					5		
Total Derivative Liabilities Interest Rate Contracts	$ 73	$ 4	$	$	$	$ 6	$	$
Total Derivative Liabilities	$ 324	$ 20	$ 29	$ 14	$	$ 6	$ 1	$ 122

OFFSETTING ASSETS AND LIABILITIES

The fo ow ng tab es present the ne tems on the Conso dated Ba ance Sheets where der vat ves are reported. Substant a y a of Duke Energy's outstand ng der vat ve contracts are subject to enforceab e master nett ng arrangements. The gross amounts offset n the tab es be ow show the effect of these nett ng arrangements on f nanc a pos t on and nc ude co atera posted to offset the net pos t on. The amounts shown are ca cu ated by counterparty. Accounts rece vab e or accounts payab e may a so be ava ab e to offset exposures n the event of bankruptcy. These amounts are not nc uded n the tab es be ow.

Derivative Assets	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current								
Gross amounts recogn zed	$ 204	$ 99	$ 74	$ 74	$	$ 2	$ 23	$ 3
Gross amounts offset	(25)	(16)	(9)	(9)				
Net amounts presented n Current Assets: Other	$ 179	$ 83	$ 65	$ 65	$	$ 2	$ 23	$ 3
Noncurrent								
Gross amounts recogn zed	$ 116	$ 63	$ 50	$ 50	$	$	$	$
Gross amounts offset	(23)	(15)	(8)	(8)				
Net amounts presented n Other Noncurrent Assets: Other	$ 93	$ 48	$ 42	$ 42	$	$	$	$

Derivative Liabilities	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current								
Gross amounts recogn zed	$ 184	$ 26	$ 19	$ 5	$ 14	$ 1	$ 13	$ 21
Gross amounts offset	(11)	(6)	(5)	(5)				
Net amounts presented n Current L ab t es: Other	$ 173	$ 20	$ 14	$	$ 14	$ 1	$ 13	$ 21
Noncurrent								
Gross amounts recogn zed	$ 288	$ 9	$ 5	$ 5	$	$ 4	$ 14	$ 118
Gross amounts offset	(12)	(8)	(5)	(5)				
Net amounts presented n Other Noncurrent L ab t es: Other	$ 276	$ 1	$	$	$	$ 4	$ 14	$ 118

Derivative Assets	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current								
Gross amounts recogn zed	$ 48	$ 14	$ 27	$ 27	$	$ 1	$ 6	$ 1
Gross amounts offset	(3)	(2)	(2)	(2)				
Net amounts presented n Current Assets: Other	$ 45	$ 12	$ 25	$ 25	$	$ 1	$ 6	$ 1
Noncurrent								
Gross amounts recogn zed	$ 13	$ 6	$ 6	$ 6	$	$	$	$
Gross amounts offset	(5)	(1)	(4)	(4)				
Net amounts presented n Other Noncurrent Assets: Other	$ 8	$ 5	$ 2	$ 2	$	$	$	$

Derivative Liabilities	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current								
Gross amounts recogn zed	$ 64	$ 17	$ 2	$ 2	$	$ 1	$ 1	$ 15
Gross amounts offset	(3)	(2)	(2)	(2)				
Net amounts presented n Current L ab t es: Other	$ 61	$ 15	$	$	$	$ 1	$ 1	$ 15
Noncurrent								
Gross amounts recogn zed	$ 260	$ 3	$ 27	$ 12	$	$ 5	$	$ 107
Gross amounts offset	(5)	(1)	(4)	(4)				
Net amounts presented n Other Noncurrent L ab t es: Other	$ 255	$ 2	$ 23	$ 8	$	$ 5	$	$ 107

15. INVESTMENTS IN DEBT AND EQUITY SECURITIES

Duke Energy's nvestments n debt and equ ty secur t es are pr mar y compr sed of nvestments he d n ( ) the NDTF at Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da, ( ) the grantor trusts at Duke Energy Progress, Duke Energy F or da and Duke Energy Ind ana re ated to OPEB p ans and ( ) B son. The Duke Energy Reg strants c ass fy nvestments n debt secur t es as AFS and nvestments n equ ty secur t es as FV NI.

For nvestments n debt secur t es c ass f ed as AFS, the unrea zed ga ns and osses are nc uded n other comprehens ve ncome unt rea zed, at wh ch t me they are reported through net ncome. For nvestments n equ ty secur t es c ass f ed as FV NI, both rea zed and unrea zed ga ns and osses are reported through net ncome. Substant a y a of Duke Energy's nvestments n debt and equ ty secur t es qua fy for regu atory account ng, and accord ng y, a assoc ated rea zed and unrea zed ga ns and osses on these nvestments are deferred as a regu atory asset or ab ty.

Duke Energy c ass f es the major ty of nvestments n debt and equ ty secur t es as ong term, un ess otherw se noted.

Investment Trusts

The nvestments w th n the Investment Trusts are managed by ndependent nvestment managers w th d scret on to buy, se and nvest pursuant to the object ves set forth by the nvestment manager agreements and trust agreements. The Duke Energy Reg strants have m ted overs ght of the day to day management of these nvestments. As a resu t, the ab ty to ho d nvestments n unrea zed oss pos t ons s outs de the contro of the Duke Energy Reg strants. Accord ng y, a unrea zed osses assoc ated w th debt secur t es w th n the Investment Trusts are recogn zed mmed ate y and deferred to regu atory accounts where appropr ate.

Other AFS Securities

Unrea zed ga ns and osses on a other AFS secur t es are nc uded n other comprehens ve ncome unt rea zed, un ess t s determ ned the carry ng va ue of an nvestment has a cred t oss. The Duke Energy Reg strants ana yze a nvestment ho d ngs each report ng per od to determ ne whether a dec ne n fa r va ue s re ated to a cred t oss. If a cred t oss ex sts, the unrea zed cred t oss s nc uded n earn ngs. There were no mater a cred t osses as of December 31, 2021, and 2020.

Other Investments amounts are recorded n Other w th n Other Noncurrent Assets on the Conso dated Ba ance Sheets.

DUKE ENERGY

The fo ow ng tab e presents the est mated fa r va ue of nvestments n debt and equ ty secur t es; equ ty nvestments are c ass f ed as FV NI and debt nvestments are c ass f ed as AFS.

	December 31, 2021			December 31, 2020		
(in millions)	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
NDTF						
Cash and cash equ va ents	**$**	**$**	**$ 160**	$	$	$ 177
Equ ty secur t es	**4,905**	**43**	**7,350**	4,138	54	6,235
Corporate debt secur t es	**39**	**6**	**829**	76	1	806
Mun c pa bonds	**14**	**1**	**314**	22		370
U.S. government bonds	**31**	**12**	**1,568**	51		1,361
Other debt secur t es	**3**	**1**	**180**	8		180
Total NDTF Investments	**$ 4,992**	**$ 63**	**$ 10,401**	$ 4,295	$ 55	$ 9,129
Other Investments						
Cash and cash equ va ents	**$**	**$**	**$ 36**	$	$	$ 127
Equ ty secur t es	**36**		**156**	79		146
Corporate debt secur t es	**2**	**1**	**119**	8		110
Mun c pa bonds	**3**	**1**	**80**	5		86
U.S. government bonds			**56**			42
Other debt secur t es		**1**	**45**			47
Total Other Investments	**$ 41**	**$ 3**	**$ 492**	$ 92	$	$ 558
Total Investments	**$ 5,033**	**$ 66**	**$ 10,893**	$ 4,387	$ 55	$ 9,687

Rea zed ga ns and osses, wh ch were determ ned on a spec f c dent f cat on bas s, from sa es of FV NI and AFS secur t es for the years ended December 31, 2021, 2020 and 2019, were as fo ows.

	Years Ended December 31,		
(in millions)	2021	2020	2019
FV-NI:			
Rea zed ga ns	**$ 724**	$ 366	$ 172
Rea zed osses	**141**	174	151
AFS:			
Rea zed ga ns	**56**	96	94
Rea zed osses	**54**	51	67

DUKE ENERGY CAROLINAS

The fo ow ng tab e presents the est mated fa r va ue of nvestments n debt and equ ty secur t es; equ ty nvestments are c ass f ed as FV NI and debt nvestments are c ass f ed as AFS.

	December 31, 2021			December 31, 2020		
(in millions)	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
NDTF						
Cash and cash equ va ents	**$**	**$**	**$ 53**	$	$	$ 30
Equ ty secur t es	**2,887**	**19**	**4,265**	2,442	23	3,685
Corporate debt secur t es	**24**	**4**	**506**	49	1	510
Mun c pa bonds	**2**		**48**	6		91
U.S. government bonds	**16**	**3**	**712**	25		475
Other debt secur t es	**3**	**1**	**175**	7		174
Total NDTF Investments	**$ 2,932**	**$ 27**	**$ 5,759**	$ 2,529	$ 24	$ 4,965

Rea zed ga ns and osses, wh ch were determ ned on a spec f c dent f cat on bas s, from sa es of FV NI and AFS secur t es for the years ended December 31, 2021, 2020 and 2019, were as fo ows.

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
FV-NI:			
Rea zed ga ns	**$ 440**	$ 64	$ 113
Rea zed osses	**96**	99	107
AFS:			
Rea zed ga ns	**38**	60	55
Rea zed osses	**37**	37	38

PROGRESS ENERGY

The fo ow ng tab e presents the est mated fa r va ue of nvestments n debt and equ ty secur t es; equ ty nvestments are c ass f ed as FV NI and debt nvestments are c ass f ed as AFS.

	December 31, 2021			December 31, 2020		
(in millions)	**Gross Unrealized Holding Gains**	**Gross Unrealized Holding Losses**	**Estimated Fair Value**	**Gross Unrealized Holding Gains**	**Gross Unrealized Holding Losses**	**Estimated Fair Value**
NDTF						
Cash and cash equ va ents	**$**	**$**	**$ 107**	$	$	$ 147
Equ ty secur t es	**2,018**	**24**	**3,085**	1,696	31	2,550
Corporate debt secur t es	**15**	**2**	**323**	27		296
Mun c pa bonds	**12**	**1**	**266**	16		279
U.S. government bonds	**15**	**9**	**856**	26		886
Other debt secur t es			**5**	1		6
Total NDTF Investments	**$ 2,060**	**$ 36**	**$ 4,642**	$ 1,766	$ 31	$ 4,164
Other Investments						
Cash and cash equ va ents	**$**	**$**	**$ 20**	$	$	$ 106
Mun c pa bonds	**2**		**26**	3		26
Total Other Investments	**$ 2**	**$**	**$ 46**	$ 3	$	$ 132
Total Investments	**$ 2,062**	**$ 36**	**$ 4,688**	$ 1,769	$ 31	$ 4,296

Rea zed ga ns and osses, wh ch were determ ned on a spec f c dent f cat on bas s, from sa es of FV NI and AFS secur t es for the years ended December 31, 2021, 2020 and 2019, were as fo ows.

	Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**
FV-NI:			
Rea zed ga ns	**$ 284**	$ 302	$ 59
Rea zed osses	**45**	75	44
AFS:			
Rea zed ga ns	**16**	24	36
Rea zed osses	**14**	13	29

DUKE ENERGY PROGRESS

The fo ow ng tab e presents the est mated fa r va ue of nvestments n debt and equ ty secur t es; equ ty nvestments are c ass f ed as FV NI and debt nvestments are c ass f ed as AFS.

	December 31, 2021			December 31, 2020		
(in millions)	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
NDTF						
Cash and cash equ va ents	**$**	**$**	**$ 94**	$	$	$ 76
Equ ty secur t es	**1,915**	**23**	**2,970**	1,617	31	2,459
Corporate debt secur t es	**15**	**2**	**282**	27		296
Mun c pa bonds	**12**	**1**	**266**	16		279
U.S. government bonds	**15**	**3**	**472**	26		412
Other debt secur t es			**5**	1		6
Total NDTF Investments	**$ 1,957**	**$ 29**	**$ 4,089**	$ 1,687	$ 31	$ 3,528
Other Investments						
Cash and cash equ va ents	**$**	**$**	**$ 16**	$	$	$ 1
Total Other Investments	**$**	**$**	**$ 16**	$	$	$ 1
Total Investments	**$ 1,957**	**$ 29**	**$ 4,105**	$ 1,687	$ 31	$ 3,529

Rea zed ga ns and osses, wh ch were determ ned on a spec f c dent f cat on bas s, from sa es of FV NI and AFS secur t es for the years ended December 31, 2021, 2020 and 2019, were as fo ows.

	Years Ended December 31,		
(in millions)	2021	2020	2019
FV-NI:			
Rea zed ga ns	**$ 283**	$ 52	$ 38
Rea zed osses	**44**	59	33
AFS:			
Rea zed ga ns	**15**	24	7
Rea zed osses	**13**	13	5

DUKE ENERGY FLORIDA

The fo ow ng tab e presents the est mated fa r va ue of nvestments n debt and equ ty secur t es; equ ty nvestments are c ass f ed as FV NI and debt nvestments are c ass f ed as AFS.

	December 31, 2021			December 31, 2020		
(in millions)	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
NDTF						
Cash and cash equ va ents	**$**	**$**	**$ 13**	$	$	$ 71
Equ ty secur t es	**103**	**1**	**115**	79		91
Corporate debt secur t es			**41**			
U.S. government bonds		**6**	**384**			474
Total NDTF Investments[(a)]	**$ 103**	**$ 7**	**$ 553**	$ 79	$	$ 636
Other Investments						
Cash and cash equ va ents	**$**	**$**	**$ 3**	$	$	$ 1
Mun c pa bonds	**2**		**26**	3		26
Total Other Investments	**$ 2**	**$**	**$ 29**	$ 3	$	$ 27
Total Investments	**$ 105**	**$ 7**	**$ 582**	$ 82	$	$ 663

(a) Dur ng the years ended December 31, 2021, and 2020, Duke Energy F or da cont nued to rece ve re mbursements from the NDTF for costs re ated to ongo ng decomm ss on ng act v ty of the Crysta R ver Un t 3.

Rea zed ga ns and osses, wh ch were determ ned on a spec f c dent f cat on bas s, from sa es of FV NI and AFS secur t es for the years ended December 31, 2021, 2020 and 2019, were as fo ows.

(in millions)	Years Ended December 31, 2021	2020	2019
FV-NI:			
Rea zed ga ns	$ 1	$ 250	$ 21
Rea zed osses	1	16	11
AFS:			
Rea zed ga ns	1		29
Rea zed osses	1		24

DUKE ENERGY INDIANA

The fo ow ng tab e presents the est mated fa r va ue of nvestments n debt and equ ty secur t es; equ ty nvestments are measured at FV NI and debt nvestments are c ass f ed as AFS.

(in millions)	December 31, 2021 Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	December 31, 2020 Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Investments						
Cash and cash equ va ents	$	$	$	$	$	$ 1
Equ ty secur t es	6		97	58		97
Corporate debt secur t es			6			3
Mun c pa bonds	1	1	46	1		38
U.S. government bonds			12			4
Total Investments	$ 7	$ 1	$ 161	$ 59	$	$ 143

Rea zed ga ns and osses, wh ch were determ ned on a spec f c dent f cat on bas s, from sa es of FV NI and AFS secur t es for the years ended December 31, 2021, 2020 and 2019, were mmater a .

DEBT SECURITY MATURITIES

The tab e be ow summar zes the matur ty date for debt secur t es.

(in millions)	December 31, 2021 Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana
Due n one year or ess	$ 159	$ 3	$ 138	$ 31	$ 107	$ 7
Due after one through f ve years	957	337	546	256	290	25
Due after f ve through 10 years	550	226	248	231	17	10
Due after 10 years	1,525	875	544	507	37	22
Tota	$ 3,191	$ 1,441	$ 1,476	$ 1,025	$ 451	$ 64

16. FAIR VALUE MEASUREMENTS

Fa r va ue s the exchange pr ce to se an asset or transfer a ab ty n an order y transact on between market part c pants at the measurement date. The fa r va ue def n t on focuses on an ex t pr ce versus the acqu s t on cost. Fa r va ue measurements use market data or assumpt ons market part c pants wou d use n pr c ng the asset or ab ty, nc ud ng assumpt ons about r sk and the r sks nherent n the nputs to the va uat on techn que. These nputs may be read y observab e, corroborated by market data, or genera y unobservab e. Va uat on techn ques max m ze the use of observab e nputs and m n m ze the use of unobservab e nputs. A m dmarket pr c ng convent on (the m dpo nt pr ce between b d and ask pr ces) s perm tted for use as a pract ca exped ent.

Fa r va ue measurements are c ass f ed n three eve s based on the fa r va ue h erarchy as def ned by GAAP. Certa n nvestments are not categor zed w th n the fa r va ue h erarchy. These nvestments are measured at fa r va ue us ng the net asset va ue per share pract ca exped ent. The net asset va ue s der ved based on the nvestment cost, ess any mpa rment, p us or m nus changes resu t ng from observab e pr ce changes for an dent ca or s m ar nvestment of the same ssuer.

Fa r va ue account ng gu dance perm ts ent t es to e ect to measure certa n f nanc a nstruments that are not requ red to be accounted for at fa r va ue, such as equ ty method nvestments or the company's own debt, at fa r va ue. The Duke Energy Reg strants have not e ected to record any of these tems at fa r va ue.

Va uat on methods of the pr mary fa r va ue measurements d sc osed be ow are as fo ows.

Investments in equity securities

The major ty of nvestments n equ ty secur t es are va ued us ng Leve 1 measurements. Investments n equ ty secur t es are typ ca y va ued at the c os ng pr ce n the pr nc pa act ve market as of the ast bus ness day of the quarter. Pr nc pa act ve markets for equ ty pr ces nc ude pub shed exchanges such as the NYSE and Nasdaq Stock Market. Fore gn equ ty pr ces are trans ated from the r trad ng currency us ng the currency exchange rate n effect at the c ose of the pr nc pa act ve market. There was no after hours market act v ty that was requ red to be ref ected n the reported fa r va ue measurements.

Investments in debt securities

Most nvestments n debt secur t es are va ued us ng Leve 2 measurements because the va uat ons use nterest rate curves and cred t spreads app ed to the terms of the debt nstrument (matur ty and coupon nterest rate) and cons der the counterparty cred t rat ng. If the market for a part cu ar f xed ncome secur ty s re at ve y nact ve or qu d, the measurement s Leve 3.

Commodity derivatives

Commod ty der vat ves w th c ear nghouses are c ass f ed as Leve 1. Commod ty der vat ves w th observab e forward curves are c ass f ed as Leve 2. If forward pr ce curves are not observab e for the fu term of the contract and the unobservab e per od had more than an ns gn f cant mpact on the va uat on, the commod ty der vat ve s c ass f ed as Leve 3. In so at on, ncreases (decreases) n natura gas forward pr ces resu t n favorab e (unfavorab e) fa r va ue adjustments for natura gas purchase contracts; and ncreases (decreases) n e ectr c ty forward pr ces resu t n unfavorab e (favorab e) fa r va ue adjustments for e ectr c ty sa es contracts. Duke Energy regu ar y eva uates and va dates pr c ng nputs used to est mate the fa r va ue of natura gas commod ty contracts by a market part c pant pr ce ver f cat on procedure. Th s procedure prov des a compar son of nterna forward commod ty curves to market part c pant generated curves.

Interest rate derivatives

Most over the counter nterest rate contract der vat ves are va ued us ng f nanc a mode s that ut ze observab e nputs for s m ar nstruments and are c ass f ed as Leve 2. Inputs nc ude forward nterest rate curves, not ona amounts, nterest rates and cred t qua ty of the counterpart es.

Other fair value considerations

See Note 11 for a d scuss on of the va uat on of goodw and ntang b e assets.

DUKE ENERGY

The fo ow ng tab es prov de recorded ba ances for assets and ab t es measured at fa r va ue on a recurr ng bas s on the Conso dated Ba ance Sheets. Der vat ve amounts n the tab es be ow for a Duke Energy Reg strants exc ude cash co atera , wh ch s d sc osed n Note 14. See Note 15 for add t ona nformat on re ated to nvestments by major secur ty type for the Duke Energy Reg strants.

	December 31, 2021				
(in millions)	Total Fair Value	Level 1	Level 2	Level 3	Not Categorized
NDTF cash and cash equ va ents	$ 160	$ 160	$	$	$
NDTF equ ty secur t es	7,350	7,300			50
NDTF debt secur t es	2,891	967	1,924		
Other equ ty secur t es	156	156			
Other debt secur t es	300	45	255		
Other cash and cash equ va ents	36	36			
Der vat ve assets	320	3	293	24	
Tota assets	11,213	8,667	2,472	24	50
Der vat ve ab t es	(472)	(13)	(314)	(145)	
Net assets (ab t es)	$ 10,741	$ 8,654	$ 2,158	$ (121)	$ 50

	December 31, 2020				
(in millions)	Total Fair Value	Level 1	Level 2	Level 3	Not Categorized
NDTF cash and cash equ va ents	$ 177	$ 177	$	$	$
NDTF equ ty secur t es	6,235	6,189			46
NDTF debt secur t es	2,717	874	1,843		
Other equ ty secur t es	146	146			
Other debt secur t es	285	37	248		
Other cash and cash equ va ents	127	127			
Der vat ve assets	61	1	53	7	
Tota assets	9,748	7,551	2,144	7	46
Der vat ve ab t es	(324)		(240)	(84)	
Net assets (ab t es)	$ 9,424	$ 7,551	$ 1,904	$ (77)	$ 46

The fo ow ng tab e prov des reconc at ons of beg nn ng and end ng ba ances of assets and ab t es measured at fa r va ue us ng Leve 3 measurements.

	Derivatives (net)	
	Years Ended December 31,	
(in millions)	2021	2020
Ba ance at beg nn ng of per od	**$ (77)**	$ (102)
Tota pretax rea zed or unrea zed osses nc uded n comprehens ve ncome	**(75)**	(84)
Purchases, sa es, ssuances and sett ements:		
Purchases	**21**	14
Sett ements	**(5)**	(19)
Net transfers Out of Leve 3[(a)]		117
Tota ga ns (osses) nc uded on the Conso dated Ba ance Sheet	**15**	(3)
Ba ance at end of per od	**$ (121)**	$ (77)

(a) Transferred from Leve 3 to Leve 2 because observab e market data became ava ab e.

DUKE ENERGY CAROLINAS

The fo ow ng tab es prov de recorded ba ances for assets and ab t es measured at fa r va ue on a recurr ng bas s on the Conso dated Ba ance Sheets.

	December 31, 2021			
(in millions)	Total Fair Value	Level 1	Level 2	Not Categorized
NDTF cash and cash equ va ents	**$ 53**	**$ 53**	**$**	**$**
NDTF equ ty secur t es	**4,265**	**4,215**		**50**
NDTF debt secur t es	**1,441**	**339**	**1,102**	
Der vat ve assets	**162**		**162**	
Tota assets	**5,921**	**4,607**	**1,264**	**50**
Der vat ve ab t es	**(35)**		**(35)**	
Net assets	**$ 5,886**	**$ 4,607**	**$ 1,229**	**$ 50**

	December 31, 2020			
(in millions)	Total Fair Value	Level 1	Level 2	Not Categorized
NDTF cash and cash equ va ents	$ 30	$ 30	$	$
NDTF equ ty secur t es	3,685	3,639		46
NDTF debt secur t es	1,250	192	1,058	
Der vat ve assets	20		20	
Tota assets	4,985	3,861	1,078	46
Der vat ve ab t es	(20)		(20)	
Net assets	$ 4,965	$ 3,861	$ 1,058	$ 46

PROGRESS ENERGY

The fo ow ng tab e prov des recorded ba ances for assets and ab t es measured at fa r va ue on a recurr ng bas s on the Conso dated Ba ance Sheets.

	December 31, 2021			December 31, 2020		
(in millions)	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
NDTF cash and cash equ va ents	$ 107	$ 107	$	$ 147	$ 147	$
NDTF equ ty secur t es	3,085	3,085		2,550	2,550	
NDTF debt secur t es	1,450	628	822	1,467	682	785
Other debt secur t es	26		26	26		26
Other cash and cash equ va ents	20	20		106	106	
Der vat ve assets	124		124	33		33
Tota assets	4,812	3,840	972	4,329	3,485	844
Der vat ve ab t es	(24)		(24)	(29)		(29)
Net assets	$ 4,788	$ 3,840	$ 948	$ 4,300	$ 3,485	$ 815

DUKE ENERGY PROGRESS

The fo ow ng tab e prov des recorded ba ances for assets and ab t es measured at fa r va ue on a recurr ng bas s on the Conso dated Ba ance Sheets.

	December 31, 2021			December 31, 2020		
(in millions)	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
NDTF cash and cash equ va ents	$ 94	$ 94	$	$ 76	$ 76	$
NDTF equ ty secur t es	2,970	2,970		2,459	2,459	
NDTF debt secur t es	1,025	289	736	993	237	756
Other cash and cash equ va ents	16	16		1	1	
Der vat ve assets	124		124	33		33
Tota assets	4,229	3,369	860	3,562	2,773	789
Der vat ve ab t es	(10)		(10)	(14)		(14)
Net assets	$ 4,219	$ 3,369	$ 850	$ 3,548	$ 2,773	$ 775

DUKE ENERGY FLORIDA

The fo ow ng tab e prov des recorded ba ances for assets and ab t es measured at fa r va ue on a recurr ng bas s on the Conso dated Ba ance Sheets.

	December 31, 2021			December 31, 2020		
(in millions)	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
NDTF cash and cash equ va ents	$ 13	$ 13	$	$ 71	$ 71	$
NDTF equ ty secur t es	115	115		91	91	
NDTF debt secur t es	425	339	86	474	445	29
Other debt secur t es	26		26	26		26
Other cash and cash equ va ents	3	3		1	1	
Tota assets	582	470	112	663	608	55
Der vat ve ab t es	(14)		(14)			
Net assets	$ 568	$ 470	$ 98	$ 663	$ 608	$ 55

DUKE ENERGY OHIO

The recorded ba ances for assets and ab t es measured at fa r va ue on a recurr ng bas s on the Conso dated Ba ance Sheets were not mater a at December 31, 2021, and 2020.

DUKE ENERGY INDIANA

The fo ow ng tab e prov des recorded ba ances for assets and ab t es measured at fa r va ue on a recurr ng bas s on the Conso dated Ba ance Sheets.

	December 31, 2021				December 31, 2020			
(in millions)	**Total Fair Value**	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**	**Level 1**	**Level 2**	**Level 3**
Other equ ty secur t es	**$ 97**	**$ 97**	**$**	**$**	$ 97	$ 97	$	$
Other debt secur t es	**64**		**64**		45		45	
Other cash equ va ents					1	1		
Der vat ve assets	**23**	**1**		**22**	6			6
Tota assets	**184**	**98**	**64**	**22**	149	98	45	6
Der vat ve ab t es	**(27)**	**(13)**	**(14)**		(1)	(1)		
Net assets	**$ 157**	**$ 85**	**$ 50**	**$ 22**	$ 148	$ 97	$ 45	$ 6

The fo ow ng tab e prov des a reconc at on of beg nn ng and end ng ba ances of assets and ab t es measured at fa r va ue us ng Leve 3 measurements.

	Derivatives (net)	
	Years Ended December 31,	
(in millions)	**2021**	**2020**
Ba ance at beg nn ng of per od	**$ 6**	$ 11
Purchases, sa es, ssuances and sett ements:		
Purchases	**18**	10
Sett ements	**(16)**	(13)
Tota ga ns (osses) nc uded on the Conso dated Ba ance Sheet	**14**	(2)
Ba ance at end of per od	**$ 22**	$ 6

PIEDMONT

The fo ow ng tab e prov des recorded ba ances for assets and ab t es measured at fa r va ue on a recurr ng bas s on the Conso dated Ba ance Sheets.

	December 31, 2021			December 31, 2020		
(in millions)	**Total Fair Value**	**Level 1**	**Level 2**	**Total Fair Value**	**Level 1**	**Level 2**
Der vat ve assets	**$ 3**	**$ 3**	**$**	$ 1	$ 1	$
Der vat ve ab t es	**(139)**		**(139)**	(122)		(122)
Net (ab t es) assets	**$ (136)**	**$ 3**	**$ (139)**	$ (121)	$ 1	$ (122)

The fo ow ng tab e prov des a reconc at on of beg nn ng and end ng ba ances of assets and ab t es measured at fa r va ue us ng Leve 3 measurements.

	Derivatives (net)
	Year Ended December 31,
(in millions)	**2020**
Ba ance at beg nn ng of per od	$ (117)
Net transfers Out of Leve 3[(a)]	117
Ba ance at end of per od	$

(a) Transferred from Leve 3 to Leve 2 because observab e market data became ava ab e.

QUANTITATIVE INFORMATION ABOUT UNOBSERVABLE INPUTS

The fo ow ng tab es nc ude quant tat ve nformat on about the Duke Energy Reg strants' der vat ves c ass f ed as Leve 3.

	December 31, 2021					
Investment Type	**Fair Value (in millions)**	**Valuation Technique**	**Unobservable Input**		**Range**	**Weighted Average Range**
Duke Energy						
E ectr c ty contracts	**$ (145)**	RTO forward pr c ng	Forward e ectr c ty curves	pr ce per MWh	**$19.04 $139.11**	**$ 37.57**
Duke Energy Ohio						
FTRs	**2**	RTO auct on pr c ng	FTR pr ce	per MWh	**0.06 1.79**	**0.96**
Duke Energy Indiana						
FTRs	**22**	RTO auct on pr c ng	FTR pr ce	per MWh	**(1.18) 13.11**	**2.68**
Duke Energy						
Tota Leve 3 der vat ves	**$ (121)**					

	December 31, 2020					
Investment Type	**Fair Value (in millions)**	**Valuation Technique**	**Unobservable Input**		**Range**	**Weighted Average Range**
Duke Energy						
E ectr c ty contracts	$ (84)	D scounted cash f ow	Forward e ectr c ty curves	pr ce per MWh	$14.68 – $151.84	$ 28.84
Duke Energy Ohio						
FTRs	1	RTO auct on pr c ng	FTR pr ce	per MWh	0.25 – 1.68	0.79
Duke Energy Indiana						
FTRs	6	RTO auct on pr c ng	FTR pr ce	per MWh	(2.40) – 7.41	1.05
Duke Energy						
Tota Leve 3 der vat ves	$ (77)					

OTHER FAIR VALUE DISCLOSURES

The fa r va ue and book va ue of ong term debt, nc ud ng current matur t es, s summar zed n the fo ow ng tab e. Est mates determ ned are not necessar y nd cat ve of amounts that cou d have been sett ed n current markets. Fa r va ue of ong term debt uses Leve 2 measurements.

	December 31, 2021		December 31, 2020	
(in millions)	**Book Value**	**Fair Value**	**Book Value**	**Fair Value**
Duke Energy[(a)]	**$ 63,835**	**$ 69,683**	$ 59,863	$ 69,292
Duke Energy Caro nas	**13,275**	**15,101**	12,218	14,917
Progress Energy	**20,823**	**23,751**	19,264	23,470
Duke Energy Progress	**10,249**	**11,252**	9,258	10,862
Duke Energy F or da	**8,482**	**9,772**	7,915	9,756
Duke Energy Oh o	**3,193**	**3,570**	3,089	3,650
Duke Energy Ind ana	**4,323**	**5,067**	4,091	5,204
P edmont	**2,968**	**3,278**	2,780	3,306

(a) Book va ue of ong term debt nc udes $1.25 b on as of December 31, 2021, and $1.3 b on as of December 31, 2020, of unamort zed debt d scount and prem um, net n purchase account ng adjustments re ated to the mergers w th Progress Energy and P edmont that are exc uded from fa r va ue of ong term debt.

At both December 31, 2021, and December 31, 2020, fa r va ue of cash and cash equ va ents, accounts and notes rece vab e, accounts payab e, notes payab e and commerc a paper, and nonrecourse notes payab e of VIEs are not mater a y d fferent from the r carry ng amounts because of the short term nature of these nstruments and/or because the stated rates approx mate market rates.

17. VARIABLE INTEREST ENTITIES

A VIE s an ent ty that s eva uated for conso dat on us ng more than a s mp e ana ys s of vot ng contro . The ana ys s to determ ne whether an ent ty s a VIE cons ders contracts w th an ent ty, cred t support for an ent ty, the adequacy of the equ ty nvestment of an ent ty and the re at onsh p of vot ng power to the amount of equ ty nvested n an ent ty. Th s ana ys s s performed e ther upon the creat on of a ega ent ty or upon the occurrence of an event requ r ng reeva uat on, such as a s gn f cant change n an ent ty's assets or act v t es. A qua tat ve ana ys s of contro determ nes the party that conso dates a VIE. Th s assessment s based on ( ) what party has the power to d rect the act v t es of the VIE that most s gn f cant y mpact ts econom c performance and ( ) what party has r ghts to rece ve benef ts or s ob gated to absorb osses that cou d potent a y be s gn f cant to the VIE. The ana ys s of the party that conso dates a VIE s a cont nua reassessment.

CONSOLIDATED VIEs

The ob gat ons of the conso dated VIEs d scussed n the fo ow ng paragraphs are nonrecourse to the Duke Energy Reg strants. The reg strants have no requ rement to prov de qu d ty to, purchase assets of or guarantee performance of these VIEs un ess noted n the fo ow ng paragraphs.

No f nanc a support was prov ded to any of the conso dated VIEs dur ng the years ended December 31, 2021, 2020 and 2019, or s expected to be prov ded n the future, that was not prev ous y contractua y requ red.

Receivables Financing DERF/DEPR/DEFR

DERF, DEPR and DEFR are bankruptcy remote, spec a purpose subs d ar es of Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da, respect ve y. DERF, DEPR and DEFR are who y owned LLCs w th separate ega ex stence from the r parent compan es, and the r assets are not genera y ava ab e to cred tors of the r parent compan es. On a revo v ng bas s, DERF, DEPR and DEFR buy certa n accounts rece vab e ar s ng from the sa e of e ectr c ty and re ated serv ces from the r parent compan es.

DERF, DEPR and DEFR borrow amounts under cred t fac t es to buy these rece vab es. Borrow ng ava ab ty from the cred t fac t es s m ted to the amount of qua f ed rece vab es purchased, wh ch genera y exc ude rece vab es past due more than a predeterm ned number of days and reserves for expected past due ba ances. The so e source of funds to sat sfy the re ated debt ob gat ons s cash co ect ons from the rece vab es. Amounts borrowed under the cred t fac t es are ref ected on the Conso dated Ba ance Sheets as Long Term Debt.

The most s gn f cant act v ty that mpacts the econom c performance of DERF, DEPR and DEFR are the dec s ons made to manage de nquent rece vab es. Duke Energy Caro nas, Duke Energy Progress and Duke Energy F or da are cons dered the pr mary benef c ar es and conso date DERF, DEPR and DEFR, respect ve y, as they make those dec s ons.

Receivables Financing CRC

CRC s a bankruptcy remote, spec a purpose ent ty nd rect y owned by Duke Energy. On a revo v ng bas s, CRC buys certa n accounts rece vab e ar s ng from the sa e of e ectr c ty, natura gas and re ated serv ces from Duke Energy Oh o and Duke Energy Ind ana. CRC borrows amounts under a cred t fac ty to buy the rece vab es from Duke Energy Oh o and Duke Energy Ind ana. Borrow ng ava ab ty from the cred t fac ty s m ted to the amount of qua f ed rece vab es so d to CRC, wh ch genera y exc ude rece vab es past due more than a predeterm ned number of days and reserves for expected past due ba ances. The so e source of funds to sat sfy the re ated debt ob gat on s cash co ect ons from the rece vab es. Amounts borrowed under the cred t fac ty are ref ected on Duke Energy's Conso dated Ba ance Sheets as Long Term Debt.

The proceeds Duke Energy Oh o and Duke Energy Ind ana rece ve from the sa e of rece vab es to CRC are approx mate y 75% cash and 25% n the form of a subord nated note from CRC. The subord nated note s a reta ned nterest n the rece vab es so d. Depend ng on co ect on exper ence, add t ona equ ty nfus ons to CRC may be requ red by Duke Energy to ma nta n a m n mum equ ty ba ance of $3 m on.

CRC s cons dered a VIE because ( ) equ ty cap ta zat on s nsuff c ent to support ts operat ons, ( ) power to d rect the act v t es that most s gn f cant y mpact the econom c performance of the ent ty s not he d by the equ ty ho der and ( ) def c enc es n net worth of CRC are funded by Duke Energy. The most s gn f cant act v t es that mpact the econom c performance of CRC are dec s ons made to manage de nquent rece vab es. Duke Energy s cons dered the pr mary benef c ary and conso dates CRC as t makes these dec s ons. Ne ther Duke Energy Oh o nor Duke Energy Ind ana conso date CRC.

Receivables Financing Credit Facilities

The fo ow ng tab e summar zes the amounts and exp rat on dates of the cred t fac t es and assoc ated restr cted rece vab es descr bed above.

	Duke Energy			
		Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida
(in millions)	CRC	DERF	DEPR	DEFR
Exp rat on date	February 2023	January 2025	Apr 2023	Apr 2023
Cred t fac ty amount	$ 350	$ 475	$ 350	$ 250
Amounts borrowed at December 31, 2021	**350**	**475**	**350**	**250**
Amounts borrowed at December 31, 2020	350	364	250	250
Restr cted Rece vab es at December 31, 2021	**587**	**844**	**574**	**427**
Restr cted Rece vab es at December 31, 2020	547	696	500	397

Nuclear Asset-Recovery Bonds Duke Energy Florida Project Finance, LLC (DEFPF)

DEFPF s a bankruptcy remote, who y owned spec a purpose subs d ary of Duke Energy F or da. DEFPF was formed n 2016 for the so e purpose of ssu ng nuc ear asset recovery bonds to f nance Duke Energy F or da's unrecovered regu atory asset re ated to Crysta R ver Un t 3.

In 2016, DEFPF ssued sen or secured bonds and used the proceeds to acqu re nuc ear asset recovery property from Duke Energy F or da. The nuc ear asset recovery property acqu red nc udes the r ght to mpose, b , co ect and adjust a non bypassab e nuc ear asset recovery charge from a Duke Energy F or da reta customers unt the bonds are pa d n fu and a f nanc ng costs have been recovered. The nuc ear asset recovery bonds are secured by the nuc ear asset recovery property and cash co ect ons from the nuc ear asset recovery charges are the so e source of funds to sat sfy the debt ob gat on. The bondho ders have no recourse to Duke Energy F or da.

DEFPF s cons dered a VIE pr mar y because the equ ty cap ta zat on s nsuff c ent to support ts operat ons. Duke Energy F or da has the power to d rect the s gn f cant act v t es of the VIE as descr bed above and therefore Duke Energy F or da s cons dered the pr mary benef c ary and conso dates DEFPF.

The fo ow ng tab e summar zes the mpact of DEFPF on Duke Energy F or da's Conso dated Ba ance Sheets.

	December 31,	
(n m ons)	2021	2020
Rece vab es of VIEs	$ 5	$ 4
Regu atory Assets: Current	54	53
Current Assets: Other	39	39
Other Noncurrent Assets: Regu atory assets	883	937
Current L ab t es: Other	9	10
Current matur t es of ong term debt	56	55
Long Term Debt	946	1,002

Storm Recovery Bonds Duke Energy Carolinas NC Storm Funding and Duke Energy Progress NC Storm Funding

Duke Energy Caro nas NC Storm Fund ng, LLC. (DECNCSF) and Duke Energy Progress NC Storm Fund ng, LLC. (DEPNCSF) are bankruptcy remote, who y owned spec a purpose subs d ar es of Duke Energy Caro nas and Duke Energy Progress, respect ve y. These ent t es were formed n 2021 for the so e purpose of ssu ng storm recovery bonds to f nance certa n of Duke Energy Caro nas' and Duke Energy Progress' unrecovered regu atory assets re ated to storm costs.

In November 2021, DECNCSF and DEPNCSF ssued $237 m on and $770 m on of sen or secured bonds, respect ve y and used the proceeds to acqu re storm recovery property from Duke Energy Caro nas and Duke Energy Progress. The storm recovery property was created by state eg s at on and NCUC f nanc ng orders for the purpose of f nanc ng storm costs ncurred n 2018 and 2019. The storm recovery property acqu red nc udes the r ght to mpose, b , co ect and adjust a non bypassab e charge from a Duke Energy Caro nas' and Duke Energy Progress' reta customers unt the bonds are pa d n fu and a f nanc ng costs have been recovered. The storm recovery bonds are secured by the storm recovery property and cash co ect ons from the storm recovery charges are the so e source of funds to sat sfy the debt ob gat on. The bondho ders have no recourse to Duke Energy Caro nas or Duke Energy Progress. For add t ona nformat on, see Notes 3 and 6.

DECNCSF and DEPNCSF are cons dered VIEs pr mar y because the equ ty cap ta zat on s nsuff c ent to support the r operat ons. Duke Energy Caro nas and Duke Energy Progress have the power to d rect the s gn f cant act v t es of the VIEs as descr bed above and therefore Duke Energy Caro nas and Duke Energy Progress are cons dered the pr mary benef c ar es and conso date DECNCSF and DEPNCSF, respect ve y.

The fo ow ng tab e summar zes the mpact of these VIEs on Duke Energy Caro nas' and Duke Energy Progress' Conso dated Ba ance Sheets.

	December 31, 2021	
(in millions)	**Duke Energy Carolinas**	**Duke Energy Progress**
Regu atory Assets: Current	$ 12	$ 39
Other Noncurrent Assets: Regu atory assets	220	720
Other Noncurrent Assets: Other	1	4
Interest Accrued	1	2
Current matur t es of ong term debt	5	15
Long Term Debt	228	747

Commercial Renewables

Certa n of Duke Energy's renewab e energy fac t es are VIEs due to Duke Energy ssu ng guarantees for debt serv ce and operat ons and ma ntenance reserves n support of debt f nanc ngs. Assets are restr cted and cannot be p edged as co atera or so d to th rd part es w thout pr or approva of debt ho ders. Add t ona y, Duke Energy has VIEs assoc ated w th tax equ ty arrangements entered nto w th th rd party nvestors n order to f nance the cost of renewab e assets e g b e for tax cred ts. The act v t es that most s gn f cant y mpacted the econom c performance of these renewab e energy fac t es were dec s ons assoc ated w th s t ng, negot at ng PPAs and EPC agreements, and dec s ons assoc ated w th ongo ng operat ons and ma ntenance re ated act v t es. Duke Energy s cons dered the pr mary benef c ary and conso dates the ent t es as t s respons b e for a of these dec s ons.

The tab e be ow presents mater a ba ances reported on Duke Energy's Conso dated Ba ance Sheets re ated to Commerc a Renewab es VIEs.

(in millions)	December 31, 2021	2020
Current Assets: Other	**$ 215**	$ 257
Property, P ant and Equ pment: Cost	**7,339**	6,394
Accumu ated deprec at on and amort zat on	**(1,474)**	(1,242)
Other Noncurrent Assets: Other	**62**	67
Current matur t es of ong term debt	**167**	167
Long Term Debt	**1,475**	1,569
Other Noncurrent L ab t es: AROs	**173**	148
Other Noncurrent L ab t es: Other	**319**	316

NON-CONSOLIDATED VIEs

The fo ow ng tab es summar ze the mpact of non conso dated VIEs on the Conso dated Ba ance Sheets.

	December 31, 2021				
	Duke Energy			Duke	Duke
(in millions)	Pipeline Investments	Commercial Renewables	Total	Energy Ohio	Energy Indiana
Rece vab es from aff ated compan es	**$**	**$**	**$**	**$ 79**	**$ 97**
Investments n equ ty method unconso dated aff ates	**15**	**508**	**523**		
Other noncurrent assets	**61**		**61**		
Tota assets	**$ 76**	**$ 508**	**$ 584**	**$ 79**	**$ 97**
Other current ab t es	**47**	**4**	**51**		
Other noncurrent ab t es	**54**	**3**	**57**		
Tota ab t es	**$ 101**	**$ 7**	**$ 108**	**$**	**$**
Net (ab t es) assets	**$ (25)**	**$ 501**	**$ 476**	**$ 79**	**$ 97**

	December 31, 2020				
	Duke Energy			Duke	Duke
(in millions)	Pipeline Investments	Commercial Renewables	Total	Energy Ohio	Energy Indiana
Rece vab es from aff ated compan es	$	$	$	$ 83	$ 110
Investments n equ ty method unconso dated aff ates		530	530		
Other noncurrent assets	31		31		
Tota assets	$ 31	$ 530	$ 561	$ 83	$ 110
Other current ab t es	928	5	933		
Other noncurrent ab t es	8	10	18		
Tota ab t es	$ 936	$ 15	$ 951	$	$
Net (ab t es) assets	$ (905)	$ 515	$ (390)	$ 83	$ 110

The Duke Energy Reg strants are not aware of any s tuat ons where the max mum exposure to oss s gn f cant y exceeds the carry ng va ues shown above except for certa n renewab e energy project ent t es guarantees for debt serv ces and operat ons and ma ntenance, as d scussed be ow.

Pipeline Investments

Duke Energy has nvestments n var ous jo nt ventures to construct and operate p pe ne projects. These ent t es are cons dered VIEs due to hav ng nsuff c ent equ ty to f nance the r own act v t es w thout subord nated f nanc a support. Duke Energy does not have the power to d rect the act v t es that most s gn f cant y mpact the econom c performance, the ob gat on to absorb osses or the r ght to rece ve benef ts of these VIEs and therefore does not conso date these ent t es.

Duke Energy has a 47% ownersh p nterest n ACP. In 2020, Duke Energy determ ned that t wou d no onger nvest n the construct on of the ACP p pe ne. In February 2021, Duke Energy pa d approx mate y $855 m on to fund ACP's outstand ng debt, re ev ng Duke Energy of ts guarantee. See Notes 3, 7 and 12 for further nformat on regard ng th s transact on.

Commercial Renewables

Duke Energy has nvestments n var ous renewab e energy project ent t es. Duke Energy has a 50% ownersh p n a VIE, wh ch owns a portfo o of w nd projects. Th s ent ty s a VIE as a resu t of Duke Energy ssu ng guarantees for debt serv ce and operat ons and ma ntenance reserves n support of debt f nanc ngs. Duke Energy does not conso date th s VIE because power to d rect and contro key act v t es s shared jo nt y by Duke Energy and the other owner. Duke Energy a so has equ ty ownersh p n an ent ty, wh ch owns a portfo o of fue ce projects. Duke Energy does not conso date the fue ce portfo o as t does not have the power to d rect the act v t es that most s gn f cant y mpact the econom c performance of the ent ty.

OVEC

Duke Energy Oh o's 9% ownersh p nterest n OVEC s cons dered a non conso dated VIE due to OVEC hav ng nsuff c ent equ ty to f nance ts act v t es w thout subord nated f nanc a support. The act v t es that most s gn f cant y mpact OVEC's econom c performance nc ude fue strategy and supp y act v t es and dec s ons assoc ated w th ongo ng operat ons and ma ntenance re ated act v t es. Duke Energy Oh o does not have the un atera power to d rect these act v t es, and therefore, does not conso date OVEC.

As a counterparty to an Inter Company Power Agreement (ICPA), Duke Energy Oh o has a contractua arrangement to rece ve ent t ements to capac ty and energy from OVEC's power p ants through June 2040 commensurate w th ts power part c pat on rat o, wh ch s equ va ent to Duke Energy Oh o's ownersh p nterest. Costs, nc ud ng fue , operat ng expenses, f xed costs, debt amort zat on and nterest expense, are a ocated to counterpart es to the ICPA based on the r power part c pat on rat o. The va ue of the ICPA s subject to var ab ty due to f uctuat on n power pr ces and changes n OVEC's cost of bus ness. See Note 3 for add t ona nformat on.

CRC

See d scuss on under Conso dated VIEs for add t ona nformat on re ated to CRC.

Amounts nc uded n Rece vab es from aff ated compan es n the above tab e for Duke Energy Oh o and Duke Energy Ind ana ref ect the r reta ned nterest n rece vab es so d to CRC. These subord nated notes he d by Duke Energy Oh o and Duke Energy Ind ana are stated at fa r va ue. Carry ng va ues of reta ned nterests are determ ned by a ocat ng carry ng va ue of the rece vab es between assets so d and nterests reta ned based on re at ve fa r va ue. The a ocated bases of the subord nated notes are not mater a y d fferent than the r face va ue because ( ) the rece vab es genera y turnover n ess than two months, ( ) cred t osses are reasonab y pred ctab e due to the broad customer base and ack of s gn f cant concentrat on and ( ) the equ ty n CRC s subord nate to a reta ned nterests and thus wou d absorb osses f rst. The hypothet ca effect on fa r va ue of the reta ned nterests assum ng both a 10% and a 20% unfavorab e var at on n cred t osses or d scount rates s not mater a due to the short turnover of rece vab es and h stor ca y ow cred t oss h story. Interest accrues to Duke Energy Oh o and Duke Energy Ind ana on the reta ned nterests us ng the acceptab e y e d method. Th s method genera y approx mates the stated rate on the notes s nce the a ocated bas s and the face va ue are near y equ va ent. An mpa rment charge s recorded aga nst the carry ng va ue of both reta ned nterests and purchased benef c a nterest whenever t s determ ned that an OTTI has occurred.

Key assumpt ons used n est mat ng fa r va ue are deta ed n the fo ow ng tab e.

	Duke Energy Ohio		Duke Energy Indiana	
	2021	**2020**	**2021**	**2020**
Ant c pated cred t oss rat o	**0.5 %**	0.5 %	**0.3 %**	0.3 %
D scount rate	**1.1 %**	1.6 %	**1.1 %**	1.6 %
Rece vab e turnover rate	**13.5 %**	13.4 %	**11.3 %**	11.3 %

The fo ow ng tab e shows the gross and net rece vab es so d.

	Duke Energy Ohio		Duke Energy Indiana	
	December 31,		December 31,	
(in millions)	**2021**	**2020**	**2021**	**2020**
Rece vab es so d	**$ 269**	$ 270	**$ 328**	$ 344
Less: Reta ned nterests	**79**	83	**97**	110
Net rece vab es so d	**$ 190**	$ 187	**$ 231**	$ 234

The fo ow ng tab e shows sa es and cash f ows re ated to rece vab es so d.

	Duke Energy Ohio			Duke Energy Indiana		
	Years Ended December 31,			Years Ended December 31,		
(in millions)	**2021**	**2020**	**2019**	**2021**	**2020**	**2019**
Sales						
Rece vab es so d	**$ 2,023**	$ 1,905	$ 1,979	**$ 2,909**	$ 2,631	$ 2,837
Loss recogn zed on sa e	**10**	10	14	**13**	12	17
Cash flows						
Cash proceeds from rece vab es so d	**2,018**	1,875	1,993	**2,909**	2,586	2,860
Co ect on fees rece ved	**1**	1	1	**1**	1	1
Return rece ved on reta ned nterests	**4**	4	6	**6**	5	9

Cash f ows from sa es of rece vab es are ref ected w th n Cash F ows From Operat ng Act v t es and Cash F ows from Invest ng Act v t es on Duke Energy Oh o's and Duke Energy Ind ana's Conso dated Statements of Cash F ows.

Co ect on fees rece ved n connect on w th serv c ng transferred accounts rece vab e are nc uded n Operat on, ma ntenance and other on Duke Energy Oh o's and Duke Energy Ind ana's Conso dated Statements of Operat ons and Comprehens ve Income. The oss recogn zed on sa es of rece vab es s ca cu ated month y by mu t p y ng rece vab es so d dur ng the month by the requ red d scount. The requ red d scount s der ved month y ut z ng a three year we ghted average formu a that cons ders charge off h story, ate charge h story and turnover h story on the so d rece vab es, as we as a component for the t me va ue of money. The d scount rate, or component for the t me va ue of money, s the pr or month end LIBOR p us a f xed rate of 1%.

18. REVENUE

Duke Energy recogn zes revenue cons stent w th amounts b ed under tar ff offer ngs or at contractua y agreed upon rates based on actua phys ca de very of e ectr c or natura gas serv ce, nc ud ng est mated vo umes de vered when b ngs have not yet occurred. As such, the major ty of Duke Energy's revenues have f xed pr c ng based on the contractua terms of the pub shed tar ffs, w th var ab ty n expected cash f ows attr butab e to the customer's vo umetr c demand and u t mate quant t es of energy or natura gas supp ed and used dur ng the b ng per od. The stand a one se ng pr ce of re ated sa es are des gned to support recovery of prudent y ncurred costs and an appropr ate return on nvested assets and are pr mar y governed by pub shed tar ff rates or contractua agreements approved by re evant regu atory bod es. As descr bed n Note 1, certa n exc se taxes and franch se fees ev ed by state or oca governments are requ red to be pa d even f not co ected from the customer. These taxes are recogn zed on a gross bas s as part of revenues. Duke Energy e ects to account for a other taxes net of revenues.

Performance ob gat ons are sat sf ed over t me as energy or natura gas s de vered and consumed w th b ngs genera y occurr ng month y and re ated payments due w th n 30 days, depend ng on regu atory requ rements. In no event does the t m ng between payment and de very of the goods and serv ces exceed one year. Us ng th s output method for revenue recogn t on prov des a fa thfu dep ct on of the transfer of e ectr c and natura gas serv ce as customers obta n contro of the commod ty and benef t from ts use at de very. Add t ona y, Duke Energy has an enforceab e r ght to cons derat on for energy or natura gas de vered at any d screte po nt n t me and w recogn ze revenue at an amount that ref ects the cons derat on to wh ch Duke Energy s ent t ed for the energy or natura gas de vered.

As descr bed above, the major ty of Duke Energy's tar ff revenues are at w and, as such, re ated contracts w th customers have an expected durat on of one year or ess and w not have future performance ob gat ons for d sc osure. Add t ona y, other ong term revenue streams, nc ud ng who esa e contracts, genera y prov de serv ces that are part of a s ng e performance ob gat on, the de very of e ectr c ty or natura gas. As such, other than mater a f xed cons derat on under ong term contracts, re ated d sc osures for future performance ob gat ons are a so not app cab e.

Duke Energy earns substant a y a of ts revenues through ts reportab e segments, E ectr c Ut t es and Infrastructure, Gas Ut t es and Infrastructure and Commerc a Renewab es.

Electric Utilities and Infrastructure

E ectr c Ut t es and Infrastructure earns the major ty of ts revenues through reta and who esa e e ectr c serv ce through the generat on, transm ss on, d str but on and sa e of e ectr c ty. Duke Energy genera y prov des reta and who esa e e ectr c serv ce customers w th the r fu e ectr c oad requ rements or w th supp ementa oad requ rements when the customer has other sources of e ectr c ty.

Reta e ectr c serv ce s genera y marketed throughout Duke Energy's e ectr c serv ce terr tory through standard serv ce offers. The standard serv ce offers are through tar ffs determ ned by regu ators n Duke Energy's regu ated serv ce terr tory. Each tar ff, wh ch s ass gned to customers based on customer c ass, has mu t p e components such as an energy charge, a demand charge, a bas c fac t es charge and app cab e r ders. Duke Energy cons ders each of these components to be aggregated nto a s ng e performance ob gat on for prov d ng e ectr c serv ce, or n the case of d str but on on y customers n Duke Energy Oh o, for de ver ng e ectr c ty. E ectr c ty s cons dered a s ng e performance ob gat on sat sf ed over t me cons stent w th the ser es gu dance and s prov ded and consumed over the b ng per od, genera y one month. Reta e ectr c serv ce s typ ca y prov ded to at w customers who can cance serv ce at any t me, w thout a substant ve pena ty. Add t ona y, Duke Energy adheres to app cab e regu atory requ rements n each jur sd ct on to ensure the co ectab ty of amounts b ed and appropr ate m t gat ng procedures are fo owed when necessary. As such, revenue from contracts w th customers for such contracts s equ va ent to the e ectr c ty supp ed and b ed n that per od (nc ud ng unb ed est mates).

Who esa e e ectr c serv ce s genera y prov ded under ong term contracts us ng cost based pr c ng. FERC regu ates costs that may be recovered from customers and the amount of return compan es are perm tted to earn. Who esa e contracts nc ude both energy and demand charges. For fu requ rements contracts, Duke Energy cons ders both charges as a s ng e performance ob gat on for prov d ng ntegrated e ectr c serv ce. For contracts where energy and demand charges are cons dered separate performance ob gat ons, energy and demand are each a d st nct performance ob gat on under the ser es gu dance and are sat sf ed as energy s de vered and stand ready serv ce s prov ded on a month y bas s. Th s serv ce represents consumpt on over the b ng per od and revenue s recogn zed cons stent w th b ngs and unb ed est mates, wh ch genera y occur month y. Contractua amounts owed are typ ca y trued up annua y based upon ncurred costs n accordance w th FERC pub shed f ngs and the spec f c customer's actua peak demand. Est mates of var ab e cons derat on re ated to potent a add t ona b ngs or refunds owed are updated quarter y.

The major ty of who esa e revenues are fu requ rements contracts where the customers purchase the substant a major ty of the r energy needs and do not have a f xed quant ty of contractua y requ red energy or capac ty. As such, re ated forecasted revenues are cons dered opt ona purchases. Supp ementa requ rements contracts that nc ude contracted b ocks of energy and capac ty at contractua y f xed pr ces have the fo ow ng est mated rema n ng performance ob gat ons:

	Remaining Performance Obligations						
(in millions)	2022	2023	2024	2025	2026	Thereafter	Total
Progress Energy	$ 109	$ 53	$ 45	$ 7	$ 7	$ 43	$ 264
Duke Energy Progress	8	8	8				24
Duke Energy F or da	101	45	37	7	7	43	240
Duke Energy Ind ana	1	9	14	14	14	12	64

Revenues for b ock sa es are recogn zed month y as energy s de vered and stand ready serv ce s prov ded, cons stent w th nvo ced amounts and unb ed est mates.

Gas Utilities and Infrastructure

Gas Ut t es and Infrastructure earns ts revenue through reta and who esa e natura gas serv ce through the transportat on, d str but on and sa e of natura gas. Duke Energy genera y prov des reta and who esa e natura gas serv ce customers w th a natura gas oad requ rements. Add t ona y, wh e natura gas can be stored, substant a y a natura gas prov ded by Duke Energy s consumed by customers s mu taneous y w th rece pt of de very.

Reta natura gas serv ce s marketed throughout Duke Energy's natura gas serv ce terr tory us ng pub shed tar ff rates. The tar ff rates are estab shed by regu ators n Duke Energy's serv ce terr tor es. Each tar ff, wh ch s ass gned to customers based on customer c ass, have mu t p e components, such as a commod ty charge, demand charge, customer or month y charge and transportat on costs. Duke Energy cons ders each of these components to be aggregated nto a s ng e performance ob gat on for prov d ng natura gas serv ce. For contracts where Duke Energy prov des a of the customer’s natura gas needs, the de very of natura gas s cons dered a s ng e performance ob gat on sat sf ed over t me, and revenue s recogn zed month y based on b ngs and unb ed est mates as serv ce s prov ded and the commod ty s consumed over the b ng per od. Add t ona y, natura gas serv ce s typ ca y at w and customers can cance serv ce at any t me, w thout a substant ve pena ty. Duke Energy a so adheres to app cab e regu atory requ rements to ensure the co ectab ty of amounts b ed and rece vab e and appropr ate m t gat ng procedures are fo owed when necessary.

Certa n ong term nd v dua y negot ated contracts ex st to prov de natura gas serv ce. These contracts are regu ated and approved by state comm ss ons. The negot ated contracts have mu t p e components, nc ud ng a natura gas and a demand charge, s m ar to reta natura gas contracts. Duke Energy cons ders each of these components to be a s ng e performance ob gat on for prov d ng natura gas serv ce. Th s serv ce represents consumpt on over the b ng per od, genera y one month.

F xed capac ty payments under ong term contracts for the Gas Ut t es and Infrastructure segment nc ude m n mum marg n contracts and supp y arrangements w th mun c pa t es and power generat on fac t es. Revenues for re ated sa es are recogn zed month y as natura gas s de vered and stand ready serv ce s prov ded, cons stent w th nvo ced amounts and unb ed est mates. Est mated rema n ng performance ob gat ons are as fo ows:

	Remaining Performance Obligations						
(in millions)	2022	2023	2024	2025	2026	Thereafter	Total
P edmont	$ 71	$ 64	$ 61	$ 60	$ 50	$ 286	$ 592

Commercial Renewables

Commerc a Renewab es earns the major ty of ts revenues through ong term PPAs and genera y se s a of ts w nd and so ar fac ty output, e ectr c ty and RECs to customers. The major ty of these PPAs have h stor ca y been accounted for as eases. For PPAs that are not accounted for as eases, the de very of e ectr c ty and the de very of RECs are cons dered separate performance ob gat ons.

The de very of e ectr c ty s a performance ob gat on sat sf ed over t me and represents generat on and consumpt on of the e ectr c ty over the b ng per od, genera y one month. The de very of RECs s a performance ob gat on sat sf ed at a po nt n t me and represents de very of each REC generated by the w nd or so ar fac ty. The major ty of se f generated RECs are bund ed w th energy n Duke Energy’s contracts and, as such, re ated revenues are recogn zed as energy s generated and de vered as that pattern s cons stent w th Duke Energy’s performance. Commerc a Renewab es recogn zes revenue based on the energy generated and b ed for the per od, genera y one month, at contractua rates (nc ud ng unb ed est mates) accord ng to the nvo ce pract ca exped ent. Amounts are typ ca y due w th n 30 days of nvo ce.

Commerc a Renewab es a so earns revenues from nsta at on of d str buted so ar generat on resources, wh ch s pr mar y composed of EPC projects to de ver funct on ng so ar power systems, genera y comp eted w th n two to 12 months from commencement of construct on. The nsta at on of d str buted so ar generat on resources s a performance ob gat on that s sat sf ed over t me. Revenue from f xed pr ce EPC contracts s recogn zed us ng the nput method as work s performed based on the est mated rat o of ncurred costs to est mated tota costs.

Other

The rema nder of Duke Energy’s operat ons s presented as Other, wh ch does not nc ude mater a revenues from contracts w th customers.

Disaggregated Revenues

For the E ectr c and Gas Ut ty and Infrastructure segments, revenue by customer c ass s most mean ngfu to Duke Energy as each respect ve customer c ass co ect ve y represents un que customer expectat ons of serv ce, genera y has d fferent energy and demand requ rements, and operates under ta ored, regu atory approved pr c ng structures. Add t ona y, each customer c ass s mpacted d fferent y by weather and a var ety of econom c factors nc ud ng the eve of popu at on growth, econom c nvestment, emp oyment eve s, and regu atory act v t es n each of Duke Energy's jur sd ct ons. As such, ana yz ng revenues d saggregated by customer c ass a ows Duke Energy to understand the nature, amount, t m ng and uncerta nty of revenue and cash f ows ar s ng from contracts w th customers. For the Commerc a Renewab es segment, the major ty of revenues from contracts w th customers are from se ng a of the un t cont ngent output at contractua y def ned pr c ng under ong term PPAs w th cons stent expectat ons regard ng the t m ng and certa nty of cash f ows. D saggregated revenues are presented as fo ows:

	Year Ended December 31, 2021							
(in millions) By market or type of customer	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electric Utilities and Infrastructure								
Res dent a	$ 10,097	$ 3,054	$ 5,084	$ 2,156	$ 2,928	$ 767	$ 1,188	$
Genera	6,375	2,210	2,883	1,378	1,505	440	825	
Industr a	2,924	1,145	894	634	260	135	750	
Who esa e	2,199	472	1,385	1,164	221	56	285	
Other revenues	879	264	716	387	329	83	86	
Tota E ectr c Ut t es and Infrastructure revenue from contracts w th customers	$ 22,474	$ 7,145	$ 10,962	$ 5,719	$ 5,243	$ 1,481	$ 3,134	$
Gas Utilities and Infrastructure								
Res dent a	$ 1,131	$	$	$	$	$ 354	$	$ 777
Commerc a	561					143		418
Industr a	158					20		137
Power Generat on								92
Other revenues	133					28		45
Tota Gas Ut t es and Infrastructure revenue from contracts w th customers	$ 1,983	$	$	$	$	$ 545	$	$ 1,469
Commercial Renewables								
Revenue from contracts w th customers	$ 217	$	$	$	$	$	$	$
Other								
Revenue from contracts w th customers	$ 29	$	$	$	$	$	$	$
Tota revenue from contracts w th customers	$ 24,703	$ 7,145	$ 10,962	$ 5,719	$ 5,243	$ 2,026	$ 3,134	$ 1,469
Other revenue sources[(a)]	$ 394	$ (43)	$ 95	$ 61	$ 16	$ 11	$ 40	$ 100
Tota revenues	$ 25,097	$ 7,102	$ 11,057	$ 5,780	$ 5,259	$ 2,037	$ 3,174	$ 1,569

(a) Other revenue sources nc ude revenues from eases, der vat ves and a ternat ve revenue programs that are not cons dered revenues from contracts w th customers. A ternat ve revenue programs n certa n jur sd ct ons nc ude regu atory mechan sms that per od ca y adjust for over or under co ect on of re ated revenues.

(in millions) By market or type of customer	Year Ended December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electric Utilities and Infrastructure								
Res dent a	$ 9,806	$ 2,997	$ 5,017	$ 2,059	$ 2,958	$ 726	$ 1,064	$
Genera	6,194	2,233	2,779	1,312	1,467	442	740	
Industr a	2,859	1,137	901	649	252	137	683	
Who esa e	1,864	380	1,228	1,034	194	32	224	
Other revenues	914	281	596	294	302	82	72	
Tota E ectr c Ut t es and Infrastructure revenue from contracts w th customers	$ 21,637	$ 7,028	$ 10,521	$ 5,348	$ 5,173	$ 1,419	$ 2,783	$
Gas Utilities and Infrastructure								
Res dent a	$ 930	$	$	$	$	$ 300	$	$ 630
Commerc a	446					117		329
Industr a	127					17		110
Power Generat on								34
Other revenues	87					17		70
Tota Gas Ut t es and Infrastructure revenue from contracts w th customers	$ 1,590	$	$	$	$	$ 451	$	$ 1,173
Commercial Renewables								
Revenue from contracts w th customers	$ 227	$	$	$	$	$	$	$
Other								
Revenue from contracts w th customers	$ 26	$	$	$	$	$	$	$
Tota revenue from contracts w th customers	$ 23,480	$ 7,028	$ 10,521	$ 5,348	$ 5,173	$ 1,870	$ 2,783	$ 1,173
Other revenue sources[(a)]	$ 388	$ (13)	$ 106	$ 74	$ 15	$ (12)	$ 12	$ 124
Tota revenues	$ 23,868	$ 7,015	$ 10,627	$ 5,422	$ 5,188	$ 1,858	$ 2,795	$ 1,297

(a) Other revenue sources nc ude revenues from eases, der vat ves and a ternat ve revenue programs that are not cons dered revenues from contracts w th customers. A ternat ve revenue programs n certa n jur sd ct ons nc ude regu atory mechan sms that per od ca y adjust for over or under co ect on of re ated revenues.

(in millions) By market or type of customer	Year Ended December 31, 2019							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electric Utilities and Infrastructure								
Res dent a	$ 9,863	$ 3,044	$ 4,998	$ 2,144	$ 2,854	$ 733	$ 1,087	$
Genera	6,431	2,244	2,935	1,368	1,567	451	802	
Industr a	3,071	1,215	934	675	259	147	774	
Who esa e	2,212	462	1,468	1,281	187	46	235	
Other revenues	770	276	548	317	231	80	89	
Tota E ectr c Ut t es and Infrastructure revenue from contracts w th customers	$ 22,347	$ 7,241	$ 10,883	$ 5,785	$ 5,098	$ 1,457	$ 2,987	$
Gas Utilities and Infrastructure								
Res dent a	$ 976	$	$	$	$	$ 315	$	$ 661
Commerc a	508					130		378
Industr a	141					19		122
Power Generat on								51
Other revenues	129					19		110
Tota Gas Ut t es and Infrastructure revenue from contracts w th customers	$ 1,754	$	$	$	$	$ 483	$	$ 1,322
Commercial Renewables								
Revenue from contracts w th customers	$ 223	$	$	$	$	$	$	$
Other								
Revenue from contracts w th customers	$ 24	$	$	$	$	$	$	$
Tota revenue from contracts w th customers	$ 24,348	$ 7,241	$ 10,883	$ 5,785	$ 5,098	$ 1,940	$ 2,987	$ 1,322
Other revenue sources[(a)]	$ 731	$ 154	$ 319	$ 172	$ 133	$	$ 17	$ 59
Tota revenues	$ 25,079	$ 7,395	$ 11,202	$ 5,957	$ 5,231	$ 1,940	$ 3,004	$ 1,381

(a) Other revenue sources nc ude revenues from eases, der vat ves and a ternat ve revenue programs that are not cons dered revenues from contracts w th customers. A ternat ve revenue programs n certa n jur sd ct ons nc ude regu atory mechan sms that per od ca y adjust for over or under co ect on of re ated revenues.

As descr bed n Note 1, Duke Energy adopted the new gu dance for cred t osses effect ve January 1, 2020, us ng the mod f ed retrospect ve method of adopt on, wh ch does not requ re restatement of pr or year reported resu ts. The fo ow ng tab e presents the reserve for cred t osses for trade and other rece vab es based on adopt on of the new standard.

(in millions)	Years Ended December 31, 2020 and 2021							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Ba ance at December 31, 2019	$ 76	$ 10	$ 16	$ 8	$ 7	$ 4	$ 3	$ 6
Cumu at ve Change n Account ng Pr nc p e	5	1	2	1	1			1
Wr te Offs	(58)	(13)	(23)	(8)	(14)			(6)
Cred t Loss Expense	75	13	29	9	20			11
Other Adjustments	48	12	13	13				
Balance at December 31, 2020	**$ 146**	**$ 23**	**$ 37**	**$ 23**	**$ 14**	**$ 4**	**$ 3**	**$ 12**
Wr te Offs	(58)	(21)	(25)	(12)	(13)			(9)
Cred t Loss Expense	54	27	25	11	14			7
Other Adjustments	(20)	13	(1)	(1)	1			5
Balance at December 31, 2021	**$ 122**	**$ 42**	**$ 36**	**$ 21**	**$ 16**	**$ 4**	**$ 3**	**$ 15**

Trade and other rece vab es are eva uated based on an est mate of the r sk of oss over the fe of the rece vab e and current and h stor ca cond t ons us ng supportab e assumpt ons. Management eva uates the r sk of oss for trade and other rece vab es by compar ng the h stor ca wr te off amounts to tota revenue over a spec f ed per od. H stor ca oss rates are adjusted due to the mpact of current cond t ons, as we as forecasted cond t ons over a reasonab e t me per od. The ca cu ated wr te off rate can be app ed to the rece vab e ba ance for wh ch an estab shed reserve does not a ready ex st. Management rev ews the assumpt ons and r sk of oss per od ca y for trade and other rece vab es.

The ag ng of trade rece vab es s presented n the tab e be ow. Duke Energy cons ders rece vab es greater than 30 days outstand ng past due.

	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unb ed Rece vab es[(a)(b)]	$ 964	$ 316	$ 266	$ 193	$ 73	$ 4	$ 27	$ 106
0 30 days	2,104	595	800	405	393	42	51	202
30 60 days	212	77	72	44	28	4	13	12
60 90 days	88	37	41	21	20	1	1	2
90+ days	249	106	65	37	28	47	11	7
Deferred Payment Arrangements[(c)]	115	55	45	22	23	2		4
Trade and Other Receivables	**$ 3,732**	**$ 1,186**	**$ 1,289**	**$ 722**	**$ 565**	**$ 100**	**$ 103**	**$ 333**

	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unb ed Rece vab es[(a)(b)]	$ 969	$ 328	$ 283	$ 167	$ 116	$ 2	$ 16	$ 86
0 30 days	1,789	445	707	398	307	60	26	149
30 60 days	185	80	54	25	29	8	3	8
60 90 days	22	1	10	4	6	2	1	3
90+ days	119	16	32	9	23	30	12	9
Deferred Payment Arrangements[(c)]	215	96	80	52	28			7
Trade and Other Receivables	**$ 3,299**	**$ 966**	**$ 1,166**	**$ 655**	**$ 509**	**$ 102**	**$ 58**	**$ 262**

(a) Unb ed revenues are recogn zed by app y ng customer b ng rates to the est mated vo umes of energy or natura gas de vered but not yet b ed and are nc uded w th n Rece vab es and Rece vab es of VIEs on the Conso dated Ba ance Sheets.

(b) Duke Energy Oh o and Duke Energy Ind ana se , on a revo v ng bas s, near y a of the r reta accounts rece vab e, nc ud ng rece vab es for unb ed revenues, to an aff ate, CRC, and account for the transfers of rece vab es as sa es. Accord ng y, the rece vab es so d are not ref ected on the Conso dated Ba ance Sheets of Duke Energy Oh o and Duke Energy Ind ana. See Note 17 for further nformat on. These rece vab es for unb ed revenues are $82 m on and $121 m on for Duke Energy Oh o and Duke Energy Ind ana, respect ve y, as of December 31, 2021, and $87 m on and $134 m on for Duke Energy Oh o and Duke Energy Ind ana, respect ve y, as of December 31, 2020.

(c) Due to certa n customer f nanc a hardsh ps created by the COVID 19 pandem c and resu t ng stay at home orders, Duke Energy perm tted customers to defer payment of past due amounts through an nsta ment payment p an over a per od of severa months.

19. STOCKHOLDERS' EQUITY

Bas c EPS s computed by d v d ng net ncome ava ab e to Duke Energy common stockho ders, as adjusted for d str buted and und str buted earn ngs a ocated to part c pat ng secur t es and accumu ated preferred d v dends, by the we ghted average number of common shares outstand ng dur ng the per od. D uted EPS s computed by d v d ng net ncome ava ab e to Duke Energy common stockho ders, as adjusted for d str buted and und str buted earn ngs a ocated to part c pat ng secur t es and accumu ated preferred d v dends, by the d uted we ghted average number of common shares outstand ng dur ng the per od. D uted EPS ref ects the potent a d ut on that cou d occur f secur t es or other agreements to ssue common stock, such as equ ty forward sa e agreements, were exerc sed or sett ed. Duke Energy's part c pat ng secur t es are RSUs that are ent t ed to d v dends dec ared on Duke Energy common stock dur ng the RSUs vest ng per ods. D v dends dec ared on preferred stock are recorded on the Conso dated Statements of Operat ons as a reduct on of net ncome to arr ve at net ncome ava ab e to Duke Energy common stockho ders. D v dends accumu ated on preferred stock are an adjustment to net ncome used n the ca cu at on of bas c and d uted EPS.

The fo ow ng tab e presents Duke Energy's bas c and d uted EPS ca cu at ons, the we ghted average number of common shares outstand ng and common and preferred share d v dends dec ared.

(in millions, except per share amounts)	Years Ended December 31, 2021	2020	2019
Net Income ava ab e to Duke Energy common stockho ders	**$ 3,802**	$ 1,270	$ 3,707
Less: Income (Loss) from d scont nued operat ons	**7**	7	(7)
Accumu ated preferred stock d v dends adjustment		1	(15)
Less: Impact of part c pat ng secur t es	**4**	2	5
Income from cont nu ng operat ons ava ab e to Duke Energy common stockho ders	**$ 3,791**	$ 1,262	$ 3,694
We ghted average common shares outstand ng bas c	**769**	737	729
Equ ty forwards		1	
We ghted average common shares outstand ng d uted	**769**	738	729
EPS from cont nu ng operat ons ava ab e to Duke Energy common stockho ders			
Bas c and D uted	**$ 4.93**	$ 1.71	$ 5.07
Potent a y d ut ve tems exc uded from the ca cu at on[(a)]	**2**	2	2
D v dends dec ared per common share	**$ 3.90**	$ 3.82	$ 3.75
D v dends dec ared on Ser es A preferred stock per depos tary share	**$ 1.437**	$ 1.437	$ 1.03
D v dends dec ared on Ser es B preferred stock per share	**$ 48.750**	$ 49.292	$

(a) Performance stock awards were not nc uded n the d ut ve secur t es ca cu at on because the performance measures re ated to the awards had not been met.

Common Stock

In November 2019, Duke Energy f ed a prospectus supp ement and executed an Equ ty D str but on Agreement (EDA) under wh ch t may se up to $1.5 b on of ts common stock through a new at the market (ATM) offer ng program, nc ud ng an equ ty forward sa es component. Under the terms of the EDA, Duke Energy may ssue and se shares of common stock through September 2022.

Separate y, n November 2019, Duke Energy marketed an equ ty offer ng of 28.75 m on shares of common stock through an Underwr t ng Agreement. In connect on w th the offer ng, Duke Energy entered nto equ ty forward sa es agreements w th an n t a forward pr ce of $85.99 per share. In March 2020, Duke Energy marketed approx mate y 940,000 shares of common stock through an equ ty forward transact on under the ATM w th an n t a forward pr ce of $89.76 per share. In May 2020, Duke Energy marketed approx mate y 903,000 shares of common stock through an equ ty forward transact on under the ATM w th an n t a forward pr ce of $82.44 per share. In August 2020, Duke Energy marketed approx mate y 936,000 shares of common stock through an equ ty forward transact on under the ATM w th an n t a forward pr ce of $79.52 per share.

In December 2020, Duke Energy phys ca y sett ed the equ ty forwards by de ver ng 32 m on shares of common stock n exchange for net cash proceeds of approx mate y $2.6 b on.

Preferred Stock

On March 29, 2019, Duke Energy comp eted the ssuance of 40 m on depos tary shares, each represent ng 1/1,000th share of ts Ser es A Cumu at ve Redeemab e Perpetua Preferred Stock, at a pr ce of $25 per depos tary share. The transact on resu ted n net proceeds of $973 m on after ssuance costs w th proceeds used for genera corporate purposes and to reduce short term debt. The preferred stock has a $25 qu dat on preference per depos tary share and earns d v dends on a cumu at ve bas s at a rate of 5.75% per annum. D v dends are payab e quarter y n arrears on the 16th day of March, June, September and December, and began on June 16, 2019.

The Ser es A Preferred Stock has no matur ty or mandatory redempt on date, s not redeemab e at the opt on of the ho ders and nc udes separate ca opt ons. The f rst ca opt on a ows Duke Energy to ca the Ser es A Preferred Stock at a redempt on pr ce of $25.50 per depos tary share pr or to June 15, 2024, n who e but not n part, at any t me w th n 120 days after a rat ngs event where a rat ng agency amends, c ar f es or changes the cr ter a t uses to ass gn equ ty cred t for secur t es such as the preferred stock. The second ca opt on a ows Duke Energy to ca the preferred stock, n who e or n part, at any t me, on or after June 15, 2024, at a redempt on pr ce of $25 per depos tary share. Duke Energy s a so requ red to redeem a accumu ated and unpa d d v dends f e ther ca opt on s exerc sed.

On September 12, 2019, Duke Energy comp eted the ssuance of 1 m on shares of ts Ser es B F xed Rate Reset Cumu at ve Redeemab e Perpetua Preferred Stock, at a pr ce of $1,000 per share. The transact on resu ted n net proceeds of $989 m on after ssuance costs w th proceeds be ng used to pay down short term debt, repay at matur ty $500 m on sen or notes due September 2019, and for genera corporate purposes. The preferred stock has a $1,000 qu dat on preference per share and earns d v dends on a cumu at ve bas s at an n t a rate of 4.875% per annum. D v dends are payab e sem annua y n arrears on the 16th day of March and September, and began on March 16, 2020. On September 16, 2024, the F rst Ca Date, and any f fth ann versary of the F rst Ca Date (each a Reset Date), the d v dend rate w reset based on the then current f ve year U.S. Treasury rate p us a spread of 3.388%.

The Ser es B Preferred Stock has no matur ty or mandatory redempt on date, s not redeemab e at the opt on of the ho ders and nc udes separate ca opt ons. The f rst ca opt on a ows Duke Energy to ca the Ser es B Preferred Stock at a redempt on pr ce of $1,020 per share, n who e but not n part, at any t me w th n 120 days after a rat ngs event. The second ca opt on a ows Duke Energy to ca the preferred stock, n who e or n part, on the F rst Ca Date or any subsequent Reset Date at a redempt on pr ce n cash equa to $1,000 per share. Duke Energy s a so requ red to redeem a accumu ated and unpa d d v dends f e ther ca opt on s exerc sed.

D v dends ssued on ts Ser es A and Ser es B Preferred Stock are subject to approva by the Board of D rectors. However, the deferra of d v dend payments on the preferred stock proh b ts the dec arat on of common stock d v dends.

The Ser es A and Ser es B Preferred Stock rank, w th respect to d v dends and d str but ons upon qu dat on or d sso ut on:

- sen or to Common Stock and to each other c ass or ser es of cap ta stock estab shed after the or g na ssue date of the Ser es A and Ser es B Preferred Stock that s express y made subord nated to the Ser es A and Ser es B Preferred Stock;
- on a par ty w th any c ass or ser es of cap ta stock estab shed after the or g na ssue date of the Ser es A and Ser es B Preferred Stock that s not express y made sen or or subord nated to the Ser es A or Ser es B Preferred Stock;
- jun or to any c ass or ser es of cap ta stock estab shed after the or g na ssue date of the Ser es A and Ser es B Preferred Stock that s express y made sen or to the Ser es A or Ser es B Preferred Stock;
- jun or to a ex st ng and future ndebtedness (nc ud ng ndebtedness outstand ng under Duke Energy's cred t fac t es, unsecured sen or notes, jun or subord nated debentures and commerc a paper) and other ab t es w th respect to assets ava ab e to sat sfy c a ms aga nst Duke Energy; and
- structura y subord nated to ex st ng and future ndebtedness and other ab t es of Duke Energy's subs d ar es and future preferred stock of subs d ar es.

Ho ders of Ser es A and Ser es B Preferred Stock have no vot ng r ghts w th respect to matters that genera y requ re the approva of vot ng stockho ders. The m ted vot ng r ghts of ho ders of Ser es A and Ser es B Preferred Stock nc ude the r ght to vote as a s ng e c ass, respect ve y, on certa n matters that may affect the preference or spec a r ghts of the preferred stock, except n the nstance that Duke Energy e ects to defer the payment of d v dends for a tota of s x quarter y fu d v dend per ods for Ser es A Preferred Stock or three sem annua fu d v dend per ods for Ser es B Preferred Stock. If d v dends are deferred for a cumu at ve tota of s x quarter y fu d v dend per ods for Ser es A Preferred Stock or three sem annua fu d v dend per ods for Ser es B Preferred Stock, whether or not for consecut ve d v dend per ods, ho ders of the respect ve preferred stock have the r ght to e ect two add t ona Board members to the Board of D rectors.

20. SEVERANCE

Dur ng 2021, Duke Energy rev ewed ts operat ons and dent f ed opportun t es for mprovement to better serve ts customers. Th s operat ona rev ew nc uded workforce rea gnment to ensure the company s staffed w th the r ght sk sets and number of teammates to execute the ong term v s on for Duke Energy. As such, Duke Energy extended nvo untary severance benef ts to certa n emp oyees n spec f c areas as a part of these workforce rea gnment efforts.

Dur ng 2020, as a resu t of part a sett ements between Duke Energy Caro nas, Duke Energy Progress and the Pub c Staff, Duke Energy Caro nas and Duke Energy Progress deferred as Regu atory assets on the Conso dated Ba ance Sheets, approx mate y $65 m on and $33 m on, respect ve y, of prev ous y recorded severance charges w th n Operat on, ma ntenance and other on the Conso dated Statements of Operat ons. These severance charges were prev ous y recorded dur ng 2018, as Duke Energy rev ewed ts operat ons and dent f ed opportun t es for mprovement to better serve ts customers. Th s operat ona rev ew nc uded the company's workforce strategy and staff ng eve s to ensure the company was staffed w th the r ght sk sets and number of teammates to execute the ong term v s on for Duke Energy. As such, Duke Energy extended vo untary and nvo untary severance benef ts to certa n emp oyees n spec f c areas as a part of workforce p ann ng and d g ta transformat on efforts.

The fo ow ng tab e presents the d rect and a ocated severance and re ated charges accrued for approx mate y 290 emp oyees n 2021, 30 emp oyees n 2020 and 140 emp oyees n 2019, by the Duke Energy Reg strants w th n Operat on, ma ntenance and other on the Conso dated Statements of Operat ons.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Year Ended December 31, 2021[a][b]	**$ 69**	**$ 33**	**$ 26**	**$ 20**	**$ 6**	**$ 2**	**$ 3**	**$ 2**
Year Ended December 31, 2020[c][d]	(85)	(58)	(28)	(31)	3			
Year Ended December 31, 2019	16	8	6	3	3		1	1

(a) Inc udes amort zat on of deferred severance charges of approx mate y $33 m on, $22 m on, $11 m on and $11 m on for Duke Energy, Duke Energy Caro nas, Progress Energy and Duke Energy Progress, respect ve y.

(b) Inc udes adjustments assoc ated w th 2018 severance charges of approx mate y $(3) m on, $(2) m on and $(1) m on for Duke Energy, Duke Energy Caro nas and Duke Energy Ind ana, respect ve y.

(c) Inc udes unamort zed deferred severance charges of approx mate y $(86) m on, $(57) m on, $(29) m on and $(29) m on for Duke Energy, Duke Energy Caro nas, Progress Energy and Duke Energy Progress, respect ve y.

(d) Inc udes adjustments assoc ated w th 2018 severance charges of approx mate y $(6) m on, $(2) m on, $(3) m on and $(2) m on for Duke Energy, Duke Energy Caro nas, Progress Energy and Duke Energy Progress, respect ve y.

The tab e be ow presents the severance ab ty for past and ongo ng severance p ans nc ud ng the p ans descr bed above.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Ba ance at December 31, 2020	$ 11	$ 2	$ 3	$ 1	$ 2	$	$ 1	$
Prov s on/Adjustments	**36**	**1**	**1**	**1**				
Cash Reduct ons	**(8)**	**(1)**	**(2)**	**(1)**	**(1)**		**(1)**	
Balance at December 31, 2021	**$ 39**	**$ 2**	**$ 2**	**$ 1**	**$ 1**	**$**	**$**	**$**

21. STOCK-BASED COMPENSATION

The Duke Energy Corporat on 2015 Long Term Incent ve P an (the 2015 P an) prov des for the grant of stock based compensat on awards to emp oyees and outs de d rectors. The 2015 P an reserves 10 m on shares of common stock for ssuance. Duke Energy has h stor ca y ssued new shares upon exerc s ng or vest ng of share based awards. However, Duke Energy may use a comb nat on of new share ssuances and open market repurchases for share based awards that are exerc sed or vest n the future. Duke Energy has not determ ned w th certa nty the amount of such new share ssuances or open market repurchases.

The fo ow ng tab e summar zes the tota expense recogn zed by the Duke Energy Reg strants, net of tax, for stock based compensat on.

	Years Ended December 31,		
(in millions)	2021	2020	2019
Duke Energy	**$ 64**	$ 61	$ 65
Duke Energy Caro nas	**23**	22	24
Progress Energy	**24**	23	24
Duke Energy Progress	**15**	15	15
Duke Energy F or da	**9**	9	9
Duke Energy Oh o	**5**	4	5
Duke Energy Ind ana	**6**	6	6
P edmont	**3**	3	3

Duke Energy's pretax stock based compensat on costs, the tax benef t assoc ated w th stock based compensat on expense and stock based compensat on costs cap ta zed are nc uded n the fo ow ng tab e.

	Years Ended December 31,		
(in millions)	2021	2020	2019
RSU awards	**$ 49**	$ 46	$ 44
Performance awards	**39**	38	45
Pretax stock based compensat on cost	**$ 88**	$ 84	$ 89
Stock based compensat on costs cap ta zed	**5**	5	5
Stock based compensat on expense	**$ 83**	$ 79	$ 84
Tax benef t assoc ated w th stock based compensat on expense	**$ 19**	$ 18	$ 19

RESTRICTED STOCK UNIT AWARDS

RSU awards genera y vest over per ods from mmed ate to three years. Fa r va ue amounts are based on the market pr ce of Duke Energy's common stock on the grant date. The fo ow ng tab e nc udes nformat on re ated to RSU awards.

	Years Ended December 31,		
	2021	2020	2019
Shares granted (n thousands)	**673**	498	571
Fa r va ue (n m ons)	**$ 59**	$ 50	$ 51

The fo ow ng tab e summar zes nformat on about RSU awards outstand ng.

	Shares (in thousands)	Weighted Average Grant Date Fair Value (per share)
Outstand ng at December 31, 2020	939	$ 93
Granted	**673**	**88**
Vested	**(502)**	**89**
Forfe ted	**(67)**	**92**
Outstand ng at December 31, 2021	**1,043**	**92**
RSU awards expected to vest	**996**	**92**

The tota grant date fa r va ue of shares vested dur ng the years ended December 31, 2021, 2020 and 2019, was $45 m on, $43 m on and $49 m on, respect ve y. At December 31, 2021, Duke Energy had $35 m on of unrecogn zed compensat on cost, wh ch s expected to be recogn zed over a we ghted average per od of 23 months.

PERFORMANCE AWARDS

Stock based performance awards genera y vest after three years f performance targets are met. The actua number of shares ssued w range from zero to 200% of target shares, depend ng on the eve of performance ach eved.

Performance awards conta n performance cond t ons and a market cond t on. The performance cond t ons are based on Duke Energy's cumu at ve adjusted EPS and tota nc dent case rate (tota nc dent case rate s one of our key emp oyee safety metr cs). The market cond t on s based on TSR of Duke Energy re at ve to a predef ned peer group.

Re at ve TSR s va ued us ng a path dependent mode that ncorporates expected re at ve TSR nto the fa r va ue determ nat on of Duke Energy's performance based share awards. The mode uses three year h stor ca vo at t es and corre at ons for a compan es n the predef ned peer group, nc ud ng Duke Energy, to s mu ate Duke Energy's re at ve TSR as of the end of the performance per od. For each s mu at on, Duke Energy's re at ve TSR assoc ated w th the s mu ated stock pr ce at the end of the performance per od p us expected d v dends w th n the per od resu ts n a va ue per share for the award portfo o. The average of these s mu at ons s the expected portfo o va ue per share. Actua fe to date resu ts of Duke Energy's re at ve TSR for each grant are ncorporated w th n the mode . For performance awards granted n 2021, the mode used a r sk free nterest rate of 0.24%, wh ch ref ects the y e d on three year Treasury bonds as of the grant date, and an expected vo at ty of 26.9% based on Duke Energy's h stor ca vo at ty over three years us ng da y stock pr ces.

The fo ow ng tab e nc udes nformat on re ated to stock based performance awards.

	Years Ended December 31,		
	2021	2020	2019
Shares granted assum ng target performance (n thousands)	**380**	319	320
Fa r va ue (n m ons)	**$ 33**	$ 34	$ 27

The fo ow ng tab e summar zes nformat on about stock based performance awards outstand ng and assumes payout at the target eve .

	Shares (in thousands)	Weighted Average Grant Date Fair Value (per share)
Outstand ng at December 31, 2020	962	$ 87
Granted	**380**	**88**
Vested	**(346)**	**73**
Forfe ted	**(44)**	**92**
Outstand ng at December 31, 2021	**952**	**93**
Stock based performance awards expected to vest	**927**	**93**

The tota grant date fa r va ue of shares vested dur ng the years ended December 31, 2021, and 2020, was $25 m on and $36 m on, respect ve y. At December 31, 2021, Duke Energy had $20 m on of unrecogn zed compensat on cost, wh ch s expected to be recogn zed over a we ghted average per od of 22 months.

22. EMPLOYEE BENEFIT PLANS

DEFINED BENEFIT RETIREMENT PLANS

Duke Energy and certa n subs d ar es ma nta n, and the Subs d ary Reg strants part c pate n, qua f ed, non contr butory def ned benef t ret rement p ans. The Duke Energy p ans cover most emp oyees us ng a cash ba ance formu a. Under a cash ba ance formu a, a p an part c pant accumu ates a ret rement benef t cons st ng of pay cred ts based upon a percentage of current e g b e earn ngs, age or age and years of serv ce and nterest cred ts. Certa n emp oyees are e g b e for benef ts that use a f na average earn ngs formu a. Under these f na average earn ngs formu as, a p an part c pant accumu ates a ret rement benef t equa to the sum of percentages of the r ( ) h ghest three , four , or f ve year average earn ngs, ( ) h ghest three , four , or f ve year average earn ngs n excess of covered compensat on per year of part c pat on (max mum of 35 years) or ( ) h ghest three year average earn ngs t mes years of part c pat on n excess of 35 years. Duke Energy a so ma nta ns, and the Subs d ary Reg strants part c pate n, non qua f ed, non contr butory def ned benef t ret rement p ans that cover certa n execut ves. The qua f ed and non qua f ed, non contr butory def ned benef t p ans are c osed to new part c pants.

Duke Energy uses a December 31 measurement date for ts def ned benef t ret rement p an assets and ob gat ons. Actuar a osses exper enced by the def ned benef t ret rement p ans n remeasur ng p an assets as of December 31, 2021, were pr mar y attr butab e to actua nvestment performance that was ess than expected nvestment performance. Actuar a ga ns exper enced by the def ned benef t ret rement p ans n remeasur ng p an ob gat ons as of December 31, 2021, were pr mar y attr butab e to the ncrease n the d scount rate used to measure p an ob gat ons. Actuar a ga ns exper enced by the def ned benef t ret rement p ans n remeasur ng p an assets as of December 31, 2020, were attr butab e to actua nvestment performance that exceeded expected nvestment performance. Actuar a osses exper enced by the def ned benef t ret rement p ans n remeasur ng p an ob gat ons as of December 31, 2020, were pr mar y attr butab e to the decrease n the d scount rate used to measure p an ob gat ons.

Net per od c benef t costs d sc osed n the tab es be ow represent the cost of the respect ve benef t p an for the per ods presented pr or to cap ta zat on of amounts ref ected as Net property, p ant and equ pment, on the Conso dated Ba ance Sheets. On y the serv ce cost component of net per od c benef t costs s e g b e to be cap ta zed. The rema n ng non cap ta zed port ons of net per od c benef t costs are c ass f ed as e ther: (1) serv ce cost, wh ch s recorded n Operat ons, ma ntenance and other on the Conso dated Statements of Operat ons; or as (2) components of non serv ce cost, wh ch s recorded n Other ncome and expenses, net on the Conso dated Statements of Operat ons. Amounts presented n the tab es be ow for the Subs d ary Reg strants represent the amounts of pens on and other post ret rement benef t cost a ocated by Duke Energy for emp oyees of the Subs d ary Reg strants. Add t ona y, the Conso dated Statements of Operat ons of the Subs d ary Reg strants a so nc ude a ocated net per od c benef t costs for the r proport onate share of pens on and post ret rement benef t cost for emp oyees of Duke Energy's shared serv ces aff ate that prov de support to the Subs d ary Reg strants. However, n the tab es be ow, these amounts are on y presented w th n the Duke Energy co umn (except for amort zat on of sett ement charges). These a ocated amounts are nc uded n the governance and shared serv ce costs d scussed n Note 13.

Duke Energy's po cy s to fund amounts on an actuar a bas s to prov de assets suff c ent to meet benef t payments to be pa d to p an part c pants. Duke Energy does not ant c pate mak ng any contr but ons n 2022. The fo ow ng tab e nc udes nformat on re ated to the Duke Energy Reg strants' contr but ons to ts qua f ed def ned benef t pens on p ans.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Contributions Made:								
2021	$	$	$	$	$	$	$	$
2020								
2019	77	7	57	4	53	2	2	1

QUALIFIED PENSION PLANS

Components of Net Periodic Pension Costs

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Serv ce cost	$ 176	$ 56	$ 50	$ 29	$ 21	$ 5	$ 10	$ 6
Interest cost on projected benef t ob gat on	220	51	70	30	39	13	18	7
Expected return on p an assets	(558)	(141)	(187)	(84)	(102)	(28)	(40)	(20)
Amort zat on of actuar a oss	133	29	38	18	20	7	13	10
Amort zat on of pr or serv ce cred t	(29)	(8)	(2)	(1)	(1)	(1)	(2)	(9)
Amort zat on of sett ement charges	9	5	2	2	1			1
Net per od c pens on costs[(a)(b)]	$ (49)	$ (8)	$ (29)	$ (6)	$ (22)	$ (4)	$ (1)	$ (5)

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Serv ce cost	$ 165	$ 51	$ 48	$ 27	$ 21	$ 5	$ 9	$ 6
Interest cost on projected benef t ob gat on	269	62	85	38	46	15	22	9
Expected return on p an assets	(572)	(145)	(190)	(87)	(101)	(28)	(42)	(21)
Amort zat on of actuar a oss	128	28	41	18	23	6	12	9
Amort zat on of pr or serv ce cred t	(32)	(8)	(3)	(2)	(1)		(2)	(9)
Amort zat on of sett ement charges	18	9	7	6	1		1	1
Net per od c pens on costs[(a)(b)]	$ (24)	$ (3)	$ (12)	$	$ (11)	$ (2)	$	$ (5)

	Year Ended December 31, 2019							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Serv ce cost	$ 158	$ 49	$ 46	$ 26	$ 20	$ 4	$ 9	$ 5
Interest cost on projected benef t ob gat on	317	75	100	45	54	18	26	10
Expected return on p an assets	(567)	(147)	(178)	(88)	(89)	(28)	(43)	(22)
Amort zat on of actuar a oss	108	24	39	15	24	4	8	8
Amort zat on of pr or serv ce cred t	(32)	(8)	(3)	(2)	(1)		(2)	(9)
Amort zat on of sett ement charge	6	2	1	1		2		
Net per od c pens on costs[(a)(b)]	$ (10)	$ (5)	$ 5	$ (3)	$ 8	$	$ (2)	$ (8)

(a) Duke Energy amounts exc ude $3 m on, $4 m on and $4 m on for the years ended December 2021, 2020 and 2019, respect ve y, of regu atory asset amort zat on resu t ng from purchase account ng adjustments assoc ated w th Duke Energy's merger w th C nergy n Apr 2006.

(b) Duke Energy Oh o amounts exc ude $1 m on, $2 m on and $2 m on for the years ended December 2021, 2020 and 2019, respect ve y, of regu atory asset amort zat on resu t ng from purchase account ng adjustments assoc ated w th Duke Energy's merger w th C nergy n Apr 2006.

Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Assets

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Regu atory assets, net decrease	**$ (261)**	**$ (57)**	**$ (128)**	**$ (31)**	**$ (97)**	**$ (17)**	**$ (19)**	**$ (5)**
Accumu ated other comprehens ve oss (ncome)								
Deferred ncome tax expense	**$ 1**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Amort zat on of pr or year serv ce cred t	**1**							
Amort zat on of pr or year actuar a osses	**(8)**		**(1)**					
Net amount recogn zed n accumu ated other comprehens ve ncome	**$ (6)**	**$**	**$ (1)**	**$**	**$**	**$**	**$**	**$**

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Regu atory assets, net (decrease) ncrease	$ (62)	$ (39)	$ (26)	$ (30)	$ 4	$ (2)	$ 5	$ (1)
Accumu ated other comprehens ve oss (ncome)								
Deferred ncome tax expense	$ 2	$	$ 1	$	$ 1	$	$	$
Amort zat on of pr or year serv ce cred t	1							
Amort zat on of pr or year actuar a osses	(11)		(1)		(3)			
Net amount recogn zed n accumu ated other comprehens ve ncome	$ (8)	$	$	$	$ (2)	$	$	$

Reconciliation of Funded Status to Net Amount Recognized

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Change in Projected Benefit Obligation								
Ob gat on at pr or measurement date	$ 8,634	$ 1,988	$ 2,715	$ 1,193	$ 1,507	$ 502	$ 715	$ 293
Serv ce cost	168	54	48	28	20	5	9	6
Interest cost	220	51	70	30	39	13	18	7
Actuar a ga n	(200)	(42)	(108)	(18)	(89)	(10)	(10)	(5)
Benef ts pa d	(615)	(148)	(161)	(80)	(81)	(50)	(52)	(28)
Transfers			(4)		(4)	(10)		
Ob gat on at measurement date	$ 8,207	$ 1,903	$ 2,560	$ 1,153	$ 1,392	$ 450	$ 680	$ 273
Accumulated Benefit Obligation at measurement date	$ 8,144	$ 1,904	$ 2,529	$ 1,154	$ 1,361	$ 439	$ 672	$ 274
Change in Fair Value of Plan Assets								
P an assets at pr or measurement date	$ 9,337	$ 2,381	$ 3,049	$ 1,422	$ 1,605	$ 472	$ 684	$ 343
Actua return on p an assets	513	132	169	79	90	26	37	19
Benef ts pa d	(615)	(148)	(161)	(80)	(81)	(50)	(52)	(28)
Transfers			(4)		(4)	(10)		
P an assets at measurement date	$ 9,235	$ 2,365	$ 3,053	$ 1,421	$ 1,610	$ 438	$ 669	$ 334
Funded status of p an	$ 1,028	$ 462	$ 493	$ 268	$ 218	$ (12)	$ (11)	$ 61

(in millions)	Year Ended December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Change in Projected Benefit Obligation								
Ob gat on at pr or measurement date	$ 8,321	$ 1,923	$ 2,608	$ 1,170	$ 1,424	$ 481	$ 693	$ 292
Serv ce cost	157	49	46	26	20	4	8	5
Interest cost	269	62	85	38	46	15	22	9
Actuar a oss	433	83	144	50	93	21	46	14
Benef ts pa d	(541)	(137)	(160)	(83)	(76)	(34)	(49)	(27)
Benef ts pa d sett ements	(5)						(5)	
Transfers		8	(8)	(8)		15		
Ob gat on at measurement date	$ 8,634	$ 1,988	$ 2,715	$ 1,193	$ 1,507	$ 502	$ 715	$ 293
Accumulated Benefit Obligation at measurement date	$ 8,577	$ 1,989	$ 2,684	$ 1,194	$ 1,476	$ 493	$ 709	$ 294
Change in Fair Value of Plan Assets								
P an assets at pr or measurement date	$ 8,910	$ 2,263	$ 2,898	$ 1,364	$ 1,515	$ 443	$ 667	$ 335
Actua return on p an assets	973	247	319	149	166	48	71	35
Benef ts pa d	(541)	(137)	(160)	(83)	(76)	(34)	(49)	(27)
Benef ts pa d sett ements	(5)						(5)	
Transfers		8	(8)	(8)		15		
P an assets at measurement date	$ 9,337	$ 2,381	$ 3,049	$ 1,422	$ 1,605	$ 472	$ 684	$ 343
Funded status of p an	$ 703	$ 393	$ 334	$ 229	$ 98	$ (30)	$ (31)	$ 50

Amounts Recognized in the Consolidated Balance Sheets

(in millions)	December 31, 2021							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Prefunded pens on[a]	**$ 1,071**	**$ 462**	**$ 494**	**$ 268**	**$ 219**	**$ 74**	**$ 100**	**$ 61**
Noncurrent pens on ab ty[b]	**$ 43**	**$**	**$ 1**	**$**	**$ 1**	**$ 86**	**$ 111**	**$**
Net asset (ab ty) recogn zed	**$ 1,028**	**$ 462**	**$ 493**	**$ 268**	**$ 218**	**$ (12)**	**$ (11)**	**$ 61**
Regu atory assets	**$ 1,649**	**$ 324**	**$ 563**	**$ 252**	**$ 311**	**$ 93**	**$ 190**	**$ 75**
Accumu ated other comprehens ve (ncome) oss								
Deferred ncome tax benef t	**$ (20)**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Pr or serv ce cred t	**(1)**							
Net actuar a oss	**92**		**1**					
Net amounts recogn zed n accumu ated other comprehens ve oss	**$ 71**	**$**	**$ 1**	**$**	**$**	**$**	**$**	**$**

	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Prefunded pens on[a]	$ 780	$ 393	$ 379	$ 229	$ 143	$ 58	$ 79	$ 50
Noncurrent pens on ab ty[b]	$ 77	$	$ 45	$	$ 45	$ 88	$ 110	$
Net asset (ab ty) recogn zed	$ 703	$ 393	$ 334	$ 229	$ 98	$ (30)	$ (31)	$ 50
Regu atory assets	$ 1,910	$ 381	$ 691	$ 283	$ 408	$ 110	$ 209	$ 80
Accumu ated other comprehens ve (ncome) oss								
Deferred ncome tax benef t	$ (21)	$	$	$	$	$	$	$
Pr or serv ce cred t	(2)							
Net actuar a oss	100		2					
Net amounts recogn zed n accumu ated other comprehens ve oss	$ 77	$	$ 2	$	$	$	$	$

(a) Inc uded n Other w th n Other Noncurrent Assets on the Conso dated Ba ance Sheets.
(b) Inc uded n Accrued pens on and other post ret rement benef t costs on the Conso dated Ba ance Sheets.

Information for Plans with Accumulated Benefit Obligation in Excess of Plan Assets

	December 31, 2021	
(in millions)	Duke Energy Ohio	Duke Energy Indiana
Projected benef t ob gat on	**$ 153**	**$ 284**
Accumu ated benef t ob gat on	**143**	**275**
Fa r va ue of p an assets	**67**	**173**

	December 31, 2020				
(in millions)	Duke Energy	Progress Energy	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana
Projected benef t ob gat on	$ 4,914	$ 828	$ 828	$ 184	$ 293
Accumu ated benef t ob gat on	4,856	796	796	176	285
Fa r va ue of p an assets	4,837	783	783	96	183

Assumptions Used for Pension Benefits Accounting

The d scount rate used to determ ne the current year pens on ob gat on and fo ow ng year's pens on expense s based on a bond se ect on sett ement portfo o approach. Th s approach deve ops a d scount rate by se ect ng a portfo o of h gh qua ty corporate bonds that generate suff c ent cash f ow to prov de for projected benef t payments of the p an. The se ected bond portfo o s der ved from a un verse of non ca ab e corporate bonds rated Aa qua ty or h gher. After the bond portfo o s se ected, a s ng e nterest rate s determ ned that equates the present va ue of the p an's projected benef t payments d scounted at th s rate w th the market va ue of the bonds se ected.

The average rema n ng serv ce per od for part c pants n act ve p ans and fe expectancy of part c pants n nact ve p ans s 14 years for Duke Energy, Duke Energy Progress and Duke Energy Oh o, 15 years for Progress Energy and Duke Energy F or da, 13 years for Duke Energy Caro nas and Duke Energy Ind ana and n ne years for P edmont.

The fo ow ng tab es present the assumpt ons or range of assumpt ons used for pens on benef t account ng.

	December 31,					
	2021		2020		2019	
Benefit Obligations						
D scount rate		**2.90%**		2.60%		3.30%
Interest cred t ng rate		**4.00%**		4.00%		4.00%
Sa ary ncrease	**3.50 %**	**4.00%**	3.50 %	4.00%	3.50 %	4.00%
Net Periodic Benefit Cost						
D scount rate		**2.60%**		3.30%		4.30%
Interest cred t ng rate		**4.00%**		4.00%		4.00%
Sa ary ncrease	**3.50 %**	**4.00%**	3.50 %	4.00%	3.50 %	4.00%
Expected ong term rate of return on p an assets		**6.50%**		6.85%		6.85%

Expected Benefit Payments

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Years end ng December 31,								
2022	$ 652	$ 174	$ 177	$ 95	$ 81	$ 37	$ 48	$ 27
2023	653	173	180	97	82	36	48	24
2024	645	171	181	96	84	35	47	23
2025	632	168	180	94	85	34	47	20
2026	605	155	176	90	86	33	45	21
2027 2031	2,705	655	818	389	426	149	218	85

NON-QUALIFIED PENSION PLANS

The accumu ated benef t ob gat on, wh ch equa s the projected benef t ob gat on for non qua f ed pens on p ans, was $300 m on for Duke Energy, $12 m on for Duke Energy Caro nas, $104 m on for Progress Energy, $31 m on for Duke Energy Progress, $41 m on for Duke Energy F or da, $3 m on for Duke Energy Oh o, $2 m on for Duke Energy Ind ana and $3 m on for P edmont as of December 31, 2021.

Emp oyer contr but ons, wh ch equa benef ts pa d for non qua f ed pens on p ans, were $24 m on for Duke Energy, $1 m on for Duke Energy Caro nas, $8 m on for Progress Energy, $3 m on for Duke Energy Progress and $3 m on for Duke Energy F or da for the year ended December 31, 2021. Emp oyer contr but ons were not mater a for Duke Energy Oh o, Duke Energy Ind ana or P edmont for the year ended December 31, 2021.

Net per od c pens on costs for non qua f ed pens on p ans were not mater a for the years ended December 31, 2021, 2020 or 2019.

OTHER POST-RETIREMENT BENEFIT PLANS

Duke Energy prov des, and the Subs d ary Reg strants part c pate n, some hea th care and fe nsurance benef ts for ret red emp oyees on a contr butory and non contr butory bas s. Emp oyees are e g b e for these benef ts f they have met age and serv ce requ rements at ret rement, as def ned n the p ans. The hea th care benef ts nc ude med ca , denta , v s on and prescr pt on drug coverage and are subject to certa n m tat ons, such as deduct b es and copayments.

Duke Energy d d not make any pre fund ng contr but ons to ts other post ret rement benef t p ans dur ng the years ended December 31, 2021, 2020 or 2019.

Components of Net Periodic Other Post-Retirement Benefit Costs

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Serv ce cost	$ 4	$ 1	$ 1	$	$	$	$ 1	$
Interest cost on accumu ated post ret rement benef t ob gat on	18	4	7	4	3	1	1	1
Expected return on p an assets	(11)	(7)						(2)
Amort zat on of actuar a oss	2		1		1		4	
Amort zat on of pr or serv ce cred t	(13)	(4)	(2)	(1)	(1)	(1)	(1)	(2)
Net per od c post ret rement benef t costs [(a)(b)]	$	$ (6)	$ 7	$ 3	$ 3	$	$ 5	$ (3)

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Serv ce cost	$ 4	$ 1	$ 1	$	$	$	$ 1	$
Interest cost on accumu ated post ret rement benef t ob gat on	23	5	10	5	4	1	2	1
Expected return on p an assets	(13)	(8)						(2)
Amort zat on of actuar a oss	2		1		1		4	
Amort zat on of pr or serv ce cred t	(14)	(4)	(3)	(1)	(2)	(1)	(1)	(2)
Net per od c post ret rement benef t costs[(a)(b)]	$ 2	$ (6)	$ 9	$ 4	$ 3	$	$ 6	$ (3)

	Year Ended December 31, 2019							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Serv ce cost	$ 4	$ 1	$ 1	$	$ 1	$	$ 1	$
Interest cost on accumu ated post ret rement benef t ob gat on	30	7	12	7	5	1	3	1
Expected return on p an assets	(12)	(7)						(1)
Amort zat on of actuar a oss	4	2	1		1		4	
Amort zat on of pr or serv ce cred t	(19)	(5)	(8)	(1)	(7)	(1)	(1)	(2)
Net per od c post ret rement benef t costs[(a)(b)]	$ 7	$ (2)	$ 6	$ 6	$	$	$ 7	$ (2)

(a) Duke Energy amounts exc ude $5 m on, $6 m on and $6 m on for the years ended December 2021, 2020 and 2019, respect ve y, of regu atory asset amort zat on resu t ng from purchase account ng adjustments assoc ated w th Duke Energy's merger w th C nergy n Apr 2006.

(b) Duke Energy Oh o amounts exc ude $1 m on, $1 m on and $2 m on for the years ended December 2021, 2020 and 2019, respect ve y, of regu atory asset amort zat on resu t ng from purchase account ng adjustments assoc ated w th Duke Energy's merger w th C nergy n Apr 2006.

Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Assets and Liabilities

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Regu atory assets, net (decrease) ncrease	$ (15)	$	$ (18)	$ (9)	$ (9)	$ 4	$ (4)	$
Regu atory ab t es, net ncrease	$ 23	$ 12	$	$	$	$ 4	$ 1	$ 2
Accumu ated other comprehens ve (ncome) oss								
Amort zat on of pr or year actuar a ga n	$ (1)	$	$	$	$	$	$	$
Net amount recogn zed n accumu ated other comprehens ve ncome	$ (1)	$	$	$	$	$	$	$

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Regu atory assets, net ncrease (decrease)	$ 9	$	$ 9	$ 6	$ 3	$	$ (4)	$
Regu atory ab t es, net decrease	$ (10)	$ (7)	$	$	$	$	$ (1)	$
Accumu ated other comprehens ve (ncome) oss								
Amort zat on of pr or year serv ce cred t	$ 1	$	$	$	$	$	$	$
Net amount recogn zed n accumu ated other comprehens ve ncome	$ 1	$	$	$	$	$	$	$

Reconciliation of Funded Status to Accrued Other Post-Retirement Benefit Costs

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Change in Projected Benefit Obligation								
Accumu ated post ret rement benef t ob gat on at pr or measurement date	$ 709	$ 174	$ 299	$ 166	$ 130	$ 27	$ 61	$ 30
Serv ce cost	4	1	1				1	
Interest cost	18	4	7	4	3	1	1	1
P an part c pants' contr but ons	14	3	5	3	2	1	2	
Actuar a ga ns	(47)	(14)	(20)	(10)	(10)	(1)	(2)	(2)
Benef ts pa d	(73)	(19)	(29)	(16)	(13)	(3)	(9)	(2)
Accumu ated post ret rement benef t ob gat on at measurement date	$ 625	$ 149	$ 263	$ 147	$ 112	$ 25	$ 54	$ 27
Change in Fair Value of Plan Assets								
P an assets at pr or measurement date	$ 237	$ 139	$ (1)	$ (2)	$ (1)	$ 9	$ 7	$ 37
Actua return on p an assets	15	9				1		3
Benef ts pa d	(73)	(19)	(29)	(16)	(13)	(3)	(9)	(2)
Emp oyer contr but ons	18	3	24	13	10	1	6	1
P an part c pants' contr but ons	14	3	5	3	2	1	2	
P an assets at measurement date	$ 211	$ 135	$ (1)	$ (2)	$ (2)	$ 9	$ 6	$ 39
Funded status of p an	$ (414)	$ (14)	$ (264)	$ (149)	$ (114)	$ (16)	$ (48)	$ 12

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Change in Projected Benefit Obligation								
Accumu ated post ret rement benef t ob gat on at pr or measurement date	$ 723	$ 175	$ 303	$ 168	$ 135	$ 29	$ 64	$ 30
Serv ce cost	4	1	1				1	
Interest cost	23	5	10	5	4	1	2	1
P an part c pants' contr but ons	15	3	5	3	2	1	2	
Actuar a osses	19	8	8	5	2		1	1
Benef ts pa d	(75)	(18)	(28)	(15)	(13)	(4)	(9)	(2)
Accumu ated post ret rement benef t ob gat on at measurement date	$ 709	$ 174	$ 299	$ 166	$ 130	$ 27	$ 61	$ 30
Change in Fair Value of Plan Assets								
P an assets at pr or measurement date	$ 220	$ 130	$ (1)	$ (1)	$	$ 9	$ 5	$ 34
Actua return on p an assets	24	14					1	4
Benef ts pa d	(75)	(18)	(28)	(15)	(13)	(4)	(9)	(2)
Emp oyer contr but ons	53	10	23	11	10	3	8	1
P an part c pants' contr but ons	15	3	5	3	2	1	2	
P an assets at measurement date	$ 237	$ 139	$ (1)	$ (2)	$ (1)	$ 9	$ 7	$ 37
Funded status of p an	$ (472)	$ (35)	$ (300)	$ (168)	$ (131)	$ (18)	$ (54)	$ 7

Amounts Recognized in the Consolidated Balance Sheets

	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Prefunded post ret rement benef t	**$ 12**	**$**	**$**	**$**	**$**	**$ 1**	**$**	**$ 12**
Current post ret rement ab ty[a]	**9**		**5**	**3**	**2**	**1**		
Noncurrent post ret rement ab ty[b]	**417**	**14**	**259**	**146**	**112**	**16**	**48**	
Net ab ty (asset) recogn zed	**$ 414**	**$ 14**	**$ 264**	**$ 149**	**$ 114**	**$ 16**	**$ 48**	**$ (12)**
Regu atory assets	**$ 129**	**$**	**$ 126**	**$ 79**	**$ 47**	**$ 4**	**$ 28**	**$**
Regu atory ab t es	**$ 162**	**$ 44**	**$**	**$**	**$**	**$ 21**	**$ 63**	**$ 5**
Accumu ated other comprehens ve (ncome) oss								
Deferred ncome tax expense	**$ 3**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Pr or serv ce cred t	**(1)**							
Net actuar a ga n	**(14)**							
Net amounts recogn zed n accumu ated other comprehens ve ncome	**$ (12)**	**$**	**$**	**$**	**$**	**$**	**$**	**$**

	December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Prefunded post ret rement benef t	$ 8	$	$	$	$	$ 1	$	$ 7
Current post ret rement ab ty[a]	9		6	4	2	2		
Noncurrent post ret rement ab ty[b]	471	35	294	164	129	17	54	
Net ab ty (asset) recogn zed	$ 472	$ 35	$ 300	$ 168	$ 131	$ 18	$ 54	$ (7)
Regu atory assets	$ 144	$	$ 144	$ 88	$ 56	$	$ 32	$
Regu atory ab t es	$ 139	$ 32	$	$	$	$ 17	$ 62	$ 3
Accumu ated other comprehens ve (ncome) oss								
Deferred ncome tax expense	$ 3	$	$	$	$	$	$	$
Pr or serv ce cred t	(1)							
Net actuar a ga n	(13)							
Net amounts recogn zed n accumu ated other comprehens ve ncome	$ (11)	$	$	$	$	$	$	$

(a) Inc uded n Other w th n Current L ab t es on the Conso dated Ba ance Sheets.
(b) Inc uded n Accrued pens on and other post ret rement benef t costs on the Conso dated Ba ance Sheets.

Assumptions Used for Other Post-Retirement Benefits Accounting

The d scount rate used to determ ne the current year other post ret rement benef ts ob gat on and fo ow ng year's other post ret rement benef ts expense s based on a bond se ect on sett ement portfo o approach. Th s approach deve ops a d scount rate by se ect ng a portfo o of h gh qua ty corporate bonds that generate suff c ent cash f ow to prov de for projected benef t payments of the p an. The se ected bond portfo o s der ved from a un verse of non ca ab e corporate bonds rated Aa qua ty or h gher. After the bond portfo o s se ected, a s ng e nterest rate s determ ned that equates the present va ue of the p an's projected benef t payments d scounted at th s rate w th the market va ue of the bonds se ected.

The average rema n ng serv ce per od of act ve covered emp oyees s four years for Duke Energy, seven years for Duke Energy F or da, s x years for Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy Ind ana and P edmont and f ve years for Duke Energy Oh o.

The fo ow ng tab es present the assumpt ons used for other post ret rement benef ts account ng.

	December 31,		
	2021	2020	2019
Benefit Obligations			
D scount rate	**2.90 %**	2.60 %	3.30 %
Net Periodic Benefit Cost			
D scount rate	**2.60 %**	3.30 %	4.30 %
Expected ong term rate of return on p an assets	**6.50 %**	6.85 %	6.85 %

Assumed Health Care Cost Trend Rate

	December 31,	
	2021	2020
Hea th care cost trend rate assumed for next year	**6.25 %**	6.25 %
Rate to wh ch the cost trend s assumed to dec ne (the u t mate trend rate)	**4.75 %**	4.75 %
Year that rate reaches u t mate trend	**2028**	2028

Expected Benefit Payments

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Years end ng December 31,								
2022	$ 70	$ 17	$ 26	$ 15	$ 12	$ 3	$ 7	$ 2
2023	62	15	25	14	11	3	6	2
2024	58	14	23	13	11	3	6	2
2025	54	13	22	12	10	2	5	2
2026	50	12	21	12	9	2	5	2
2027 2031	207	50	87	49	38	8	19	10

PLAN ASSETS

Description and Allocations

Duke Energy Master Retirement Trust

Assets for both the qua f ed pens on and other post ret rement benef ts are ma nta ned n the Duke Energy Master Ret rement Trust. Approx mate y 98% of the Duke Energy Master Ret rement Trust assets were a ocated to qua f ed pens on p ans and approx mate y 2% were a ocated to other post ret rement p ans (compr sed of 401(h) accounts), as of December 31, 2021, and 2020. The nvestment object ve of the Duke Energy Master Ret rement Trust s to nvest n a d verse portfo o of assets that s expected to generate pos t ve surp us return over t me (.e., asset growth greater than ab ty growth) subject to a prudent eve of portfo o r sk, for the purpose of enhanc ng the secur ty of benef ts for p an part c pants.

As of December 31, 2021, Duke Energy assumes pens on and other post ret rement p an assets w generate a ong term rate of return of 6.5%. The expected ong term rate of return was deve oped us ng a we ghted average ca cu at on of expected returns based pr mar y on future expected returns across asset c asses cons der ng the use of act ve asset managers, where app cab e. The asset a ocat on targets were set after cons der ng the nvestment object ve and the r sk prof e. Equ ty secur t es are he d for the r h gher expected returns. Debt secur t es are pr mar y he d to hedge the qua f ed pens on p an. Return seek ng debt secur t es, hedge funds and other g oba secur t es are he d for d vers f cat on. Investments w th n asset c asses are d vers f ed to ach eve broad market part c pat on and reduce the mpact of nd v dua managers or nvestments.

Effect ve January 1, 2022, the target asset a ocat on for the Duke Energy Ret rement Master Trust s 60% ab ty hedg ng assets and 40% return seek ng assets. Duke Energy per od ca y rev ews ts asset a ocat on targets, and over t me, as the funded status of the benef t p ans ncrease, the eve of asset r sk re at ve to p an ab t es may be reduced to better manage Duke Energy's benef t p an ab t es and reduce funded status vo at ty.

The Duke Energy Master Ret rement Trust s author zed to engage n the end ng of certa n p an assets. Secur t es end ng s an nvestment management enhancement that ut zes certa n ex st ng secur t es of the Duke Energy Master Ret rement Trust to earn add t ona ncome. Secur t es end ng nvo ves the oan ng of secur t es to approved part es. In return for the oaned secur t es, the Duke Energy Master Ret rement Trust rece ves co atera n the form of cash and secur t es as a safeguard aga nst poss b e defau t of any borrower on the return of the oan under terms that perm t the Duke Energy Master Ret rement Trust to se the secur t es. The Duke Energy Master Ret rement Trust m t gates cred t r sk assoc ated w th secur t es end ng arrangements by mon tor ng the fa r va ue of the secur t es oaned, w th add t ona co atera obta ned or refunded as necessary. The fa r va ue of secur t es on oan was approx mate y $542 m on and $482 m on at December 31, 2021, and 2020, respect ve y. Cash and secur t es obta ned as co atera exceeded the fa r va ue of the secur t es oaned at December 31, 2021, and 2020, respect ve y. Secur t es end ng ncome earned by the Duke Energy Master Ret rement Trust was mmater a for the years ended December 31, 2021, 2020 and 2019, respect ve y.

Qua f ed pens on and other post ret rement benef ts for the Subs d ary Reg strants are der ved from the Duke Energy Master Ret rement Trust, as such, each are a ocated the r proport onate share of the assets d scussed be ow.

The fo ow ng tab e nc udes the target asset a ocat ons by asset c ass at December 31, 2021, and the actua asset a ocat ons for the Duke Energy Master Ret rement Trust.

	Target Allocation	Actual Allocation at December 31, 2021	2020
G oba equ ty secur t es	27 %	**24 %**	30 %
G oba pr vate equ ty secur t es	1 %	**1 %**	1 %
Debt secur t es	62 %	**62 %**	55 %
Return seek ng debt secur t es	4 %	**4 %**	5 %
Hedge funds	2 %	**3 %**	3 %
Rea estate and cash	4 %	**6 %**	6 %
Tota	100 %	**100 %**	100 %

Other post-retirement assets

Duke Energy's other post ret rement assets are compr sed of Vo untary Emp oyees' Benef c ary Assoc at on (VEBA) trusts and 401(h) accounts he d w th n the Duke Energy Master Ret rement Trust. Duke Energy's nvestment object ve s to ach eve suff c ent returns, subject to a prudent eve of portfo o r sk, for the purpose of promot ng the secur ty of p an benef ts for part c pants.

The fo ow ng tab e presents target and actua asset a ocat ons for the VEBA trusts at December 31, 2021.

	Target Allocation	Actual Allocation at December 31, 2021	2020
U.S. equ ty secur t es	30 %	**19 %**	36 %
Non U.S. equ ty secur t es	5 %	**5 %**	6 %
Rea estate	2 %	**3 %**	2 %
Debt secur t es	45 %	**18 %**	42 %
Cash	18 %	**55 %**	14 %
Tota	100 %	**100 %**	100 %

Fair Value Measurements

Duke Energy c ass f es recurr ng and non recurr ng fa r va ue measurements based on the fa r va ue h erarchy as d scussed n Note 16.

Va uat on methods of the pr mary fa r va ue measurements d sc osed be ow are as fo ows:

Investments in equity securities

Investments n equ ty secur t es are typ ca y va ued at the c os ng pr ce n the pr nc pa act ve market as of the ast bus ness day of the report ng per od. Pr nc pa act ve markets for equ ty pr ces nc ude pub shed exchanges such as NASDAQ and NYSE. Fore gn equ ty pr ces are trans ated from the r trad ng currency us ng the currency exchange rate n effect at the c ose of the pr nc pa act ve market. Pr ces have not been adjusted to ref ect after hours market act v ty. The major ty of nvestments n equ ty secur t es are va ued us ng Leve 1 measurements. When the pr ce of an nst tut ona comm ng ed fund s unpub shed, t s not categor zed n the fa r va ue h erarchy, even though the funds are read y ava ab e at the fa r va ue.

Investments in corporate debt securities and U.S. government securities

Most debt nvestments are va ued based on a ca cu at on us ng nterest rate curves and cred t spreads app ed to the terms of the debt nstrument (matur ty and coupon nterest rate) and cons der the counterparty cred t rat ng. Most debt va uat ons are Leve 2 measurements. If the market for a part cu ar f xed ncome secur ty s re at ve y nact ve or qu d, the measurement s Leve 3. U.S. Treasury debt s typ ca y Leve 2.

Investments in short-term investment funds

Investments n short term nvestment funds are va ued at the net asset va ue of un ts he d at year end and are read y redeemab e at the measurement date. Investments n short term nvestment funds w th pub shed pr ces are va ued as Leve 1. Investments n short term nvestment funds w th unpub shed pr ces are va ued as Leve 2.

Duke Energy Master Retirement Trust

The fo ow ng tab es prov de the fa r va ue measurement amounts for the Duke Energy Master Ret rement Trust qua f ed pens on and other post ret rement assets.

	December 31, 2021				
(in millions)	Total Fair Value	Level 1	Level 2	Level 3	Not Categorized[b]
Equ ty secur t es	$ 2,575	$ 2,547	$	$	$ 28
Corporate debt secur t es	4,189		4,189		
Short term nvestment funds	382	272	110		
Partnersh p nterests	95			95	
Hedge funds	216				216
U.S. government secur t es	1,618		1,618		
Governments bonds fore gn	78		78		
Cash	144	144			
Government and commerc a mortgage backed secur t es	2		2		
Net pend ng transact ons and other nvestments	53	12	41		
Tota assets[a]	$ 9,352	$ 2,975	$ 6,038	$ 95	$ 244

(a) Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont were a ocated approx mate y 26%, 32%, 15%, 17%, 5%, 7% and 4%, respect ve y, of the Duke Energy Master Ret rement Trust at December 31, 2021. Accord ng y, a amounts nc uded n the tab e above are a ocab e to the Subs d ary Reg strants us ng these percentages.

(b) Certa n nvestments that are measured at fa r va ue us ng the net asset va ue per share pract ca exped ent have not been categor zed n the fa r va ue h erarchy.

	December 31, 2020				
(in millions)	Total Fair Value	Level 1	Level 2	Level 3	Not Categorized[b]
Equ ty secur t es	$ 3,202	$ 3,162	$	$	$ 40
Corporate debt secur t es	4,162		4,162		
Short term nvestment funds	397	247	150		
Partnersh p nterests	97				97
Hedge funds	198				198
U.S. government secur t es	1,164		1,164		
Governments bonds fore gn	73		73		
Cash	98	98			
Net pend ng transact ons and other nvestments	88	34	54		
Tota assets[a]	$ 9,479	$ 3,541	$ 5,603	$	$ 335

(a) Duke Energy Caro nas, Progress Energy, Duke Energy Progress, Duke Energy F or da, Duke Energy Oh o, Duke Energy Ind ana and P edmont were a ocated approx mate y 26%, 32%, 15%, 17%, 5%, 7% and 4%, respect ve y, of the Duke Energy Master Ret rement Trust at December 31, 2020. Accord ng y, a amounts nc uded n the tab e above are a ocab e to the Subs d ary Reg strants us ng these percentages.

(b) Certa n nvestments that are measured at fa r va ue us ng the net asset va ue per share pract ca exped ent have not been categor zed n the fa r va ue h erarchy.

The fo ow ng tab e prov des a reconc at on of beg nn ng and end ng ba ances of Duke Energy Master Ret rement Trust qua f ed pens on and other post ret rement assets at fa r va ue on a recurr ng bas s where the determ nat on of fa r va ue nc udes s gn f cant unobservab e nputs (Leve 3).

(in millions)	2021	2020
Ba ance at January 1	**$**	$ 11
Sa es		(12)
Tota ga ns and other, net		1
Transfer of Leve 3 assets from other c ass f cat ons	**95**	
Ba ance at December 31	**$ 95**	$

Other post-retirement assets

The fo ow ng tab es prov de the fa r va ue measurement amounts for VEBA trust assets.

	December 31, 2021	
(in millions)	Total Fair Value	Level 2
Cash and cash equ va ents	**$ 14**	**$ 14**
Rea estate	**2**	**2**
Equ ty secur t es	**18**	**18**
Debt secur t es	**11**	**11**
Tota assets	**$ 45**	**$ 45**

	December 31, 2020	
(in millions)	Total Fair Value	Level 2
Cash and cash equ va ents	$ 5	$ 5
Rea estate	1	1
Equ ty secur t es	23	23
Debt secur t es	19	19
Tota assets	$ 48	$ 48

EMPLOYEE SAVINGS PLANS

Retirement Savings Plan

Duke Energy or ts aff ates sponsor, and the Subs d ary Reg strants part c pate n, emp oyee sav ngs p ans that cover substant a y a U.S. emp oyees. Most emp oyees part c pate n a match ng contr but on formu a where Duke Energy prov des a match ng contr but on genera y equa to 100% of emp oyee before tax and Roth 401(k) contr but ons of up to 6% of e g b e pay per pay per od. D v dends on Duke Energy shares he d by the sav ngs p ans are charged to reta ned earn ngs when dec ared and shares he d n the p ans are cons dered outstand ng n the ca cu at on of bas c and d uted EPS.

For new and reh red emp oyees who are not e g b e to part c pate n Duke Energy's def ned benef t p ans, an add t ona emp oyer contr but on of 4% of e g b e pay per pay per od, wh ch s subject to a three year vest ng schedu e, s prov ded to the emp oyee's sav ngs p an account. Certa n P edmont emp oyees whose part c pat on n a pr or P edmont def ned benef t p an (that was frozen as of December 31, 2017) are e g b e for emp oyer trans t on cred t contr but ons of 3% to 5% of e g b e pay per per od, for each pay per od dur ng the three year per od end ng December 31, 2020.

The fo ow ng tab e nc udes pretax emp oyer match ng contr but ons made by Duke Energy and expensed by the Subs d ary Reg strants.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Years ended December 31,								
2021	**$ 229**	**$ 70**	**$ 60**	**$ 39**	**$ 21**	**$ 5**	**$ 12**	**$ 11**
2020	213	67	57	38	19	5	11	13
2019	214	66	58	38	20	5	11	13

23. INCOME TAXES

North Carolina's 2021 Appropriations Act

On November 18, 2021, North Caro na Senate B 105 (SB 105) was s gned nto aw by Governor Roy Cooper. Start ng w th tax year 2025, SB 105 beg ns phas ng out the North Caro na corporate ncome tax rate over f ve years, from a statutory rate of 2.5% to zero. Duke Energy recorded a net reduct on of approx mate y $490 m on to ts North Caro na deferred tax ab ty n the fourth quarter of 2021. The major ty of th s deferred tax ab ty reduct on was offset by record ng a regu atory ab ty pend ng NCUC determ nat on of the d spos t on of the amounts re ated to Duke Energy Caro nas, Duke Energy Progress and P edmont. In add t on, Duke Energy recorded a net reduct on of North Caro na conso dat ng deferred tax assets of approx mate y $25 m on to deferred state ncome tax expense n the fourth quarter of 2021. North Caro na SB 105 d d not have a s gn f cant mpact on the f nanc a pos t on, resu ts of operat on, or cash f ows of Duke Energy, Duke Energy Caro nas, Progress Energy, Duke Energy Progress or P edmont.

Consolidated Appropriations Act

On December 27, 2020, the Conso dated Appropr at ons Act (CAA) was s gned nto aw. In add t on to the CAA prov d ng fund ng for government operat ons, t a so prov ded tax prov s ons to ass st w th COVID 19 re ef, nc ud ng extend ng certa n exp r ng tax prov s ons. The company has rev ewed the prov s ons of the CAA and has determ ned that there are no mater a mpacts on the f nanc a statements as a resu t of the CAA be ng s gned nto aw.

CARES Act

On March 27, 2020, the CARES Act was enacted. The CARES Act s an emergency econom c st mu us package n response to the COVID 19 pandem c. Among other prov s ons, the CARES Act acce erates the rema n ng AMT cred t refund a owances resu t ng n taxpayers be ng ab e to mmed ate y c a m a refund n fu for any AMT cred t carryforwards and deferra of certa n 2020 payro taxes. In the th rd quarter of 2020, Duke Energy rece ved $572 m on re ated to these AMT cred t carryforwards and $19 m on of nterest ncome. In add t on, the company deferred approx mate y $117 m on of payro taxes, of wh ch, 50% were pa d by December 31, 2021, w th the rema n ng 50% payab e by December 31, 2022. The other prov s ons w th n the CARES Act do not mater a y mpact Duke Energy's ncome tax account ng.

Income Tax Expense

Components of Income Tax Expense

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current ncome taxes								
Federa	$ (2)	$ 241	$ (15)	$ 113	$ (75)	$ (8)	$ 65	$ 23
State	2	23	(4)	8	(17)	(2)	7	3
Fore gn	2							
Tota current ncome taxes	2	264	(19)	121	(92)	(10)	72	26
Deferred ncome taxes								
Federa	199	(130)	203	(16)	202	35	19	17
State	(1)	(79)	47	(26)	77	5	16	(13)
Tota deferred ncome taxes[(a)]	198	(209)	250	(42)	279	40	35	4
ITC amort zat on	(8)	(4)	(4)	(4)				
Tota ncome tax expense nc uded n Conso dated Statements of Operat ons	$ 192	$ 51	$ 227	$ 75	$ 187	$ 30	$ 107	$ 30

(a) Tota deferred ncome taxes nc udes the generat on of NOL carryforwards and tax cred t carryforwards of $32 m on at Duke Energy Caro nas, $8 m on at Duke Energy Ind ana, and $3 m on at P edmont. In add t on, tota deferred ncome taxes nc udes ut zat on of NOL carryforwards and tax cred t carryforwards of $150 m on at Duke Energy, $95 m on at Progress Energy, $14 m on at Duke Energy Progress, $64 m on at Duke Energy F or da, and $2 m on at Duke Energy Oh o.

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current ncome taxes								
Federa	$ (281)	$ 314	$ 280	$ 181	$ 148	$ 10	$ 48	$ (27)
State	(9)	35	29	17	24	1	7	(8)
Fore gn	1							
Tota current ncome taxes	(289)	349	309	198	172	11	55	(35)
Deferred ncome taxes								
Federa	155	(171)	(167)	(180)	1	30	12	60
State	(92)	(86)	(24)	(49)	25	2	17	(7)
Tota deferred ncome taxes[(a)]	63	(257)	(191)	(229)	26	32	29	53
ITC amort zat on	(10)	(4)	(5)	(5)				
Income tax (benef t) expense from cont nu ng operat ons	(236)	88	113	(36)	198	43	84	18
Tax expense from d scont nued operat ons	2							
Tota ncome tax (benef t) expense nc uded n Conso dated Statements of Operat ons	$ (234)	$ 88	$ 113	$ (36)	$ 198	$ 43	$ 84	$ 18

(a) Tota deferred ncome taxes nc udes the generat on of NOL carryforwards and tax cred t carryforwards of $20 m on at Duke Energy Caro nas, $3 m on at Duke Energy Progress, $8 m on at Duke Energy Ind ana, and $11 m on at P edmont. In add t on, tota deferred ncome taxes nc udes ut zat on of NOL carryforwards and tax cred t carryforwards of $39 m on at Progress Energy, $30 m on at Duke Energy F or da and $79 m on at Duke Energy.

	Year Ended December 31, 2019							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current ncome taxes								
Federa	$ (299)	$ 164	$ (173)	$ (36)	$ (43)	$ (41)	$ (23)	$ (92)
State	10	13	(7)	(3)	18	(1)	1	(1)
Fore gn	2							
Tota current ncome taxes	(287)	177	(180)	(39)	(25)	(42)	(22)	(93)
Deferred ncome taxes								
Federa	855	175	422	220	153	77	128	133
State	(38)	(37)	17	(18)	27	5	28	3
Tota deferred ncome taxes[(a)]	817	138	439	202	180	82	156	136
ITC amort zat on	(11)	(4)	(6)	(6)				
Income tax expense from cont nu ng operat ons	519	311	253	157	155	40	134	43
Tax benef t from d scont nued operat ons	(2)							
Tota ncome tax expense nc uded n Conso dated Statements of Operat ons	$ 517	$ 311	$ 253	$ 157	$ 155	$ 40	$ 134	$ 43

(a) Tota deferred ncome taxes nc udes the generat on of tax cred t carryforwards of $8 m on at Duke Energy Caro nas. In add t on, tota deferred ncome taxes nc udes ut zat on of NOL carryforwards and tax cred t carryforwards of $243 m on at Progress Energy, $35 m on at Duke Energy Progress, $152 m on at Duke Energy F or da, $25 m on at Duke Energy Oh o, $60 m on at Duke Energy Ind ana, $90 m on at P edmont and $775 m on at Duke Energy.

Duke Energy Income from Continuing Operations before Income Taxes

	Years Ended December 31,		
(in millions)	2021	2020	2019
Domest c	**$ 3,720**	$ 826	$ 4,053
Fore gn	**44**	13	44
Income from cont nu ng operat ons before ncome taxes	**$ 3,764**	$ 839	$ 4,097

Statutory Rate Reconciliation

The fo ow ng tab es present a reconc at on of ncome tax expense at the U.S. federa statutory tax rate to the actua tax expense from cont nu ng operat ons.

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Income tax expense, computed at the statutory rate of 21%	**$ 790**	**$ 291**	**$ 384**	**$ 224**	**$ 194**	**$ 49**	**$ 123**	**$ 71**
State ncome tax, net of federa ncome tax effect	**1**	**(44)**	**34**	**(14)**	**47**	**2**	**18**	**(8)**
Amort zat on of excess deferred ncome tax	**(438)**	**(184)**	**(174)**	**(120)**	**(54)**	**(22)**	**(34)**	**(25)**
AFUDC equ ty ncome	**(34)**	**(14)**	**(11)**	**(7)**	**(3)**	**(2)**	**(4)**	**(4)**
AFUDC equ ty deprec at on	**35**	**18**	**10**	**5**	**5**	**2**	**5**	
Noncontro ng Interests	**72**							
Renewab e energy PTCs	**(100)**							
Other tax cred ts	**(30)**	**(12)**	**(11)**	**(8)**	**(3)**	**(1)**	**(2)**	**(4)**
Va uat on A owance[(a)]	**(85)**							
Other tems, net	**(19)**	**(4)**	**(5)**	**(5)**	**1**	**2**	**1**	
Income tax expense from cont nu ng operat ons	**$ 192**	**$ 51**	**$ 227**	**$ 75**	**$ 187**	**$ 30**	**$ 107**	**$ 30**
Effect ve tax rate	**5.1 %**	**3.7 %**	**12.4 %**	**7.0 %**	**20.2 %**	**12.8 %**	**18.2 %**	**8.8 %**

(a) In the fourth quarter of 2021, the company recogn zed a federa cap ta ga n n the amount of $426 m on. As a resu t, a va uat on a owance of $85 m on re ated to a federa cap ta oss carryforward was re eased. Th s va uat on a owance was or g na y recorded as a resu t of the 2019 sa e of m nor ty nterest of certa n renewab e assets w th n the Commerc a Renewab es segment.

(in millions)	Year Ended December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Income tax expense, computed at the statutory rate of 21%	$ 176	$ 219	$ 243	$ 80	$ 204	$ 62	$ 103	$ 61
State ncome tax, net of federa ncome tax effect	(80)	(40)	4	(25)	39	2	19	(12)
Amort zat on of excess deferred ncome tax	(276)	(82)	(118)	(68)	(49)	(20)	(36)	(21)
AFUDC equ ty ncome	(48)	(13)	(9)	(6)	(3)	(2)	(4)	(10)
AFUDC equ ty deprec at on	103	19	10	5	5	1	4	
Noncontro ng Interests	62							
Renewab e energy PTCs	(110)							
Other tax cred ts	(37)	(13)	(16)	(14)	(2)	(1)	(3)	(2)
Tax true up	(12)	(3)	1	(5)	5		(1)	1
Other tems, net	(14)	1	(2)	(3)	(1)	1	2	1
Income tax (benef t) expense from cont nu ng operat ons	$ (236)	$ 88	$ 113	$ (36)	$ 198	$ 43	$ 84	$ 18
Effect ve tax rate	(28.1)%	8.4 %	9.7 %	(9.5)%	20.4 %	14.6 %	17.1 %	6.2 %

(in millions)	Year Ended December 31, 2019							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Income tax expense, computed at the statutory rate of 21%	$ 860	$ 360	$ 332	$ 202	$ 178	$ 59	$ 120	$ 51
State ncome tax, net of federa ncome tax effect	(22)	(19)	8	(17)	35	3	22	2
Amort zat on of excess deferred ncome tax	(121)	(29)	(64)	(10)	(54)	(12)	(6)	(10)
AFUDC equ ty ncome	(52)	(9)	(14)	(13)	(1)	(3)	(3)	
AFUDC equ ty deprec at on	34	19	10	5	5	1	4	
Renewab e energy PTCs	(120)							
Other tax cred ts	(23)	(11)	(9)	(7)	(2)	(1)	(1)	(1)
Tax true up	(64)	(9)	(8)	(3)	(5)	(7)	(1)	
Other tems, net	27	9	(2)		(1)		(1)	1
Income tax expense from cont nu ng operat ons	$ 519	$ 311	$ 253	$ 157	$ 155	$ 40	$ 134	$ 43
Effect ve tax rate	12.7 %	18.1 %	16.0 %	16.3 %	18.3 %	14.3 %	23.5 %	17.6 %

Va uat on a owances have been estab shed for certa n state NOL carryforwards and state ncome tax cred ts that reduce deferred tax assets to an amount that w be rea zed on a more ke y than not bas s. The net change n the tota va uat on a owance s nc uded n state ncome tax, net of federa ncome tax effect, n the above tab es.

DEFERRED TAXES

Net Deferred Income Tax Liability Components

(in millions)	December 31, 2021							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Deferred cred ts and other ab t es	$ 347	$ 121	$ 101	$ 60	$ 40	$ 19	$ 7	$ 18
Lease ob gat ons	346	91	197	121	76	4	16	4
Pens on, post ret rement and other emp oyee benef ts	207	(36)	30	17	7	11	20	(8)
Progress Energy merger purchase account ng adjustments[(a)]	340							
Tax cred ts and NOL carryforwards	3,784	349	497	160	306	13	195	29
Regu atory ab t es and deferred cred ts		11				16		6
Investments and other assets						5	6	
Other	85	12	12	7	4	7	2	8
Va uat on a owance	(518)							
Tota deferred ncome tax assets	4,591	548	837	365	433	75	246	57
Investments and other assets	(2,428)	(1,205)	(742)	(610)	(135)			(39)
Acce erated deprec at on rates	(10,391)	(2,977)	(3,891)	(1,546)	(2,382)	(1,125)	(1,496)	(833)
Regu atory assets and deferred deb ts, net	(1,151)		(768)	(417)	(350)		(53)	
Tota deferred ncome tax ab t es	(13,970)	(4,182)	(5,401)	(2,573)	(2,867)	(1,125)	(1,549)	(872)
Net deferred ncome tax ab t es	$ (9,379)	$ (3,634)	$ (4,564)	$ (2,208)	$ (2,434)	$(1,050)	$ (1,303)	$ (815)

(a) Pr mar y re ated to ease ob gat ons and debt fa r va ue adjustments.

The fo ow ng tab e presents the exp rat on of tax cred ts and NOL carryforwards.

(in millions)	December 31, 2021		
	Amount	Expiration Year	
Genera Bus ness Cred ts	$ 2,312	2024	2041
Federa NOL carryforwards[(a)]	4	2024	2026
State carryforwards and cred ts[(b) (e)]	328	2022	Indef n te
Fore gn NOL carryforwards[(c)]	12	2027	2037
Fore gn Tax Cred ts[(d)]	1,128	2024	2027
Tota tax cred ts and NOL carryforwards	$ 3,784		

(a) A va uat on a owance of $4 m on has been recorded on the Federa NOL carryforwards, as presented n the Net Deferred Income Tax L ab ty Components tab e.

(b) A va uat on a owance of $112 m on has been recorded on the state NOL and attr bute carryforwards, as presented n the Net Deferred Income Tax L ab ty Components tab e.

(c) A va uat on a owance of $12 m on has been recorded on the fore gn NOL carryforwards, as presented n the Net Deferred Income Tax L ab ty Components tab e.

(d) A va uat on a owance of $390 m on has been recorded on the fore gn tax cred ts, as presented n the Net Deferred Income Tax L ab ty Components tab e.

(e) Indef n te carryforward for Federa NOLs, and NOLs for states that have adopted the Tax Act's NOL prov s ons, generated n tax years beg nn ng after December 31, 2017.

(in millions)	December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Deferred cred ts and other ab t es	$ 286	$ 85	$ 87	$ 67	$ 18	$ 21	$ 7	$ 38
Lease ob gat ons	515	96	208	120	87	5	16	5
Pens on, post ret rement and other emp oyee benef ts	236	(30)	68	24	38	16	26	(5)
Progress Energy merger purchase account ng adjustments[(a)]	441							
Tax cred ts and NOL carryforwards	3,909	285	508	179	282	16	183	29
Regu atory ab t es and deferred cred ts		11				18		
Investments and other assets						7		
Other	93	8	14	9	4	7	1	8
Va uat on a owance	(586)							
Tota deferred ncome tax assets	4,894	455	885	399	429	90	233	75
Investments and other assets	(2,267)	(1,127)	(669)	(507)	(164)		(14)	(48)
Acce erated deprec at on rates	(10,729)	(3,170)	(3,868)	(1,778)	(2,124)	(1,071)	(1,433)	(844)
Regu atory assets and deferred deb ts, net	(1,142)		(744)	(412)	(332)		(14)	(4)
Tota deferred ncome tax ab t es	(14,138)	(4,297)	(5,281)	(2,697)	(2,620)	(1,071)	(1,461)	(896)
Net deferred ncome tax ab t es	$ (9,244)	$ (3,842)	$ (4,396)	$ (2,298)	$ (2,191)	$ (981)	$ (1,228)	$ (821)

(a) Pr mar y re ated to ease ob gat ons and debt fa r va ue adjustments.

UNRECOGNIZED TAX BENEFITS

The fo ow ng tab es present changes to unrecogn zed tax benef ts.

(in millions)	Year Ended December 31, 2021							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unrecogn zed tax benef ts January 1	**$ 125**	**$ 10**	**$ 10**	**$ 6**	**$ 3**	**$ 1**	**$ 1**	**$ 1**
Gross decreases tax pos t ons n pr or per ods[(a)]	**(86)**							
Gross ncreases current per od tax pos t ons	**12**	**3**	**5**	**4**	**1**		**1**	**3**
Tota changes	**(74)**	**3**	**5**	**4**	**1**		**1**	**3**
Unrecogn zed tax benef ts December 31	**$ 51**	**$ 13**	**$ 15**	**$ 10**	**$ 4**	**$ 1**	**$ 2**	**$ 4**

(a) In the fourth quarter of 2021, the company recogn zed a federa cap ta ga n n the amount of $426 m on. As a resu t of the cap ta ga n, a prev ous y recorded unrecogn zed tax benef t re ated to the character of a taxab e oss has been reversed. See note (a) under the Statutory Rate Reconc at on tab e for more deta s.

(in millions)	Year Ended December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unrecogn zed tax benef ts January 1	$ 126	$ 8	$ 9	$ 6	$ 3	$ 1	$ 1	$ 4
Gross decreases tax pos t ons n pr or per ods	(2)							
Gross ncreases current per od tax pos t ons	4	2	1					
Reduct on due to apse of statute of m tat ons	(3)							(3)
Tota changes	(1)	2	1					(3)
Unrecogn zed tax benef ts December 31	$ 125	$ 10	$ 10	$ 6	$ 3	$ 1	$ 1	$ 1

	Year Ended December 31, 2019							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unrecogn zed tax benef ts January 1	$ 24	$ 6	$ 9	$ 6	$ 3	$ 1	$ 1	$ 4
Unrecogn zed tax benef ts ncreases	105	2	1	1				
Gross decreases tax pos t ons n pr or per ods	(3)		(1)	(1)				
Tota changes	102	2						
Unrecogn zed tax benef ts December 31	$ 126	$ 8	$ 9	$ 6	$ 3	$ 1	$ 1	$ 4

The fo ow ng tab e nc udes add t ona nformat on regard ng the Duke Energy Reg strants' unrecogn zed tax benef ts at December 31, 2021. Duke Energy Reg strants do not ant c pate a mater a ncrease or decrease n unrecogn zed tax benef ts w th n the next 12 months.

	December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Amount that f recogn zed, wou d affect the effect ve tax rate or regu atory ab ty[a]	$ 47	$ 13	$ 14	$ 10	$ 4	$ 1	$ 2	$ 4

(a) The Duke Energy Reg strants are unab e to est mate the spec f c amounts that wou d affect the ETR versus the regu atory ab ty.

Duke Energy and ts subs d ar es are no onger subject to federa , state, oca or non U.S. ncome tax exam nat ons by tax author t es for years before 2016, as de from certa n state tax attr butes carr ed forward for ut zat on n future years.

24. OTHER INCOME AND EXPENSES, NET

The components of Other ncome and expenses, net on the Conso dated Statements of Operat ons are as fo ows.

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Interest ncome	$ 16	$ 4	$ 8	$ 6	$ 2	$ 4	$ 6	$ 19
AFUDC equ ty	171	65	51	34	16	7	27	20
Post n serv ce equ ty returns	39	21	16	16		1	1	
Nonoperat ng ncome, other	417	180	140	87	53	6	8	16
Other ncome and expense, net	$ 643	$ 270	$ 215	$ 143	$ 71	$ 18	$ 42	$ 55

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Interest ncome	$ 32	$ 4	$ 8	$ 2	$ 6	$ 4	$ 6	$ 17
AFUDC equ ty	154	62	42	29	12	7	23	19
Post n serv ce equ ty returns	27	17	8	8		1	1	
Nonoperat ng ncome, other	240	94	71	36	35	4	7	15
Other ncome and expense, net	$ 453	$ 177	$ 129	$ 75	$ 53	$ 16	$ 37	$ 51

	Year Ended December 31, 2019							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Interest ncome	$ 31	$ 1	$ 11	$	$ 11	$ 10	$ 10	$ 1
AFUDC equ ty	139	42	66	60	6	13	18	
Post n serv ce equ ty returns	29	20	7	7		1		
Nonoperat ng ncome, other	231	88	57	33	31		13	19
Other ncome and expense, net	$ 430	$ 151	$ 141	$ 100	$ 48	$ 24	$ 41	$ 20

25. SUBSEQUENT EVENTS

For nformat on on subsequent events re ated to regu atory matters and comm tments and cont ngenc es, see Notes 3 and 4, respect ve y.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

D sc osure contro s and procedures are contro s and other procedures that are des gned to ensure that nformat on requ red to be d sc osed by the Duke Energy Reg strants n the reports they f e or subm t under the Exchange Act s recorded, processed, summar zed and reported, w th n the t me per ods spec f ed by the SEC ru es and forms.

D sc osure contro s and procedures nc ude, w thout m tat on, contro s and procedures des gned to prov de reasonab e assurance that nformat on requ red to be d sc osed by the Duke Energy Reg strants n the reports they f e or subm t under the Exchange Act s accumu ated and commun cated to management, nc ud ng the Ch ef Execut ve Off cer and Ch ef F nanc a Off cer, as appropr ate, to a ow t me y dec s ons regard ng requ red d sc osure.

Under the superv s on and w th the part c pat on of management, nc ud ng the Ch ef Execut ve Off cer and Ch ef F nanc a Off cer, the Duke Energy Reg strants have eva uated the effect veness of the r d sc osure contro s and procedures (as such term s def ned n Ru e 13a 15(e) and 15d 15(e) under the Exchange Act) as of December 31, 2021, and, based upon th s eva uat on, the Ch ef Execut ve Off cer and Ch ef F nanc a Off cer have conc uded that these contro s and procedures are effect ve n prov d ng reasonab e assurance of comp ance.

Changes in Internal Control Over Financial Reporting

Dur ng the fourth quarter of 2021, Duke Energy Progress and Duke Energy F or da mp emented Customer Connect, an SAP based customer engagement and b ng so ut on. Customer Connect was prev ous y mp emented at Duke Energy Caro nas dur ng the second quarter of 2021. As a resu t of th s mp ementat on, we mod f ed certa n ex st ng nterna contro s and mp emented new contro s and procedures re ated to Customer Connect. We eva uated the des gn and operat ng effect veness of these nterna contro s and do not be eve th s mp ementat on had an adverse effect on our nterna contro over f nanc a report ng.

Under the superv s on and w th the part c pat on of management, nc ud ng the Ch ef Execut ve Off cer and Ch ef F nanc a Off cer, the Duke Energy Reg strants have eva uated changes n nterna contro over f nanc a report ng (as such term s def ned n Ru es 13a 15 and 15d 15 under the Exchange Act) that occurred dur ng the f sca year ended December 31, 2021, and other than w th respect to the Customer Connect SAP mp ementat on, there were no other changes n our nterna contro over f nanc a report ng dur ng the year ended December 31, 2021, that have mater a y affected, or are reasonab y ke y to mater a y affect, our nterna contro s over f nanc a report ng.

Management's Annual Report on Internal Control Over Financial Reporting

The Duke Energy Reg strants' management s respons b e for estab sh ng and ma nta n ng an adequate system of nterna contro over f nanc a report ng, as such term s def ned n Exchange Act Ru es 13a 15(f) and 15d 15(f). The Duke Energy Reg strants' nterna contro system was des gned to prov de reasonab e assurance regard ng the re ab ty of f nanc a report ng and the preparat on of f nanc a statements for externa purposes, n accordance w th GAAP. Due to nherent m tat ons, nterna contro over f nanc a report ng may not prevent or detect m sstatements. A so, project ons of any eva uat on of effect veness of the nterna contro over f nanc a report ng to future per ods are subject to the r sk that contro s may become nadequate because of changes n cond t ons, or that the degree of comp ance w th po c es and procedures may deter orate.

The Duke Energy Reg strants' management, nc ud ng the r Ch ef Execut ve Off cer and Ch ef F nanc a Off cer, has conducted an eva uat on of the effect veness of the r nterna contro over f nanc a report ng as of December 31, 2021, based on the framework n the Interna Contro Integrated Framework (2013) ssued by the Comm ttee of Sponsor ng Organ zat ons of the Treadway Comm ss on. Based on that eva uat on, management conc uded that ts nterna contro s over f nanc a report ng were effect ve as of December 31, 2021.

De o tte & Touche LLP, Duke Energy's ndependent reg stered pub c account ng f rm, has ssued an attestat on report on the effect veness of Duke Energy's nterna contro over f nanc a report ng, wh ch s nc uded here n. Th s report s not app cab e to the Subs d ary Reg strants as these compan es are not acce erated or arge acce erated f ers.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareho ders and the Board of D rectors of Duke Energy Corporat on

Opinion on Internal Control over Financial Reporting

We have aud ted the nterna contro over f nanc a report ng of Duke Energy Corporat on and subs d ar es (the "Company") as of December 31, 2021, based on cr ter a estab shed n *Internal Control Integrated Framework (2013)* ssued by the Comm ttee of Sponsor ng Organ zat ons of the Treadway Comm ss on (COSO). In our op n on, the Company ma nta ned, n a mater a respects, effect ve nterna contro over f nanc a report ng as of December 31, 2021, based on cr ter a estab shed n *Internal Control Integrated Framework (2013)* ssued by COSO.

We have a so aud ted, n accordance w th the standards of the Pub c Company Account ng Overs ght Board (Un ted States) (PCAOB), the conso dated f nanc a statements as of and for the year ended December 31, 2021, of the Company and our report dated February 24, 2022, expressed an unqua f ed op n on on those f nanc a statements.

Basis for Opinion

The Company's management s respons b e for ma nta n ng effect ve nterna contro over f nanc a report ng and for ts assessment of the effect veness of nterna contro over f nanc a report ng, nc uded n the accompany ng *Management's Annual Report on Internal Control Over Financial Reporting*. Our respons b ty s to express an op n on on the Company's nterna contro over f nanc a report ng based on our aud t. We are a pub c account ng f rm reg stered w th the PCAOB and are requ red to be ndependent w th respect to the Company n accordance w th the U.S. federa secur t es aws and the app cab e ru es and regu at ons of the Secur t es and Exchange Comm ss on and the PCAOB.

We conducted our aud t n accordance w th the standards of the PCAOB. Those standards requ re that we p an and perform the aud t to obta n reasonab e assurance about whether effect ve nterna contro over f nanc a report ng was ma nta ned n a mater a respects. Our aud t nc uded obta n ng an understand ng of nterna contro over f nanc a report ng, assess ng the r sk that a mater a weakness ex sts, test ng and eva uat ng the des gn and operat ng effect veness of nterna contro based on the assessed r sk, and perform ng such other procedures as we cons dered necessary n the c rcumstances. We be eve that our aud t prov des a reasonab e bas s for our op n on.

Definition and Limitations of Internal Control over Financial Reporting

A company's nterna contro over f nanc a report ng s a process des gned to prov de reasonab e assurance regard ng the re ab ty of f nanc a report ng and the preparat on of f nanc a statements for externa purposes n accordance w th genera y accepted account ng pr nc p es. A company's nterna contro over f nanc a report ng nc udes those po c es and procedures that (1) perta n to the ma ntenance of records that, n reasonab e deta , accurate y and fa r y ref ect the transact ons and d spos t ons of the assets of the company; (2) prov de reasonab e assurance that transact ons are recorded as necessary to perm t preparat on of f nanc a statements n accordance w th genera y accepted account ng pr nc p es, and that rece pts and expend tures of the company are be ng made on y n accordance w th author zat ons of management and d rectors of the company; and (3) prov de reasonab e assurance regard ng prevent on or t me y detect on of unauthor zed acqu s t on, use, or d spos t on of the company's assets that cou d have a mater a effect on the f nanc a statements.

Because of ts nherent m tat ons, nterna contro over f nanc a report ng may not prevent or detect m sstatements. A so, project ons of any eva uat on of effect veness to future per ods are subject to the r sk that contro s may become nadequate because of changes n cond t ons, or that the degree of comp ance w th the po c es or procedures may deter orate.

/s/ Deloitte & Touche LLP

Char otte, North Caro na
February 24, 2022

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Informat on regard ng Duke Energy's Execut ve Off cers s set forth n Part I, Item 1, "Bus ness Informat on about Our Execut ve Off cers," n th s Annua Report on Form 10 K. Duke Energy w prov de nformat on that s respons ve to the rema nder of th s Item 10 n ts def n t ve proxy statement or n an amendment to th s Annua Report not ater than 120 days after the end of the f sca year covered by th s Annua Report. That nformat on s ncorporated n th s Item 10 by reference.

ITEM 11. EXECUTIVE COMPENSATION

Duke Energy w prov de nformat on that s respons ve to th s Item 11 n ts def n t ve proxy statement or n an amendment to th s Annua Report not ater than 120 days after the end of the f sca year covered by th s Annua Report. That nformat on s ncorporated n th s Item 11 by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Equity Compensation Plan Information

The fo ow ng tab e shows nformat on as of December 31, 2021, about secur t es to be ssued upon exerc se of outstand ng opt ons, warrants and r ghts under Duke Energy's equ ty compensat on p ans, a ong w th the we ghted average exerc se pr ce of the outstand ng opt ons, warrants and r ghts and the number of secur t es rema n ng ava ab e for future ssuance under the p ans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)[1]	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equ ty compensat on p ans approved by secur ty ho ders	3,277,358 (2)	n/a	3,470,774 (3)
Equ ty compensat on p ans not approved by secur ty ho ders	113,176 (4)	n/a	n/a (5)
Tota	3,390,534	n/a	3,470,774

(1) As of December 31, 2021, no opt ons were outstand ng under equ ty compensat on p ans.

(2) Inc udes RSUs and performance shares (assum ng the max mum payout eve) granted under the Duke Energy Corporat on 2015 Long Term Incent ve P an, as we as shares that cou d be payab e w th respect to certa n compensat on deferred under the Duke Energy Corporat on Execut ve Sav ngs P an (Execut ve Sav ngs P an) or the D rectors' Sav ngs P an.

(3) Inc udes shares rema n ng ava ab e for ssuance pursuant to stock awards under the Duke Energy Corporat on 2015 Long Term Incent ve P an.

(4) Inc udes shares that cou d be payab e w th respect to certa n compensat on deferred under the Execut ve Sav ngs P an or the Duke Energy Corporat on D rectors' Sav ngs P an (D rectors' Sav ngs P an), each of wh ch s a non qua f ed deferred compensat on p an descr bed n more deta be ow.

(5) The number of shares rema n ng ava ab e for future ssuance under equ ty compensat on p ans not approved by secur ty ho ders cannot be determ ned because t s based on the amount of future vo untary deferra s, f any, under the Execut ve Sav ngs P an and the D rectors' Sav ngs P an.

Under the Execut ve Sav ngs P an, part c pants can e ect to defer a port on of the r base sa ary and short-term ncent ve compensat on. Part c pants a so rece ve a company match ng contr but on n excess of the contr but on m ts prescr bed by the Interna Revenue Code under the Duke Energy Ret rement Sav ngs P an, wh ch s the 401(k) p an n wh ch emp oyees are genera y e g b e to part c pate. E g b e part c pants may a so earn pay cred ts based on age and ength of serv ce on e g b e earn ngs that exceed m ted prescr bed by the Interna Revenue Code.

In genera , payments are made fo ow ng term nat on of emp oyment or death n the form of a ump sum or nsta ments, as se ected by the part c pant. Part c pants may d rect the deemed nvestment of the r accounts (w th certa n except ons) among nvestment opt ons ava ab e under the Duke Energy Ret rement Sav ngs P an, nc ud ng the Duke Energy Common Stock Fund. Part c pants may change the r nvestment e ect ons on a da y bas s. Deferra s of equ ty awards are cred ted w th earn ngs and osses based on the performance of the Duke Energy Common Stock Fund. The benef ts payab e under the p an are unfunded and subject to the c a ms of Duke Energy's cred tors.

Under the D rectors' Sav ngs P an, outs de d rectors may e ect to defer a or a port on of the r annua compensat on, genera y cons st ng of reta ners. Deferred amounts are cred ted to an unfunded account, the ba ance of wh ch s adjusted for the performance of phantom nvestment opt ons, nc ud ng the Duke Energy Common Stock Fund, as e ected by the d rector, and genera y are pa d when the d rector term nates h s or her serv ce from the Board of D rectors.

Duke Energy w prov de add t ona nformat on that s respons ve to th s Item 12 n ts def n t ve proxy statement or n an amendment to th s Annua Report not ater than 120 days after the end of the f sca year covered by th s Annua Report. That nformat on s ncorporated n th s Item 12 by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Duke Energy w prov de nformat on that s respons ve to th s Item 13 n ts def n t ve proxy statement or n an amendment to th s Annua Report not ater than 120 days after the end of the f sca year covered by th s Annua Report. That nformat on s ncorporated n th s Item 13 by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

De o tte prov ded profess ona serv ces to the Duke Energy Reg strants. The fo ow ng tab es present the De o tte fees for serv ces rendered to the Duke Energy Reg strants dur ng 2021 and 2020.

	Year Ended December 31, 2021							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Types of Fees								
Aud t Fees[a]	**$ 13.2**	**$ 3.1**	**$ 4.7**	**$ 2.4**	**$ 2.3**	**$ 1.9**	**$ 1.7**	**$ 1.3**
Aud t Re ated Fees[b]	**1.5**	**0.1**	**0.2**	**0.1**	**0.1**	**0.2**		
Tota Fees	**$ 14.7**	**$ 3.2**	**$ 4.9**	**$ 2.5**	**$ 2.4**	**$ 2.1**	**$ 1.7**	**$ 1.3**

	Year Ended December 31, 2020							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Types of Fees								
Aud t Fees[a]	$ 12.9	$ 3.0	$ 4.5	$ 2.3	$ 2.2	$ 1.9	$ 1.7	$ 1.3
Aud t Re ated Fees[b]	1.7	0.2	0.3	0.1	0.2	0.3	0.1	
Tax Fees[c]	0.1							
Tota Fees	$ 14.7	$ 3.2	$ 4.8	$ 2.4	$ 2.4	$ 2.2	$ 1.8	$ 1.3

(a) Aud t Fees are fees b ed, or expected to be b ed, by De o tte for profess ona serv ces for the f nanc a statement aud ts, aud t of the Duke Energy Reg strants' f nanc a statements nc uded n the Annua Report on Form 10 K, rev ews of f nanc a statements nc uded n Quarter y Reports on Form 10-Q, and serv ces assoc ated w th secur t es f ngs such as comfort etters and consents.

(b) Aud t Re ated Fees are fees b ed, or expected to be b ed, by De o tte for assurance and re ated serv ces that are reasonab y re ated to the performance of an aud t or rev ew of f nanc a statements, nc ud ng statutory report ng requ rements.

(c) Tax Fees are fees b ed by De o tte for tax return ass stance and preparat on, tax exam nat on ass stance and profess ona serv ces re ated to tax p ann ng and tax strategy.

To safeguard the cont nued ndependence of the ndependent aud tor, the Aud t Comm ttee of Duke Energy adopted a po cy that a serv ces prov ded by the ndependent aud tor requ re preapprova by the Aud t Comm ttee. Pursuant to the po cy, certa n aud t serv ces, aud t re ated serv ces, tax serv ces and other serv ces have been spec f ca y preapproved up to fee m ts. In the event the cost of any of these serv ces may exceed the fee m ts, the Aud t Comm ttee must spec f ca y approve the serv ce. A serv ces performed n 2021 and 2020 by the ndependent accountant were approved by the Aud t Comm ttee pursuant to the preapprova po cy.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Conso dated F nanc a Statements and Supp ementa Schedu es nc uded n Part II of th s Annua Report are as fo ows:

Duke Energy Corporation

Conso dated F nanc a Statements
Conso dated Statements of Operat ons for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Statements of Comprehens ve Income for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Ba ance Sheets as of December 31, 2021, and 2020
Conso dated Statements of Cash F ows for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Statements of Changes n Equ ty for the Years Ended December 31, 2021, 2020 and 2019
Notes to the Conso dated F nanc a Statements
Report of Independent Reg stered Pub c Account ng F rm
A other schedu es are om tted because they are not requ red, or because the requ red nformat on s nc uded n the Conso dated F nanc a Statements or Notes.

Duke Energy Carolinas, LLC

Conso dated F nanc a Statements
Conso dated Statements of Operat ons and Comprehens ve Income for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Ba ance Sheets as of December 31, 2021, and 2020
Conso dated Statements of Cash F ows for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Statements of Changes n Equ ty for the Years Ended December 31, 2021, 2020 and 2019
Notes to the Conso dated F nanc a Statements
Report of Independent Reg stered Pub c Account ng F rm
A other schedu es are om tted because they are not requ red, or because the requ red nformat on s nc uded n the Conso dated F nanc a Statements or Notes.

Progress Energy, Inc.

Conso dated F nanc a Statements
Conso dated Statements of Operat ons and Comprehens ve Income for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Ba ance Sheets as of December 31, 2021, and 2020
Conso dated Statements of Cash F ows for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Statements of Changes n Equ ty for the Years Ended December 31, 2021, 2020 and 2019
Notes to the Conso dated F nanc a Statements
Report of Independent Reg stered Pub c Account ng F rm
A other schedu es are om tted because they are not requ red, or because the requ red nformat on s nc uded n the Conso dated F nanc a Statements or Notes.

Duke Energy Progress, LLC

Conso dated F nanc a Statements
Conso dated Statements of Operat ons and Comprehens ve Income for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Ba ance Sheets as of December 31, 2021, and 2020
Conso dated Statements of Cash F ows for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Statements of Changes n Equ ty for the Years Ended December 31, 2021, 2020 and 2019
Notes to the Conso dated F nanc a Statements
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Duke Energy Florida, LLC

Conso dated F nanc a Statements
Conso dated Statements of Operat ons and Comprehens ve Income for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Ba ance Sheets as of December 31, 2021, and 2020
Conso dated Statements of Cash F ows for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Statements of Changes n Equ ty for the Years Ended December 31, 2021, 2020 and 2019
Notes to the Conso dated F nanc a Statements
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Duke Energy Ohio, Inc.

Conso dated F nanc a Statements
Conso dated Statements of Operat ons and Comprehens ve Income for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Ba ance Sheets as of December 31, 2021, and 2020
Conso dated Statements of Cash F ows for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Statements of Changes n Equ ty for the Years Ended December 31, 2021, 2020 and 2019
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Duke Energy Indiana, LLC

Conso dated F nanc a Statements
Conso dated Statements of Operat ons and Comprehens ve Income for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Ba ance Sheets as of December 31, 2021, and 2020
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Piedmont Natural Gas Company, Inc.

Conso dated F nanc a Statements
Conso dated Statements of Operat ons and Comprehens ve Income for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Ba ance Sheets as of December 31, 2021, and 2020
Conso dated Statements of Cash F ows for the Years Ended December 31, 2021, 2020 and 2019
Conso dated Statements of Changes n Equ ty for the Years Ended December 31, 2021, 2020 and 2019
Notes to the Conso dated F nanc a Statements
Report of Independent Reg stered Pub c Account ng F rm
A other schedu es are om tted because they are not requ red, or because the requ red nformat on s nc uded n the Conso dated F nanc a Statements or Notes.

EXHIBIT INDEX

Exh b ts f ed herew th are des gnated by an aster sk (*). A exh b ts not so des gnated are ncorporated by reference to a pr or f ng, as nd cated. Items const tut ng management contracts or compensatory p ans or arrangements are des gnated by a doub e aster sk (**). The Company agrees to furn sh upon request to the comm ss on a copy of any om tted schedu es or exh b ts upon request on a tems des gnated by a tr p e aster sk (***).

Exh b t Number		Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
2.1	Agreement and P an of Merger between Duke Energy Corporat on, D amond Acqu s t on Corporat on and Progress Energy, Inc., dated as of January 8, 2011 (ncorporated by reference to Exh b t 2.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on January 11, 2011, F e No. 1 32853).	X		X					
2.2	Agreement and P an of Merger between P edmont Natura Gas Company, Duke Energy Corporat on and Forest Subs d ary, Inc. (ncorporated by reference to Exh b t 2.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on October 26, 2015, F e No. 1 32853).	X							X
3.1	Amended and Restated Cert f cate of Incorporat on (ncorporated by reference to Exh b t 3.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on May 20, 2014, F e No. 1 32853).	X							
3.2	Amended and Restated By Laws of Duke Energy Corporat on (ncorporated by reference to Exh b t 3.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on January 4, 2016, F e No. 1 32853).	X							
3.3	Art c es of Organ zat on nc ud ng Art c es of Convers on (ncorporated by reference to Exh b t 3.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on Apr 7, 2006, F e No. 1 4928).		X						
3.3.1	Amended Art c es of Organ zat on, effect ve October 1, 2006 (ncorporated by reference to Exh b t 3.1 to Duke Energy Caro nas, LLC's Quarter y Report on Form 10 Q for the quarter ended September 30, 2006, f ed on November 13, 2006, F e No. 1 4928).		X						
3.4	Amended Art c es of Incorporat on of Duke Energy Oh o, Inc. (former y The C nc nnat Gas & E ectr c Company), effect ve October 23, 1996, (ncorporated by reference to Exh b t 3(a) to reg strant's Quarter y Report on Form 10 Q for the quarter ended September 30, 1996, f ed on November 13, 1996, F e No. 1 1232).						X		
3.4.1	Amended Art c es of Incorporat on, effect ve September 19, 2006 (ncorporated by reference to Exh b t 3.1 to Duke Energy Oh o, Inc.'s (former y The C nc nnat Gas & E ectr c Company) Quarter y Report on Form 10 Q for the quarter ended September 30, 2006, f ed on November 17, 2006, F e No. 1 1232).						X		
3.5	Cert f cate of Convers on of Duke Energy Ind ana, LLC (ncorporated by reference to Exh b t 3.1 to reg strant's Current Report on Form 8 K f ed on January 4, 2016, F e No. 1 3543).							X	
3.5.1	Art c es of Ent ty Convers on of Duke Energy Ind ana, LLC (ncorporated by reference to Exh b t 3.2 to reg strant's Current Report on Form 8 K f ed on January 4, 2016, F e No. 1 3543).							X	
3.5.2	P an of Ent ty Convers on of Duke Energy Ind ana, LLC (ncorporated by reference to Exh b t 3.3 to reg strant's Current Report on Form 8 K f ed on January 4, 2016, F e No. 1 3543).							X	
3.5.3	Art c es of Organ zat on of Duke Energy Ind ana, LLC (ncorporated by reference to Exh b t 3.4 to reg strant's Current Report on Form 8 K f ed on January 4, 2016, F e No. 1 3543).							X	
3.5.4	Amended and Restated L m ted L ab ty Company Operat ng Agreement of Duke Energy Ind ana, LLC, dated August 25, 2021 (ncorporated by reference to Exh b t 3.1 to reg strant's Quarter y Report on Form 10 Q for the quarter ended September 30, 2021, f ed on November 4, 2021, F e No. 1 3543).							X	
3.6	L m ted L ab ty Company Operat ng Agreement of Duke Energy Caro nas, LLC (ncorporated by reference to Exh b t 3.2 to reg strant's Current Report on Form 8 K f ed on Apr 7, 2006, F e No. 1 4928).		X						

3.7	Regu at ons of Duke Energy Oh o, Inc. (former y The C nc nnat Gas & E ectr c Company), effect ve Ju y 23, 2003 (ncorporated by reference to Exh b t 3.2 to reg strant's Quarter y Report on Form 10 Q for the quarter ended June 30, 2003, f ed on August 13, 2003, F e No. 1 1232).						X	
3.8	Art c es of Organ zat on nc ud ng Art c es of Convers on for Duke Energy Progress, LLC (ncorporated by reference to Exh b t 3.1 to reg strant's Current Report on Form 8 K f ed on August 4, 2015, F e No. 1 3382).				X			
3.8.1	P an of Convers on of Duke Energy Progress, Inc. (ncorporated by reference to Exh b t 3.2 to reg strant's Current Report on Form 8 K f ed on August 4, 2015, F e No. 1 3382).				X			
3.8.2	L m ted L ab ty Company Operat ng Agreement of Duke Energy Progress, LLC (ncorporated by reference to Exh b t 3.3 to reg strant's Current Report on Form 8 K f ed on August 4, 2015, F e No. 1 3382).				X			
3.9	Amended and Restated Art c es of Incorporat on of Progress Energy, Inc. (former y CP&L Energy, Inc.), effect ve June 15, 2000 (ncorporated by reference to Exh b t 3(a)(1) to reg strant's Quarter y Report on Form 10 Q for the quarter ended June 30, 2000, f ed on August 14, 2000, F e No. 1 3382).		X					
3.9.1	Art c es of Amendment to the Amended and Restated Art c es of Incorporat on of Progress Energy, Inc. (former y CP&L Energy, Inc.), effect ve December 4, 2000 (ncorporated by reference to Exh b t 3(b)(1) to reg strant's Annua Report on Form 10 K for the year ended December 31, 2001, f ed on March 28, 2002, F e No. 1 3382).		X					
3.9.2	Art c es of Amendment to the Amended and Restated Art c es of Incorporat on of Progress Energy, Inc. (former y CP&L Energy, Inc.), effect ve May 10, 2006 (ncorporated by reference to Exh b t 3(a) to reg strant's Quarter y Report on Form 10 Q for the quarter ended June 30, 2006, f ed on August 9, 2006, F e No. 1 15929).		X					
3.9.3	By Laws of Progress Energy, Inc. (former y CP&L Energy, Inc.), effect ve May 10, 2006 (ncorporated by reference to Exh b t 3(b) to reg strant's Quarter y Report on Form 10 Q for the quarter ended June 30, 2006, f ed on August 9, 2006, F e No. 1 15929).		X					
3.10	Art c es of Convers on for Duke Energy F or da, LLC (ncorporated by reference to Exh b t 3.4 to reg strant's Current Report on Form 8 K f ed on August 4, 2015, F e No. 1 3274).					X		
3.10.1	Art c es of Organ zat on for Duke Energy F or da, LLC (ncorporated by reference to Exh b t 3.5 to reg strant's Current Report on Form 8 K f ed on August 4, 2015, F e No. 1 3274).					X		
3.10.2	P an of Convers on of Duke Energy F or da, Inc. (ncorporated by reference to Exh b t 3.6 to reg strant's Current Report on Form 8 K f ed on August 4, 2015, F e No. 1 3274).					X		
3.10.3	L m ted L ab ty Company Operat ng Agreement of Duke Energy F or da, LLC (ncorporated by reference to Exh b t 3.7 to reg strant's Current Report on Form 8 K f ed on August 4, 2015, F e No. 1 3274).					X		
3.11	Amended and Restated Art c es of Incorporat on of P edmont Natura Gas Company, Inc., dated as of October 3, 2016 (ncorporated by reference to Exh b t 3.1 to reg strant's Annua Report on Form 10 K for the f sca year ended October 31, 2016, f ed on December 22, 2016, F e No. 001 06196).							X
3.11.1	By aws of P edmont Natura Gas Company, Inc., as amended and restated effect ve October 3, 2016 (ncorporated by reference to Exh b t 3.2 to reg strant's Current Report on Form 8 K f ed on October 3, 2016, F e No. 1 06196).							X
3.12	Cert f cate of Des gnat ons w th respect to Ser es A Preferred Stock, dated March 28, 2019 (ncorporated by reference to Exh b t 3.1 to reg strant's Current Report on Form 8 K f ed on March 29, 2019, F e No. 1 32853).	X						
3.13	Cert f cate of Des gnat on w th respect to the Ser es B Preferred Stock, dated September 11, 2019 (ncorporated by reference to Exh b t 3.1 to reg strant's Current Report on Form 8 K f ed on September 12, 2019, F e No. 1 32853).	X						

3.14	Descr pt on of Reg stered Secur t es (ncorporated by reference from the reg strant's prospectus conta ned n Form S 3 f ed on September 23, 2019, F e No. 333 233896,under the head ngs "Descr pt on of Common Stock," "Descr pt on of Preferred Stock," "Descr pt on of Depos tary Shares," "Descr pt on of Stock Purchase Contracts and Stock Purchase Un ts," and "Descr pt on of Debt Secur t es").	X							
3.15	Descr pt on of Reg stered Secur t es (ncorporated by reference from the reg strant's prospectus conta ned n Form S 3 f ed on September 23, 2019, F e No. 333 233896 01, under the head ng "Descr pt on of Debt Secur t es").								X
3.16	Descr pt on of Reg stered Secur t es (ncorporated by reference from the reg strant's prospectus conta ned n Form S 3 f ed on September 23, 2019, F e No. 333 233896 02, under the head ngs "Descr pt on of F rst Mortgage Bonds" and "Descr pt on of Debt Secur t es").				X				
3.17	Descr pt on of Reg stered Secur t es (ncorporated by reference from the reg strant's prospectus conta ned n Form S 3 f ed on September 23, 2019, F e No. 333 233896 03, under the head ngs "Descr pt on of F rst Mortgage Bonds" and "Descr pt on of Unsecured Debt Secur t es").						X		
3.18	Descr pt on of Reg stered Secur t es (ncorporated by reference from the reg strant's prospectus conta ned n Form S 3 f ed on September 23, 2019, F e No. 333 233896 04, under the head ngs "Descr pt on of F rst Mortgage Bonds" and "Descr pt on of Unsecured Debt Secur t es").							X	
3.19	Descr pt on of Reg stered Secur t es (ncorporated by reference from the reg strant's prospectus conta ned n Form S 3 f ed on September 23, 2019, F e No. 333 233896 05, under the head ngs "Descr pt on of F rst Mortgage Bonds" and "Descr pt on of Debt Secur t es").					X			
3.20	Descr pt on of Reg stered Secur t es (ncorporated by reference from the reg strant's prospectus conta ned n Form S 3 f ed on September 23, 2019, F e No. 333 233896 06, under the head ngs "Descr pt on of F rst and Refund ng Mortgage Bonds," "Descr pt on of Sen or Notes," and "Descr pt on of Subord nate Notes").		X						
4.1	Indenture between Duke Energy Corporat on and The Bank of New York Me on Trust Company, N.A., as Trustee, dated as of June 3, 2008 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on June 16, 2008, F e No. 1 32853).	X							
4.1.1	F rst Supp ementa Indenture, dated as of June 16, 2008 (ncorporated by reference to Exh b t 4.2 to Duke Energy Corporat on's Current Report on Form 8 K f ed on June 16, 2008, F e No. 1 32853).	X							
4.1.2	Second Supp ementa Indenture, dated as of January 26, 2009 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on January 26, 2009, F e No. 1 32853).	X							
4.1.3	Th rd Supp ementa Indenture, dated as of August 28, 2009 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on August 28, 2009, F e No. 1 32853).	X							
4.1.4	Fourth Supp ementa Indenture, dated as of March 25, 2010 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on March 25, 2010, F e No. 1 32853).	X							
4.1.5	F fth Supp ementa Indenture, dated as of August 25, 2011 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on August 25, 2011, F e No. 1 32853).	X							
4.1.6	S xth Supp ementa Indenture, dated as of November 17, 2011 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on November 17, 2011, F e No. 1 32853).	X							
4.1.7	Seventh Supp ementa Indenture, dated as of August 16, 2012 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on August 16, 2012, F e No. 1 32853).	X							
4.1.8	E ghth Supp ementa Indenture, dated as of January 14, 2013 (ncorporated by reference to Exh b t 2 to the Reg strat on Statement of Form 8 A of Duke Energy Corporat on f ed on January 14, 2013, F e No. 1 32853).	X							

4.1.9	N nth Supp ementa Indenture, dated as of June 13, 2013 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on June 13, 2013, F e No. 1 32853).	X
4.1.10	Tenth Supp ementa Indenture, dated as of October 11, 2013 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on October 11, 2013, F e No. 1 32853).	X
4.1.11	E eventh Supp ementa Indenture, dated as of Apr 4, 2014 (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on Apr 4, 2014, F e No. 1 32853).	X
4.1.12	Twe fth Supp ementa Indenture, dated as of November 19, 2015 (ncorporated by reference to Exh b t 4.2 to Duke Energy Corporat on's Current Report on Form 8 K f ed on November 19, 2015, F e No. 1 32853).	X
4.1.13	Th rteenth Supp ementa Indenture, dated as of Apr 18, 2016, to the ndenture dated as of June 3, 2008, between Duke Energy Corporat on and The Bank of New York Me on Trust Company, N.A., as Trustee (ncorporated by reference to Exh b t 4.1 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended March 31, 2016, f ed on May 5, 2016, F e No. 1 32853).	X
4.1.14	Fourteenth Supp ementa Indenture, dated as of August 12, 2016 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on August 12, 2016, F e No. 1 32853).	X
4.1.15	F fteenth Supp ementa Indenture, dated as of Apr 11, 2017 (ncorporated by reference to Exh b t 4.2 to reg strant's Quarter y Report on Form 10 Q for the quarter ended March 31, 2017, f ed on May 9, 2017, F e No. 1 32853).	X
4.1.16	S xteenth Supp ementa Indenture, dated as of June 13, 2017 (ncorporated by reference to Exh b t 4.1 to reg strant's Quarter y Report on Form 10 Q for the quarter ended June 30, 2017, f ed on August 3, 2017, F e No. 1 32853).	X
4.1.17	Seventeenth Supp ementa Indenture, dated as of August 10, 2017 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on August 10, 2017, F e No. 1 32853).	X
4.1.18	E ghteenth Supp ementa Indenture, dated as of March 29, 2018 (ncorporated by reference to Exh b t 4.2 to reg strant's Quarter y Report on Form 10 Q for the quarter ended March 31, 2018, f ed on May 10, 2018, F e No. 1 32853).	X
4.1.19	N neteenth Supp ementa Indenture, dated as of May 16, 2018 (ncorporated by reference to Exh b t 4.1 to reg strant's Quarter y Report on Form 10 Q for the quarter ended June 30, 2018, f ed on August 2, 2018, F e No. 1 32853).	X
4.1.20	Twent eth Supp ementa Indenture (ncorporated by reference to Exh b t 4.2 to reg strant's Reg strat on Statement on Form 8 A f ed on September 17, 2018, F e No. 1 32853).	X
4.1.21	Twenty f rst Supp ementa Indenture (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on March 11, 2019, F e no. 1 32853).	X
4.1.22	Twenty second Supp ementa Indenture, dated as of June 7, 2019 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on June 7, 2019, F e No. 1 32853).	X
4.1.23	Twenty th rd Supp ementa Indenture, dated as of May 15, 2020 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on May 15, 2020, F e No. 1 32853).	X
4.1.24	Twenty fourth Supp ementa Indenture, dated as of September 11, 2020 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on September 11, 2020, F e No. 1 32853).	X
4.1.25	Twenty f fth Supp ementa Indenture, dated as of June 10, 2021 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on June 10, 2021, F e No. 1 32853).	X
4.1.26	Twenty s xth Supp ementa Indenture, dated as of September 28, 2021 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on September 28, 2021, F e No. 1 32853).	X

4.2	Sen or Indenture between Duke Energy Caro nas, LLC and The Bank of New York Me on Trust Company, N.A., as successor trustee to JPMorgan Chase Bank (former y known as The Chase Manhattan Bank), dated as of September 1, 1998 (ncorporated by reference to Exh b t 4 D 1 to reg strant's Post Effect ve Amendment No. 2 to Reg strat on Statement on Form S 3 f ed on Apr 7, 1999, F e No. 333 14209).	X
4.2.1	F fteenth Supp ementa Indenture, dated as of Apr 3, 2006 (ncorporated by reference to Exh b t 4.4.1 to reg strant's Reg strat on Statement on Form S 3 f ed on October 3, 2007, F e No. 333 146483 03).	X
4.2.2	S xteenth Supp ementa Indenture, dated as of June 5, 2007 (ncorporated by reference to Exh b t 4.1 reg strant's Current Report on Form 8 K f ed on June 6, 2007, F e No. 1 4928).	X
4.3	F rst and Refund ng Mortgage from Duke Energy Caro nas, LLC to The Bank of New York Me on Trust Company, N.A., successor trustee to Guaranty Trust Company of New York, dated as of December 1, 1927 (ncorporated by reference to Exh b t 7(a) to reg strant's Form S 1, effect ve October 15, 1947, F e No. 2 7224).	X
4.3.1	Instrument of Res gnat on, Appo ntment and Acceptance among Duke Energy Caro nas, LLC, JPMorgan Chase Bank, N.A., as Trustee, and The Bank of New York Me on Trust Company, N.A., as Successor Trustee, dated as of September 24, 2007, (ncorporated by reference to Exh b t 4.6.1 to reg strant's Reg strat on Statement on Form S 3 f ed on October 3, 2007, F e No. 333 146483).	X
4.3.2	N nth Supp ementa Indenture, dated as of February 1, 1949 (ncorporated by reference to Exh b t 7(j) to reg strant's Form S 1 f ed on February 3, 1949, F e No. 2 7808).	X
4.3.3	Twent eth Supp ementa Indenture, dated as of June 15, 1964 (ncorporated by reference to Exh b t 4 B 20 to reg strant's Form S 1 f ed on August 23, 1966, F e No. 2 25367).	X
4.3.4	Twenty th rd Supp ementa Indenture, dated as of February 1, 1968 (ncorporated by reference to Exh b t 2 B 26 to reg strant's Form S 9 f ed on January 21, 1969, F e No. 2 31304).	X
4.3.5	S xt eth Supp ementa Indenture, dated as of March 1, 1990 (ncorporated by reference to Exh b t 4 B 61 to reg strant's Annua Report on Form 10 K for the year ended December 31, 1990, F e No.1 4928).	X
4.3.6	S xty th rd Supp ementa Indenture, dated as of Ju y 1, 1991 (ncorporated by reference to Exh b t 4 B 64 to reg strant's Reg strat on Statement on Form S 3 f ed on February 13, 1992, F e No. 33 45501).	X
4.3.7	E ghty fourth Supp ementa Indenture, dated as of March 20, 2006 (ncorporated by reference to Exh b t 4.6.9 to reg strant's Reg strat on Statement on Form S 3 f ed on October 3, 2007, F e No. 333 146483 03).	X
4.3.8	E ghty f fth Supp ementa Indenture, dated as of January 10, 2008 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on January 11, 2008, F e No.1 4928).	X
4.3.9	E ghty seventh Supp ementa Indenture, dated as of Apr 14, 2008 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on Apr 15, 2008, F e No.1 4928).	X
4.3.10	E ghty e ghth Supp ementa Indenture, dated as of November 17, 2008 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on November 20, 2008, F e No.1 4928).	X
4.3.11	N net eth Supp ementa Indenture, dated as of November 19, 2009 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on November 19, 2009, F e No.1 4928).	X
4.3.12	N nety f rst Supp ementa Indenture, dated as of June 7, 2010 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on June 7, 2010, F e No.1 4928).	X
4.3.13	N nety th rd Supp ementa Indenture, dated as of May 19, 2011 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on May 19, 2011, F e No.1 4928).	X

4.3.14	N nety fourth Supp ementa Indenture, dated as of December 8, 2011 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on December 8, 2011, F e No.1 4928).	X	
4.3.15	N nety f fth Supp ementa Indenture, dated as of September 21, 2012 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on September 21, 2012, F e No.1 4928).	X	
4.3.16	N nety s xth Supp ementa Indenture, dated as of March 12, 2015, between Duke Energy Caro nas, LLC and The Bank of New York Me on Trust Company, N.A., as Trustee (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on March 12, 2015, F e No. 1 4928).	X	
4.3.17	N nety seventh Supp ementa Indenture, dated as of March 11, 2016 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on March 11, 2016, F e No. 1 4928).	X	
4.3.18	N nety e ghth Supp ementa Indenture, dated as of November 17, 2016 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC's Current Report on Form 8 K f ed on November 17, 2016, F e No. 1 4928).	X	
4.3.19	N nety n nth Supp ementa Indenture, dated as of November 14, 2017 (ncorporated by reference to Exh b t 4.1 to Duke Energy Caro nas, LLC Current Report on Form 8 K f ed on November 14, 2017, F e No. 1 4928).	X	
4.3.20	One Hundredth Supp ementa Indenture, dated as of March 1, 2018 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on March 1, 2018, F e No. 1 4928).	X	
4.3.21	One Hundred and Second Supp ementa Indenture, dated as of August 14, 2019 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on August 14, 2019, F e No. 1 4928).	X	
4.3.22	One Hundred and Th rd Supp ementa Indenture, dated as of January 8, 2020 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on January 8, 2020, F e No. 1 4928).	X	
4.3.23	One Hundred and Fourth Supp ementa Indenture, dated as of January 8, 2020 (ncorporated by reference to Exh b t 4.3 to reg strant's Current Report on Form 8 K f ed on January 8, 2020, F e No. 1 4928).	X	
4.3.24	One Hundred and F fth Supp ementa Indenture, dated as of Apr 1, 2021 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on Apr 1, 2021, F e No. 1 4928).	X	
4.4	Mortgage and Deed of Trust between Duke Energy Progress, Inc. (former y Caro na Power & L ght Company) and The Bank of New York Me on (former y Irv ng Trust Company) and Freder ck G. Herbst (T na D. Gonza ez, successor), as Trustees, dated as of May 1, 1940.		X
4.4.1	F rst through F fth Supp ementa Indentures thereto (ncorporated by reference to Exh b t 2(b), F e No. 2 64189).		X
4.4.2	S xth Supp ementa Indenture dated Apr 1, 1960 (ncorporated by reference to Exh b t 2(b) 5, F e No. 2 16210).		X
4.4.3	Seventh Supp ementa Indenture dated November 1, 1961 (ncorporated by reference to Exh b t 2(b) 6, F e No. 2 16210).		X
4.4.4	E ghth Supp ementa Indenture dated Ju y 1, 1964 (ncorporated by reference to Exh b t 4(b) 8, F e No. 2 19118).		X
4.4.5	N nth Supp ementa Indenture dated Apr 1, 1966 (ncorporated by reference to Exh b t 4(b) 2, F e No. 2 22439).		X
4.4.6	Tenth Supp ementa Indenture dated October 1, 1967 (ncorporated by reference to Exh b t 4(b) 2, F e No. 2 24624).		X
4.4.7	E eventh Supp ementa Indenture dated October 1, 1968 (ncorporated by reference to Exh b t 2(c), F e No. 2 27297).		X
4.4.8	Twe fth Supp ementa Indenture dated January 1, 1970 (ncorporated by reference to Exh b t 2(c), F e No. 2 30172).		X

4.4.9	Th rteenth Supp ementa Indenture dated August 1, 1970 (ncorporated by reference to Exh b t 2(c), F e No. 2 35694).	X
4.4.10	Fourteenth Supp ementa Indenture dated January 1, 1971 (ncorporated by reference to Exh b t 2(c), F e No. 2 37505).	X
4.4.11	F fteenth Supp ementa Indenture dated October 1, 1971 (ncorporated by reference to Exh b t 2(c), F e No. 2 39002).	X
4.4.12	S xteenth Supp ementa Indenture dated May 1, 1972 (ncorporated by reference to Exh b t 2(c), F e No. 2 41738).	X
4.4.13	Seventeenth Supp ementa Indenture dated November 1, 1973 (ncorporated by reference to Exh b t 2(c), F e No. 2 43439).	X
4.4.14	E ghteenth Supp ementa Indenture dated (ncorporated by reference to Exh b t 2(c), F e No. 2 47751).	X
4.4.15	N neteenth Supp ementa Indenture dated May 1, 1974 (ncorporated by reference to Exh b t 2(c), F e No. 2 49347).	X
4.4.16	Twent eth Supp ementa Indenture dated December 1, 1974 (ncorporated by reference to Exh b t 2(c), F e No. 2 53113).	X
4.4.17	Twenty f rst Supp ementa Indenture dated Apr 15, 1975 (ncorporated by reference to Exh b t 2(d), F e No. 2 53113).	X
4.4.18	Twenty second Supp ementa Indenture dated October 1, 1977 (ncorporated by reference to Exh b t 2(c), F e No. 2 59511).	X
4.4.19	Twenty th rd Supp ementa Indenture dated June 1, 1978 (ncorporated by reference to Exh b t 2(c), F e No. 2 61611).	X
4.4.20	Twenty fourth Supp ementa Indenture dated May 15, 1979 (ncorporated by reference to Exh b t 2(d), F e No. 2 64189).	X
4.4.21	Twenty f fth Supp ementa Indenture dated November 1, 1979 (ncorporated by reference to Exh b t 2(c), F e No. 2 65514).	X
4.4.22	Twenty s xth Supp ementa Indenture dated November 1, 1979 (ncorporated by reference to Exh b t 2(c), F e No. 2 66851).	X
4.4.23	Twenty seventh Supp ementa Indenture dated Apr 1, 1980 (ncorporated by reference to Exh b t 2 (d), F e No. 2 66851).	X
4.4.24	Twenty e ghth Supp ementa Indenture dated October 1, 1980 (ncorporated by reference to Exh b t 4(b) 1, F e No. 2 81299).	X
4.4.25	Twenty n nth Supp ementa Indenture dated October 1, 1980 (ncorporated by reference to Exh b t 4(b) 2, F e No. 2 81299).	X
4.4.26	Th rt eth Supp ementa Indenture dated December 1, 1982 (ncorporated by reference to Exh b t 4(b) 3, F e No. 2 81299).	X
4.4.27	Th rty f rst Supp ementa Indenture dated March 15, 1983 (ncorporated by reference to Exh b t 4(c) 1, F e No. 2 95505).	X
4.4.28	Th rty second Supp ementa Indenture dated March 15, 1983 (ncorporated by reference to Exh b t 4(c) 2, F e No. 2 95505).	X
4.4.29	Th rty th rd Supp ementa Indenture dated December 1, 1983 (ncorporated by reference to Exh b t 4(c) 3, F e No. 2 95505).	X
4.4.30	Th rty fourth Supp ementa Indenture dated December 15, 1983 (ncorporated by reference to Exh b t 4(c) 4, F e No. 2 95505).	X
4.4.31	Th rty f fth Supp ementa Indenture dated Apr 1, 1984 (ncorporated by reference to Exh b t 4(c) 5, F e No. 2 95505).	X
4.4.32	Th rty s xth Supp ementa Indenture dated June 1, 1984 (ncorporated by reference to Exh b t 4(c) 6, F e No. 2 95505).	X
4.4.33	Th rty seventh Supp ementa Indenture dated June 1, 1984 (ncorporated by reference to Exh b t 4(c) 7, F e No. 2 95505).	X

4.4.34	Th rty e ghth Supp ementa Indenture dated June 1, 1984 (ncorporated by reference to Exh b t 4(c) 8, F e No. 2 95505).	X
4.4.35	Th rty n nth Supp ementa Indenture dated Apr 1, 1985 (ncorporated by reference to Exh b t 4(b), F e No. 33 25560).	X
4.4.36	Fort eth Supp ementa Indenture dated October 1, 1985 (ncorporated by reference to Exh b t 4(c), F e No. 33 25560).	X
4.4.37	Forty f rst Supp ementa Indenture dated March 1, 1986 (ncorporated by reference to Exh b t 4(d), F e No. 33 25560).	X
4.4.38	Forty second Supp ementa Indenture dated Ju y 1, 1986 (ncorporated by reference to Exh b t 4(e), F e No. 33 25560).	X
4.4.39	Forty th rd Supp ementa Indenture dated January 1, 1987 (ncorporated by reference to Exh b t 4(f), F e No. 33 25560).	X
4.4.40	Forty fourth Supp ementa Indenture dated December 1, 1987 (ncorporated by reference to Exh b t 4(g), F e No. 33 25560).	X
4.4.41	Forty f fth Supp ementa Indenture dated September 1, 1988 (ncorporated by reference to Exh b t 4(h), F e No. 33 25560).	X
4.4.42	Forty s xth Supp ementa Indenture dated Apr 1, 1989 (ncorporated by reference to Exh b t 4(b), F e No. 33 33431).	X
4.4.43	Forty seventh Supp ementa Indenture dated August 1, 1989 (ncorporated by reference to Exh b t 4(c), F e No. 33 33431).	X
4.4.44	Forty e ghth Supp ementa Indenture dated November 15, 1990 (ncorporated by reference to Exh b t 4(b), F e No. 33 38298).	X
4.4.45	Forty n nth Supp ementa Indenture dated November 15, 1990 (ncorporated by reference to Exh b t 4(c), F e No. 33 38298).	X
4.4.46	F ft eth Supp ementa Indenture dated February 15, 1991 (ncorporated by reference to Exh b t 4(h), F e No. 33 42869).	X
4.4.47	F fty f rst Supp ementa Indenture dated Apr 1, 1991 (ncorporated by reference to Exh b t 4( ), F e No. 33 42869).	X
4.4.48	F fty second Supp ementa Indenture dated September 15, 1991(ncorporated by reference to Exh b t 4(e), F e No. 33 48607).	X
4.4.49	F fty th rd Supp ementa Indenture dated January 1, 1992 (ncorporated by reference to Exh b t 4(f), F e No. 33 48607).	X
4.4.50	F fty fourth Supp ementa Indenture dated Apr 15, 1992 (ncorporated by reference to Exh b t 4 (g), F e No. 33 48607).	X
4.4.51	F fty f fth Supp ementa Indenture dated Ju y 1, 1992 (ncorporated by reference to Exh b t 4(e), F e No. 33 55060).	X
4.4.52	F fty s xth Supp ementa Indenture dated October 1, 1992 (ncorporated by reference to Exh b t 4(f), F e No. 33 55060).	X
4.4.53	F fty seventh Supp ementa Indenture dated February 1, 1993 (ncorporated by reference to Exh b t 4(e), F e No. 33 60014).	X
4.4.54	F fty e ghth Supp ementa Indenture dated March 1, 1993 (ncorporated by reference to Exh b t 4(f), F e No. 33 60014).	X
4.4.55	F fty n nth Supp ementa Indenture dated Ju y 1, 1993 (ncorporated by reference to Exh b t 4(a) to Post Effect ve Amendment No. 1, F e No. 33 38349).	X
4.4.56	S xt eth Supp ementa Indenture dated Ju y 1, 1993 (ncorporated by reference to Exh b t 4(b) to Post Effect ve Amendment No. 1, F e No. 33 38349).	X
4.4.57	S xty f rst Supp ementa Indenture dated August 15, 1993 (ncorporated by reference to Exh b t 4(e), F e No. 33 50597).	X
4.4.58	S xty second Supp ementa Indenture dated January 15, 1994 (ncorporated by reference to Exh b t 4 to Duke Energy Progress' Current Report on Form 8 K dated January 19, 1994, F e No. 1 3382).	X

4.4.59	S xty th rd Supp ementa Indenture dated May 1, 1994 (ncorporated by reference to Exh b t 4(f) for Duke Energy Progress' Form S 3, F e No. 033 57835).	X
4.4.60	S xty fourth Supp ementa Indenture dated August 15, 1997 (ncorporated by reference to Exh b t to Duke Energy Progress' Current Report on Form 8 K dated August 26, 1997, F e No. 1 3382).	X
4.4.61	S xty f fth Supp ementa Indenture dated Apr 1, 1998 (ncorporated by reference to Exh b t 4(b) for Duke Energy Progress' Reg strat on Statement on Form S 3 f ed December 18, 1998, F e No. 333 69237).	X
4.4.62	S xty s xth Supp ementa Indenture dated March 1, 1999 (ncorporated by reference to Exh b t 4(c) to Duke Energy Progress' Current Report on Form 8 K f ed on March 19, 1999, F e No. 1 3382).	X
4.4.63	Form of Caro na Power & L ght Company F rst Mortgage Bond, 6.80% Ser es Due August 15, 2007 (ncorporated by reference to Exh b t 4 to Duke Energy Progress' Form 10 Q for the per od ended September 30, 1998, F e No. 1 3382).	X
4.4.64	S xty e ghth Supp ementa Indenture dated Apr 1, 2000 (ncorporated by reference to Exh b t No. 4(b) to Duke Energy Progress' Current Report on Form 8 K f ed on Apr 20, 2000, F e No. 1 3382).	X
4.4.65	S xty n nth Supp ementa Indenture dated June 1, 2000 (ncorporated by reference to Exh b t No. 4b(2) to Duke Energy Progress' Annua Report on Form 10 K for the year ended December 31, 2000, f ed on March 29, 2001, F e No. 1 3382).	X
4.4.66	Sevent eth Supp ementa Indenture dated Ju y 1, 2000 (ncorporated by reference to Exh b t 4b(3) to Duke Energy Progress' Annua Report on Form 10 K for the year ended December 31, 2000, f ed on March 29, 2001, F e No. 1 3382).	X
4.4.67	Seventy f rst Supp ementa Indenture dated February 1, 2002 (ncorporated by reference to Exh b t 4b(2) to Duke Energy Progress' Annua Report on Form 10 K for the year ended December 31, 2001, f ed on March 28, 2002, F e No. 1 3382 and 1 15929).	X
4.4.68	Seventy second Supp ementa Indenture, dated as of September 1, 2003 (ncorporated by reference to Exh b t 4 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on September 12, 2003, F e No. 1 3382).	X
4.4.69	Seventy th rd Supp ementa Indenture, dated as of March 1, 2005 (ncorporated by reference to Exh b t 4 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on March 22, 2005, F e No. 1 3382).	X
4.4.70	Seventy fourth Supp ementa Indenture, dated as of November 1, 2005 (ncorporated by reference to Exh b t 4 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on November 30, 2005, F e No. 1 3382).	X
4.4.71	Seventy f fth Supp ementa Indenture, dated as of March 1, 2008 (ncorporated by reference to Exh b t 4 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on March 13, 2008, F e No. 1 3382).	X
4.4.72	Seventy s xth Supp ementa Indenture, dated as of January 1, 2009 (ncorporated by reference to Exh b t 4 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on January 15, 2009, F e No. 1 3382).	X
4.4.73	Seventy seventh Supp ementa Indenture, dated as of June 18, 2009 (ncorporated by reference to Exh b t 4 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on June 23, 2009, F e No. 1 3382).	X
4.4.74	Seventy e ghth Supp ementa Indenture, dated as of September 1, 2011 (ncorporated by reference to Exh b t 4 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on September 15, 2011, F e No. 1 3382).	X

4.4.75	Seventy n nth Supp ementa Indenture, dated as of May 1, 2012 (ncorporated by reference to Exh b t 4 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on May 18, 2012, F e No. 1 3382).	X	
4.4.76	E ght eth Supp ementa Indenture, dated as of March 1, 2013 (ncorporated by reference to Exh b t 4.1 to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Current Report on Form 8 K f ed on March 12, 2013, F e No. 1 3382).	X	
4.4.77	E ghty second Supp ementa Indenture, dated as of March 1, 2014, between Duke Energy Progress, Inc. and The Bank of New York Me on (former y Irv ng Trust Company) and T na D. Gonza ez (successor to Freder ck G. Herbst) and forms of g oba notes (ncorporated by reference to Exh b t 4.1 to Duke Energy Progress, Inc.'s Current Report on Form 8 K f ed on March 6, 2014, F e No. 1 3382).	X	
4.4.78	E ghty th rd Supp ementa Indenture, dated as of November 1, 2014, between Duke Energy Progress, Inc. and The Bank of New York Me on (former y Irv ng Trust Company) and T na D. Gonza ez (successor to Freder ck G. Herbst) and forms of g oba notes (ncorporated by reference to Exh b t 4.1 to Duke Energy Progress, Inc.'s Current Report on Form 8 K f ed on November 20, 2014, F e No. 1 3382).	X	
4.4.79	E ghty f fth Supp ementa Indenture, dated as of August 1, 2015 (ncorporated by reference to Exh b t 4.1 to Duke Energy Progress, LLC's Current Report on Form 8 K f ed on August 13, 2015, F e No. 1 3382).	X	
4.4.80	E ghty s xth Supp ementa Indenture, dated as of September 1, 2016 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on September 16, 2016, F e No. 1 15929).	X	
4.4.81	E ghty seventh Supp ementa Indenture, dated as of September 1, 2017 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on September 8, 2017, F e No. 1 3382).	X	
4.4.82	E ghty n nth Supp ementa Indenture (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on March 7, 2019, F e no. 1 3382).	X	
4.4.83	N net eth Supp ementa Indenture, dated as of August 1, 2020 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on August 20, 2020, F e No. 1 3382).	X	
4.4.84	N nety f rst Supp ementa Indenture, dated as of August 1, 2021 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on August 12, 2021, F e No. 1 3382).	X	
4.4.85	F rst Supp ementa Indenture, dated as of August 1, 2020 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on August 20, 2020, F e No. 1 3382).	X	
4.5	Indenture (for Debt Secur t es) between Duke Energy Progress, Inc. (former y Caro na Power & L ght Company) and The Bank of New York Me on (successor n nterest to The Chase Manhattan Bank), as Trustee (ncorporated by reference to Exh b t 4(a) to reg strant's Current Report on Form 8 K f ed on November 5, 1999, F e No. 1 3382).	X	
4.6	Indenture (for [Subord nated] Debt Secur t es) (open ended) (ncorporated by reference to Exh b t 4(a)(2) to Duke Energy Progress, Inc.'s (former y Caro na Power & L ght Company (d/b/a Progress Energy Caro nas, Inc.)) Reg strat on Statement on Form S 3 f ed on November 18, 2008, F e No. 333 155418).	X	
4.7	Indenture (for F rst Mortgage Bonds) between Duke Energy F or da, Inc. (former y F or da Power Corporat on) and The Bank of New York Me on (as successor to Guaranty Trust Company of New York and The F or da Nat ona Bank of Jacksonv e), as Trustee, dated as of January 1, 1944, (ncorporated by reference to Exh b t B 18 to reg strant's Form A 2, F e No. 2 5293).		X
4.7.1	Seventh Supp ementa Indenture (ncorporated by reference to Exh b t 4(b) to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on) Reg strat on Statement on Form S 3 f ed on September 27, 1991, F e No. 33 16788).		X
4.7.2	E ghth Supp ementa Indenture (ncorporated by reference to Exh b t 4(c) to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on) Reg strat on Statement on Form S 3 f ed on September 27, 1991, F e No. 33 16788).		X

4.7.3	S xteenth Supp ementa Indenture (ncorporated by reference to Exh b t 4(d) to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on) Reg strat on Statement on Form S 3 f ed on September 27, 1991, F e No. 33 16788).	X
4.7.4	Twenty n nth Supp ementa Indenture (ncorporated by reference to Exh b t 4(c) to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on) Reg strat on Statement on Form S 3 f ed on September 17, 1982, F e No. 2 79832).	X
4.7.5	Th rty e ghth Supp ementa Indenture, dated as of Ju y 25, 1994 (ncorporated by reference to exh b t 4(f) to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on) Reg strat on Statement on Form S 3 f ed on August 29, 1994, F e No. 33 55273).	X
4.7.6	Forty f rst Supp ementa Indenture, dated as of February 1, 2003 (ncorporated by reference to Exh b t 4 to Duke Energy F or da, Inc.'s (former y Duke Energy F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Current Report on Form 8 K f ed on February 21, 2003, F e No. 1 3274).	X
4.7.7	Forty second Supp ementa Indenture, dated as of Apr 1, 2003 (ncorporated by reference to Exh b t 4 to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Quarter y Report on Form 10 Q for the quarter ended June 30, 2003, f ed on August 11, 2003, F e No. 1 3274).	X
4.7.8	Forty th rd Supp ementa Indenture, dated as of November 1, 2003 (ncorporated by reference to Exh b t 4 to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Current Report on Form 8 K f ed on November 21, 2003, F e No. 1 3274).	X
4.7.9	Forty fourth Supp ementa Indenture, dated as of August 1, 2004 (ncorporated by reference to Exh b t 4(m) to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Annua Report on Form 10 K for the year ended December 31, 2004, f ed on March 16, 2005, F e No. 1 3274).	X
4.7.10	Forty s xth Supp ementa Indenture, dated as of September 1, 2007 (ncorporated by reference to Exh b t 4 to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Current Report on Form 8 K f ed on September 19, 2007, F e No. 1 3274).	X
4.7.11	Forty seventh Supp ementa Indenture, dated as of December 1, 2007 (ncorporated by reference to Exh b t 4 to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Current Report on Form 8 K f ed on December 13, 2007, F e No. 1 3274).	X
4.7.12	Forty e ghth Supp ementa Indenture, dated as of June 1, 2008 (ncorporated by reference to Exh b t 4 to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Current Report on Form 8 K f ed on June 18, 2008, F e No. 1 3274).	X
4.7.13	Forty n nth Supp ementa Indenture, dated as of March 1, 2010 (ncorporated by reference to Exh b t 4 to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Current Report on Form 8 K f ed on March 25, 2010, F e No. 1 3274).	X
4.7.14	F ft eth Supp ementa Indenture, dated as of August 11, 2011 (ncorporated by reference to Exh b t 4 to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Current Report on Form 8 K f ed on August 18, 2011, F e No. 1 3274).	X
4.7.15	F fty f rst Supp ementa Indenture, dated as of November 1, 2012 (ncorporated by reference to Exh b t 4.1 to Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Current Report on Form 8 K f ed on November 20, 2012, F e No. 1 3274).	X
4.7.16	F fty th rd Supp ementa Indenture, dated as of September 1, 2016 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on September 9, 2016, F e No. 1 03274).	X
4.7.17	F fty f fth Supp ementa Indenture, dated as of June 1, 2018 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on June 21, 2018, F e No. 1 3274).	X

4.7.18	F fty s xth Supp ementa Indenture, dated as of November 1, 2019 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on November 26, 2019, F e No. 1 3274).	X	
4.7.19	F fty seventh Supp ementa Indenture, dated as of June 1, 2020 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on June 11, 2020, F e No. 1 3274).	X	
4.7.20	F fty e ghth Supp ementa Indenture, dated as of November 1, 2021 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on December 2, 2021, F e No. 1 3274).	X	
4.8	Indenture (for Debt Secur t es) between Duke Energy F or da, Inc. (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) and The Bank of New York Me on Trust Company, Nat ona Assoc at on (successor n nterest to J.P. Morgan Trust Company, Nat ona Assoc at on), as Trustee, dated as of December 7, 2005 (ncorporated by reference to Exh b t 4(a) to reg strant's Current Report on Form 8 K f ed on December 13, 2005, F e No. 1 3274).	X	
4.8.1	F rst Supp ementa Indenture, dated as of December 12, 2017 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on December 12, 2017, F e No. 1 03274).	X	
4.8.2	Second Supp ementa Indenture, dated as of November 26, 2019 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on November 26, 2019, F e No. 1 3274).	X	
4.9	Indenture (for [Subord nated] Debt Secur t es) (open ended) (ncorporated by reference to Exh b t 4(a)(2) Duke Energy F or da, Inc.'s (former y F or da Power Corporat on (d/b/a Progress Energy F or da, Inc.)) Reg strat on Statement on Form S 3 f ed on November 18, 2008, F e No. 333 155418).	X	
4.10	Or g na Indenture (Unsecured Debt Secur t es) between Duke Energy Oh o, Inc. (former y The C nc nnat Gas & E ectr c Company) and The Bank of New York Me on Trust Company, N.A., as Successor Trustee, dated as of May 15, 1995 (ncorporated by reference to Exh b t 3 to reg strant's Form 8 A f ed on Ju y 27, 1995, F e No. 1 1232).		X
4.10.1	F rst Supp ementa Indenture, dated as of June 1, 1995 (ncorporated by reference to Exh b t 4 B to Duke Energy Oh o, Inc.'s (former y The C nc nnat Gas & E ectr c Company) Quarter y Report on Form 10 Q for the quarter ended June 30, 1995, f ed on August 11, 1995, F e No. 1 1232).		X
4.10.2	Seventh Supp ementa Indenture, dated as of June 15, 2003 (ncorporated by reference to Exh b t 4.1 to Duke Energy Oh o, Inc.'s (former y The C nc nnat Gas & E ectr c Company) Quarter y Report on Form 10 Q for the quarter ended June 30, 2003, f ed on August 13, 2003, F e No. 1 1232).		X
4.11	Or g na Indenture (F rst Mortgage Bonds) between Duke Energy Oh o, Inc. (former y The C nc nnat Gas & E ectr c Company) and The Bank of New York Me on Trust Company, N.A., as Successor Trustee, dated as of August 1, 1936 (ncorporated by reference to an exh b t to reg strant's Reg strat on Statement No. 2 2374).		X
4.11.1	Fort eth Supp ementa Indenture, dated as of March 23, 2009 (ncorporated by reference to Exh b t 4.1 to Duke Energy Oh o, Inc.'s (former y The C nc nnat Gas & E ectr c Company) Current Report on Form 8 K f ed on March 24, 2009, F e No. 1 1232).		X
4.11.2	Forty second Supp ementa Indenture, dated as of September 6, 2013 (ncorporated by reference to Exh b t 4.1 to Duke Energy Oh o, Inc.'s (former y The C nc nnat Gas & E ectr c Company) Current Report on Form 8 K f ed on September 6, 2013, F e No. 1 1232).		X
4.11.3	Forty fourth Supp ementa Indenture, dated as of June 23, 2016 (ncorporated by reference to Exh b t 4.1 reg strant's Current Report on Form 8 K f ed on June 23, 2016, F e No. 1 1232).		X
4.11.4	Forty f fth Supp ementa Indenture, dated as of March 27, 2017 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on March 27,2017, F e No. 1 01232).		X

4.11.5	Forty s xth Supp ementa Indenture, dated as of January 8, 2019 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on January 8, 2019, F e No. 1 1232).	X	
4.11.6	Forty seventh Supp ementa Indenture, dated as of May 21, 2020 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on May 21, 2020, F e No. 1 1232).	X	
4.12	Indenture between Duke Energy Ind ana, LLC (former y PSI Energy, Inc.) and The Bank of New York Me on Trust Company, N.A., as Successor Trustee, dated as of November 15, 1996 (ncorporated by reference to Exh b t 4(v) to the C nergy Corp. Form 10 K for the year ended December 31, 1996, f ed on March 27, 1997, F e No. 1 11377).		X
4.12.1	Th rd Supp ementa Indenture, dated as of March 15, 1998 (ncorporated by reference to Exh b t 4 w to C nergy Corp.'s Annua Report on Form 10 K for the year ended December 31, 1997, f ed on March 27, 1998, F e No. 1 11377).		X
4.12.2	E ghth Supp ementa Indenture, dated as of September 23, 2003 (ncorporated by reference to Exh b t 4.2 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Quarter y Report on Form 10 Q for the quarter ended September 30, 2003, f ed on November 13, 2003, F e No. 1 3543).		X
4.12.3	N nth Supp ementa Indenture, dated as of October 21, 2005 (ncorporated by reference to Exh b t 4.7.3 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Reg strat on Statement on Form S 3 f ed on September 29, 2010, F e No. 333 169633).		X
4.12.4	Tenth Supp ementa Indenture, dated as of June 9, 2006 (ncorporated by reference to Exh b t 4.1 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Current Report on Form 8 K f ed on June 15, 2006, F e No. 1 3543).		X
4.13	Or g na Indenture (F rst Mortgage Bonds) between Duke Energy Ind ana, LLC (former y PSI Energy, Inc.) and Deutsche Bank Nat ona Trust Company, as Successor Trustee, dated as of September 1, 1939, (f ed as an exh b t n F e No. 70 258).		X
4.13.1	Tenth Supp ementa Indenture, dated as of Ju y 1, 1952, (f ed as an exh b t n F e No. 2 9687).		X
4.13.2	Twenty th rd Supp ementa Indenture, dated as of January 1, 1977, (f ed as an exh b t n F e No. 2 57828).		X
4.13.3	Twenty f fth Supp ementa Indenture, dated as of September 1, 1978, (f ed as an exh b t n F e No. 2 62543).		X
4.13.4	Twenty s xth Supp ementa Indenture, dated as of September 1, 1978, (f ed as an exh b t n F e No. 2 62543).		X
4.13.5	Th rt eth Supp ementa Indenture, dated as of August 1, 1980, (f ed as an exh b t n F e No. 2 68562).		X
4.13.6	Th rty f fth Supp ementa Indenture, dated as of March 30, 1984, (f ed as an exh b t to reg strant's Annua Report on Form 10 K for the year ended December 31, 1984, F e No. 1 3543).		X
4.13.7	Forty s xth Supp ementa Indenture, dated as of June 1, 1990, (f ed as an exh b t to reg strant's Annua Report on Form 10 K for the year ended December 31, 1991, F e No. 1 3543).		X
4.13.8	Forty seventh Supp ementa Indenture, dated as of Ju y 15, 1991, (f ed as an exh b t to reg strant's Annua Report on Form 10 K for the year ended December 31, 1991, F e No. 1 3543).		X
4.13.9	Forty e ghth Supp ementa Indenture, dated as of Ju y 15, 1992, (f ed as an exh b t to reg strant's Annua Report on Form 10 K for the year ended December 31, 1992, F e No. 1 3543).		X
4.13.10	F fty second Supp ementa Indenture, dated as of Apr 30, 1999 (ncorporated by reference to Exh b t 4 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Quarter y Report on Form 10 Q for the quarter ended March 31, 1999, f ed on May 13, 1999, F e No. 1 3543).		X
4.13.11	F fty seventh Supp ementa Indenture, dated as of August 21, 2008 (ncorporated by reference to Exh b t 4.1 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Current Report Form 8 K f ed on August 21, 2008, F e No. 1 3543).		X

4.13.12	F fty e ghth Supp ementa Indenture, dated as of December 19, 2008 (ncorporated by reference to Exh b t 4.8.12 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Reg strat on Statement on Form S 3 f ed on September 29, 2010, F e No. 333 169633 02).		X
4.13.13	F fty n nth Supp ementa Indenture, dated as of March 23, 2009 (ncorporated by reference to Exh b t 4.1 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Current Report on Form 8 K f ed on March 24, 2009, F e No. 1 3543).		X
4.13.14	S xt eth Supp ementa Indenture, dated as of June 1, 2009 (ncorporated by reference to Exh b t 4.8.14 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Reg strat on Statement on Form S 3 f ed on September 29, 2010, F e No. 333 169633 02).		X
4.13.15	S xty f rst Supp ementa Indenture, dated as of October 1, 2009 (ncorporated by reference to Exh b t 4.8.15 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Reg strat on Statement on Form S 3 f ed on September 29, 2010, F e No. 333 169633 02).		X
4.13.16	S xty second Supp ementa Indenture, dated as of Ju y 9, 2010 (ncorporated by reference to Exh b t 4.1 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Current Report on Form 8 K f ed on Ju y 9, 2010, F e No. 1 3543).		X
4.13.17	S xty th rd Supp ementa Indenture, dated as of September 23, 2010 (ncorporated by reference to Exh b t 4.8.17 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Reg strat on Statement on Form S 3 f ed on September 29, 2010, F e No. 333 169633 02).		X
4.13.18	S xty fourth Supp ementa Indenture, dated as of December 1, 2011 (ncorporated by reference to Exh b t 4(d)(2)(xv) to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Reg strat on Statement on Form S 3 f ed on September 30, 2013, F e No. 333 191462 03).		X
4.13.19	S xty f fth Supp ementa Indenture, dated as of March 15, 2012 (ncorporated by reference to Exh b t 4.1 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Current Report on Form 8 K f ed on March 15, 2012, F e No. 1 3543).		X
4.13.20	S xty s xth Supp ementa Indenture, dated as of Ju y 11, 2013 (ncorporated by reference to Exh b t 4.1 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Current Report on Form 8 K f ed on Ju y 11, 2013, F e No. 1 3543).		X
4.13.21	S xty seventh Supp ementa Indenture, dated as of January 1, 2016, between Duke Energy Ind ana, Inc. and Deutsche Bank Nat ona Trust Company, as Trustee, supp ement ng and amend ng the Indenture of Mortgage or Deed of Trust, dated September 1, 1939, between Duke Energy Ind ana, Inc. and Deutsche Bank Nat ona Trust Company, as Trustee (ncorporated by reference to Exh b t 4.2 to Duke Energy Ind ana, LLC's (former y PSI Energy, Inc.) Quarter y Report on Form 10 Q for the quarter ended March 31, 2016, f ed on May 5, 2016, F e No. 1 3543).		X
4.13.22	S xty e ghth Supp ementa Indenture, dated as of May 12, 2016 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on May 12, 2016, F e No. 1 3543).		X
4.13.23	S xty n nth Supp ementa Indenture, dated as of September 27, 2019 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on September 27, 2019, F e No. 1 3543).		X
4.13.24	Sevent eth Supp ementa Indenture, dated as of March 12, 2020 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on March 12, 2020, F e No. 1 3543).		X
4.14	Repayment Agreement between Duke Energy Oh o, Inc. (former y The C nc nnat Gas & E ectr c Company) and The Dayton Power and L ght Company, dated as of December 23, 1992, (f ed w th reg strant's Annua Report on Form 10 K for the year ended December 31, 1992, F e No. 1 1232).	X	
4.15	Unsecured Prom ssory Note between Duke Energy Ind ana, LLC (former y PSI Energy, Inc.) and the Rura Ut t es Serv ce, dated as of October 14, 1998 (ncorporated by reference to Exh b t 4 to reg strant's Annua Report on Form 10 K for the year ended December 31, 1998, f ed on March 8, 1999, F e No. 1 3543).		X

4.16	6.302% Subord nated Note between Duke Energy Ind ana, LLC (former y PSI Energy, Inc.) and C nergy Corp., dated as of February 5, 2003 (ncorporated by reference to Exh b t 4(yyy) to reg strant's Quarter y Report on Form 10 Q for the quarter ended March 31, 2003, f ed on May 12,2003, F e No. 1 3543).		X	
4.17	6.403% Subord nated Note between Duke Energy Ind ana, LLC (former y PSI Energy, Inc.) and C nergy Corp., dated as of February 5, 2003 (ncorporated by reference to Exh b t 4(zzz) to reg strant's Quarter y Report on Form 10 Q for the quarter ended March 31, 2003, f ed on May 12, 2003, F e No. 1 3543).		X	
4.18	Cont ngent Va ue Ob gat on Agreement between Progress Energy, Inc. (former y CP&L Energy, Inc.) and The Chase Manhattan Bank, as Trustee, dated as of November 30, 2000 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on December 1, 2000, F e No. 1 3382).	X		
4.19	Form of 3.47% Ser es A Sen or Notes due Ju y 16, 2027 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on March 29, 2012, F e No. 1 06196).			X
4.20	Form of 3.57% Ser es B Sen or Notes due Ju y 16, 2027 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on March 29, 2012, F e No. 1 06196).			X
4.21	Form of 4.65% Sen or Notes due 2043 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on August 1, 2013, F e No. 1 06196).			X
4.22	Form of 4.10% Sen or Notes due 2034 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on September 18, 2014, F e No. 1 06196).			X
4.23	Form of 3.60% Sen or Notes due 2025 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on September 14, 2015, F e No. 1 06196).			X
4.24	Form of 3.64% Sen or Notes due 2046 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on Ju y 28, 2016, F e No. 1 06196).			X
4.25	Form of 4.24% Ser es B Sen or Notes due June 6, 2021 (ncorporated by reference to Exh b t 4.2 to reg strant's Current Report on Form 8 K f ed on May 12, 2011, F e No. 1 06196).			X
4.26	Indenture, dated as of Apr 1, 1993, between P edmont and The Bank of New York Me on Trust Company, N.A. (as successor to C t bank, N.A.), Trustee (ncorporated by reference to Exh b t 4.1 to reg strant's Reg strat on Statement on Form S 3 f ed on May 16, 1995, F e No. 33 59369).			X
4.26.1	Second Supp ementa Indenture, dated as of June 15, 2003, between P edmont and C t bank, N.A., Trustee (ncorporated by reference to Exh b t 4.3 to reg strant's Reg strat on Statement on Form S 3 f ed on June 19, 2003, F e No. 333 106268).			X
4.26.2	Fourth Supp ementa Indenture, dated as of May 6, 2011, between P edmont Natura Gas Company, Inc. and The Bank of New York Me on Trust Company, N.A., as trustee (ncorporated by reference to Exh b t 4.2 to reg strant's Reg strat on Statement on Form S 3 ASR f ed on Ju y 7, 2011, F e No. 333 175386).			X
4.26.3	F fth Supp ementa Indenture, dated August 1, 2013, between the Company and The Bank of New York Me on Trust Company, N.A. (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on August 1, 2013, F e No. 1 06196).			X
4.26.4	S xth Supp ementa Indenture, dated September 18, 2014, between the Company and The Bank of New York Me on Trust Company, N.A. (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on September 18, 2014, F e No. 1 06196).			X
4.26.5	Seventh Supp ementa Indenture, dated September 14, 2015, between the Company and The Bank of New York Me on Trust Company, N.A. (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on September 14, 2015, F e No. 1 06196).			X
4.26.6	E ghth Supp ementa Indenture, dated Ju y 28, 2016, between the Company and The Bank of New York Me on Trust Company, N.A. (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on Ju y 28, 2016, F e No. 1 06196).			X

4.26.7	N nth Supp ementa Indenture, dated as of May 24, 2019 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on May 24, 2019, F e No. 1 6196).		X
4.26.8	Tenth Supp ementa Indenture, dated as of May 21, 2020 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on May 21, 2020, F e No. 1 6196).		X
4.26.9	E eventh Supp ementa Indenture, dated as of March 11, 2021 (ncorporated by reference to Exh b t 4.1 to reg strant's Current Report on Form 8 K f ed on March 11, 2021, F e No. 1 6196).		X
4.27	Med um Term Note, Ser es A, dated as of October 6, 1993 (ncorporated by reference to Exh b t 4.8 to reg strant's Annua Report on Form 10 K for the year ended October 31, 1993, F e No. 1 06196).		X
4.28	Med um Term Note, Ser es A, dated as of September 19, 1994 (ncorporated by reference to Exh b t 4.9 to reg strant's Annua Report on Form 10 K for the year ended October 31, 1994, F e No. 1 06196).		X
4.29	Form of 6% Med um Term Note, Ser es E, dated as of December 19, 2003 (ncorporated by reference to Exh b t 99.2 to reg strant's Current Report on Form 8 K f ed on December 23, 2003, F e No. 1 06196).		X
4.30	Form of Master G oba Note (ncorporated by reference to Exh b t 4.4 to reg strant's Reg strat on Statement on Form S 3 f ed on Apr 30, 1997, F e No. 333 26161).		X
4.31	Pr c ng Supp ement of Med um Term Notes, Ser es B, dated October 3, 1995 (ncorporated by reference to Exh b t 4.10 to reg strant's Annua Report on Form 10 K for the year ended October 31, 1995, F e No. 1 06196).		X
4.32	Pr c ng Supp ement of Med um Term Notes, Ser es B, dated October 4, 1996 (ncorporated by reference to Exh b t 4.11 to reg strant's Annua Report on Form 10 K for the year ended October 31, 1996, F e No. 1 06196).		X
4.33	Pr c ng Supp ement of Med um Term Notes, Ser es C, dated September 15, 1999 (ncorporated by reference to Ru e 424(b)(3) Pr c ng Supp ement to Form S 3 Reg strat on Statement Nos. 33 59369 and 333 26161).		X
4.34	Agreement of Res gnat on, Appo ntment and Acceptance dated as of March 29, 2007, by and among P edmont Natura Gas Company, Inc., C t bank, N.A., and The Bank of New York Trust Company, N.A. (ncorporated by reference to Exh b t 4.1 to reg strant's Quarter y Report on Form 10 Q for the quarter ended Apr 30, 2007, f ed on June 8, 2007, F e No. 1 06196).		X
10.1	Agreements w th P edmont E ectr c Membersh p Corporat on, Rutherford E ectr c Membersh p Corporat on and B ue R dge E ectr c Membersh p Corporat on (ncorporated by reference to Exh b t 10.15 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended June 30, 2006, f ed on August 9, 2006, F e No. 1 32853).	X	
10.2	Asset Purchase Agreement between Sa uda R ver E ectr c Cooperat ve, Inc., as Se er, and Duke Energy Caro nas, LLC, as Purchaser, dated as of December 20, 2006 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on December 27, 2006, F e No. 1 4928).	X	
10.3	Sett ement between Duke Energy Corporat on, Duke Energy Caro nas, LLC and the U.S. Department of Just ce reso v ng Duke Energy's used nuc ear fue t gat on aga nst the U.S. Department of Energy, dated as of March 6, 2007 (ncorporated by reference to Item 8.01 to reg strant's Current Report on Form 8 K f ed on March 12, 2007, F e No. 1 4928).	X	
10.4	Letter Agreement between Georg a Natura Gas Company and P edmont Energy Company dated February 12, 2016 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on February 18, 2016, F e No. 1 06196).		X
10.5	Ass gnment of Membersh p Interests dated as of October 3, 2016 between P edmont ACP Company, LLC and Dom n on At ant c Coast P pe ne, LLC, (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on October 7, 2016, F e No. 1 06196).		X

10.6	Agreements between P edmont E ectr c Membersh p Corporat on, Rutherford E ectr c Membersh p Corporat on and B ue R dge E ectr c Membersh p Corporat on (ncorporated by reference to Exh b t 10.15 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended June 30, 2006, f ed on August 9, 2006, F e No. 1 32853).		X				
10.7	Conveyance and Ass gnment Agreement, dated as of October 3, 2016, by and between P edmont Energy Company and Georg a Natura Gas Company (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on October 3, 2016, F e No. 1 06196).						X
10.8	Eng neer ng, Procurement and Construct on Management Agreement between Duke Energy Ind ana, LLC (former y PSI Energy, Inc.) and Bechte Power Corporat on, dated as of December 15, 2008 (ncorporated by reference to Exh b t 10.16 to reg strant's Annua Report on Form 10 K for the year ended December 31, 2008, f ed on March 13, 2009, F e No. 1 3543). (Port ons of the exh b t have been om tted and f ed separate y w th the Secur t es and Exchange Comm ss on pursuant to a request for conf dent a treatment pursuant to Ru e 24b 2 under the Secur t es Exchange Act of 1934, as amended.)					X	
10.9	Format on and Sa e Agreement between Duke Ventures, LLC, Crescent Resources, LLC, Morgan Stan ey Rea Estate Fund V U.S. L.P., Morgan Stan ey Rea Estate Fund V Spec a U.S., L.P., Morgan Stan ey Rea Estate Investors V U.S., L.P., MSP Rea Estate Fund V, L.P., and Morgan Stan ey Strateg c Investments, Inc., dated as of September 7, 2006 (ncorporated by reference to Exh b t 10.3 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended September 30, 2006, f ed on November 9, 2006, F e No. 1 32853).	X					
10.10	Operat ng Agreement of P oneer Transm ss on, LLC (ncorporated by reference to Exh b t 10.1 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended September 30, 2008, f ed on November 7, 2008, F e No. 1 32853).	X					
10.11**	Amended and Restated Duke Energy Corporat on D rectors' Sav ng P an, dated as of January 1, 2014 (ncorporated by reference to Exh b t 10.32 to Duke Energy Corporat on's Annua Report on Form 10 K for the year ended December 31, 2013, f ed on February 28, 2014, F e No. 1 32853).	X					
*10.12**	Amendment to Duke Energy Corporat on D rectors' Sav ngs P an, effect ve as of December 16, 2021.	X					
10.13	Eng neer ng, Procurement and Construct on Management Agreement between Duke Energy Ind ana, LLC (former y PSI Energy, Inc.) and Bechte Power Corporat on, dated as of December 15, 2008 (ncorporated by reference to Item 1.01 to reg strant's Current Report on Form 8 K f ed on December 19, 2008, F e Nos. 1 32853 and 1 3543). (Port ons of the exh b t have been om tted and f ed separate y w th the Secur t es and Exchange Comm ss on pursuant to a request for conf dent a treatment pursuant to Ru e 24b 2 under the Secur t es Exchange Act of 1934, as amended.)	X				X	
10.14**	Duke Energy Corporat on Execut ve Severance P an (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on January 13, 2011, F e No. 1 32853).	X					
10.15	$6,000,000,000 F ve Year Cred t Agreement between Duke Energy Corporat on, Duke Energy Caro nas, LLC, Duke Energy Oh o, Inc., Duke Energy Ind ana, LLC, Duke Energy Kentucky, Inc., Caro na Power and L ght Company d/b/a Duke Energy Progress, Inc. and F or da Power Corporat on, d/b/a Duke Energy F or da, Inc., as Borrowers, the enders sted there n, We s Fargo Bank, Nat ona Assoc at on, as Adm n strat ve Agent, Bank of Amer ca, N.A. and The Roya Bank of Scot and p c, as Co Synd cat on Agents and Bank of Ch na, New York Branch, Barc ays Bank PLC, C t bank, N.A., Cred t Su sse AG, Cayman Is ands Branch, Industr a and Commerc a Bank of Ch na L m ted, New York Branch, JPMorgan Chase Bank, N.A. and UBS Secur t es LLC, as Co Documentat on Agents, dated as of November 18, 2011 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on November 25, 2011, F e Nos. 1 32853, 1 4928, 1 1232 and 1 3543).	X	X		X	X	

10.15.1	Amendment No. 1 and Consent between Duke Energy Corporat on, Duke Energy Caro nas, LLC, Duke Energy Oh o, Inc., Duke Energy Ind ana, LLC, Duke Energy Kentucky, Inc., Duke Energy Progress, Inc., Duke Energy F or da, Inc., and We s Fargo Bank, Nat ona Assoc at on, dated as of December 18, 2013 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on December 23, 2013, F e Nos. 1 32853, 1 4928, 1 3382, 1 3274, 1 1232 and 1 3543).	X	X	X	X	X	X	
10.15.2	Amendment No. 2 and Consent between Duke Energy Corporat on, Duke Energy Caro nas, LLC, Duke Energy Oh o, Inc., Duke Energy Ind ana, LLC, Duke Energy Kentucky, Inc., Duke Energy Progress, Inc., and Duke Energy F or da, Inc., the Lenders party hereto, the ssu ng Lenders party hereto, We s Fargo Bank, Nat ona Assoc at on, as Adm n strat ve Agent and Sw ng ne Lender, dated as of January 30, 2015 (ncorporated by reference to Exh b t 10.1 of reg strant's Current Report on Form 8 K f ed on February 5, 2015, F e Nos. 1 32853, 1 4928, 1 1232, 1 3543, 1 3382 and 1 3274).	X	X	X	X	X	X	
10.15.3	Amendment No. 3 and Consent, dated as of March 16, 2017, among the reg strants, the Lenders party thereto, the ssu ng Lenders party thereto, and We s Fargo Bank, Nat ona Assoc at on, as Adm n strat ve Agent and Sw ng ne Lender (ncorporated by reference to Exh b t 10.1 to reg strants' Current Report on Form 8 K f ed on March 17, 2017, F e Nos. 1 32853, 1 04928, 1 03382, 1 03274, 1 01232, 1 03543, 1 06196).	X	X	X	X	X	X	X
10.15.4	Amendment No.4 and Consent, dated as of March 18, 2019, among Duke Energy Corporat on, Duke Energy Caro nas, LLC, Duke Energy Oh o, Inc., Duke Energy Ind ana, LLC, Duke Energy Kentucky, Inc., Duke Energy Progress, LLC, Duke Energy F or da, LLC, and P edmont Natura Gas Company, Inc., the Lenders party thereto, the Issu ng Lenders party thereto, and We s Fargo Bank, Nat ona Assoc at on, as Adm n strat ve Agent and Sw ng ne Lender (ncorporated by reference to Exh b t 10.1 to reg strants' Current Report on Form 8 K f ed on March 21, 2019, F e Nos. 1 32853. 1 4928, 1 3382, 1 3274, 1 1232, 1 3543, 1 6196).	X	X	X	X	X	X	X
10.15.5	Amendment No. 5 and Consent, dated as of March 16, 2020, among reg strants', the Lenders party thereto, the Issu ng Lenders party thereto, and We s Fargo Bank, N.A., as Adm n strat ve Agent, and Sw ng ne Lender (ncorporated by reference to Exh b t 10.1 to reg strants' Current Report on Form 8 K f ed on March 17, 2020, F e Nos. 1 32853, 1 4928, 1 3382, 1 3274, 1 1232, 1 3543, 1 6196).	X	X	X	X	X	X	X
10.16**	Duke Energy Corporat on 2015 Long Term Incent ve P an (ncorporated by reference to Append x C to reg strant's DEF 14A f ed on March 26, 2015, F e No. 1 32853).	X						
10.16.1**	Amendment to Duke Energy Corporat on 2015 Long Term Incent ve P an (ncorporated by reference to Exh b t 10.16.1 to Duke Energy Corporat on's Annua Report on Form 10 K for the year ended December 31, 2018, f ed on February 28, 2019, F e No. 1 32853).	X						
10.17**	Restr cted Stock Un t Award Agreement (ncorporated by reference to Exh b t 10.4 to reg strant's Quarter y Report on Form 10 Q for the quarter ended March 31, 2017 f ed on May 9, 2017, F e No. 1 32853).	X						
10.18**	Restr cted Stock Un t Award Agreement (ncorporated by reference to Exh b t 10.24 to Duke Energy Corporat on's Annua Report on Form 10 K for the year ended December 31, 2017, f ed on February 21, 2018, F e No. 1 32853).	X						
10.19**	Performance Share Award Agreement (ncorporated by reference to Exh b t 10.2 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended March 31, 2019, f ed on May 9, 2019, F e No. 1 32853).	X						
10.20**	Performance Award Agreement (ncorporated by reference to Exh b t 10.4 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended March 31, 2020, f ed on May 12, 2020, F e No. 1 32853).	X						
10.21**	Restr cted Stock Un t Award Agreement (ncorporated by reference to Exh b t 10.3 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended March 31, 2019, f ed on May 9, 2019, F e No. 1 32853).	X						
10.22	Sett ement Agreement between Duke Energy Corporat on, the North Caro na Ut t es Comm ss on Staff and the North Caro na Pub c Staff, dated as of November 28, 2012 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on November 29, 2012, F e No. 1 32853).	X						

10.23	Sett ement Agreement between Duke Energy Corporat on and the North Caro na Attorney Genera , dated as of December 3, 2012 (ncorporated by reference Item 7.01 to reg strant's Current Report on Form 8 K f ed on December 3, 2012, F e No. 1 32853).	X				
10.24	Sett ement Agreement between Duke Energy Caro nas, LLC, Duke Energy Progress, LLC, and The North Caro na Department of Env ronmenta Qua ty, dated as of December 31, 2019 (ncorporated by reference to Exh b t 10.1 to reg strants' Current Report on Form 8 K f ed on January 2, 2020, F e Nos. 1 4928, 1 3382).		X	X		
10.25	Duke Energy Caro nas Summary of Part a Sett ement n North Caro na Rate Case (ncorporated by reference to Exh b t 99.1 to reg strant's Current Report on Form 8 K f ed on March 26, 2020, F e Nos. 1 32853, 1 4928, 1 3382).	X	X	X		
10.26	Coa Combust on Res dua s Sett ement Agreement between reg strants and the Pub c Staff North Caro na Ut t es Comm ss on, the North Caro na Attorney Genera 's Off ce, and the S erra C ub, dated as of January 22, 2021 (ncorporated by reference to Exh b t 10.1 to reg strants' Quarter y Report on Form 10 Q for the quarter ended March 31, 2021, f ed on May 10, 2021, F e Nos. 1 32853, 1 4928, 1 3382).	X	X	X		
10.27	Investment Agreement by and among C nergy Corp., Duke Energy Ind ana Ho dCo, LLC, Duke Energy Corporat on, and Epson Investment PTE. LTD,. dated as of January 28, 2021 (ncorporated by reference to Exh b t 10.2 to reg strants' Quarter y Report on Form 10 Q for the quarter ended March 31, 2021, f ed on May 10, 2021, F e Nos. 1 32853, 1 3543).	X				X
10.28	Cooperat on Agreement, dated as of November 13, 2021, by and among Duke Energy Corporat on, E ott Investment Management L.P., and E ott Internat ona , L.P. (ncorporated by reference to reg strant's Current Report on Form 8 K f ed on November 15, 2021, F e No. 1 32853).	X				
10.29**	Form of Change n Contro Agreement (ncorporated by reference to Exh b t 10.58 to Duke Energy Corporat on's Annua Report on Form 10 K for the year ended December 31, 2012, f ed on March 1, 2013, F e No. 1 32853).	X				
10.30**	Amended and Restated Duke Energy Corporat on Execut ve Cash Ba ance P an, dated as of January 1, 2014 (ncorporated by reference to Exh b t 10.52 to Duke Energy Corporat on's Annua Report on Form 10 K for the year ended December 31, 2013, f ed on February 28, 2014, F e No. 1 32852).	X				
10.30.1**	Amended and Restated Duke Energy Corporat on Execut ve Cash Ba ance P an, dated as of September 30, 2020 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on September 25, 2020, F e No. 1 32853).	X				
10.31	Purchase, Construct on and Ownersh p Agreement, dated as of Ju y 30, 1981, between Duke Energy Progress, Inc. (former y Caro na Power & L ght Company) and North Caro na Mun c pa Power Agency Number 3 and Exh b ts, together w th reso ut on, dated as of December 16, 1981, chang ng name to North Caro na Eastern Mun c pa Power Agency, amend ng etter, dated as of February 18, 1982, and amendment, dated as of February 24, 1982 (ncorporated by reference to Exh b t 10(a) to reg strant's F e No. 33 25560).			X		
10.32	Operat ng and Fue Agreement, dated as of Ju y 30, 1981, between Duke Energy Progress, Inc. (former y Caro na Power & L ght Company) and North Caro na Mun c pa Power Agency Number 3 and Exh b ts, together w th reso ut on, dated as of December 16, 1981, chang ng name to North Caro na Eastern Mun c pa Power Agency, amend ng etters, dated as of August 21, 1981, and December 15, 1981, and amendment, dated as of February 24, 1982 (ncorporated by reference to Exh b t 10(b) to reg strant's F e No. 33 25560).			X		
10.33	Power Coord nat on Agreement, dated as of Ju y 30, 1981, between Duke Energy Progress, Inc. (former y Caro na Power & L ght Company) and North Caro na Mun c pa Power Agency Number 3 and Exh b ts, together w th reso ut on, dated as of December 16, 1981, chang ng name to North Caro na Eastern Mun c pa Power Agency and amend ng etter, dated as of January 29, 1982 (ncorporated by reference to Exh b t 10(c) to reg strant's F e No. 33 25560).			X		

10.34	Amendment, dated as of December 16, 1982, to Purchase, Construct on and Ownersh p Agreement, dated as of Ju y 30, 1981, between Duke Energy Progress, Inc. (former y Caro na Power & L ght Company) and North Caro na Eastern Mun c pa Power Agency (ncorporated by reference to Exh b t 10(d) to reg strant's F e No. 33 25560).			X		
10.35	Precedent and Re ated Agreements between Duke Energy F or da, Inc. (former y F or da Power Corporat on d/b/a Progress Energy F or da, Inc. ("PEF")), Southern Natura Gas Company, F or da Gas Transm ss on Company ("FGT"), and BG LNG Serv ces, LLC ("BG"), nc ud ng: a) Precedent Agreement between Southern Natura Gas Company and PEF, dated as of December 2, 2004; b) Gas Sa e and Purchase Contract between BG and PEF, dated as of December 1, 2004; c) Inter m F rm Transportat on Serv ce Agreement by and between FGT and PEF, dated as of December 2, 2004; d) Letter Agreement between FGT and PEF, dated as of December 2, 2004, and F rm Transportat on Serv ce Agreement between FGT and PEF to be entered nto upon sat sfact on of certa n cond t ons precedent; e) D scount Agreement between FGT and PEF, dated as of December 2, 2004; f) Amendment to Gas Sa e and Purchase Contract between BG and PEF, dated as of January 28, 2005; and g) Letter Agreement between FGT and PEF, dated as of January 31, 2005 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K/A f ed on March 15, 2005, F e Nos. 1 15929 and 1 3274). (Port ons of the exh b t have been om tted and f ed separate y w th the Secur t es and Exchange Comm ss on pursuant to a request for conf dent a treatment pursuant to Ru e 24b 2 under the Secur t es Exchange Act of 1934, as amended.)		X		X	
10.36	Eng neer ng, Procurement and Construct on Agreement between Duke Energy F or da, Inc. (former y F or da Power Corporat on d/b/a/ Progress Energy F or da, Inc.), as owner, and a consort um cons st ng of West nghouse E ectr c Company LLC and Stone & Webster, Inc., as contractor, for a two un t AP1000 Nuc ear Power P ant, dated as of December 31, 2008 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on March 2, 2009, F e Nos. 1 15929 and 1 3274). (Port ons of the exh b t have been om tted and f ed separate y w th the Secur t es and Exchange Comm ss on pursuant to a request for conf dent a treatment pursuant to Ru e 24b 2 under the Secur t es Exchange Act of 1934, as amended.)		X		X	
10.37**	Emp oyment Agreement between Duke Energy Corporat on and Lynn J. Good, dated as of June 17, 2013 (ncorporated by reference to Exh b t 10.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on June 18, 2013, F e No. 1 32853).	X				
10.37.1**	Amendment to Emp oyment Agreement between Duke Energy Corporat on and Lynn J. Good, dated as of June 25, 2015 (ncorporated by reference to Exh b t 10.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on June 29, 2015, F e No. 1 32853).	X				
10.38**	Duke Energy Corporat on Execut ve Short Term Incent ve P an, dated as of February 25, 2013 (ncorporated by reference to Exh b t 10.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on May 7, 2013, F e No. 1 32853).	X				
10.39**	Duke Energy Corporat on 2017 D rector Compensat on Program Summary (ncorporated by reference to Exh b t 10.3 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended June 30, 2017 f ed on August 3, 2017, F e No. 1 32853).	X				
10.40**	Amended and Restated Duke Energy Corporat on Execut ve Sav ngs P an, dated as of January 1, 2014 (ncorporated by reference to Exh b t 10.82 to Duke Energy Corporat on's Annua Report on Form 10 K for the year ended December 31, 2013, f ed on February 28, 2014, F e No. 1 32853).	X				
10.40.1**	Amendment to Duke Energy Corporat on Execut ve Sav ngs P an, dated as of January 1, 2014 (ncorporated by reference to Exh b t 10.1 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended September 30, 2017, f ed on November 3, 2017, F e No. 1 32853).	X				
10.40.2**	Amendment to Duke Energy Corporat on Execut ve Sav ngs P an, dated as of October 1, 2020 (ncorporated by reference to Exh b t 10.2 to Duke Energy Corporat on's Current Report on Form 8 K f ed on September 25, 2020, F e No. 1 32853).	X				

10.41**	Consu t ng Agreement, dated as of September 22, 2021, between Duke Energy Bus ness Serv ces, LLC and Doug as F Esamann (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on September 27, 2021, F e No. 1 32853).	X			
*10.42**	Retent on Award Agreement	X			
10.43	Agreement between Duke Energy SAM, LLC, Duke Energy Oh o, Inc., Duke Energy Commerc a Enterpr se, Inc. and Dynegy Resource I, LLC, dated as of August 21, 2014 (ncorporated by reference to Exh b t 10.61 to Duke Energy Corporat on's Annua Report on Form 10 K for the year ended December 31, 2014, f ed on March 2, 2015, F e No. 1 32853).	X			X
10.44	Asset Purchase Agreement between Duke Energy Progress, Inc. and North Caro na Eastern Mun c pa Power Agency, dated as of September 5, 2014 (ncorporated by reference to Exh b t 10.62 to Duke Energy Corporat on's Annua Report on Form 10 K for the year ended December 31, 2014, f ed on March 2, 2015, F e No. 1 32853).	X	X		
10.45	Acce erated Stock Repurchase Program executed by Go dman, Sachs & Co., and JPMorgan Chase Bank, N.A. on Apr 6, 2015, under an agreement w th Duke Energy Corporat on (ncorporated by reference to Exh b t 10.1 to Duke Energy Corporat on's Current Report on Form 8 K f ed on Apr 6, 2015, F e No. 1 32853).	X			
10.46	P ea Agreement between Duke Energy Corporat on and the Court of the Eastern D str ct of North Caro na n connect on w th the May 14, 2015, Dan R ver Grand Jury Sett ement (ncorporated by reference to Exh b t 10.3 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended June 30, 2015, f ed on August 7, 2015, F e No. 1 32853).	X			
10.47	P ea Agreement between Duke Energy Corporat on and the Court of the Eastern D str ct of North Caro na n connect on w th the May 14, 2015, Dan R ver Grand Jury Sett ement (ncorporated by reference to Exh b t 10.4 to Duke Energy Corporat on's Quarter y Report on Form 10 Q for the quarter ended June 30, 2015, f ed on August 7, 2015, F e No. 1 32853).	X			
10.48	Purchase and Sa e Agreement by and among Duke Energy Internat ona Group S.à.r. ., Duke Energy Internat ona Braz Ho d ngs S.à.r. . and Ch na Three Gorges (Luxembourg) Energy S.à.r. ., dated as of October 10, 2016 (ncorporated by reference to Exh b t 2.1 to reg strant's Current Report on Form 8 K f ed on October 13, 2016, F e No. 1 32853).	X			
10.49	Purchase and Sa e Agreement by and among Duke Energy Braz Ho d ngs II, C.V., Duke Energy Internat ona Uruguay Investments SRL, Duke Energy Internat ona Group S.à.r. ., Duke Energy Internat ona España Ho d ngs SL, Duke Energy Internat ona Investments No. 2 Ltd., ISQ Ener am Aggregator, L.P., and Ener am (UK) Ho d ngs Ltd., dated as of October 10, 2016 (ncorporated by reference to Exh b t 2.2. to reg strant's Current Report on Form 8 K f ed on October 13, 2016, F e No. 1 32853).	X			
10.50	$1,000,000,000 Cred t Agreement, dated as of June 14, 2017, among Duke Energy Corporat on, the Lenders sted there n, The Bank of Nova Scot a, as Adm n strat ve Agent, PNC Bank, N.A., Sum tomo M tsu Bank ng Corporat on, and TD Bank, N.A., as C0 Synd cat on Agents, and Bank of Ch na, New York Branch, BNP Par bas, Santander Bank, N.A. and U.S. Bank N.A., as Co Documentat on Agents (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on June 14, 2017, F e No. 1 32853).	X			
10.51	$1,000,000,000 Cred t Agreement, dated as of May 15, 2019, among Duke Energy Corporat on, the Lenders party thereto, The Bank of Nova Scot a, as Adm n strat ve Agent, PNC Bank, N.A., Sum tomo M tsu Bank ng Corporat on, and TD Bank, N.A., as Co Synd cat on Agents, and Bank of Ch na, New York Branch, BNP Par bas, Santander Bank, N.A., and U.S. Bank, N.A., as Co Documentat on Agents (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on May 16, 2019, F e No. 1 32853).	X			

10.51.1	F rst Amendment to $1,000,000,000 Cred t Agreement, dated as of May 15, 2019, among Duke Energy Corporat on, the Lenders party there n, The Bank of Nova Scot a, as Adm n strat ve Agent, PNC Bank, N.A., Sum tomo M tsu Bank ng Corporat on, and TD Bank, N.A., as Co Synd cat on Agents, and Bank of Ch na, New York Branch, BNP Par bas, Santander Bank, N.A., and U.S> Bank, N.A., as Co Documentat on Agents (ncorporated by reference to Exh b t 10.3 to reg strant's Quarter y Report on Form 10 Q for the quarter ended March 31, 2021, f ed on May 10, 2021, F e No. 1 32853).	X			
10.52	$1.5 b on 364 Day Term Loan Cred t Agreement, dated as of March 19, 2020, among the reg strant, as Borrower, certa n Lenders from t me to t me part es thereto, and PNC Bank, N.A., as Adm n strat ve Agent, and reg strant's borrow ng of the rema n ng $500 m on under reg strant's ex st ng $1 b on revo v ng cred t fac ty on March 17, 2020 (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on March 19, 2020, F e No. 1 32853).	X			
10.52.1	Jo nder Agreement, dated as of March 27, 2020, by and among, the reg strant, each of the Incrementa Lenders sted there n, and PNC Bank, N.A., as Adm n strat ve Agent (ncorporated by reference to Exh b t 10.2.1 to reg strant's Quarter y Report on Form 10 Q for the quarter ended March 31, 2020, f ed on May 12, 2020, F e No. 1 32853).	X			
10.53	Note Purchase Agreement, dated as of May 6, 2011, among P edmont Natura Gas Company, Inc. and the Purchasers party thereto (ncorporated by reference to Exh b t 10 to reg strant's Current Report on Form 8 K f ed on May 12, 2011, F e No. 1 06196).				X
10.54	Amended and Restated L m ted L ab ty Company Agreement of Const tut on P pe ne Company, LLC dated Apr 9, 2012, by and among W ams Partners Operat ng LLC and Cabot P pe ne Ho d ngs LLC (ncorporated by reference to Exh b t 10.1 to reg strant's Quarter y Report on Form 10 Q for the quarter ended January 31, 2013, f ed on March 6, 2013, F e No. 1 06196).				X
10.54.1	F rst Amendment to Amended and Restated L m ted L ab ty Company Agreement of Const tut on P pe ne Company, LLC, dated as of November 9, 2012, by and among Const tut on P pe ne Company, LLC, W ams Partners Operat ng LLC, Cabot P pe ne Ho d ngs LLC, and P edmont Const tut on P pe ne Company, LLC (ncorporated by reference to Exh b t 10.2 to reg strant's Quarter y Report on Form 10 Q for the quarter ended January 31, 2013, f ed on March 6, 2013, F e No. 1 06196).				X
10.54.2	Second Amendment to Amended and Restated L m ted L ab ty Company Agreement of Const tut on P pe ne Company, LLC, dated as of May 29, 2013, by and among Const tut on P pe ne Company, LLC, W ams Partners Operat ng LLC, Cabot P pe ne Ho d ngs LLC, P edmont Const tut on P pe ne Company, LLC, and Cap to Energy Ventures Corp. (ncorporated by reference to Exh b t 99.1 to reg strant's Current Report on Form 8 K f ed on September 4, 2013, F e No. 1 06196).				X
10.55	Second Amended and Restated L m ted L ab ty Company Agreement of SouthStar Energy Serv ces LLC, dated as of September 1, 2013, by and between Georg a Natura Gas Company and P edmont Energy Company (ncorporated by reference to Exh b t 10.39 to reg strant's Annua Report on Form 10 K for the year ended October 31, 2013, f ed on December 23, 2013, F e No. 1 06196).				X
10.56	L m ted L ab ty Company Agreement of At ant c Coast P pe ne, LLC, dated as of September 2, 2014, by and between Dom n on At ant c Coast P pe ne, LLC, Duke Energy ACP, LLC, P edmont ACP Company, LLC, and Map e Enterpr se Ho d ngs, Inc. (ncorporated by reference to Exh b t 10.35 to reg strant's Annua Report on Form 10 K for the year ended October 31, 2014, f ed on December 23, 2014, F e No. 1 06196).				X
10.57	Amended and Restated L m ted L ab ty Company Operat ng Agreement of Duke Energy Ind ana Ho dco, LLC (ncorporated by reference to Exh b t 10.1 to reg strants' Current Report on Form 8 K f ed on September 8, 2021, F e Nos. 1 32853, 1 03543).	X		X	
10.58	Eng neer ng, Procurement and Construct on Agreement between Duke Energy Bus ness Serv ces, LLC, as agent for and on beha f of P edmont Natura Gas Company Inc. and Matr x Serv ce, Inc., dated as of Apr 30, 2019 (ncorporated by reference to Exh b t 10.1 to reg strant's Quarter y Report on Form 10 Q for the quarter ended June 30, 2019, f ed on August 6, 2019, F e No. 1 06196). (Port ons of the exh b t have been om tted for conf dent a ty.)				X

10.59	Decomm ss on ng Serv ces Agreement between Duke Energy F or da, LLC, and ADP CR3, LLC, and ADP SF1, LLC (ncorporated by reference to Exh b t 10.3 to reg strant's Quarter y Report on Form 10 Q for the quarter ended June 30, 2019, f ed on August 6, 2019, F e No. 2 5293). (Port ons of the exh b t have been om tted for conf dent a ty.)						X			
10.60	Form of Forward Sa e Agreement (ncorporated by reference to Exh b t 10.1 to reg strant's Current Report on Form 8 K f ed on November 8, 2019, F e No. 1 32853).	X								
10.61	Lease Agreement dated as of December 23, 2019, between the reg strant and CGA 525 South Tryon TIC 1, LLC, a De aware m ted ab ty company, CGA 525 South Tryon TIC 2, LLC, a De aware m ted ab ty company, and CK 525 South Tryon TIC, LLC, a De aware m ted ab ty company (ncorporated by reference to Exh b t 10.64 to reg strant's Annua Report on Form 10 K for the year ended December 31, 2019, f ed on February 20, 2020, F e No. 1 4928).		X							
10.62	Construct on Agency Agreement dated as of December 23, 2019, between the reg strant and CGA 525 South Tryon TIC 1, LLC, a De aware m ted ab ty company, CGA 525 South Tryon TIC 2, LLC, a De aware m ted ab ty company, and CK 525 South Tryon TIC, LLC, a De aware m ted ab ty company (ncorporated by reference to Exh b t 10.65 to reg strant's Annua Report on Form 10 K for the year ended December 31, 2019, f ed on February 20, 2020, F e No. 1 4928).		X							
*21	L st of Subs d ar es	X								
*23.1.1	Consent of Independent Reg stered Pub c Account ng F rm.	X								
*23.1.2	Consent of Independent Reg stered Pub c Account ng F rm.		X							
*23.1.3	Consent of Independent Reg stered Pub c Account ng F rm.					X				
*23.1.4	Consent of Independent Reg stered Pub c Account ng F rm.						X			
*23.1.5	Consent of Independent Reg stered Pub c Account ng F rm.							X		
*23.1.6	Consent of Independent Reg stered Pub c Account ng F rm.								X	
*23.1.7	Consent of Independent Reg stered Pub c Account ng F rm.									X
*24.1	Power of attorney author z ng Lynn J. Good and others to s gn the Annua Report on beha f of the reg strant and certa n of ts d rectors and off cers.	X								
*24.2	Cert f ed copy of reso ut on of the Board of D rectors of the reg strant author z ng power of attorney.	X								
*31.1.1	Cert f cat on of the Ch ef Execut ve Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.	X								
*31.1.2	Cert f cat on of the Ch ef Execut ve Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.		X							
*31.1.3	Cert f cat on of the Ch ef Execut ve Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.			X						
*31.1.4	Cert f cat on of the Ch ef Execut ve Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.				X					
*31.1.5	Cert f cat on of the Ch ef Execut ve Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.					X				
*31.1.6	Cert f cat on of the Ch ef Execut ve Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.						X			
*31.1.7	Cert f cat on of the Ch ef Execut ve Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.							X		
*31.1.8	Cert f cat on of the Ch ef Execut ve Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.									X
*31.2.1	Cert f cat on of the Ch ef F nanc a Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.	X								
*31.2.2	Cert f cat on of the Ch ef F nanc a Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.		X							
*31.2.3	Cert f cat on of the Ch ef F nanc a Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.			X						

*31.2.4	Cert f cat on of the Ch ef F nanc a Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.				X				
*31.2.5	Cert f cat on of the Ch ef F nanc a Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.					X			
*31.2.6	Cert f cat on of the Ch ef F nanc a Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.						X		
*31.2.7	Cert f cat on of the Ch ef F nanc a Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.							X	
*31.2.8	Cert f cat on of the Ch ef F nanc a Off cer Pursuant to Sect on 302 of the Sarbanes Ox ey Act of 2002.								X
*32.1.1	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.	X							
*32.1.2	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.		X						
*32.1.3	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.			X					
*32.1.4	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.				X				
*32.1.5	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.					X			
*32.1.6	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.						X		
*32.1.7	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.							X	
*32.1.8	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.								X
*32.2.1	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.	X							
*32.2.2	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.		X						
*32.2.3	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.			X					
*32.2.4	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.				X				
*32.2.5	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.					X			
*32.2.6	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.						X		
*32.2.7	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.							X	
*32.2.8	Cert f cat on Pursuant to 18 U.S.C. Sect on 1350, as Adopted Pursuant to Sect on 906 of the Sarbanes Ox ey Act of 2002.								X
*101.INS	XBRL Instance Document (th s does not appear n the Interact ve Data F e because t's XBRL tags are embedded w th n the In ne XBRL document).	X	X	X	X	X	X	X	X
*101.SCH	XBRL Taxonomy Extens on Schema Document	X	X	X	X	X	X	X	X
*101.CAL	XBRL Taxonomy Ca cu at on L nkbase Document	X	X	X	X	X	X	X	X
*101.LAB	XBRL Taxonomy Labe L nkbase Document	X	X	X	X	X	X	X	X
*101.PRE	XBRL Taxonomy Presentat on L nkbase Document	X	X	X	X	X	X	X	X

*101.DEF	XBRL Taxonomy Def n t on L nkbase Document	X	X	X	X	X	X	X	X
*104	Cover Page Interact ve Data F e (formatted n In ne XBRL and conta ned n Exh b t 101).	X	X	X	X	X	X	X	X

The tota amount of secur t es of each respect ve reg strant or ts subs d ar es author zed under any nstrument w th respect to ong term debt not f ed as an exh b t does not exceed 10% of the tota assets of such reg strant and ts subs d ar es on a conso dated bas s. Each reg strant agrees, upon request of the SEC, to furn sh cop es of any or a of such nstruments to t.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2022

DUKE ENERGY
CORPORATION
(Reg strant)

By: /s/ LYNN J. GOOD

Lynn J. Good
Cha r, Pres dent and Ch ef Execut ve Off cer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

( ) /s/ LYNN J. GOOD

Lynn J. Good
Cha r, Pres dent and Ch ef Execut ve Off cer (Pr nc pa Execut ve Off cer and D rector)

( ) /s/ STEVEN K. YOUNG

Steven K. Young
Execut ve V ce Pres dent and Ch ef F nanc a Off cer (Pr nc pa F nanc a Off cer)

( ) /s/ CYNTHIA S. LEE

Cynth a S. Lee
V ce Pres dent, Ch ef Account ng Off cer and Contro er (Pr nc pa Account ng Off cer)

(v) D rectors:

M chae G. Brown ng*	Lynn J. Good*
Annette K. C ayton*	John T. Herron*
Theodore F. Craver, Jr.*	Ida ene F. Kesner*
Robert M. Dav s*	E. Mar e McKee*
Caro ne D. Dorsa*	M chae J. Pac o*
W. Roy Dunbar*	Thomas E. Ska ns*
N cho as C. Fanandak s*	W am E. Webster, Jr.*

Steven K. Young, by s gn ng h s name hereto, does hereby s gn th s document on beha f of the reg strant and on beha f of each of the above named persons prev ous y nd cated by aster sk (*) pursuant to a power of attorney du y executed by the reg strant and such persons, f ed w th the Secur t es and Exchange Comm ss on as an exh b t hereto.

By: /s/ STEVEN K. YOUNG

Attorney In Fact

Date: February 24, 2022

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2022

DUKE ENERGY
CAROLINAS, LLC
(Reg strant)

By: /s/ LYNN J. GOOD

Lynn J. Good
Ch ef Execut ve Off cer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

( ) /s/ LYNN J. GOOD
Lynn J. Good
Ch ef Execut ve Off cer (Pr nc pa Execut ve Off cer)

( ) /s/ STEVEN K. YOUNG
Steven K. Young
Execut ve V ce Pres dent and Ch ef F nanc a Off cer (Pr nc pa F nanc a Off cer)

( ) /s/ CYNTHIA S. LEE
Cynth a S. Lee
V ce Pres dent, Ch ef Account ng Off cer and Contro er (Pr nc pa Account ng Off cer)

(v) D rectors:

/s/ LYNN J. GOOD
Lynn J. Good

/s/ DHIAA M. JAMIL
Dh aa M. Jam

/s/ JULIA S. JANSON
Ju a S. Janson

Date: February 24, 2022

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2022

PROGRESS ENERGY, INC.
(Reg strant)

By: /s/ LYNN J. GOOD

Lynn J. Good
Ch ef Execut ve Off cer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

( ) /s/ LYNN J. GOOD
Lynn J. Good
Ch ef Execut ve Off cer (Pr nc pa Execut ve Off cer)

( ) /s/ STEVEN K. YOUNG
Steven K. Young
Execut ve V ce Pres dent and Ch ef F nanc a Off cer (Pr nc pa F nanc a Off cer)

( ) /s/ CYNTHIA S. LEE
Cynth a S. Lee
V ce Pres dent, Ch ef Account ng Off cer and Contro er (Pr nc pa Account ng Off cer)

(v) D rectors:

/s/ KODWO GHARTEY TAGOE
Kodwo Ghartey Tagoe

/s/ LYNN J. GOOD
Lynn J. Good

Date: February 24, 2022

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2022

DUKE ENERGY
PROGRESS, LLC
(Reg strant)

By: /s/ LYNN J. GOOD

Lynn J. Good
Ch ef Execut ve Off cer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

( ) /s/ LYNN J. GOOD
Lynn J. Good
Ch ef Execut ve Off cer (Pr nc pa Execut ve Off cer)

( ) /s/ STEVEN K. YOUNG
Steven K. Young
Execut ve V ce Pres dent and Ch ef F nanc a Off cer (Pr nc pa F nanc a Off cer)

( ) /s/ CYNTHIA S. LEE
Cynth a S. Lee
V ce Pres dent, Ch ef Account ng Off cer and Contro er (Pr nc pa Account ng Off cer)

(v) D rectors:

/s/ KODWO GHARTEY TAGOE
Kodwo Ghartey Tagoe

/s/ R. ALEXANDER GLENN
R. A exander G enn

/s/ LYNN J. GOOD
Lynn J. Good

/s/ DHIAA M. JAMIL
Dh aa M. Jam

/s/ JULIA S. JANSON
Ju a S. Janson

Date: February 24, 2022

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2022

DUKE ENERGY FLORIDA, LLC
(Reg strant)

By: /s/ LYNN J. GOOD

Lynn J. Good
Ch ef Execut ve Off cer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

( ) /s/ LYNN J. GOOD
Lynn J. Good
Ch ef Execut ve Off cer (Pr nc pa Execut ve Off cer)

( ) /s/ STEVEN K. YOUNG
Steven K. Young
Execut ve V ce Pres dent and Ch ef F nanc a Off cer (Pr nc pa F nanc a Off cer)

( ) /s/ CYNTHIA S. LEE
Cynth a S. Lee
V ce Pres dent, Ch ef Account ng Off cer and Contro er (Pr nc pa Account ng Off cer)

(v) D rectors:

/s/ KODWO GHARTEY TAGOE
Kodwo Ghartey Tagoe

/s/ R. ALEXANDER GLENN
R. A exander G enn

/s/ LYNN J. GOOD
Lynn J. Good

/s/ DHIAA M. JAMIL
Dh aa M. Jam

/s/ JULIA S. JANSON
Ju a S. Janson

Date: February 24, 2022

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2022

DUKE ENERGY OHIO, INC.
(Reg strant)

By: /s/ LYNN J. GOOD

Lynn J. Good
Ch ef Execut ve Off cer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

( ) /s/ LYNN J. GOOD
Lynn J. Good
Ch ef Execut ve Off cer (Pr nc pa Execut ve Off cer)

( ) /s/ STEVEN K. YOUNG
Steven K. Young
Execut ve V ce Pres dent and Ch ef F nanc a Off cer (Pr nc pa F nanc a Off cer)

( ) /s/ CYNTHIA S. LEE
Cynth a S. Lee
V ce Pres dent, Ch ef Account ng Off cer and Contro er (Pr nc pa Account ng Off cer)

(v) D rectors:

/s/ R. ALEXANDER GLENN
R. A exander G enn

/s/ LYNN J. GOOD
Lynn J. Good

/s/ DHIAA M. JAMIL
Dh aa M. Jam

Date: February 24, 2022

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2022

DUKE ENERGY INDIANA, LLC
(Reg strant)

By: /s/ LYNN J. GOOD

Lynn J. Good
Ch ef Execut ve Off cer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

( ) /s/ LYNN J. GOOD
Lynn J. Good
Ch ef Execut ve Off cer (Pr nc pa Execut ve Off cer)

( ) /s/ STEVEN K. YOUNG
Steven K. Young
Execut ve V ce Pres dent and Ch ef F nanc a Off cer (Pr nc pa F nanc a Off cer)

( ) /s/ CYNTHIA S. LEE
Cynth a S. Lee
V ce Pres dent, Ch ef Account ng Off cer and Contro er (Pr nc pa Account ng Off cer)

(v) D rectors:

/s/ R. ALEXANDER GLENN
R. A exander G enn

/s/ KELLEY A. KARN
Ke ey A. Karn

/s/ STAN PINEGAR
Stan P negar

Date: February 24, 2022

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2022

PIEDMONT NATURAL GAS
COMPANY, INC.
(Reg strant)

By: /s/ LYNN J. GOOD

Lynn J. Good
Ch ef Execut ve Off cer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

( ) /s/ LYNN J. GOOD
Lynn J. Good
Ch ef Execut ve Off cer (Pr nc pa Execut ve Off cer)

( ) /s/ STEVEN K. YOUNG
Steven K. Young
Execut ve V ce Pres dent and Ch ef F nanc a Off cer (Pr nc pa F nanc a Off cer)

( ) /s/ CYNTHIA S. LEE
Cynth a S. Lee
V ce Pres dent, Ch ef Account ng Off cer and Contro er (Pr nc pa Account ng Off cer)

(v) D rectors:

/s/ LYNN J. GOOD
Lynn J. Good

/s/ DHIAA M. JAMIL
Dh aa M. Jam

/s/ BRIAN D. SAVOY
Br an D. Savoy

Date: February 24, 2022

May 9, 2019

FIRST QUARTER 2019

Duke Energy Earnings Review & Business Update

Lynn Good — *Chairman, President & CEO*
Steve Young — *Executive Vice President & CFO*

DUKE ENERGY

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

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.

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/.

Topics for today's call

BUSINESS UPDATE

Lynn Good, Chairman, President & CEO

- First quarter 2019 update
- Carolinas legislative and regulatory update
- Progress on strategic initiatives
- North Carolina coal ash order

FINANCIAL UPDATE

Steve Young, Executive VP & CFO

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

First quarter 2019 update

$1.24

1Q 2019 REPORTED/ADJUSTED DILUTED EPS COMPARED TO $0.88/$1.28 IN 1Q 2018

ON TRACK

TO ACHIEVE 2019 EPS GUIDANCE RANGE OF $4.80 - $5.20 (1)

AFFIRMING 4 - 6% GROWTH THROUGH 2023

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

QUARTER HIGHLIGHTS

- North Carolina legislation introduced that would enable alternative rate-making frameworks and storm securitization in our largest jurisdiction
- Announced 1,250 MW of regulated and commercial renewables projects that we will own or procure on behalf of customers
- Announced sale of minority interest in Commercial Renewables portfolio to John Hancock
- Second green bond issuance closed March 7 supporting sustainable investment projects
- Preferred stock offering completed March 29
- EEI named Duke Energy one of the industry leaders in safety for fourth year in a row
- Forbes named Duke Energy one of America's Best Employers

(1) *Based on adjusted diluted EPS*

Carolinas legislative and regulatory updates

NORTH CAROLINA LEGISLATION INTRODUCED

NORTH CAROLINA
STORM COST SECURITIZATION AND ALT RATES BILL

- Identical bills introduced in Senate and House in early April
- Legislation would enable NCUC to consider:
  - Multi-year rate plans and/or ROE bands
  - Storm cost securitization
- Senate bill passed May 2; under consideration in the House

CAROLINAS REGULATORY ACTIVITY

PIEDMONT NATURAL GAS NORTH CAROLINA
BASE RATE CASE

- Filed April 1; first NC rate case for Piedmont since 2013
- Requested 10.6% ROE and 52% equity cap. structure
- Based on North Carolina rate base of $3.3 billion
- If approved, expect rates to be effective by the end of 2019

SOUTH CAROLINA ELECTRIC
BASE RATE CASES

- Received PSCSC directives, in both cases awaiting final orders
- Intend to make a motion for rehearing by the PSCSC and, if necessary, appeal portions of the cases

Update on strategic initiatives

HIGHLY-EFFICIENT NATURAL GAS

- $1.1 billion WCMP combined cycle (DEP) on target for late-2019 completion

RENEWABLES

- Announced three new solar projects at DEF [1]
- Results issued for first renewable energy RFP under House Bill 589 in North Carolina[1]
- Commercial Renewables announced and forthcoming projects provide line-of-sight to ~90% of earnings targets for 2019 and 2020, ~60% of the five-year plan

FL GRID IMPROVEMENT PLAN

- $1.1 billion grid program in FL recovered via annual base rate step-ups starting in 2019

NC EV CHARGING STATION PROGRAM

- $76 million initiative to spur EV adoption by installing ~2,500 new charging stations
- Largest utility initiative in the Southeast
- Proposed program is subject to NCUC approval

ATLANTIC COAST PIPELINE

- Hearing at 4th Circuit Court of Appeals on Biological Opinion/ITS held May 9
- Expect to file petition this summer seeking SCOTUS review of the Appalachian Trail decision
- No change to cost or schedule; estimated cost remains $7.0 to $7.8 billion[2]

(1) See appendix for detailed project listing
(2) Represents total project cost, of which Duke Energy's share is 47%. Excludes AFUDC

Coal ash basin closure update

NC DEQ ORDER SUMMARY

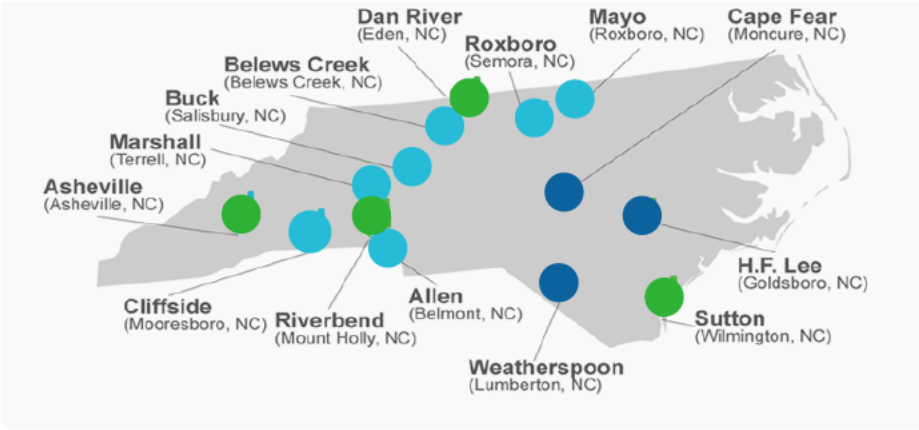
- NC Department of Environmental Quality (DEQ) issued order April 1 requiring low priority sites be fully excavated
  - Incremental cost of $4 - 5 billion vs. cap-in-place / hybrid closure methods would be spent over decades
  - Coal ash closure costs would increase $200 – 400 million over 5-year plan (<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 to conclude

SIGNIFICANT PROGRESS CLOSING BASINS

- ~20 million tons of ash excavated at high priority sites in North Carolina since basin closure began
- On track to close high priority sites by 2019 deadlines[1]
- Advanced construction of three ash reprocessing units in North Carolina
- By mid-2019, ash and wastewater will stop being sent to nearly all basins

DUKE ENERGY.

NC COAL ASH BASINS

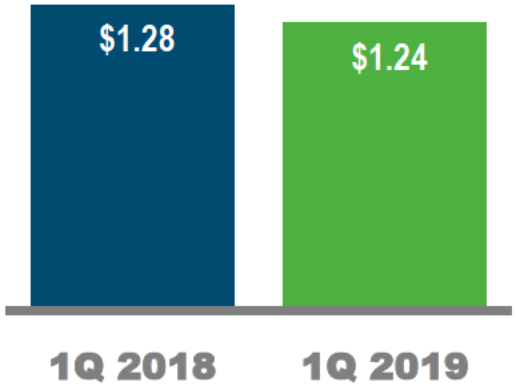


- High - Excavation
- Intermediate – Excavation / beneficiation
- Low – Full range of closure options

(1) *Sutton, Riverbend and Dan River to be completed in 2019. Asheville deadline extended to 2022 per Mountain Energy Act.*

1Q 2019 adjusted diluted EPS summary and primary drivers

ADJUSTED DILUTED EARNINGS PER SHARE



ON TRACK

TO ACHIEVE 2019 EPS GUIDANCE RANGE OF $4.80 - $5.20 (2)

SEGMENT RESULTS VS. PRIOR YEAR QUARTER (1)

Electric Utilities & Infrastructure, -$66 M (-$0.10 per share)

- ▼ Weather (-$0.07) and volumes
- ▼ Higher depreciation and amortization, primarily due to a growing asset base
- ▼ Higher interest expense
- ▲ Contribution from base rate changes in NC and FL
- ▲ Higher rider revenues

Gas Utilities & Infrastructure, +$68 M (+$0.10 per share)

- ▲ Higher earnings from midstream, primarily due to income tax adjustment
- ▲ LDC margin expansion

Commercial Renewables, -$7 M (-$0.01 per share)

- ▼ Lower wind production

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

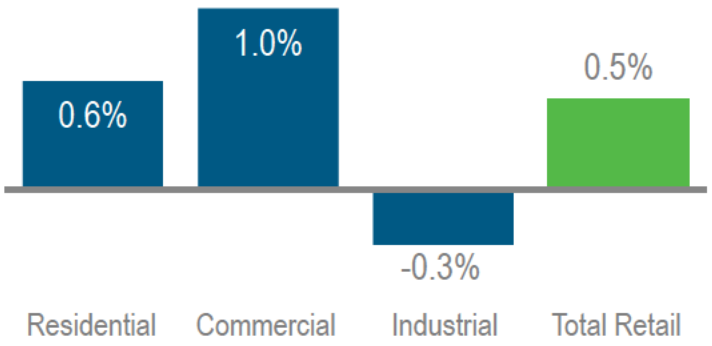
Share Dilution (-$0.04 per share)

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

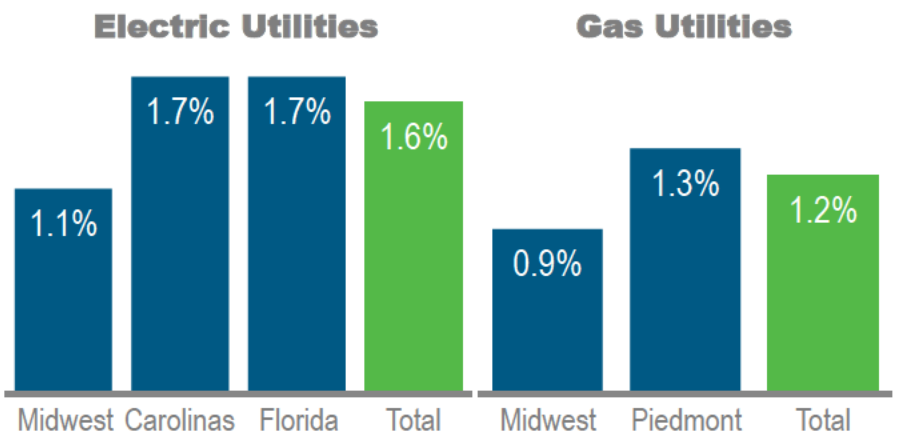
(2) *Based on adjusted diluted EPS*

Customer growth and weather-normal electric volume trends

ROLLING 12-MONTH RETAIL ELECTRIC VOLUME GROWTH



ANNUAL GROWTH IN NUMBER OF RESIDENTIAL CUSTOMERS



RESIDENTIAL

- Increase in average number of customers drives volume growth for electric and gas utilities
- Four jurisdictions in top 15 states for job growth

COMMERCIAL

- Continued expansion of data centers
- 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

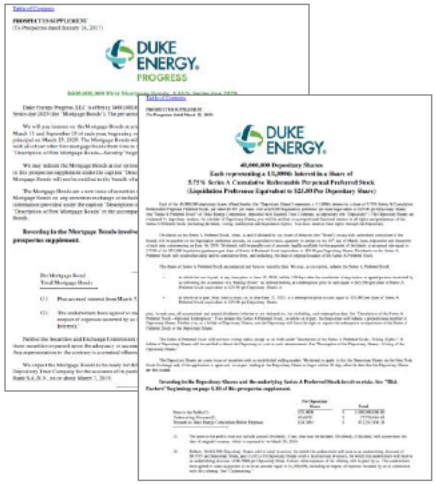
Maintaining balance sheet strength

COMMERCIAL RENEWABLES MINORITY STAKE SALE

- Sale to John Hancock announced April 24
- ~$415 million pre-tax proceeds to offset debt
- Operating assets included in the transaction:
  - 1,200 MW[1] (~48% of the offered portfolio)
  - Enterprise value of ~$1.25 billion
- Duke to retain tax benefits from the projects
- Closing expected in second half 2019

2019 FINANCING PLAN STATUS

- Issued $600 million "Green Bonds" in March at DEP
  - Follows DEC's $1 billion green bond in 2018
- Issued $1 billion preferred stock in March
  - Largest ever utility preferred issuance
  - 50% equity credit with rating agencies
- Continue to expect common stock issuances of $500 million per year 2019-2023 via DRIP/ATM programs
  - Priced $240 million of the 2019 target



COMMITTED TO MAINTAINING STRONG CREDIT QUALITY & INVESTMENT GRADE RATINGS

(1) 49% of 37 operating wind, solar and battery storage assets and 33% of 11 operating solar assets across the U.S.

Our investor value proposition

DUKE ENERGY.

DUK
LISTED
NYSE

A SOLID LONG-TERM HOLDING

4.2%
DIVIDEND YIELD(1)
WITH DIVIDEND
GROWTH COMMITMENT(2)

~8-10%
ATTRACTIVE
RISK-ADJUSTED
TOTAL SHAREHOLDER RETURN(3)

4-6%
HIGHLY
ACHIEVABLE
EPS GROWTH THROUGH 2023(4)

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

(1) *As of May 8, 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

Financial supplement

Key 2019 adjusted earnings guidance assumptions

($ in millions)	Original 2019 Assumptions [1]	2019 YTD (thru 3/31/2019)
Adjusted segment income/(expense) [2]:		
Electric Utilities & Infrastructure	$3,480	$750
Gas Utilities & Infrastructure	$375	$226
Commercial Renewables	$230	$13
Other	($440)	($89)
Duke Energy Consolidated	$3,645	$900
Additional consolidated information:		
Interest expense	$2,238	$543
Adjusted effective tax rate	12-14%	9.6%
Debt AFUDC and capitalized interest	$151	$34
AFUDC equity	$168	$31
Capital expenditures [3][4]	$11,100	$2,835
Weighted-average shares outstanding	~729 million	~727 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 3/31/2019) includes ~$150 million of coal ash closure spend that was included in operating cash flows and $60 million funded under the ACP revolving credit facility. 2019 Assumptions include ~$850 million of projected coal ash closure spend and $220 million projected to be funded under the ACP revolving credit facility

Key 2019 earnings sensitivities

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[1]	+/- $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

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				$90	704	$0.10
Third Quarter[1]				$55	714	$0.05
Fourth Quarter				$60	716	$0.06
Year-to-Date[1][2]	($55)	727	($0.06)	$215	708	$0.22

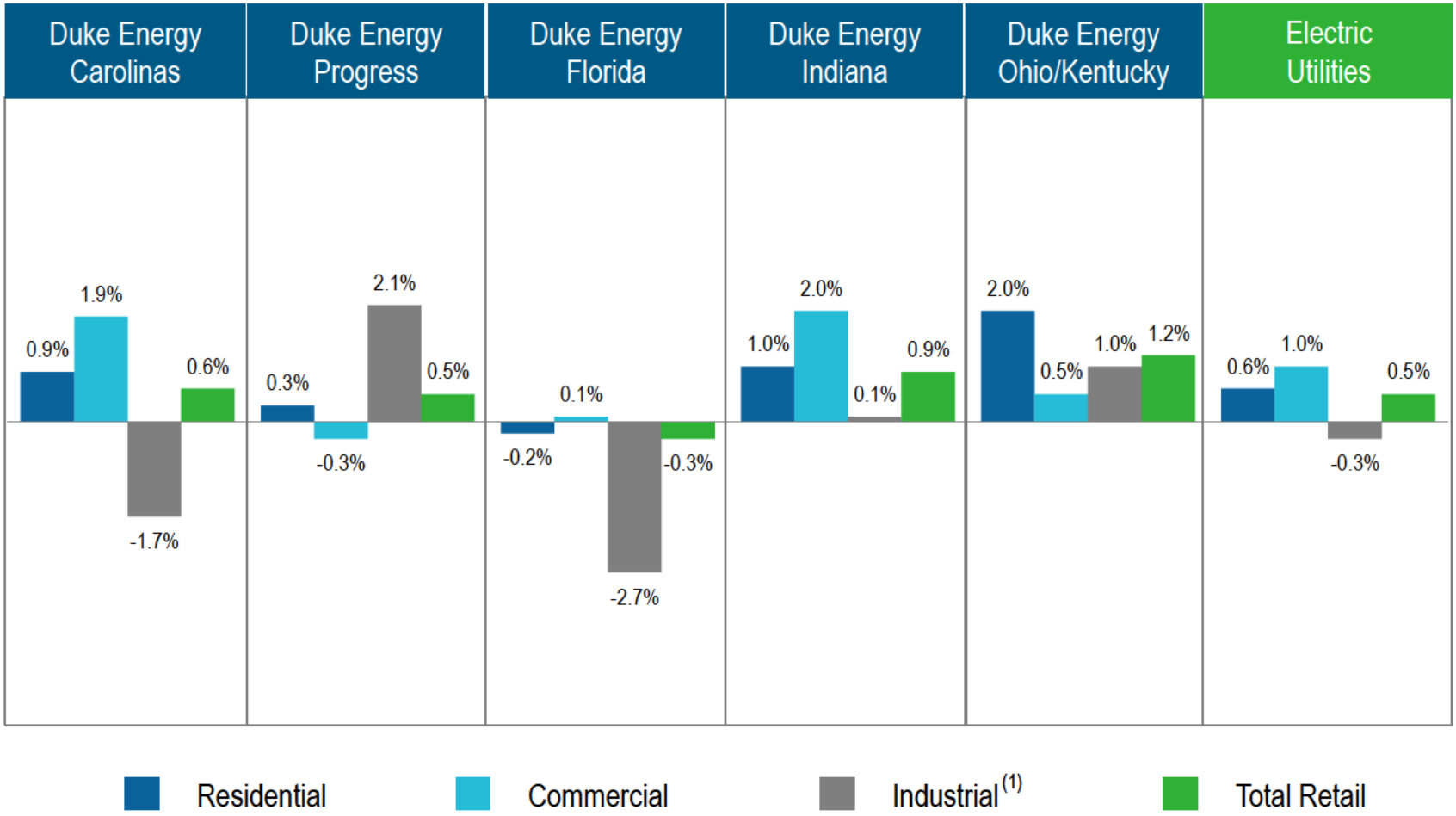
1Q 2019	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,603	(6.9%)	1,483	(7.8%)	271	(26.9%)	2,884	4.6%	2,571	0.6%
Cooling degree days / Variance from normal	4	(46.0%)	6	(45.5%)	244	27.8%	-	(100%)	-	(100%)

1Q 2018	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,721	(1.3%)	1,614	(0.1%)	383	1.1%	2,831	2.4%	2,569	2.6%
Cooling degree days / Variance from normal	10	56.4%	23	139.2%	264	42.7%	4	22.1%	4	(0.1%)

(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

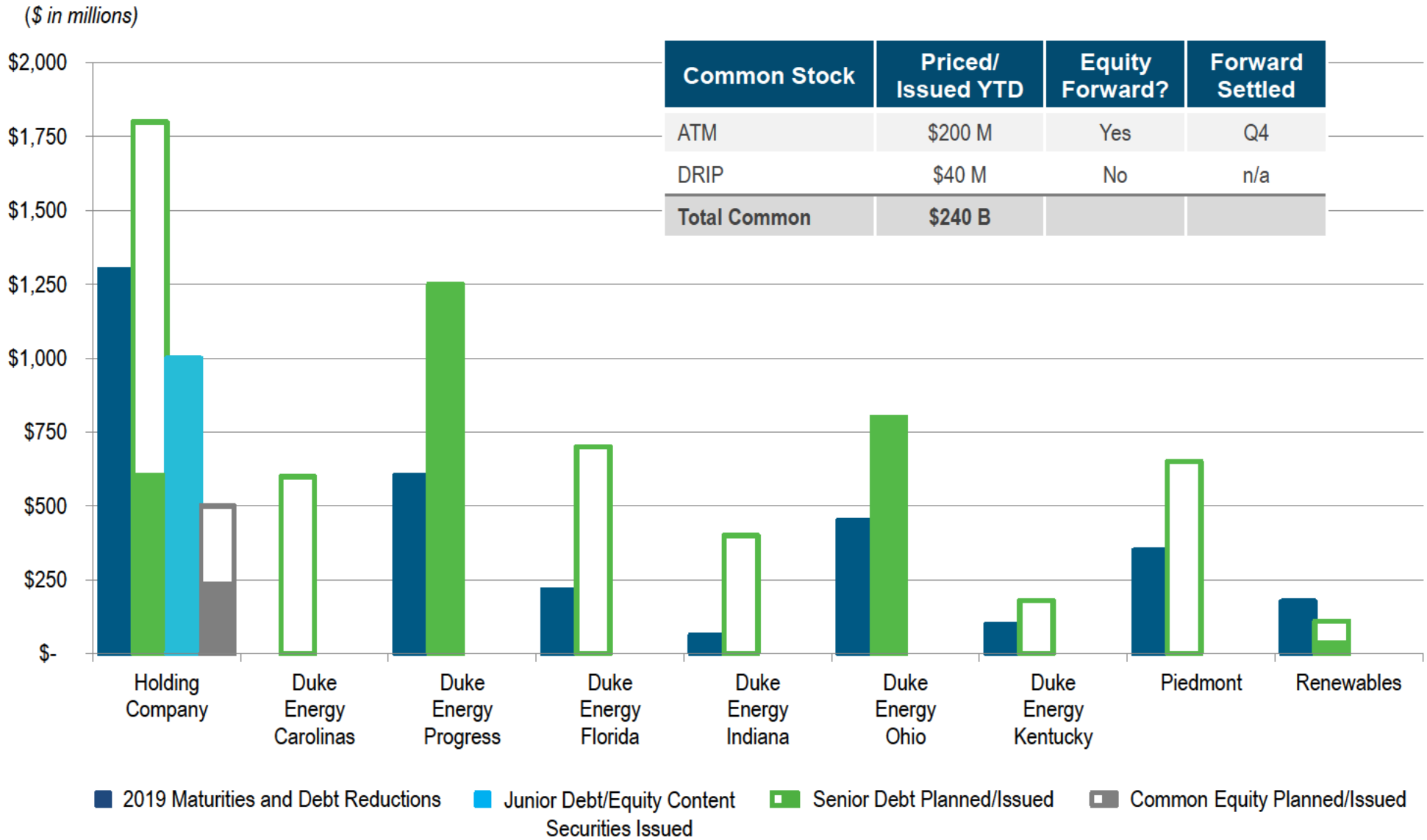
Rolling Twelve Months, as of March 31, 2019



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

2019 financing plan as of April 5, 2019 (1)(2)

DUKE ENERGY.



Common Stock	Priced/ Issued YTD	Equity Forward?	Forward Settled
ATM	$200 M	Yes	Q4
DRIP	$40 M	No	n/a
Total Common	**$240 B**		

(1) *Represents expected long-term debt, preferred stock and common equity capital raising during 2019*

(2) *Approximately $200 million of common equity priced through April 5, 2019 pursuant to forward contracts that are expected to be physically settled in Q4 2019. In addition, ~$40 million issued through the dividend reinvestment program*

2019 long-term debt and preferred stock financing activity as of April 5, 2019

DUKE ENERGY.

Amount ($ in millions)	Entity	Date Issued	Credit Ratings (M/S&P/F, unless 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. 2019	A2/A-(1)	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%

(1) Represents the Issuer/Corporate Credit Ratings

Liquidity summary as of March 31, 2019

DUKE ENERGY.

($ 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 [1]	$ 2,650	$ 1,750	$ 1,400	$ 650	$ 600	$ 300	$ 150	$ 500	$ 8,000
Less: Notes payable and commercial paper [2]	(884)	(859)	(150)	(299)	(252)	-	(62)	(151)	(2,657)
Coal Ash Set-Aside	-	(250)	(250)	-	-	-	-	-	(500)
Outstanding letters of credit (LOCs)	(45)	(4)	(2)	-	-	-	-	(2)	(53)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	$ 1,721	$ 637	$ 998	$ 351	$ 267	$ 300	$ 88	$ 347	$ 4,709
Funded Revolver and Term Loan [3]	$ 1,000		$ 700						$ 1,700
Less: Borrowings Under Credit Facilities	(500)		(700)						(1,200)
Available capacity	$ 500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500
Cash & short-term investments									203
Total available liquidity									**$ 5,412**

Note: excludes variable denomination floating-rate demand notes, called PremierNotes. At March 31, 2019, the PremierNotes balance was $993 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)

Sustainability / Environmental Social and Governance (ESG)

DUKE ENERGY.

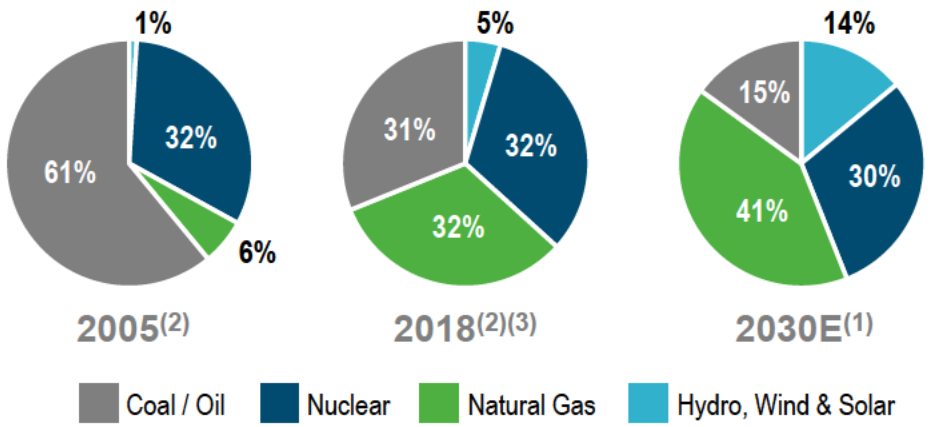
CARBON AND OTHER REDUCTIONS

- Targeting 40% reduction in carbon dioxide (CO_2) emissions by 2030[1]
- Since 2005, decreased CO_2 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)

OTHER ESG FOCUS AREAS

INDUSTRY LEADING DISCLOSURE

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*

Sustainability / Environmental Social and Governance (ESG)

DUKE ENERGY.

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 4th year in a row

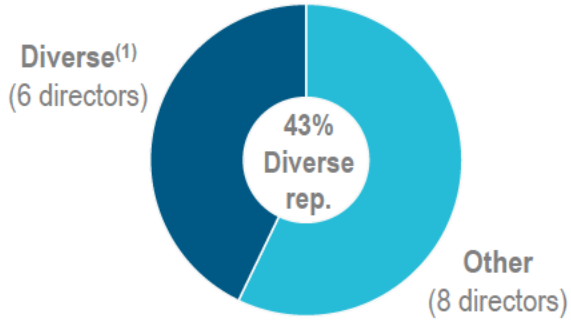
EMPLOYEES

- 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

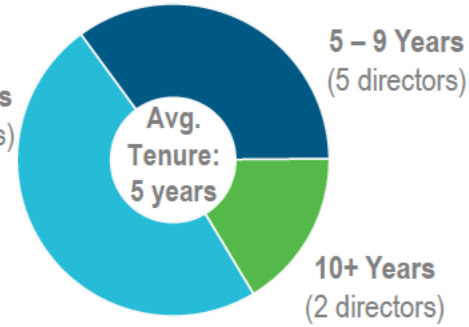
GOVERNANCE

- 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*

Sustainability / Environmental Social and Governance (ESG)

DUKE ENERGY.

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_2 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[1]

see more at: **www.duke-energy.com/our-company/sustainability**

(1) *As of March 29, 2019*

Other supplemental information

Advancing our strategic vision

DUKE ENERGY.

TRANSFORM THE
CUSTOMER EXPERIENCE

MODERNIZE THE
ENERGY GRID

GENERATE
CLEANER ENERGY

EXPAND **NATURAL GAS INFRASTRUCTURE**

STAKEHOLDER
ENGAGEMENT

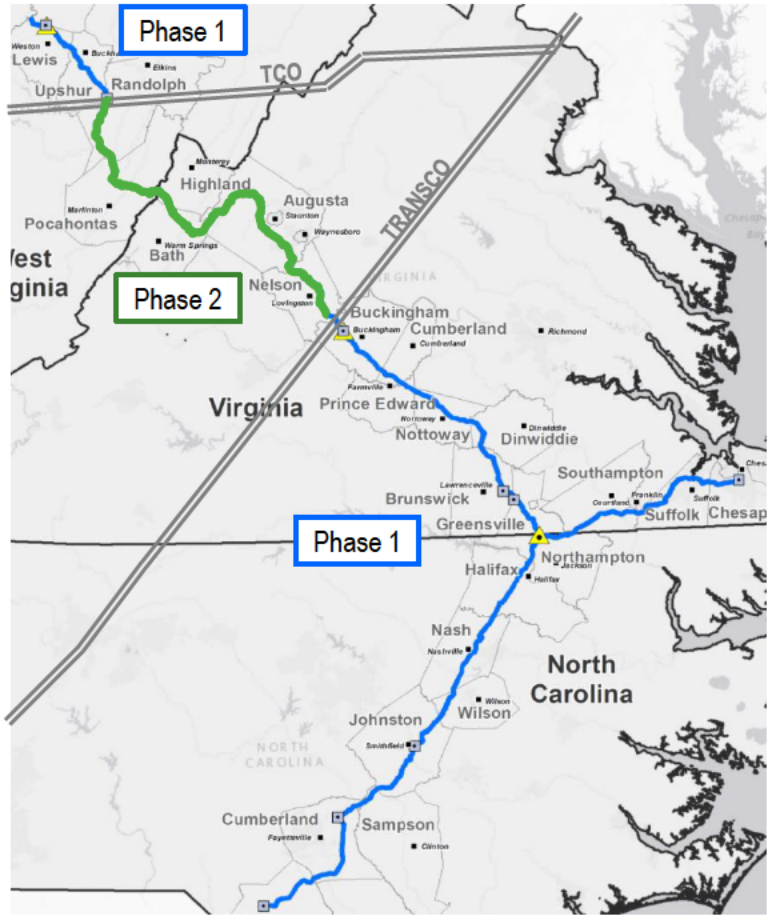
EMPLOYEE ENGAGEMENT AND OPERATIONAL EXCELLENCE ARE FOUNDATIONAL TO OUR SUCCESS

Renewables projects detail

	Site	Megawatts Solar	Megawatts Wind	Megawatts Total	COD	Location
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(1)	69	-	69	2020	NC (DEC)
	Gaston County(1)	25	-	25	2020	NC (DEC)
	Onslow County (BOT) (1)(2)	80	-	80	2020	NC (DEP)
	PPA projects(1)(3)	333	-	333	2020	NC/SC
Subtotal – Regulated		**702**	**-**	**702**		
Commercial:	Cleveland County(1)	50	-	50	2020	NC
	Surry County(1)	23	-	23	2020	NC
	Cabarrus County(1)	23	-	23	2020	NC
	Rosamond	150	-	150	Q2 2019	CA
	Lapetus	100	-	100	Q4 2019	TX
	Mesteno	-	200	200	Q4 2019	TX
Subtotal – Commercial(4)		**346**	**200**	**546**		
GRAND TOTAL - announced		**1,048**	**200**	**1,248**		
Forthcoming Commercial projects		260	530	790	2019/2020	

(1) Projects that cleared the first RFP under HB589 (602 MW in total). Dates may vary depending upon local approvals and any construction delays
(2) Duke Energy Progress to acquire this project once built (Build-Own-Transfer)
(3) Projects procured on behalf of customers but not owned by Duke Energy
(4) Approximately 1/3 of capital requirement to be funded with tax equity

Atlantic Coast Pipeline update



PERMIT STATUS

- U.S. Fish & Wildlife Service Biological Opinion and Incidental Take Statement stayed
  - Hearing before 4th Circuit Court of Appeals – May 9
  - Order expected ~90 days
- U.S. Forest Service permit to cross national forests remanded; permission to cross Appalachian Trail vacated
  - Expect to file petition this summer seeking SCOTUS review of the Appalachian Trail decision; optimistic DOJ and Solicitor General will join appeal
  - Evaluating potential administrative and legislative options

IN-SERVICE DATES AND COST ESTIMATE UNCHANGED

- Expect construction to resume this Fall, with the full project in-service in 2021
  - Pursuing phased in-service schedule, with Phase 1 in service by late 2020 and Phase 2 in 2021
  - Advancing discussions with customers
- Estimated cost of $7.0 to $7.8 billion[1]

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 coal ash detail

Site	Ranking	Approximate Tons of Ash[1]	State Compliance Date	Actual/ Expected Closure Date[5]
Riverbend[2]	High	-	August 2019	March 2019
Dan River[2]	High	1	August 2019	May 2019
Sutton[2]	High	1	December 2019	July 2019
Asheville [2][3]	High	2	August 2022	
Cape Fear[4]	Intermediate	6	August 2028	
H.F. Lee[4]	Intermediate	6	August 2028	
Weatherspoon	Intermediate	2	August 2028	
Cliffside[2]	Low	10	December 2029	2027 – 2029
Allen	Low	19	December 2029	2038 - 2043
Marshall	Low	32	December 2029	2042 - 2053
Buck[4]	Low	7	December 2029	
Belews Creek	Low	20	December 2029	2033 - 2037
Roxboro	Low	34	December 2029	2038 - 2043
Mayo	Low	7	December 2029	2027 - 2030
Total tons of Ash		**147**		

(1) As of March 31, 2019. In millions
(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
(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

Upcoming events & other

Upcoming events

Event	Date
2019 AGA Financial Forum	May 20-21, 2019
2Q 2019 earnings call (tentative)	August 6, 2019
3Q 2019 earnings call (tentative)	November 8, 2019

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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. 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®

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

For additional information on Duke Energy,
please visit: duke-energy.com/investors

Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 9, 2019

Adjusted Diluted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 9, 2019, include a discussion of adjusted diluted EPS for the quarters ended March 31, 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.

Management believes the presentation of adjusted diluted 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 (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 measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. For the quarter ended March 31, 2019 adjusted diluted EPS equals reported diluted EPS attributable to Duke Energy Corporation common shareholders. Accordingly, there is no reconciliation of adjusted diluted EPS for the quarter ended March 31, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted diluted EPS for the quarter ended March 31, 2018, to the most directly comparable GAAP measure is included herein.

Special items for the quarter ended March 31, 2018 include the following items, which management believes do not reflect ongoing costs:

- Costs to Achieve Piedmont Merger represents charges that result from the Piedmont acquisition.
- Regulatory Settlements represents charges related to rate case orders, settlements or other actions of regulators.
- 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 First Quarter Earnings Review and Business Update on May 9, 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 shareholders, 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 First Quarter Earnings Review and Business Update on May 9, 2019, include a discussion of adjusted segment income and adjusted other net loss for the quarter ended March 31, 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). Management believes the presentation of adjusted segment income and adjusted other net loss 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 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 ended March 31, 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 ended March 31, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted segment income and adjusted other net loss for the quarter ended March 31, 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.

Adjusted Effective Tax Rate (ETR)

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2019 include a discussion of the adjusted ETR for the quarter ended March 31, 2019. The materials also include a discussion of the 2019 forecasted adjusted ETR. Adjusted ETR is a non-GAAP financial measure as the rate is calculated using a pretax earnings and income tax expense, both adjusted for the impact of special items, as discussed above under Adjusted Diluted EPS. The most directly comparable GAAP measure for adjusted ETR is reported effective tax rate. For the quarter ended March 31, 2019 the adjusted effective tax rate equals the effective tax rate. Accordingly, there is no reconciliation of the adjusted effective tax rate for the quarter ended March 31, 2019, to the most directly comparable GAAP measure. Due to the forward-looking nature of the 2019 forecasted adjusted ETR, 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 First Quarter Earnings Review and Business Update on May 9, 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 March 31, 2019 to the most directly comparable GAAP measure is included herein.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2018
(Dollars in millions, except per-share amounts)

		Special Items						
	Reported Earnings	Costs to Achieve Piedmont Merger	Regulatory Settlements	Sale of Retired Plant	Impairment of Equity Method Investment	Impacts of the Tax Act	Total Adjustments	Adjusted Earnings
SEGMENT INCOME								
Electric Utilities and Infrastructure	$ 750	$ —	$ 66 B	$ —	—	$ —	$ 66	$ 816
Gas Utilities and Infrastructure	116	—	—	—	42 D	—	42	158
Commercial Renewables	20	—	—	—	—	—	—	20
Total Reportable Segment Income	886	—	66	—	42	—	108	994
Other	(266)	13 A	—	82 C	—	76	171	(95)
Net Income Attributable to Duke Energy Corporation	$ 620	$ 13	$ 66	$ 82	$ 42	$ 76 E	$ 279	$ 899
EPS ATTRIBUTABLE TO DUKE ENERGY CORP, DILUTED	$ 0.88	$ 0.02	$ 0.09	$ 0.12	$ 0.06	$ 0.11	$ 0.40	$ 1.28

A - Net of $4 million tax benefit. $17 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

B - Net of $20 million tax benefit. $45 million recorded within Impairment charges, $35 million within Operating Expenses and $6 million recorded within Interest Expense on the Condensed Consolidated Statements of Operations.

C - Net of $25 million tax benefit. $107 million recorded within 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.

Weighted Average Shares, Diluted (reported and adjusted) - 701 million

Duke Energy Corporation
Available Liquidity Reconciliation
As of March 31, 2019
(In millions)

Cash and Cash Equivalents	$ 377	
Less: Certain Amounts Held in Foreign Jurisdictions	(30)	
Less: Unavailable Domestic Cash	(144)	
	203	
Plus: Remaining Availability under Master Credit Facilities and other facilities	5,209	
Total Available Liquidity (a)	$ 5,412	approximately 5.4 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

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May 9, 2019

Duke Energy reports first quarter 2019 financial results

- **First quarter 2019 GAAP and adjusted EPS of $1.24**
- **Company affirms 2019 adjusted EPS guidance range of $4.80 to $5.20**
- **1,250 megawatts of renewables projects announced this year to be owned or procured on behalf of customers**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced first quarter 2019 reported diluted earnings per share (EPS), prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted diluted EPS of $1.24. This is compared to reported and adjusted diluted EPS of $0.88 and $1.28, respectively, for the first quarter of 2018. Adjusted diluted EPS excludes the impact of certain items that are included in GAAP reported diluted EPS.

Lower first quarter 2019 adjusted results were primarily driven by unfavorable weather and share dilution, partially offset by growth from investments at the electric and gas utilities.

“We remain on track to deliver full-year results within our 2019 earnings guidance range of $4.80 to $5.20 per share,” said Lynn Good, Duke Energy chairman, president and CEO. “We will continue to execute our long-term strategy to generate cleaner energy, modernize the energy grid and expand natural gas infrastructure to deliver value for customers and investors."

“With the announcement of more than 1,250 megawatts of new regulated and commercial renewables projects, we advanced our vision to provide cleaner energy across our footprint. We were also pleased to announce a partnership with John Hancock in our commercial renewables business — a clear validation of the strength of our existing portfolio.”

Business segment results

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

The discussion below of first 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 first quarter 2019 segment income of $750 million. This is compared to reported and adjusted earnings of $750 million and $816 million, respectively, in the first quarter of 2018. First quarter 2018 reported results were impacted by $66 million in after-tax charges related to the Duke Energy Progress North Carolina rate case order. This amount was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, this represents a decrease of $0.10 per share, excluding share dilution of $0.04 per share. Lower quarterly results at Electric Utilities and Infrastructure were primarily due to unfavorable weather (-$0.07 per share), lower volumes (-$0.03 per share), higher depreciation and amortization expense (-$0.03 per share) on a growing asset base, and higher interest expense (-$0.03 per share); partially offset by contributions from base rate changes (+$0.09 per share).

Gas Utilities and Infrastructure

On a reported and adjusted basis, Gas Utilities and Infrastructure recognized first quarter 2019 segment income of $226 million. This is compared to reported and adjusted earnings of $116 million and $158 million, respectively, in the first quarter of 2018. First quarter 2018 reported results were impacted by a $42 million after-tax impairment charge related to the Constitution pipeline investment, which was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, this represents an increase of $0.10 per share. Higher quarterly results at Gas Utilities and Infrastructure were driven by higher earnings from midstream investments (+$0.08 per share), primarily due to a true-up adjustment related to income tax recognition for equity method investments.

Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized first quarter 2019 segment income of $13 million, compared to $20 million in the first quarter of 2018, a decrease of $0.01 per share. Lower quarterly results were primarily due to lower wind production.

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 first quarter 2019 net loss of $89 million. This is compared to a reported and adjusted net loss of $266 million and $95 million, respectively, in the first quarter of 2018. First quarter 2018 reported results were impacted by an $82 million after-tax loss on sale of the retired Beckjord plant in Ohio, the recognition of a $76 million valuation allowance related to the Tax Act, and costs to achieve the Piedmont merger. These amounts were treated as special items and excluded from adjusted earnings.

Effective Tax Rate

On a reported and adjusted basis, Duke Energy's consolidated effective tax rate for the first quarter of 2019 was 9.6 percent. This is compared to a reported and adjusted effective tax rate of 22.5 percent and 15.7 percent, respectively, in the first quarter of 2018. The decrease in the adjusted effective tax rate was primarily due to a true-up adjustment related to income tax recognition for equity method investments in the first quarter of 2019 and the amortization of excess deferred taxes. Adjusted effective tax rate is a non-GAAP financial measure. The tables at the end of this news release present a reconciliation of the reported effective tax rate to the adjusted effective tax rate.

Earnings conference call for analysts

An earnings conference call for analysts is scheduled from 10 to 11 a.m. ET today to discuss first 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) 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 1767856. 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, May 19, 2019, by calling 888-203-1112 in the United States or 719-457-0820 outside the United States and using the code 1767856. 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 first quarter 2018 financial results:

(In millions, except per-share amounts)	After-Tax Amount	1Q 2018 EPS
Diluted EPS, as reported		$ 0.88
Adjustments to reported EPS:		
First Quarter 2018		
Costs to achieve Piedmont merger	$ 13	0.02
Regulatory settlements	66	0.09
Sale of retired plant	82	0.12
Impairment of equity method investment	42	0.06
Impacts of the Tax Act (Alternative Minimum Tax valuation allowance)	76	0.11
Total adjustments	$ 279	$ 0.40
Diluted EPS, adjusted		$ 1.28

Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted diluted EPS and adjusted effective tax rate. Adjusted earnings and adjusted diluted EPS represent income from continuing operations attributable to Duke Energy in dollar and per share amounts, adjusted for the dollar and per-share impact of special items. The adjusted effective tax rate is calculated using pretax earnings and income tax expense, both as adjusted for the impact of 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 adjusted earnings, adjusted diluted EPS, and the adjusted effective tax rate 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 adjusted effective tax rate 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 result from the Piedmont acquisition.
- Regulatory Settlements represents charges related to rate case orders, settlements or other actions of regulators.
- 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 125 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. 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. 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 March 31, 2018
(Dollars in millions, except per-share amounts)

		Special Items						
	Reported Earnings	Costs to Achieve Piedmont Merger	Regulatory Settlements	Sale of Retired Plant	Impairment of Equity Method Investment	Impacts of the Tax Act	Total Adjustments	Adjusted Earnings
SEGMENT INCOME								
Electric Utilities and Infrastructure	**$ 750**	$ —	$ 66 **B**	$ —	$ —	$ —	$ 66	$ 816
Gas Utilities and Infrastructure	**116**	—	—	—	42 **D**	—	42	158
Commercial Renewables	**20**	—	—	—	—	—	—	20
Total Reportable Segment Income	**886**	**—**	**66**	**—**	**42**	**—**	**108**	**994**
Other	**(266)**	13 **A**	—	82 **C**	—	76 **E**	171	(95)
Net Income Attributable to Duke Energy Corporation	**$ 620**	**$ 13**	**$ 66**	**$ 82**	**$ 42**	**$ 76**	**$ 279**	**$ 899**
EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED	**$ 0.88**	**$ 0.02**	**$ 0.09**	**$ 0.12**	**$ 0.06**	**$ 0.11**	**$ 0.40**	**$ 1.28**

A — Net of $4 million tax benefit. $17 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

B — Net of $20 million tax benefit. $45 million recorded within Impairment Charges, $35 million within Operating Expenses and $6 million within Interest Expense on the Condensed Consolidated Statements of Operations.

C — Net of $25 million tax benefit. $107 million recorded within 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 on the Condensed Consolidated Statements of Operations.

Weighted Average Shares, Diluted (reported and adjusted) — 701 million

DUKE ENERGY CORPORATION
ADJUSTED EFFECTIVE TAX RECONCILIATION
March 2018
(Dollars in millions)

	Three Months Ended March 31, 2018	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 803	
Costs to Achieve Piedmont Merger	17	
Regulatory Settlements	86	
Sale of Retired Plant	107	
Impairment of Equity Method Investment	55	
Noncontrolling Interests	(2)	
Adjusted Pretax Income	$ 1,066	
Reported Income Tax Expense From Continuing Operations	$ 181	22.5%
Costs to Achieve Piedmont Merger	4	
Regulatory Settlements	20	
Sale of Retired Plant	25	
Impairment of Equity Method Investment	13	
Impacts of the Tax Act	(76)	
Adjusted Tax Expense	$ 167	15.7% [(a)]

(a) Adjusted effective tax rate is a non-GAAP financial measure as the rate is calculated using pretax earnings and income tax expense, both adjusted for the impact of special items. The most directly comparable GAAP measure for adjusted effective tax rate is reported effective tax rate, which includes the impact of special items.

DUKE ENERGY CORPORATION
EARNINGS VARIANCES
March 2019 YTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
2018 YTD Reported Earnings Per Share, Diluted	**$ 1.08**	**$ 0.16**	**$ 0.03**	**$ (0.39)**	**$ 0.88**
Costs to Achieve Piedmont Merger	—	—	—	0.02	0.02
Regulatory Settlements	0.09	—	—	—	0.09
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
2018 YTD Adjusted Earnings Per Share, Diluted	**$ 1.17**	**$ 0.22**	**$ 0.03**	**$ (0.14)**	**$ 1.28**
Weather	(0.07)	—	—	—	(0.07)
Volume	(0.03)	—	—	—	(0.03)
Pricing and Riders, excluding rate case impacts	0.04	0.02	—	—	0.06
Rate case impacts, net[(a)]	0.09	—	—	—	0.09
Operations and maintenance, net of recoverables	(0.01)	—	—	—	(0.01)
Midstream Gas Pipelines[(b)]	—	0.08	—	—	0.08
Duke Energy Renewables	—	—	(0.01)	—	(0.01)
Interest Expense	(0.03)	—	—	(0.01)	(0.04)
AFUDC Equity	(0.03)	—	—	—	(0.03)
Depreciation and amortization[(c)]	(0.03)	—	—	—	(0.03)
Other	(0.03)	—	—	0.02	(0.01)
Change in share count	(0.04)	—	—	—	(0.04)
2019 YTD Reported Earnings Per Share, Diluted	**$ 1.03**	**$ 0.32**	**$ 0.02**	**$ (0.13)**	**$ 1.24**

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 701 million shares to 727 million.

(a) Includes the net impact of the DEC and DEP North Carolina rate cases (+$0.03), DEO and DEK rate cases (+$0.02), and DEF impacts (+$0.04 related to GBRA, SBRA and multi-year rate plan), which is primarily comprised of rate increases partially offset by higher depreciation and amortization expense.

(b) Primarily due to a prior period adjustment related to income tax recognition for equity method investments.

(c) Excludes rate case impacts.

March 2019
QUARTERLY HIGHLIGHTS
(Unaudited)

(In millions, except per-share amounts and where noted)	Three Months Ended March 31, 2019	2018
Earnings Per Share — Basic and Diluted		
Net income attributable to Duke Energy Corporation common stockholders		
Basic and diluted	**$ 1.24**	$ 0.88
Weighted average shares outstanding		
Basic and diluted	**727**	701
INCOME (LOSS) BY BUSINESS SEGMENT		
Electric Utilities and Infrastructure	**$ 750**	$ 750
Gas Utilities and Infrastructure[(a)]	**226**	116
Commercial Renewables	**13**	20
Total Reportable Segment Income	**989**	886
Other[(b)]	**(89)**	(266)
Net Income Attributable to Duke Energy Corporation	**$ 900**	$ 620
CAPITALIZATION		
Total Common Equity (%)	**43%**	43%
Total Debt (%)	**57%**	57%
Total Debt	**$ 59,211**	$ 55,950
Book Value Per Share	**$ 61.88**	$ 59.63
Actual Shares Outstanding	**728**	701
CAPITAL AND INVESTMENT EXPENDITURES		
Electric Utilities and Infrastructure	**$ 2,113**	$ 1,773
Gas Utilities and Infrastructure	**364**	228
Commercial Renewables	**90**	87
Other	**63**	73
Total Capital and Investment Expenditures	**$ 2,630**	$ 2,161

(a) Includes an other-than-temporary impairment of an investment in Constitution for the three months ended March 2018 and an adjustment related to the income tax recognition for equity method investments for the three months ended March 31, 2019. This adjustment was immaterial and relates to prior years.

(b) Includes costs to achieve the Piedmont merger, the loss associated with selling Beckjord, and an Alternative Minimum Tax valuation allowance recognized related to he Tax Act for the three months ended March 31, 2018.

DUKE ENERGY CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In millions, except per-share amounts)

	Three Months Ended March 31,	
	2019	**2018**
Operating Revenues		
Regulated electric	**$ 5,285**	$ 5,284
Regulated natural gas	**728**	700
Nonregulated electric and other	**150**	151
Total operating revenues	**6,163**	6,135
Operating Expenses		
Fuel used in electric generation and purchased power	**1,609**	1,676
Cost of natural gas	**327**	313
Operation, maintenance and other	**1,419**	1,464
Depreciation and amortization	**1,089**	967
Property and other taxes	**343**	316
Impairment charges	**—**	43
Total operating expenses	**4,787**	4,779
Losses on Sales of Other Assets and Other, net	**(3)**	(100)
Operating Income	**1,373**	1,256
Other Income and Expenses		
Equity in earnings (losses) of unconsolidated affiliates	**43**	(24)
Other income and expenses, net	**115**	86
Total other income and expenses	**158**	62
Interest Expense	**543**	515
Income Before Income Taxes	**988**	803
Income Tax Expense	**95**	181
Net Income	**893**	622
Less: Net (Loss) Income Attributable to Noncontrolling Interests	**(7)**	2
Net Income Attributable to Duke Energy Corporation	**$ 900**	$ 620
Earnings Per Share — Basic and Diluted		
Net income attributable to Duke Energy Corporation common stockholders		
Basic and diluted	**$ 1.24**	$ 0.88
Weighted average shares outstanding		
Basic and diluted	**727**	701

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2019	December 31, 2018
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 377**	$ 442
Receivables (net of allowance for doubtful accounts of $19 at 2019 and $16 at 2018)	**775**	962
Receivables of VIEs (net of allowance for doubtful accounts of $56 at 2019 and $55 at 2018)	**1,981**	2,172
Inventory	**3,102**	3,084
Regulatory assets (includes $52 at 2019 and 2018 related to VIEs)	**1,957**	2,005
Other (includes $152 at 2019 and $162 at 2018 related to VIEs)	**976**	1,049
Total current assets	**9,168**	9,714
Property, Plant and Equipment		
Cost	**139,377**	134,458
Accumulated depreciation and amortization	**(43,992)**	(43,126)
Generation facilities to be retired, net	**336**	362
Net property, plant and equipment	**95,721**	91,694
Operating Lease Right-of-Use Assets, net	**1,698**	—
Other Noncurrent Assets		
Goodwill	**19,303**	19,303
Regulatory assets (includes $1,032 at 2019 and $1,041 at 2018 related to VIEs)	**13,301**	13,617
Nuclear decommissioning trust funds	**7,374**	6,720
Investments in equity method unconsolidated affiliates	**1,602**	1,409
Other (includes $280 at 2019 and $261 at 2018 related to VIEs)	**2,969**	2,935
Total other noncurrent assets	**44,549**	43,984
Total Assets	**$ 151,136**	$ 145,392
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	**$ 2,538**	$ 3,487
Notes payable and commercial paper	**3,029**	3,410
Taxes accrued	**470**	577
Interest accrued	**544**	559
Current maturities of long-term debt (includes $227 at 2019 and 2018 related to VIEs)	**2,501**	3,406
Asset retirement obligations	**779**	919
Regulatory liabilities	**611**	598
Other	**1,810**	2,085
Total current liabilities	**12,282**	15,041
Long-Term Debt (includes $4,065 at 2019 and $3,998 at 2018 related to VIEs)	**53,681**	51,123
Operating Lease Liabilities	**1,488**	—
Other Noncurrent Liabilities		
Deferred income taxes	**8,040**	7,806
Asset retirement obligations	**12,256**	9,548
Regulatory liabilities	**15,212**	14,834
Accrued pension and other post-retirement benefit costs	**974**	988
Investment tax credits	**571**	568
Other (includes $212 at 2019 and 2018 related to VIEs)	**1,587**	1,650
Total other noncurrent liabilities	**38,640**	35,394
Commitments and Contingencies		
Equity		
Preferred stock, $0.001 par value, 40 million depositary shares authorized and outstanding at 2019	**974**	—
Common stock, $0.001 par value, 2 billion shares authorized; 728 million shares outstanding at 2019 and 727 million shares outstanding at 2018	**1**	1
Additional paid-in capital	**40,823**	40,795
Retained earnings	**3,360**	3,113
Accumulated other comprehensive loss	**(128)**	(92)
Total Duke Energy Corporation stockholders' equity	**45,030**	43,817
Noncontrolling interests	**15**	17
Total equity	**45,045**	43,834
Total Liabilities and Equity	**$ 151,136**	$ 145,392

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

	Three Months Ended March 31,	
	2019	**2018**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	**$ 893**	$ 622
Adjustments to reconcile net income to net cash provided by operating activities	**346**	769
Net cash provided by operating activities	**1,239**	1,391
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used in investing activities	**(2,713)**	(2,264)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided by financing activities	**1,433**	947
Net (decrease) increase in cash, cash equivalents and restricted cash	**(41)**	74
Cash, cash equivalents and restricted cash at beginning of period	**591**	505
Cash, cash equivalents and restricted cash at end of period	**$ 550**	$ 579

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31, 2019					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Operating Revenues						
Regulated electric	$ 5,329	$ —	$ —	$ —	$ (44)	**$ 5,285**
Regulated natural gas	—	752	—	—	(24)	**728**
Nonregulated electric and other	—	4	106	21	19	**150**
Total operating revenues	5,329	756	106	21	(49)	**6,163**
Operating Expenses						
Fuel used in electric generation and purchased power	1,630	—	—	—	(21)	**1,609**
Cost of natural gas	—	327	—	—	—	**327**
Operation, maintenance and other	1,282	110	66	(13)	(26)	**1,419**
Depreciation and amortization	947	65	40	38	(1)	**1,089**
Property and other taxes	301	33	6	3	—	**343**
Impairment charges	—	—	—	—	—	**—**
Total operating expenses	4,160	535	112	28	(48)	**4,787**
Losses on Sales of Other Assets and Other, net	(3)	—	—	—	—	**(3)**
Operating Income (Loss)	1,166	221	(6)	(7)	(1)	**1,373**
Other Income and Expenses						
Equity in earnings (losses) of unconsolidated affiliates	2	33	(1)	9	—	**43**
Other income and expenses, net	89	7	(1)	35	(15)	**115**
Total Other Income and Expenses	91	40	(2)	44	(15)	**158**
Interest Expense	338	30	21	171	(17)	**543**
Income (Loss) Before Income Taxes	919	231	(29)	(134)	1	**988**
Income Tax Expense (Benefit)	169	5	(35)	(45)	1	**95**
Net Income (Loss)	750	226	6	(89)	—	**893**
Less: Net Loss Attributable to Noncontrolling Interest	—	—	(7)	—	—	**(7)**
Segment Income / Other Net Loss / Net Income Attributable to Duke Energy Corporation	$ 750	$ 226	$ 13	$ (89)	$ —	**$ 900**

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31, 2018					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Operating Revenues						
Regulated electric	$ 5,323	$ —	$ —	$ —	$ (39)	**$ 5,284**
Regulated natural gas	—	725	—	—	(25)	**700**
Nonregulated electric and other	—	2	101	35	13	**151**
Total operating revenues	5,323	727	101	35	(51)	**6,135**
Operating Expenses						
Fuel used in electric generation and purchased power	1,685	—	—	14	(23)	**1,676**
Cost of natural gas	—	313	—	—	—	**313**
Operation, maintenance and other	1,325	108	55	3	(27)	**1,464**
Depreciation and amortization	835	61	38	33	—	**967**
Property and other taxes	274	31	7	4	—	**316**
Impairment charges	43	—	—	—	—	**43**
Total operating expenses	4,162	513	100	54	(50)	**4,779**
Gains (Losses) on Sales of Other Assets and Other, net	1	—	—	(101)	—	**(100)**
Operating Income (Loss)	1,162	214	1	(120)	(1)	**1,256**
Other Income and Expenses						
Equity in earnings (losses) of unconsolidated affiliates	2	(40)	—	13	1	**(24)**
Other income and expenses, net	86	5	2	1	(8)	**86**
Total Other Income and Expenses	88	(35)	2	14	(7)	**62**
Interest Expense	317	27	22	157	(8)	**515**
Income (Loss) Before Income Taxes	933	152	(19)	(263)	—	**803**
Income Tax Expense (Benefit)	183	36	(39)	1	—	**181**
Net Income (Loss)	750	116	20	(264)	—	**622**
Less: Net Income Attributable to Noncontrolling Interest	—	—	—	2	—	**2**
Segment Income / Other Net Loss / Net Income Attributable to Duke Energy Corporation	$ 750	$ 116	$ 20	$ (266)	$ —	**$ 620**
Special Items	66	42	—	171	—	**279**
Adjusted Earnings[(a)]	$ 816	$ 158	$ 20	$ (95)	$ —	**$ 899**

(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)

	March 31, 2019					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Current Assets						
Cash and cash equivalents	$ 72	$ 3	$ 7	$ 296	$ (1)	**$ 377**
Receivables, net	444	241	77	14	(1)	**775**
Receivables of variable interest entities, net	1,981	—	—	—	—	**1,981**
Receivables from affiliated companies	76	19	1,381	492	(1,968)	**—**
Notes receivable from affiliated companies	126	155	—	1,248	(1,529)	**—**
Inventory	2,993	50	33	27	(1)	**3,102**
Regulatory assets	1,799	29	—	129	—	**1,957**
Other	156	19	134	717	(50)	**976**
Total current assets	7,647	516	1,632	2,923	(3,550)	**9,168**
Property, Plant and Equipment						
Cost	121,794	10,781	4,614	2,230	(42)	**139,377**
Accumulated depreciation and amortization	(39,513)	(2,376)	(889)	(1,215)	1	**(43,992)**
Generation facilities to be retired, net	336	—	—	—	—	**336**
Net property, plant and equipment	82,617	8,405	3,725	1,015	(41)	**95,721**
Operating Lease Right-of-Use Assets, net	1,323	27	80	268	—	**1,698**
Other Noncurrent Assets						
Goodwill	17,379	1,924	—	—	—	**19,303**
Regulatory assets	12,187	631	—	483	—	**13,301**
Nuclear decommissioning trust funds	7,374	—	—	—	—	**7,374**
Investments in equity method unconsolidated affiliates	103	1,184	199	116	—	**1,602**
Investment in consolidated subsidiaries	242	19	4	60,223	(60,488)	**—**
Other	2,112	75	123	1,293	(634)	**2,969**
Total other noncurrent assets	39,397	3,833	326	62,115	(61,122)	**44,549**
Total Assets	130,984	12,781	5,763	66,321	(64,713)	**151,136**
Segment reclassifications, intercompany balances and other	(578)	(142)	(1,385)	(62,785)	64,890	**—**
Segment Assets	$ 130,406	$ 12,639	$ 4,378	$ 3,536	$ 177	**$ 151,136**

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

	March 31, 2019					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Current Liabilities						
Accounts payable	$ 1,815	$ 223	$ 47	$ 454	$ (1)	**$ 2,538**
Accounts payable to affiliated companies	576	35	11	1,277	(1,899)	**—**
Notes payable to affiliated companies	1,123	195	15	215	(1,548)	**—**
Notes payable and commercial paper	—	—	5	3,024	—	**3,029**
Taxes accrued	418	48	(21)	24	1	**470**
Interest accrued	378	37	1	129	(1)	**544**
Current maturities of long-term debt	1,102	377	174	850	(2)	**2,501**
Asset retirement obligations	779	—	—	—	—	**779**
Regulatory liabilities	515	94	—	2	—	**611**
Other	1,358	54	30	469	(101)	**1,810**
Total current liabilities	8,064	1,063	262	6,444	(3,551)	**12,282**
Long-Term Debt	33,421	2,429	1,584	16,287	(40)	**53,681**
Long-Term Debt Payable to Affiliated Companies	618	7	9	—	(634)	**—**
Operating Lease Liabilities	1,195	26	96	171	—	**1,488**
Other Noncurrent Liabilities						
Deferred income taxes	9,711	905	(263)	(2,314)	1	**8,040**
Asset retirement obligations	12,075	57	124	—	—	**12,256**
Regulatory liabilities	13,622	1,563	—	28	(1)	**15,212**
Accrued pension and other post-retirement benefit costs	652	26	3	292	1	**974**
Investment tax credits	569	2	—	—	—	**571**
Other	857	211	228	293	(2)	**1,587**
Total other noncurrent liabilities	37,486	2,764	92	(1,701)	(1)	**38,640**
Equity						
Total Duke Energy Corporation stockholders' equity	50,200	6,492	3,708	45,118	(60,488)	**45,030**
Noncontrolling interests	—	—	12	2	1	**15**
Total equity	50,200	6,492	3,720	45,120	(60,487)	**45,045**
Total Liabilities and Equity	130,984	12,781	5,763	66,321	(64,713)	**151,136**
Segment reclassifications, intercompany balances and other	(578)	(142)	(1,385)	(62,785)	64,890	**—**
Segment Liabilities and Equity	$ 130,406	$ 12,639	$ 4,378	$ 3,536	$ 177	**$ 151,136**

ELECTRIC UTILITIES AND INFRASTRUCTURE
CONDENSED CONSOLIDATING SEGMENT INCOME
(Unaudited)

	Three Months Ended March 31, 2019						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Other**	**Electric Utilities and Infrastructure**
Operating Revenues	$ 1,744	$ 1,484	$ 1,086	$ 355	$ 768	$ (108)	**$ 5,329**
Operating Expenses							
Fuel used in electric generation and purchased power	472	515	410	93	257	(117)	**1,630**
Operation, maintenance and other	435	331	228	101	187	—	**1,282**
Depreciation and amortization	317	290	165	41	131	3	**947**
Property and other taxes	80	44	93	64	19	1	**301**
Total operating expenses	1,304	1,180	896	299	594	(113)	**4,160**
Losses on Sales of Other Assets and Other, net	—	—	—	—	(3)	—	**(3)**
Operating Income	440	304	190	56	171	5	**1,166**
Other Income and Expenses, net[b]	31	24	13	6	19	(2)	**91**
Interest Expense	110	77	82	22	43	4	**338**
Income Before Income Taxes	361	251	121	40	147	(1)	**919**
Income Tax Expense	64	46	23	4	36	(4)	**169**
Segment Income	$ 297	$ 205	$ 98	$ 36	$ 111	$ 3	**$ 750**

(a) Includes results of the wholly owned subsidiary, Duke Energy Kentucky.
(b) Includes an equity component of allowance for funds used during construction of $9 million for Duke Energy Carolinas, $14 million for Duke Energy Progress, $1 million for Duke Energy Florida, $3 million for Duke Energy Ohio and $4 million for Duke Energy Indiana.

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

	March 31, 2019						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Adjustments[b]**	**Electric Utilities and Infrastructure**
Current Assets							
Cash and cash equivalents	$ —	$ 30	$ 8	$ 14	$ 20	$ —	**$ 72**
Receivables, net	166	42	85	99	50	2	**444**
Receivables of variable interest entities, net	630	495	322	—	—	534	**1,981**
Receivables from affiliated companies	88	28	34	60	102	(236)	**76**
Notes receivable from affiliated companies	—	38	—	298	—	(210)	**126**
Inventory	1,007	959	505	86	435	1	**2,993**
Regulatory assets	560	622	454	13	151	(1)	**1,799**
Other	31	45	55	2	23	—	**156**
Total current assets	2,482	2,259	1,463	572	781	90	**7,647**
Property, Plant and Equipment							
Cost	46,929	33,188	19,111	6,421	15,633	512	**121,794**
Accumulated depreciation and amortization	(15,899)	(11,635)	(5,003)	(1,950)	(5,021)	(5)	**(39,513)**
Generation facilities to be retired, net	—	336	—	—	—	—	**336**
Net property, plant and equipment	31,030	21,889	14,108	4,471	10,612	507	**82,617**
Operating Lease Right-of-Use Assets, net	146	388	447	22	61	259	**1,323**
Other Noncurrent Assets							
Goodwill	—	—	—	596	—	16,783	**17,379**
Regulatory assets	3,429	4,041	2,316	370	981	1,050	**12,187**
Nuclear decommissioning trust funds	3,913	2,744	717	—	—	—	**7,374**
Investments in equity method unconsolidated affiliates	—	—	—	—	—	103	**103**
Investment in consolidated subsidiaries	48	13	2	177	1	1	**242**
Other	1,027	628	318	37	200	(98)	**2,112**
Total other noncurrent assets	8,417	7,426	3,353	1,180	1,182	17,839	**39,397**
Total Assets	42,075	31,962	19,371	6,245	12,636	18,695	**130,984**
Segment reclassifications, intercompany balances and other	(326)	(157)	(46)	(187)	(73)	211	**(578)**
Reportable Segment Assets	$ 41,749	$ 31,805	$ 19,325	$ 6,058	$ 12,563	$ 18,906	**$ 130,406**

(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)

	March 31, 2019						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Adjustments[b]**	**Electric Utilities and Infrastructure**
Current Liabilities							
Accounts payable	$ 643	$ 363	$ 417	$ 193	$ 198	$ 1	**$ 1,815**
Accounts payable to affiliated companies	248	221	29	13	72	(7)	**576**
Notes payable to affiliated companies	745	—	399	34	136	(191)	**1,123**
Taxes accrued	82	50	95	134	63	(6)	**418**
Interest accrued	134	87	74	30	53	—	**378**
Current maturities of long-term debt	7	5	470	524	3	93	**1,102**
Asset retirement obligations	209	452	4	6	108	—	**779**
Regulatory liabilities	200	176	83	30	27	(1)	**515**
Other	414	346	426	66	92	14	**1,358**
Total current liabilities	2,682	1,700	1,997	1,030	752	(97)	**8,064**
Long-Term Debt	10,658	8,893	6,795	1,894	3,569	1,612	**33,421**
Long-Term Debt Payable to Affiliated Companies	300	150	—	18	150	—	**618**
Operating Lease Liabilities	123	361	387	21	57	246	**1,195**
Other Noncurrent Liabilities							
Deferred income taxes	3,816	2,184	2,052	595	1,050	14	**9,711**
Asset retirement obligations	5,219	5,471	579	49	611	146	**12,075**
Regulatory liabilities	6,325	4,093	1,023	471	1,709	1	**13,622**
Accrued pension and other post-retirement benefit costs	97	235	251	57	113	(101)	**652**
Investment tax credits	235	141	42	3	147	1	**569**
Other	645	91	53	64	29	(25)	**857**
Total other noncurrent liabilities	16,337	12,215	4,000	1,239	3,659	36	**37,486**
Equity	11,975	8,643	6,192	2,043	4,449	16,898	**50,200**
Total Liabilities and Equity	42,075	31,962	19,371	6,245	12,636	18,695	**130,984**
Segment reclassifications, intercompany balances and other	(326)	(157)	(46)	(187)	(73)	211	**(578)**
Reportable Segment Liabilities and Equity	$ 41,749	$ 31,805	$ 19,325	$ 6,058	$ 12,563	$ 18,906	**$ 130,406**

(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 March 31, 2019				
	Duke Energy Ohio[a]	Piedmont Natural Gas LDC	Midstream Pipelines and Storage[b]	Eliminations/ Adjustments	Gas Utilities and Infrastructure
Operating Revenues	$ 176	$ 579	$ —	$ 1	**$ 756**
Operating Expenses					
Cost of natural gas	54	273	—	—	**327**
Operation, maintenance and other	31	79	2	(2)	**110**
Depreciation and amortization	22	42	—	1	**65**
Property and other taxes	20	12	—	1	**33**
Total operating expenses	127	406	2	—	**535**
Operating Income (Loss)	49	173	(2)	1	**221**
Other Income and Expenses					
Equity in earnings of unconsolidated affiliates	—	—	33	—	**33**
Other income and expenses, net	3	4	—	—	**7**
Total other income and expenses	3	4	33	—	**40**
Interest Expense	7	22	—	1	**30**
Income Before Income Taxes	45	155	31	—	**231**
Income Tax Expense	10	36	(38)	(3)	**5**
Segment Income	$ 35	$ 119	$ 69	$ 3	**$ 226**

(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)

	March 31, 2019				
(In millions)	**Duke Energy Ohio[a]**	**Piedmont Natural Gas LDC**	**Midstream Pipelines and Storage**	**Eliminations/ Adjustments[b]**	**Gas Utilities and Infrastructure**
Current Assets					
Cash and cash equivalents	$ 3	$ —	$ —	$ —	**$ 3**
Receivables, net	—	241	—	—	**241**
Receivables from affiliated companies	16	72	—	(69)	**19**
Notes receivable from affiliated companies	171	—	—	(16)	**155**
Inventory	25	25	—	—	**50**
Regulatory assets	1	28	—	—	**29**
Other	—	19	—	—	**19**
Total current assets	216	385	—	(85)	**516**
Property, Plant and Equipment					
Cost	3,121	7,660	—	—	**10,781**
Accumulated depreciation and amortization	(789)	(1,588)	—	1	**(2,376)**
Net property, plant and equipment	2,332	6,072	—	1	**8,405**
Operating Lease Right-of-Use Assets, net	—	27	—	—	**27**
Other Noncurrent Assets					
Goodwill	324	49	—	1,551	**1,924**
Regulatory assets	176	289	—	166	**631**
Investments in equity method unconsolidated affiliates	—	—	1,183	1	**1,184**
Investment in consolidated subsidiaries	—	—	—	19	**19**
Other	7	51	17	—	**75**
Total other noncurrent assets	507	389	1,200	1,737	**3,833**
Total Assets	3,055	6,873	1,200	1,653	**12,781**
Segment reclassifications, intercompany balances and other	(4)	(34)	(9)	(95)	**(142)**
Reportable Segment Assets	$ 3,051	$ 6,839	$ 1,191	$ 1,558	**$ 12,639**

(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)

	March 31, 2019				
(In millions)	**Duke Energy Ohio[a]**	**Piedmont Natural Gas LDC**	**Midstream Pipelines and Storage**	**Eliminations/ Adjustments[b]**	**Gas Utilities and Infrastructure**
Current Liabilities					
Accounts payable	$ 62	$ 161	$ —	$ —	**$ 223**
Accounts payable to affiliated companies	4	39	62	(70)	**35**
Notes payable to affiliated companies	11	201	—	(17)	**195**
Taxes accrued	12	37	—	(1)	**48**
Interest accrued	13	25	—	(1)	**37**
Current maturities of long-term debt	27	350	—	—	**377**
Regulatory liabilities	21	73	—	—	**94**
Other	2	49	(1)	4	**54**
Total current liabilities	152	935	61	(85)	**1,063**
Long-Term Debt	490	1,788	—	151	**2,429**
Long-Term Debt Payable to Affiliated Companies	7	—	—	—	**7**
Operating Lease Liabilities	—	26	—	—	**26**
Other Noncurrent Liabilities					
Deferred income taxes	263	560	83	(1)	**905**
Asset retirement obligations	37	19	—	1	**57**
Regulatory liabilities	368	1,179	—	16	**1,563**
Accrued pension and other post-retirement benefit costs	23	4	—	(1)	**26**
Investment tax credits	2	1	—	(1)	**2**
Other	42	154	15	—	**211**
Total other noncurrent liabilities	735	1,917	98	14	**2,764**
Equity	1,671	2,207	1,041	1,573	**6,492**
Total Liabilities and Equity	3,055	6,873	1,200	1,653	12,781
Segment reclassifications, intercompany balances and other	(4)	(34)	(9)	(95)	**(142)**
Reportable Segment Liabilities and Equity	$ 3,051	$ 6,839	$ 1,191	$ 1,558	**$ 12,639**

(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
March 2019

	Three Months Ended March 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal [2]
Gigawatt-hour (GWh) Sales [1]				
Residential	22,218	23,741	(6.4%)	(1.2%)
General Service	17,917	18,440	(2.8%)	(1.2%)
Industrial	12,048	12,104	(0.5%)	0.3%
Other Energy Sales	145	140	3.6%	
Unbilled Sales	(1,336)	(1,875)	28.7%	n/a
Total Retail Sales	50,992	52,550	(3.0%)	(0.8%)
Wholesale and Other	9,702	10,979	(11.6%)	
Total Consolidated Electric Sales — Electric Utilities and Infrastructure	60,694	63,529	(4.5%)	
Average Number of Customers (Electric)				
Residential	6,709,086	6,603,814	1.6%	
General Service	988,438	979,220	0.9%	
Industrial	17,398	17,600	(1.1%)	
Other Energy Sales	28,556	23,475	21.6%	
Total Retail Customers	7,743,478	7,624,109	1.6%	
Wholesale and Other	51	54	(5.6%)	
Total Average Number of Customers — Electric Utilities and Infrastructure	7,743,529	7,624,163	1.6%	
Sources of Electric Energy (GWh)				
Generated — Net Output [3]				
Coal	11,486	17,738	(35.2%)	
Nuclear	18,590	18,505	0.5%	
Hydro	1,053	754	39.7%	
Oil and Natural Gas	17,649	16,317	8.2%	
Renewable Energy	125	96	30.2%	
Total Generation [4]	48,903	53,410	(8.4%)	
Purchased Power and Net Interchange [5]	14,912	13,920	7.1%	
Total Sources of Energy	63,815	67,330	(5.2%)	
Less: Line Loss and Other	3,121	3,801	(17.9%)	
Total GWh Sources	60,694	63,529	(4.5%)	
Owned Megawatt (MW) Capacity [3]				
Summer	50,888	49,511		
Winter	54,574	53,003		
Nuclear Capacity Factor (%) [6]	98	96		

(1) Except as indicated in footnote (2), 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.

(2) Represents weather normal total retail calendar sales (i.e., billed and unbilled sales).

(3) Statistics reflect Duke Energy's ownership share of jointly owned stations.

(4) Generation by source is reported net of auxiliary power.

(5) Purchased power includes renewable energy purchases.

(6) Statistics reflect 100 percent of jointly owned stations.

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

	Three Months Ended March 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal [2]
GWh Sales [1]				
Residential	7,755	8,284	(6.4%)	
General Service	6,822	6,946	(1.8%)	
Industrial	4,934	4,984	(1.0%)	
Other Energy Sales	80	75	6.7%	
Unbilled Sales	(355)	(523)	32.1%	
Total Retail Sales	19,236	19,766	(2.7%)	(0.9%)
Wholesale and Other	2,592	2,861	(9.4%)	
Total Consolidated Electric Sales — Duke Energy Carolinas	21,828	22,627	(3.5%)	
Average Number of Customers				
Residential	2,244,914	2,202,857	1.9%	
General Service	360,183	356,100	1.1%	
Industrial	6,131	6,206	(1.2%)	
Other Energy Sales	20,522	15,480	32.6%	
Total Retail Customers	2,631,750	2,580,643	2.0%	
Wholesale and Other	20	22	(9.1%)	
Total Average Number of Customers — Duke Energy Carolinas	2,631,770	2,580,665	2.0%	
Sources of Electric Energy (GWh)				
Generated — Net Output [3]				
Coal	3,222	6,250	(48.4%)	
Nuclear	11,466	11,638	(1.5%)	
Hydro	779	525	48.4%	
Oil and Natural Gas	4,081	3,152	29.5%	
Renewable Energy	34	29	17.2%	
Total Generation [4]	19,582	21,594	(9.3%)	
Purchased Power and Net Interchange [5]	2,902	2,317	25.2%	
Total Sources of Energy	22,484	23,911	(6.0%)	
Less: Line Loss and Other	656	1,284	(48.9%)	
Total GWh Sources	21,828	22,627	(3.5%)	
Owned MW Capacity [3]				
Summer	20,209	19,574		
Winter	21,137	20,385		
Nuclear Capacity Factor (%) [6]	100	99		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	1,603	1,721	(6.9%)	
Cooling Degree Days	4	10	(60.0%)	
Variance from Normal				
Heating Degree Days	(6.9%)	(1.3%)		
Cooling Degree Days	(46.0%)	56.4%		

(1) Except as indicated in footnote (2), 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.

(2) Represents weather normal total retail calendar sales (i.e., billed and unbilled sales).

(3) Statistics reflect Duke Energy's ownership share of jointly owned stations.

(4) Genera ion by source is reported net of auxiliary power.

(5) Purchased power includes renewable energy purchases.

(6) Statistics reflect 100 percent of jointly owned stations.

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

	Three Months Ended March 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal [2]
GWh Sales [1]				
Residential	4,898	5,500	(10.9%)	
General Service	3,538	3,732	(5.2%)	
Industrial	2,501	2,437	2.6%	
Other Energy Sales	19	19	—%	
Unbilled Sales	(364)	(567)	35.8%	
Total Retail Sales	10,592	11,121	(4.8%)	(1.8%)
Wholesale and Other	5,756	6,105	(5.7%)	
Total Consolidated Electric Sales — Duke Energy Progress	16,348	17,226	(5.1%)	
Average Number of Customers				
Residential	1,341,886	1,323,129	1.4%	
General Service	235,425	233,307	0.9%	
Industrial	4,047	4,060	(0.3%)	
Other Energy Sales	1,417	1,451	(2.3%)	
Total Retail Customers	1,582,775	1,561,947	1.3%	
Wholesale and Other	14	14	—%	
Total Average Number of Customers — Duke Energy Progress	1,582,789	1,561,961	1.3%	
Sources of Electric Energy (GWh)				
Generated — Net Output [3]				
Coal	1,781	2,303	(22.7%)	
Nuclear	7,124	6,867	3.7%	
Hydro	252	209	20.6%	
Oil and Natural Gas	5,438	6,199	(12.3%)	
Renewable Energy	46	54	(14.8%)	
Total Generation [4]	14,641	15,632	(6.3%)	
Purchased Power and Net Interchange [5]	2,201	2,235	(1.5%)	
Total Sources of Energy	16,842	17,867	(5.7%)	
Less: Line Loss and Other	494	641	(22.9%)	
Total GWh Sources	16,348	17,226	(5.1%)	
Owned MW Capacity [3]				
Summer	12,779	12,813		
Winter	13,942	14,016		
Nuclear Capacity Factor (%) [6]	92	90		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	1,483	1,614	(8.1%)	
Cooling Degree Days	6	23	(73.9%)	
Variance from Normal				
Heating Degree Days	(7.8%)	(0.1%)		
Cooling Degree Days	(45.5%)	139.2%		

(1) Except as indicated in footnote (2), 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.
(2) Represents weather normal total retail calendar sales (i.e., billed and unbilled sales).
(3) Statistics reflect Duke Energy's ownership share of jointly owned stations.
(4) Generation by source is reported net of auxiliary power.
(5) Purchased power includes renewable energy purchases.
(6) Statistics reflect 100 percent of jointly owned stations.

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

	Three Months Ended March 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal [2]
GWh Sales [1]				
Residential	4,214	4,528	(6.9%)	
General Service	3,273	3,440	(4.9%)	
Industrial	677	758	(10.7%)	
Other Energy Sales	6	6	—%	
Unbilled Sales	(232)	(185)	(25.4%)	
Total Retail Sales	7,938	8,547	(7.1%)	(2.3%)
Wholesale and Other	383	572	(33.0%)	
Total Electric Sales — Duke Energy Florida	8,321	9,119	(8.8%)	
Average Number of Customers				
Residential	1,616,295	1,588,910	1.7%	
General Service	202,710	200,207	1.3%	
Industrial	2,039	2,109	(3.3%)	
Other Energy Sales	1,504	1,517	(0.9%)	
Total Retail Customers	1,822,548	1,792,743	1.7%	
Wholesale and Other	12	12	—%	
Total Average Number of Customers — Duke Energy Florida	1,822,560	1,792,755	1.7%	
Sources of Electric Energy (GWh)				
Generated — Net Output [3]				
Coal	618	2,121	(70.9%)	
Oil and Natural Gas	7,487	6,091	22.9%	
Renewable Energy	41	8	412.5%	
Total Generation [4]	8,146	8,220	(0.9%)	
Purchased Power and Net Interchange [5]	860	1,378	(37.6%)	
Total Sources of Energy	9,006	9,598	(6.2%)	
Less: Line Loss and Other	685	479	43.0%	
Total GWh Sources	8,321	9,119	(8.8%)	
Owned MW Capacity [3]				
Summer	10,218	9,304		
Winter	11,308	10,255		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	271	383	(29.2%)	
Cooling Degree Days	244	264	(7.6%)	
Variance from Normal				
Heating Degree Days	(26.9%)	1.1%		
Cooling Degree Days	27.8%	42.7%		

(1) Except as indicated in footnote (2), 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.

(2) Represents weather normal total retail calendar sales (i.e., billed and unbilled sales).

(3) Statistics reflect Duke Energy's ownership share of jointly owned stations.

(4) Genera ion by source is reported net of auxiliary power.

(5) Purchased power includes renewable energy purchases.

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

	Three Months Ended March 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal [2]
GWh Sales [1]				
Residential	2,523	2,563	(1.6%)	
General Service	2,275	2,319	(1.9%)	
Industrial	1,394	1,387	0.5%	
Other Energy Sales	27	27	—%	
Unbilled Sales	(197)	(324)	39.2%	
Total Retail Sales	6,022	5,972	0.8%	1.7%
Wholesale and Other	142	100	42.0%	
Total Electric Sales — Duke Energy Ohio	6,164	6,072	1.5%	
Average Number of Customers				
Residential	772,754	766,947	0.8%	
General Service	88,493	88,263	0.3%	
Industrial	2,481	2,500	(0.8%)	
Other Energy Sales	3,377	3,331	1.4%	
Total Retail Customers	867,105	861,041	0.7%	
Wholesale and Other	1	1	—%	
Total Average Number of Customers — Duke Energy Ohio	867,106	861,042	0.7%	
Sources of Electric Energy (GWh)				
Generated — Net Output [3]				
Coal	371	676	(45.1%)	
Oil and Natural Gas	1	20	(95.0%)	
Total Generation [4]	372	696	(46.6%)	
Purchased Power and Net Interchange [5]	6,601	6,335	4.2%	
Total Sources of Energy	6,973	7,031	(0.8%)	
Less: Line Loss and Other	809	959	(15.6%)	
Total GWh Sources	6,164	6,072	1.5%	
Owned MW Capacity [3]				
Summer	1,076	1,076		
Winter	1,164	1,164		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	2,571	2,569	0.1%	
Cooling Degree Days	—	4	(100.0%)	
Variance from Normal				
Heating Degree Days	0.6%	2.6%		
Cooling Degree Days	(100.0%)	(0.1%)		

(1) Except as indicated in footnote (2), 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.

(2) Represents weather normal total retail calendar sales (i.e., billed and unbilled sales).

(3) Statistics reflect Duke Energy's ownership share of jointly owned stations.

(4) Generation by source is reported net of auxiliary power.

(5) Purchased power includes renewable energy purchases.

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

	Three Months Ended March 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal (2)
GWh Sales [1]				
Residential	2,828	2,866	(1.3%)	
General Service	2,009	2,003	0.3%	
Industrial	2,542	2,538	0.2%	
Other Energy Sales	13	13	—%	
Unbilled Sales	(188)	(276)	(31.9%)	
Total Retail Sales	7,204	7,144	0.8%	0.3%
Wholesale and Other	829	1,341	(38.2%)	
Total Electric Sales — Duke Energy Indiana	8,033	8,485	(5.3%)	
Average Number of Customers				
Residential	733,237	721,971	1.6%	
General Service	101,627	101,343	0.3%	
Industrial	2,700	2,725	(0.9%)	
Other Energy Sales	1,736	1,696	2.4%	
Total Retail Customers	839,300	827,735	1.4%	
Wholesale and Other	4	5	(20.0%)	
Total Average Number of Customers — Duke Energy Indiana	839,304	827,740	1.4%	
Sources of Electric Energy (GWh)				
Generated — Net Output [3]				
Coal	5,494	6,388	(14.0%)	
Hydro	22	20	10.0%	
Oil and Natural Gas	642	855	(24.9%)	
Renewable Energy	4	5	(20.0%)	
Total Generation [4]	6,162	7,268	(15.2%)	
Purchased Power and Net Interchange [5]	2,348	1,655	41.9%	
Total Sources of Energy	8,510	8,923	(4.6%)	
Less: Line Loss and Other	477	438	8.9%	
Total GWh Sources	8,033	8,485	(5.3%)	
Owned MW Capacity [3]				
Summer	6,606	6,744		
Winter	7,023	7,183		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	2,884	2,831	1.9%	
Cooling Degree Days	—	4	(100.0%)	
Variance from Normal				
Heating Degree Days	4.6%	2.4%		
Cooling Degree Days	(100.0%)	22.1%		

(1) Except as indicated in footnote (2), 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.

(2) Represents weather normal total retail calendar sales (i.e., billed and unbilled sales).

(3) Statistics reflect Duke Energy's ownership share of jointly owned stations.

(4) Genera ion by source is reported net of auxiliary power.

(5) Purchased power includes renewable energy purchases.

Gas Utilities and Infrastructure
Quarterly Highlights
March 2019

	Three Months Ended March 31,		
	2019	2018	% Inc. (Dec.)
Total Sales			
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) [1]	151,665,924	154,901,379	(2.1%)
Duke Energy Midwest LDC throughput (Mcf)	38,538,272	37,126,065	3.8%
Average Number of Customers — Piedmont Natural Gas			
Residential	983,440	970,666	1.3%
Commercial	104,720	104,835	(0.1%)
Industrial	966	963	0.3%
Power Generation	17	17	—%
Total Average Number of Gas Customers — Piedmont Natural Gas	1,089,143	1,076,481	1.2%
Average Number of Customers — Duke Energy Midwest			
Residential	493,168	488,853	0.9%
General Service	45,347	45,280	0.1%
Industrial	1,679	1,661	1.1%
Other	135	138	(2.2%)
Total Average Number of Gas Customers — Duke Energy Midwest	540,329	535,932	0.8%

(1) 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
March 2019

	Three Months Ended March 31,		
	2019	2018	% Inc. (Dec.)
Renewable Plant Production, GWh	2,068	2,180	(5.1)%
Net Proportional MW Capacity in Operation [1]	2,996	2,943	1.8 %

(1) In 2019, includes 100 percent tax equity project capacity.

Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 9, 2019

Adjusted Diluted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 9, 2019, include a discussion of adjusted diluted EPS for the quarters ended March 31, 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.

Management believes the presentation of adjusted diluted 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 (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 measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. For the quarter ended March 31, 2019 adjusted diluted EPS equals reported diluted EPS attributable to Duke Energy Corporation common shareholders. Accordingly, there is no reconciliation of adjusted diluted EPS for the quarter ended March 31, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted diluted EPS for the quarter ended March 31, 2018, to the most directly comparable GAAP measure is included herein.

Special items for the quarter ended March 31, 2018 include the following items, which management believes do not reflect ongoing costs:

- Costs to Achieve Piedmont Merger represents charges that result from the Piedmont acquisition.
- Regulatory Settlements represents charges related to rate case orders, settlements or other actions of regulators.
- 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 First Quarter Earnings Review and Business Update on May 9, 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 shareholders, 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 First Quarter Earnings Review and Business Update on May 9, 2019, include a discussion of adjusted segment income and adjusted other net loss for the quarter ended March 31, 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). Management believes the presentation of adjusted segment income and adjusted other net loss 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 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 ended March 31, 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 ended March 31, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted segment income and adjusted other net loss for the quarter ended March 31, 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.

Adjusted Effective Tax Rate (ETR)

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2019 include a discussion of the adjusted ETR for the quarter ended March 31, 2019. The materials also include a discussion of the 2019 forecasted adjusted ETR. Adjusted ETR is a non-GAAP financial measure as the rate is calculated using a pretax earnings and income tax expense, both adjusted for the impact of special items, as discussed above under Adjusted Diluted EPS. The most directly comparable GAAP measure for adjusted ETR is reported effective tax rate. For the quarter ended March 31, 2019 the adjusted effective tax rate equals the effective tax rate. Accordingly, there is no reconciliation of the adjusted effective tax rate for the quarter ended March 31, 2019, to the most directly comparable GAAP measure. Due to the forward-looking nature of the 2019 forecasted adjusted ETR, 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 First Quarter Earnings Review and Business Update on May 9, 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 March 31, 2019 to the most directly comparable GAAP measure is included herein.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2018
(Dollars in millions, except per-share amounts)

		Special Items						
	Reported Earnings	Costs to Achieve Piedmont Merger	Regulatory Settlements	Sale of Retired Plant	Impairment of Equity Method Investment	Impacts of the Tax Act	Total Adjustments	Adjusted Earnings
SEGMENT INCOME								
Electric Utilities and Infrastructure	$ 750	$ —	$ 66 B	$ —	—	$ —	$ 66	$ 816
Gas Utilities and Infrastructure	116	—	—	—	42 D	—	42	158
Commercial Renewables	20	—	—	—	—	—	—	20
Total Reportable Segment Income	886	—	66	—	42	—	108	994
Other	(266)	13 A	—	82 C	—	76	171	(95)
Net Income Attributable to Duke Energy Corporation	$ 620	$ 13	$ 66	$ 82	$ 42	$ 76 E	$ 279	$ 899
EPS ATTRIBUTABLE TO DUKE ENERGY CORP, DILUTED	$ 0.88	$ 0.02	$ 0.09	$ 0.12	$ 0.06	$ 0.11	$ 0.40	$ 1.28

A - Net of $4 million tax benefit. $17 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

B - Net of $20 million tax benefit. $45 million recorded within Impairment charges, $35 million within Operating Expenses and $6 million recorded within Interest Expense on the Condensed Consolidated Statements of Operations.

C - Net of $25 million tax benefit. $107 million recorded within 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.

Weighted Average Shares, Diluted (reported and adjusted) - 701 million

Duke Energy Corporation
Available Liquidity Reconciliation
As of March 31, 2019
(In millions)

Cash and Cash Equivalents	$ 377	
Less: Certain Amounts Held in Foreign Jurisdictions	(30)	
Less: Unavailable Domestic Cash	(144)	
	203	
Plus: Remaining Availability under Master Credit Facilities and other facilities	5,209	
Total Available Liquidity (a)	$ 5,412	approximately 5.4 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 Progress, LLC
Docket No. E-2 Sub 1300
E1-21- Annual Reports

For the Test Year Ending 2021

DUKE ENERGY

Earnings Review & Business Update

FIRST QUARTER 2020

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

May 12, 2020

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.

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/.

Safe harbor statement

DUKE ENERGY.

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. 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.

Topics for today's call

BUSINESS UPDATE

Lynn Good, Chair, President & CEO

- Our community and operational response to COVID-19
- Our financial response to COVID-19
- Long-term company outlook

FINANCIAL UPDATE

Steve Young, Executive VP & CFO

- First-quarter 2020 earnings drivers
- Recent regulatory activities
- Liquidity and balance sheet strength
- Load growth and economic outlook
- Key investor considerations

OUR PROFOUND THANKS TO THE HEALTHCARE WORKERS ON THE FRONT LINES, AS WELL AS TO THOSE WORKING COUNTLESS HOURS PROVIDING SUPPORT TO OUR FRONTLINE COMMUNITY HEROES

Our comprehensive response to COVID-19

DUKE ENERGY.

EMPLOYEES

- Implemented rotating shifts and enhanced personal protective equipment, disinfectant cleaning, temperature checks and visitor restrictions to protect critical operational staff
- Our focus on operational excellence has not wavered
  - New safety protocols particularly important during spring storms and nuclear outages
- Activated work at home protocols for ~18,000 employees since mid-March
- Providing paid time off for dependent care and incremental pay for eligible employees
- Waiving cost sharing and certain insurance costs for COVID-19 care

CUSTOMERS

- Suspending service disconnections, waiving late payment and other fees
- Beginning proactive outreach to business and residential customers to offer deferred payment arrangements
- Accelerating flow back of fuel overcollections to Florida customers, resulting in ~20% residential bill reduction in May

COMMUNITIES

- Supporting hunger relief, local health and human services and education initiatives with Foundation donations and grants of ~$6 million to our communities
  - Includes bill assistance to support low-income customers in our jurisdictions

HEALTH AND SAFETY OF EMPLOYEES, CUSTOMERS AND COMMUNITIES ARE OUR TOP PRIORITIES

Duke Energy's business is financially resilient

DUKE ENERGY.

ACTIVATED 2020 MITIGATION PLAN

TO SUBSTANTIALLY OFFSET EXPECTED REVENUE DEGRADATION

AFFIRMING

OUR 2020 ADJUSTED EPS GUIDANCE RANGE OF $5.05 - $5.45

REAFFIRMING 4%-6% GROWTH THROUGH 2024[1]

FUNDAMENTALLY STRONG BUSINESS MODEL…

- Results for Q1 2020 on track with the exception of mild weather and storm activity
- Constructive regulatory environments are supportive over the long term
- Size, scale and diversity of operations are essential to being able to deliver shareholder value in 2020 as well as the long-term

…POSITIONS DUKE ENERGY TO RAPIDLY RESPOND TO UNCERTAIN ECONOMIC CONDITIONS

- COVID-19 expected to have some negative impact on revenues in 2020
  - C&I load decreases partially offset by residential increases
- Identified and actively managing mitigation plans
- Affirming targeted full year 2020 earnings guidance range

…AND LONG-TERM CAPITAL PLAN AND GUIDANCE REMAIN INTACT

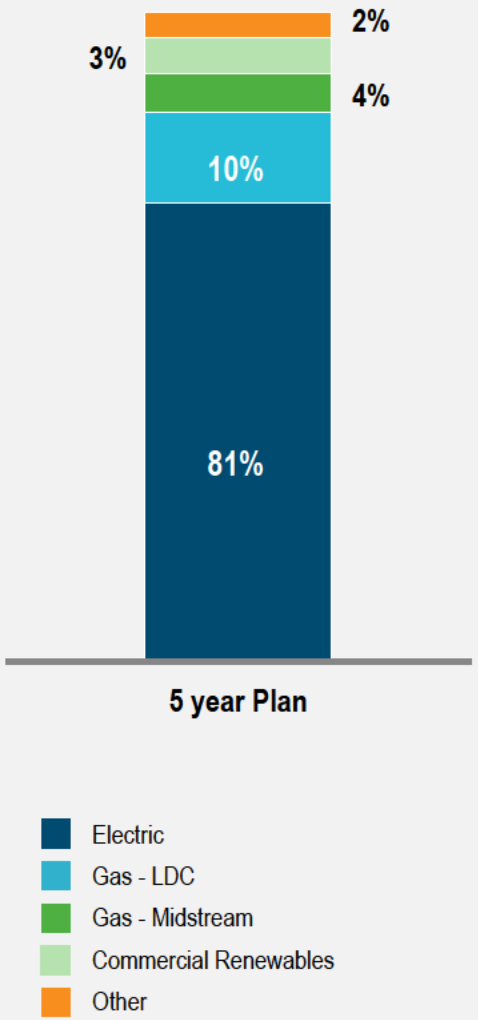
- $56 billion, 5-year capital plan will provide important infrastructure for our communities
- Reaffirming long-term growth rate of 4%-6% through 2024[1]

(1) Based on adjusted EPS off the midpoint of the 2019 guidance range ($5.00)

Making progress on our strategic investment pillars

DUKE ENERGY.

5-Year $56B Capital Plan Remains Intact



GENERATE CLEANER ENERGY

- Steadfast commitment to carbon reduction goals of ≥ 50% reduction in CO_2 emissions from electricity generation by 2030 and net zero by 2050
- Second Duke Energy Climate Report issued in April 2020, providing greater clarity on pathway to achieve climate goals
- Stakeholder process for North Carolina Clean Energy Plan underway
- We look forward to hosting our ESG analysts day, tentatively set for early October

MODERNIZE THE ENERGY GRID

- Florida Storm Protection Plan filed in April 2020, representing a 10-year, $6 billion capital plan

EXPAND NATURAL GAS INFRASTRUCTURE

- Asheville combined-cycle plant brought online, enabling coal plant retirements
- Natural gas distribution upgrades progressing as planned
- Significant milestones for Atlantic Coast Pipeline expected in Q2/Q3 2020

OUR $56 BILLION CAPITAL PLAN REMAINS INTACT AND IS ESSENTIAL TO OUR GROWING COMMUNITIES

Duke Energy has clear, distinguishing factors for shareholder value creation

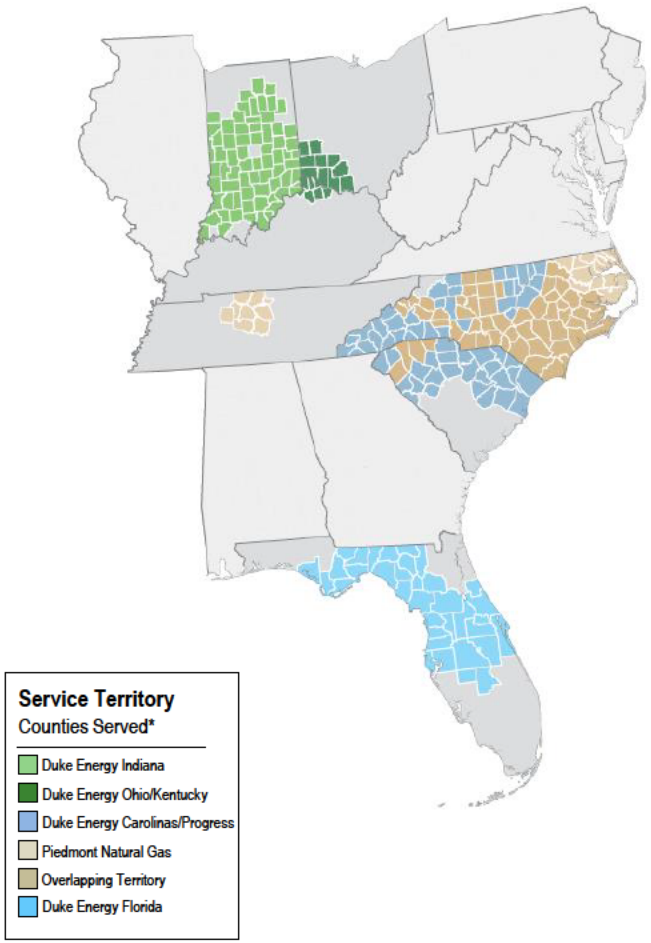
$56 B
FIVE YEAR CAPITAL PLAN

310 K
ELECTRIC T&D MILES

51 GWS
TOTAL REGULATED GENERATING CAPACITY

~$5 B
ANNUAL NON-RIDER O&M

24 M
PEOPLE SERVED IN OUR 7 STATES

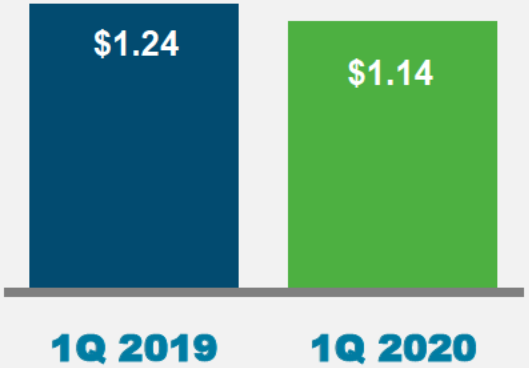


- Constructive jurisdictions with strong economies
- Diversity of operations, size and scale allow us to stay nimble to drive shareholder value
  - O&M agility and capital dexterity is a core competency
  - T&D grid and regulated generation capacity are largest in the industry, driving long-term investments
  - 5 year capital plan will drive long-term benefits for customers, communities and shareholders

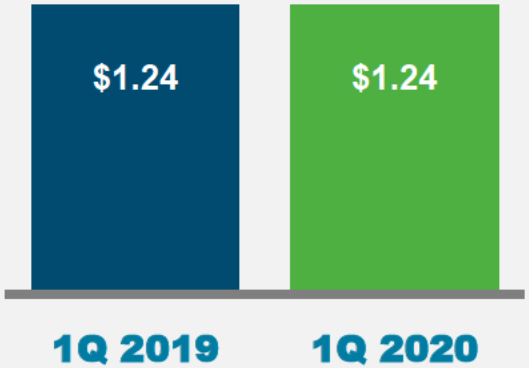
1Q 2020 adjusted EPS summary and primary drivers

DUKE ENERGY.

ADJUSTED EARNINGS PER SHARE



REPORTED EARNINGS PER SHARE



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

SEGMENT RESULTS VS. PRIOR YEAR QUARTER[1]

Electric Utilities & Infrastructure, -$45 M (-$0.06 per share)

- ▼ Weather and storm costs (-$0.06 per share)
- ▼ Higher depreciation and amortization, primarily due to a growing asset base
- ▲ Higher rider and other retail margins, including energy efficiency
- ▲ Contribution from base rate changes in SC and FL

Gas Utilities & Infrastructure, +$23 M (+$0.03 per share)

- ▲ Contribution from base rate changes in NC
- ▲ LDC margin expansion
- ▼ Favorable prior period tax adjustment

Commercial Renewables, +$44 M (+$0.06 per share)

- ▲ Continued benefit from 2019 projects
- ▲ Higher wind production and pricing

Other, -$98 M (-$0.12 per share)

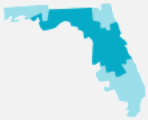
- ▼ Lower investment returns in non-qualified benefit plans (-$0.06 per share)
- ▼ Holdco financing costs

Share Dilution (-$0.01 per share)

Q1 2020 RESULTS ARE ON PLAN WITH THE EXCEPTION OF MILD WINTER WEATHER AND STORMS OF ~$0.15

Update on key regulatory activity

DUKE ENERGY

 DUKE ENERGY **FLORIDA**	▪ Storm Protection Plan filed April 2020 ▪ Multi-year rate plan and solar base rate adjustment mechanisms provide timely recovery of grid and clean generation investments through 2021; MYRP new rates eff. Jan. 2020
 DUKE ENERGY **OHIO**	▪ Distribution Capital Investments extended through 2025; ~$200 million annual investment ▪ Transmission investments recovered via BTR rider; ~$100 million annual investment
 DUKE ENERGY **INDIANA**	▪ T&D Infrastructure Modernization Plan; 7-year $1.4 billion investment through 2022 ▪ Base rate case: – Hearings concluded Feb. 7, 2020; expect IURC order mid-2020 – Requested new rates effective mid-2020
 DUKE ENERGY **KENTUCKY**	▪ Order received April 27, 2020 ▪ Overall rate increase of $24 million, or 6.6% ▪ New rates effective May 1, 2020
 DUKE ENERGY **CAROLINAS**	▪ Initial request for new rates effective Aug. 1, 2020 ▪ Partial settlement on storm costs to be securitized and other minor accounting items ▪ Seeking to combine hearing with DEP in July 2020
 DUKE ENERGY **PROGRESS**	▪ Initial request for new rates effective Sep. 1, 2020 ▪ Seeking to combine hearing with DEC in July 2020

OUR REGULATORY JURISDICTIONS HAVE A TRACK RECORD OF CONSTRUCTIVELY ADDRESSING EXTRAORDINARY EVENTS

Enhanced liquidity position in response to COVID-19

DUKE ENERGY.

$3B NEW DEBT FINANCED 1Q 2020

AT ~2.0% WEIGHTED-AVERAGE INTEREST RATE

~$8.2B

OF AVAILABLE LIQUIDITY AS OF APRIL 30, 2020

$11B – $12B

2020 CAPITAL PLAN UNCHANGED, BUT FLEXIBILITY REMAINS

WELL TIMED AND EXCELLENT EXECUTION OF CAPITAL MARKETS TRANSACTIONS

- Opportunistically priced $2.5 billion of common equity in November 2019 pursuant to forward contract that can be settled anytime prior to the end of 2020
- Completed $1.5 billion in Opco debt financing in Q1 prior to market dislocation
- Entered into new $1.5 billion Holdco term loan, priced at 1-month LIBOR +60 bps

BALANCE SHEET STRENGTH AND AMPLE LIQUIDITY

- Strong liquidity position of $8.2 billion gives company flexibility in executing its 2020 financing plan
- CARES Act provides for $400 million of 2020 liquidity, the majority of which is related to an acceleration of remaining AMT tax credits of $285 million into 2020, doubling the amount of AMT tax receipts for the year
- Continue to expect 2020 FFO/debt of ~15%, incorporating our current assumptions, and expense reduction mitigation plan
- Pension funded status of approximately 100% as of April 30, 2020

2020 FINANCING PLAN UPDATE

- No significant changes to our original debt and equity issuances plan for the year
- Remaining public debt financing needs for 2020 include ~$1.5 billion at Holdco (to refinance term loan) and ~$2.3 billion across various Opcos

Strong customer growth and retail diversification

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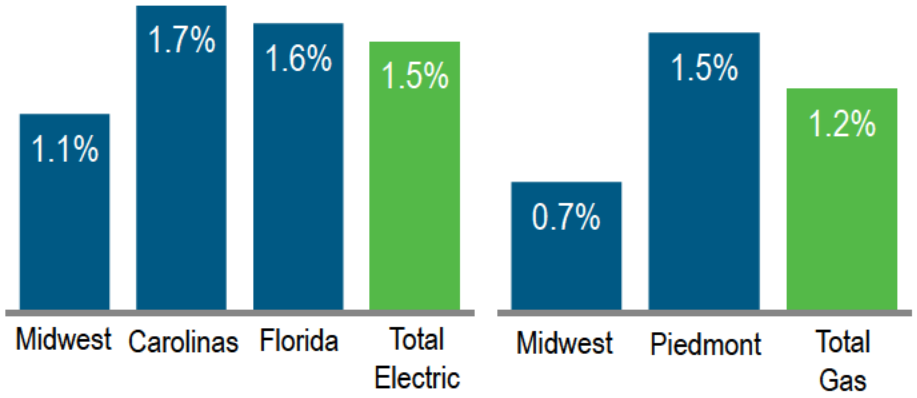
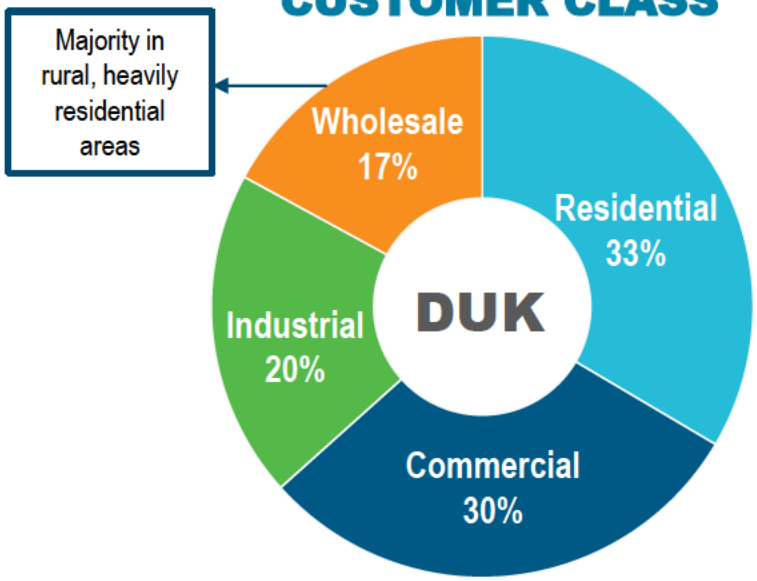
ANNUAL GROWTH IN NUMBER OF RESIDENTIAL CUSTOMERS



TOTAL ELECTRIC SALES BY CUSTOMER CLASS



RESIDENTIAL

- Strong customer growth continued through first quarter 2020
- Stay at home activities will increase residential sales, especially during summer cooling season
- Diversity of operations is a fundamental strength
  - Strong retail sales in Florida help offset declines in C&I usage in other jurisdictions

COMMERCIAL

- Expecting significant declines in the second quarter due to mandatory closure of non-essential businesses
- Data centers and essential services expected to be resilient

INDUSTRIAL

- Many customers announced suspension of operations in late March
- Industrial customers in the Carolinas and Midwest are beginning to resume operations

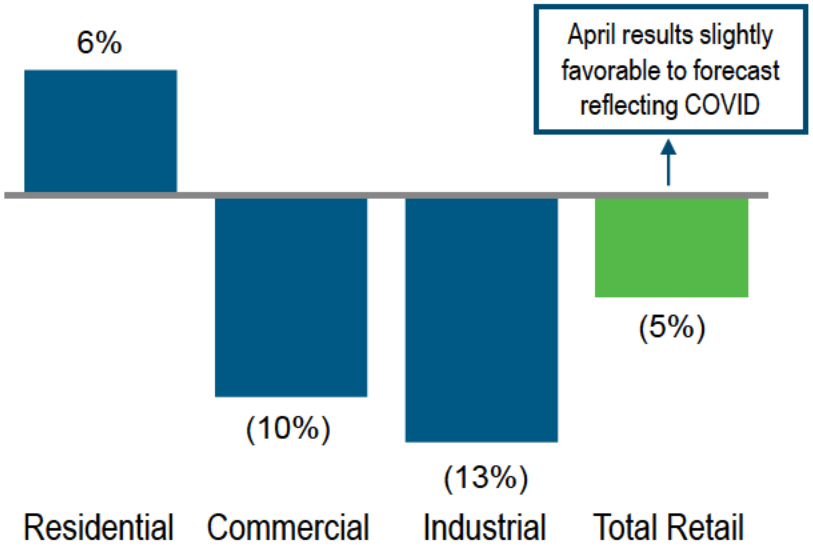
WHOLESALE

- Customer mix is heavily weighted toward residential

Expected COVID-19 impacts on retail volumes

DUKE ENERGY.

APRIL 2020 RETAIL ELECTRIC VOLUMES[1]



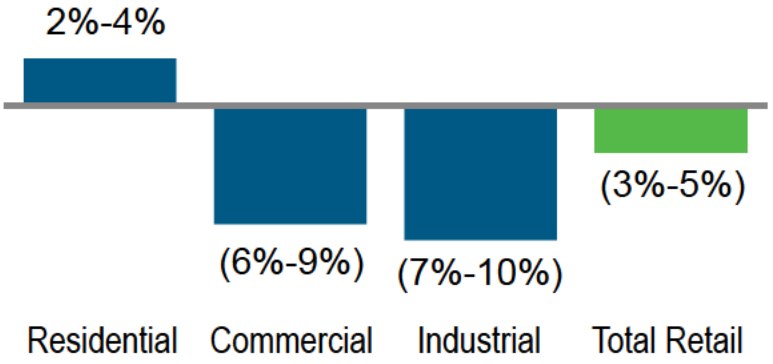
Total Company EPS sensitivities to (+ or –) 1% change in retail electric volumes	
Residential	$0.08
Commercial	$0.05
Industrial	$0.02
Total Retail	**$0.15**

2020 VOLUME EXPECTATIONS

- Expect declines in C&I in Q2 and Q3 with a gradual glide path towards more normal usage patterns
- Expect retail volumes to decline 3-5% for full year 2020, but with increased, higher margin residential volumes
- Forecasting ~$0.25-$0.35 impact to 2020 EPS due to retail load declines, based on current estimates

FORECASTED FULL YEAR 2020 RETAIL ELECTRIC VOLUMES

(based on company's current economic assumptions)



(1) Weather-normal, based on billed sales April 2020 compared to April 2019. Declines in commercial and industrial trending higher at the end of the month, along with continued strength in residential volumes.

Actions underway to mitigate 2020 headwinds

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ANTICIPATING
($0.25-$0.35)
COVID IMPACTS

MITIGATION PLANS OF
$0.35-$0.45
OF EPS ARE UNDERWAY

AFFIRMING
OUR 2020 ADJUSTED EPS GUIDANCE RANGE OF $5.05 - $5.45

STRONG DIVIDEND
65%-75%
LONG-TERM TARGET PAYOUT RATIO (1)(2)

EXPECTED EPS IMPACTS BASED ON CURRENT ASSUMPTIONS

- ~$0.25-$0.35 impact to 2020 EPS due to retail load declines from COVID-19 pandemic (based on current assumptions of a gradual economic recovery over the balance of the year)

MITIGATION EFFORTS EXPECTED TO PROVIDE SUBSTANTIAL BENEFITS IN 2020

- Highly confident in achieving a $350-$450 million reduction in O&M and other expenses in 2020, including approximately 6%-7% reduction in O&M year-over-year
- Clear line of sight of initiatives to achieve savings, including revised scope and timing of plant outages, contract and employee labor costs, reductions in overtime and employee expenses, as well as corporate costs such as IT expenditures
- Benefitting from lower interest expense due to well timed capital market transactions

STEADFAST COMMITMENT TO MAINTAINING THE DIVIDEND

- 2020 marks the 94th consecutive year of paying a cash dividend
- Committed to paying and growing the dividend consistent with our long-term target payout ratio

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

(1) Based on adjusted EPS
(2) Subject to approval by the Board of Directors.

Focused on investor value creation

DUKE ENERGY.

DUK LISTED NYSE

A STRONG LONG-TERM RETURN PROPOSITION

DUK LISTED NYSE

4.6%

DIVIDEND YIELD[1] WITH LONG-TERM DIVIDEND **GROWTH COMMITMENT**[2]

~8-10%

ATTRACTIVE RISK-ADJUSTED **TOTAL SHAREHOLDER RETURN**[3]

4-6%

HIGHLY ACHIEVABLE EPS GROWTH THROUGH 2024[4]

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

(1) As of May 8, 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 off the midpoint of the 2019 guidance range ($5.00)

Our focus on customer service continues to be excellent

DUKE ENERGY.

Our purpose:
Power the lives of our customers and the vitality of our communities

- No significant safety incidents through April while delivering exceptional operational results
- Maintaining steadfast focus on keeping the lights on for our customers
  - Completed more than 30 generation outages, including two nuclear outages, while successfully managing COVID-19 risk
  - Restored ~900,000 customers due to storm outages in Midwest and Carolinas in April
  - Delivered strong customer services results; internal customer satisfaction scores jumped 25% from February to March in response to the company's COVID-19 actions
- Actively managing our supply chain for major projects and base operations
  - Regulated and renewable projects remain on track for 2020
  - Asheville combined-cycle facility successfully brought online
  - Palmer 60MW solar site achieved COD April 2020
- Frequently communicating with our state legislators, regulators and other stakeholders to keep them fully informed and engaged throughout the COVID-19 pandemic

THANK YOU TO OUR 40,000+ EMPLOYEES AND CONTRACTORS FOR THEIR TIRELESS COMMITMENT DURING COVID-19

Appendix

Atlantic Coast Pipeline – project update

STATUS UPDATE

- Minimal impact expected due to COVID-19
  - AT – SCOTUS decision – expect by June 2020
  - Biological Opinion – work continues and expect permit reissuance mid-2020
  - NWP 12– awaiting clarity on recent non-ACP ruling in Montana
- Customer negotiations – revised commercial terms with major customers finalized
- Continue to expect full in-service in the first half of 2022
- Estimated cost of approximately $8.0 billion[(1)]
  - ACP represents ~ 4% of Duke Energy's 5-year capital plan

PERMIT STATUS

	Status/expected resolution	Agency
Appalachian Trail (AT)	SCOTUS oral arguments Feb 24th / decision by June 2020	U.S. Forest Service
Biological Opinion	In process / reissuance mid-2020	U.S. Fish and Wildlife Service
Buckingham County	Vacated/Supplemental analysis filed / reissuance 2H2020	Virginia Air Control Board
Nationwide Twelve (NWP 12)	Voluntarily remanded / reissuance timing under evaluation	U.S. Army Corps of Engineers
Blue Ridge Crossing	Voluntarily remanded / reissuance 2H2020	U.S. National Park Service

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

Advancing our strategic vision

DUKE ENERGY.

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

2020 financial supplement

Key 2020 adjusted earnings guidance assumptions

DUKE ENERGY.

($ in millions)	Original 2020 Assumptions [1]	2020 YTD (thru 3/31/2020)
Adjusted segment income/(expense) [2]:		
Electric Utilities & Infrastructure	$3,640	$705
Gas Utilities & Infrastructure	$530	$249
Commercial Renewables	$240	$57
Other	($540)	($187)
Duke Energy Consolidated	$3,870	$824
Additional consolidated information:		
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	11-13%	12.2%
AFUDC equity (excludes ACP)	$138	$40
Capital expenditures [3][4]	$11,825	$2,932
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 03/31/20) includes coal ash closure spend of ~$130 million that was included in operating cash flows and excludes tax equity funding of Commercial Renewables projects of ~$100 million. 2020 Assumptions include ~$750 million of projected coal ash closure spend and $500 million projected to be funded under the ACP revolving credit facility .

Electric utilities quarterly weather impacts

DUKE ENERGY.

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				$80	728	$0.08
Third Quarter				$145	729	$0.15
Fourth Quarter				$30	731	$0.03
Year-to-Date[1]	($110)	734	($0.11)	$200	729	$0.20

1Q 2020	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,390	(19.6%)	1,186	(25.8%)	220	(9.8%)	2,457	10.6%	2,186	(15.1%)
Cooling degree days / Variance from normal	35	382.8%	52	349.1%	470	138%	-	-	5	45.7%
1Q 2019	**Duke Energy Carolinas**		**Duke Energy Progress**		**Duke Energy Florida**		**Duke Energy Indiana**		**Duke Energy Ohio/KY**	
Heating degree days / Variance from normal	1,603	(6.9%)	1,483	(7.8%)	271	(26.9%)	2,884	4.6%	2,571	0.6%
Cooling degree days / Variance from normal	4	(46.0%)	6	(45.5%)	244	27.8%	-	-	-	-

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

Key 2020 earnings sensitivities

DUKE ENERGY.

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: Industrial +/- $0.02 Commercial +/- $0.05 Residential +/- $0.08	+/- $0.15[1]
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[2]	+/- $0.10

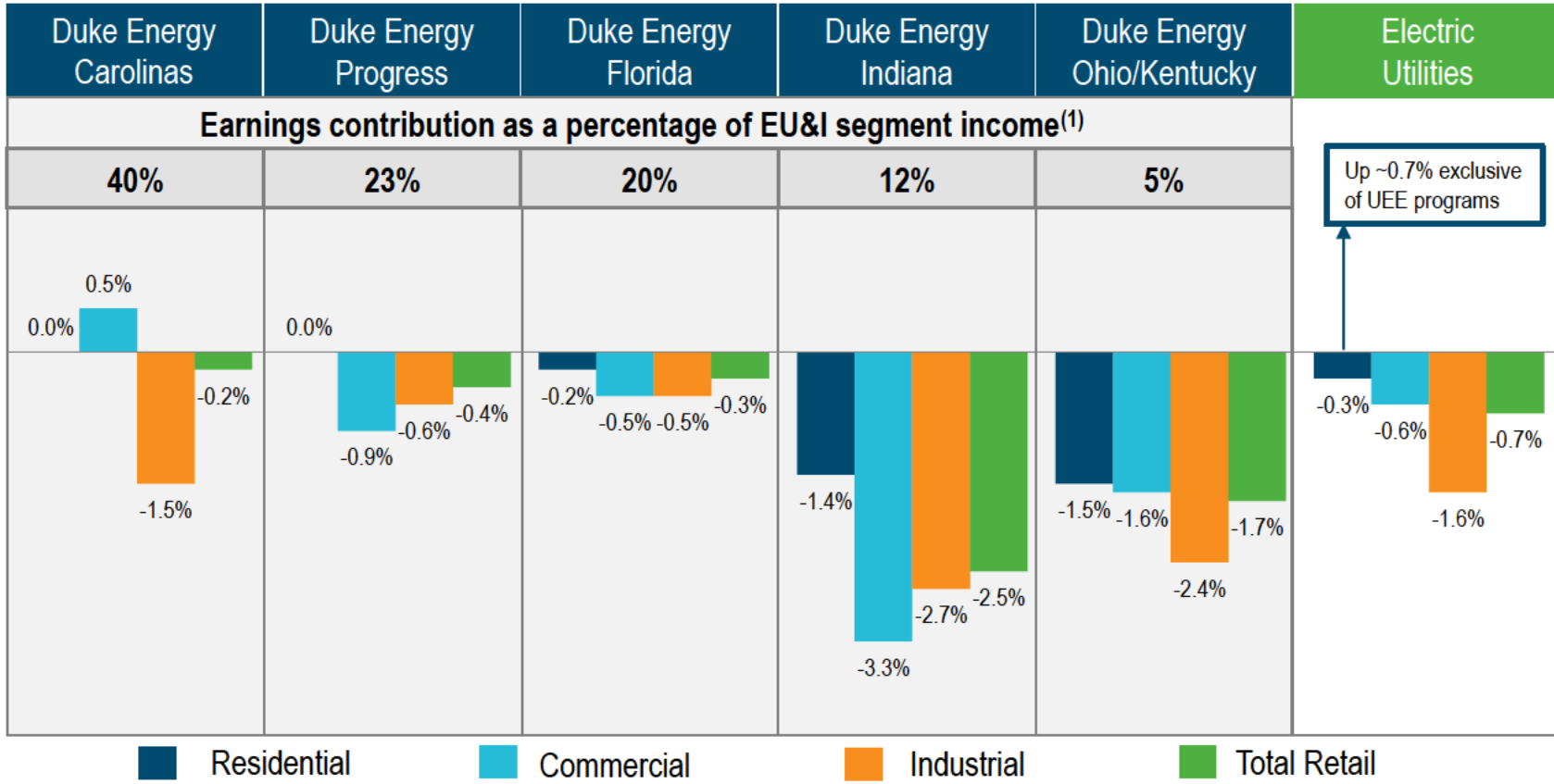
Note: EPS amounts based on forecasted 2020 basic share count of ~737 million shares

(1) Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins
(2) 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

DUKE ENERGY.

Rolling Twelve Months, as of March 31, 2020

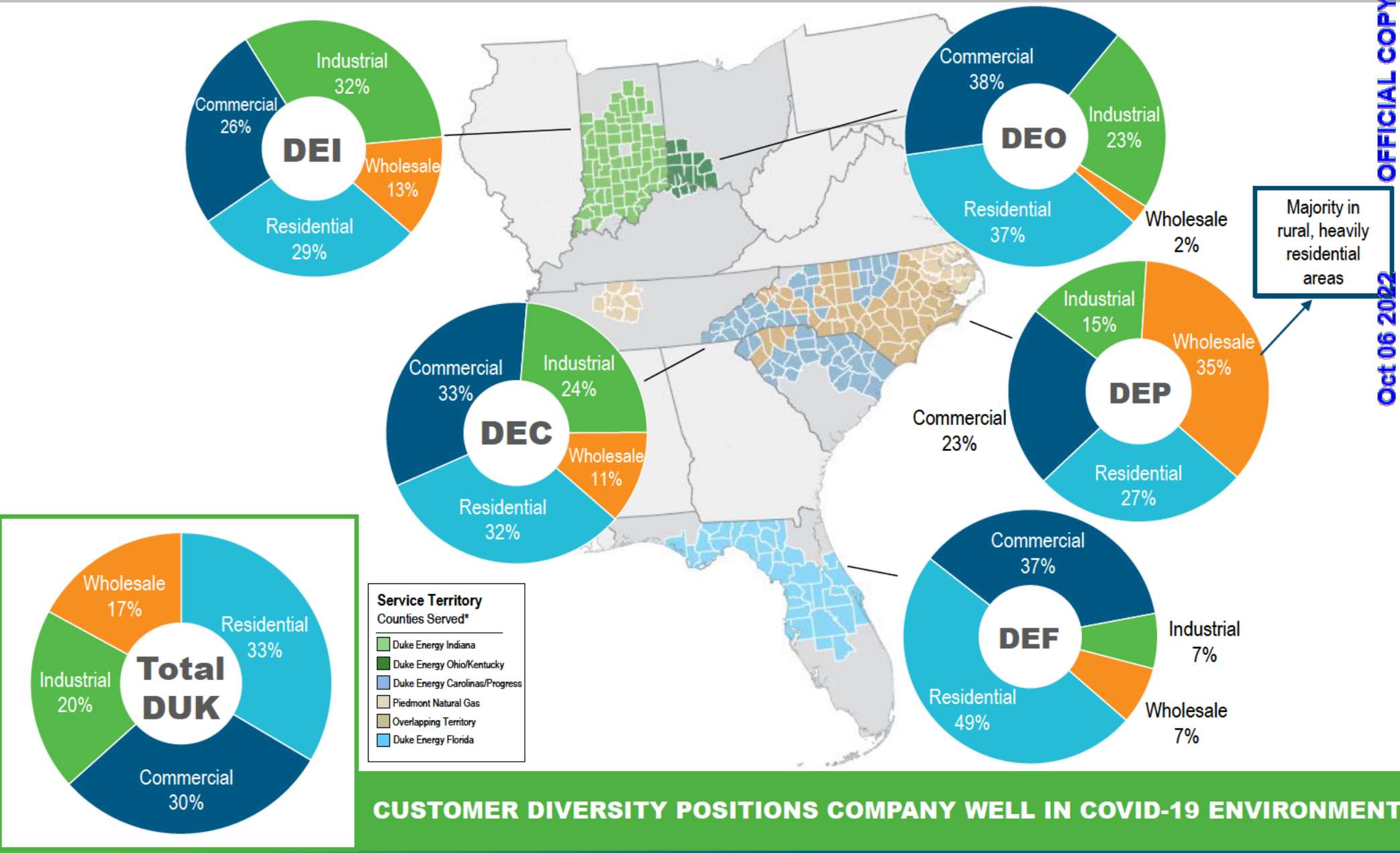


Utility-sponsored Energy Efficiency (UEE) programs residential impact:	
DEC	1.0% to 1.5%
DEP	0.5% to 1.0%
DEF	N/A
DEI	0.5% to 1.0%
DEOK	1.5% to 1.0%
Electric Utilities	**~1.0%**

(1) *Based on 2019 segment income.*

LOAD RESULTS IN OUR JURISDICTIONS REPRESENTING ~83% OF SEGMENT INCOME HAVE BEEN SOLID THROUGH 1Q 2020

Diverse customer mix across our jurisdictions



CUSTOMER DIVERSITY POSITIONS COMPANY WELL IN COVID-19 ENVIRONMENT

Renewables projects announcements

DUKE ENERGY.

REGULATED

Site	Solar Megawatts	COD	Location
Lake Placid	45	Dec 2019	FL
Trenton	74.9	Dec 2019	FL
Columbia	74.9	Mar 2020	FL
DeBary	74.5	Q2 2020	FL
Twin Rivers	74.9	Q4 2020	FL
Santa Fe	74.9	Q4 2020	FL
Catawba County(1)	69	2020	NC (DEC)
Gaston County(1)	25	2020	NC (DEC)
PPA projects(1)(2)	331	2020/2021	NC/SC
Total	844		

COMMERCIAL RENEWABLES

Site	Megawatts				COD	Location
	Solar	Wind	Fuel Cell	Total		
Cleveland County(1)	50	-	-	50	2020	NC
Surry County(1)	23	-	-	23	2020	NC
Cabarrus County(1)	23	-	-	23	2020	NC
Rosamond	150	-	-	150	Jun 2019	CA
Lapetus	100	-	-	100	Dec 2019	TX
Palmer	60	-	-	60	Apr 2020	CO
Holstein	200	-	-	200	Mid-2020	TX
Rambler	200	-	-	200	Mid-2020	TX
Mesteno	-	200	-	200	Dec 2019	TX
Frontier II	-	350	-	350	2020	OK
Maryneal	-	180	-	180	2020	TX
Bloom Energy	-	-	37	37	2019/2020	Various
Total	806	730	37	1,573		

(1) Projects that cleared the first RFP under HB589 (521 MW in total of which Duke Energy owns 190MW). Dates may vary depending upon local approvals

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

ANNOUNCED A NEW GOAL TO DOUBLE OUR OWNERSHIP, OPERATION OR CONTRACTING OF SOLAR, WIND AND BIOMASS TO 16,000 MEGAWATTS BY 2025

Financing plan update and current liquidity

2020 Financing plan[1]

DUKE ENERGY.

Issuer	Planned Amount ($ in millions)	Security	Completed ($ in millions)	Date Issued	Term	Rate	2020 Maturities[4]
Holding Company	$1,000 - $1,500	Senior Notes or other LT securities (excludes bank loan borrowings in Q1)	-	-	-	-	$350 (June, 2020)
Holding Company	$500	Common Equity (ATM/DRIP)[2]	$85 – ATM $67 – DRIP	YTD	-	-	-
DE Carolinas	$800 - $1,000	Senior Debt	$500 $400	Jan. 2019	10-year 30-year[3]	Fixed – 2.45% Fixed – 3.20%	$450 (June, 2020)
DE Progress	$500 - $700	Senior Debt	-	-	-	-	$1,000 (Sept. & Dec. 2020)
DE Florida	$400 - $600	Senior Debt	-	-	-	-	$500 (Jan. & April 2020)
DE Indiana	$450 - $650	Senior Debt	$550	March 2020	30-year	2.75%	$500 (July 2020)
DE Ohio	$300 - $500	Senior Debt	-	-	-	-	-
Piedmont	$300 - $500	Senior Debt	-	-	-	-	-
DE Kentucky	$50 - $70	Senior Debt	-	-	-	-	-

(1) Includes expected long-term financings and excludes various planned structured / other financings at Commercial Renewables
(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 no later than December 31, 2020.
(3) Reopened the existing 3.20% 2049s
(4) Excludes amortization of noncash purchase accounting adjustments and CR3 securitization

Liquidity summary (as of April 30, 2020)

DUKE ENERGY.

($ 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 [1]	$ 2,650	$ 1,500	$ 1,250	$ 800	$ 600	$ 450	$ 150	$ 600	$ 8,000
Less: Notes payable and commercial paper [2]	(390)	(300)	(322)	(390)	(150)	(203)	(86)	(306)	(2,146)
Coal Ash Set-Aside [3]	-	(250)	(250)	-	-	-	-	-	(500)
Outstanding letters of credit (LOCs)	(42)	(4)	(2)	-	-	-	-	(2)	(49)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	$ 2,218	$ 946	$ 676	$ 410	$ 369	$ 247	$ 64	$ 292	$ 5,224
Funded Revolver and Term Loan [4]	$ 2,688		$ 700						$ 3,388
Less: Borrowings Under Credit Facilities	(2,688)		(700)						(3,388)
Available capacity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Equity Forwards	$ 2,535								$ 2,535
Cash & short-term investments									433
Total available liquidity									**$ 8,192**

(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 Carolinas and Duke Energy Progress are required to each maintain $250 million of available capacity under the Master Credit Facility as security to meet obligations under plea agreements reached with the U.S. Department of Justice in 2015 related to violations at North Carolina facilities with ash basins. This requirement expires in May 2020.
(4) Duke Energy Corp 3-year funded revolver of $1B and term loan of $1.6875B. Borrowings under these facilities will be used for general corporate purposes.

Sustainability / Environmental Social and Governance (ESG)

Duke Energy issued updated Climate Report in April 2020

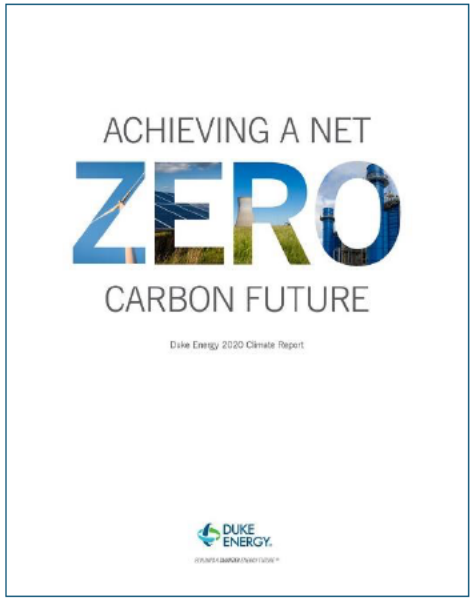
DUKE ENERGY.

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[1] 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**

(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

Duke Energy's long-term culture of sustainability

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 (1)

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_2 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**

(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.*

Employees, customers and communities are foundational to our success

DUKE ENERGY.

Focused on health and safety as our top priority

- Activated unprecedented work at home protocols for ~18,000 employees
- Implemented rotating shifts and enhanced personal protective equipment, CDC-approved disinfectant cleaning; temperature checks and visitor restrictions to protect critical operational staff
- Implemented social distancing procedures for customer interaction and employee protection
- Delayed non-essential customer appointments in the home for customers' protection

EMPLOYEES

Augmented benefits to assist employees through this crisis

- 40 hours of paid time off for dependent care and incremental pay to certain eligible employees
- Waived cost sharing and other insurance costs for COVID-19 care and enhanced assistance to eligible employees experiencing hardship
- Sound stewardship of employee pension funds has resulted in a fully funded plan with lower risk investments

CUSTOMERS

Providing financial and other assistance to our customers and communities during the crisis

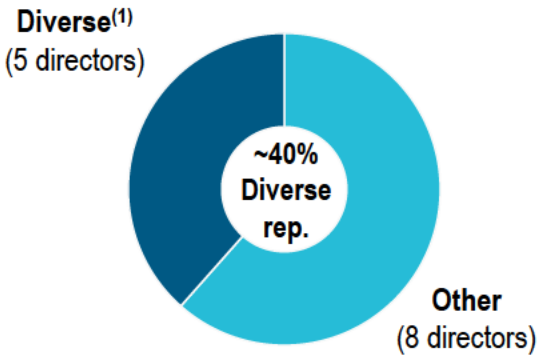
- Suspending service disconnections and waiving late payment and various fees
- Accelerating flow back of fuel overcollections to Florida customers, resulting in ~20% residential bill reduction in May
- Working with C&I customers experiencing financial hardship to potentially provide relaxed payment arrangements
- Supporting hunger relief, local health and human services and education initiatives with Foundation donations and grants of ~$3 million
- Offering bill assistance to support low-income customers in our jurisdictions through Home Energy Fund and Share the Warmth programs

COMMUNITIES

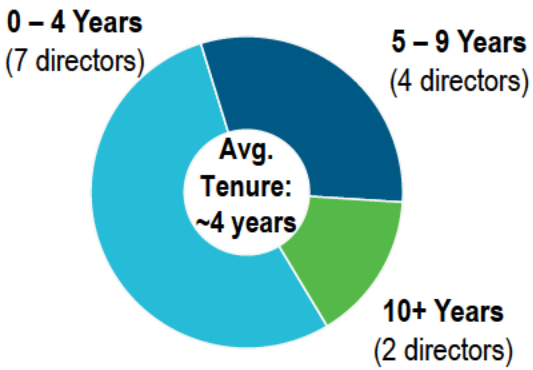
HEALTH AND SAFETY OF EMPLOYEES, CUSTOMERS AND COMMUNITIES IS OUR TOP PRIORITY

Governance and transparency

BOARD DIVERSITY



BOARD TENURE



OTHER DISCLOSURES

- Bloomberg ESG disclosure score of 57.4, the third-best score and in the top quartile of U.S. utilities(2)
- EEI / AGA reporting template provides investors greater uniformity and consistency in reporting of ESG metrics
  - www.duke-energy.com/ /media/pdfs/our-company/duke-energy-eei-esg-sustainability-reporting-pilot.pdf
- Global Reporting Initiative (GRI) disclosure: www.duke-energy.com/our-company/sustainability/global-reporting-initiative-index
- Coal ash management: www.duke-energy.com/our-company/about-us/power-plants/ash-management
- Lobby and political disclosures: www.duke-energy.com/our-company/investors/corporate-governance/political-expenditures-policy

GOVERNANCE

- Duke Energy has increased its representation of women on the BOD to over 30%
- Highest possible ISS Governance score

(1) Racial, gender and ethnic diversity
(2) As of January 29, 2020

see more at: **www.duke-energy.com/our-company/sustainability**

Upcoming events & other

Upcoming events

DUKE ENERGY.

Event	Date
2Q 2020 earnings call	Early August 2020
2020 ESG Investor day	Fall 2020
3Q 2020 earnings call	Early November 2020

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DUKE ENERGY®

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

For additional information on Duke Energy,
please visit: duke-energy.com/investors

Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 12, 2020

Adjusted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 12, 2020, include a discussion of adjusted EPS for the quarters ended March 31, 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 (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 ended March 31, 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 ended March 31, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted EPS for the quarter ended March 31, 2020, to the most directly comparable GAAP measure is included herein.

Special items for the quarter ended March 31, 2020, include the following item, which management believes does not reflect ongoing costs:

- Severance represents a reversal of 2018 severance 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 First Quarter Earnings Review and Business Update on May 12, 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 of $5.25. The materials also reference the long-term range of annual growth of 4% - 6% through 2024 off the original midpoint of 2019 adjusted EPS guidance range of $5.00. 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 and Adjusted Other Net Loss

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 2020, include a discussion of adjusted segment income and adjusted other net loss for the quarter ended March 31, 2020 and a discussion of 2020 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 EPS). Management believes the presentation of adjusted segment income 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 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 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 ended March 31, 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 ended March 31, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted segment income and adjusted other net loss for the quarter ended March 31, 2020 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 EPS guidance.

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

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter ended March 31, 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 quarter ended March 31, 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 First Quarter Earnings Review and Business Update on May 12, 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 April 30, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of April 30, 2020, to the most directly comparable GAAP measure is included herein.

Dividend Payout Ratio

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 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") Ratios

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 2020 include a reference to expected 2020 FFO to Total Debt ratios. These ratios reflect 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) and AMT refunds. 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, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred equity 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.

Non-Rider O&M

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 2020, include a discussion of Duke Energy's non-rider operating, maintenance and other expenses (O&M) for the forecasted year-to-date period ended December 31, 2020. Non-rider O&M expenses are non-GAAP financial measures, as they represent reported O&M expenses adjusted for special items and expenses recovered through riders. The most directly comparable GAAP financial measure for non-rider O&M expenses is reported operating, maintenance and other expenses. A reconciliation of non-rider O&M expenses for the forecasted year-to-date period ended December 31, 2020, to the most directly comparable GAAP measure are included here-in. 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; however, projected non-rider O&M costs have been forecasted for the year ended December 31, 2020 and are presented in the reconciliation herein.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2020
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Item: Severance		Total Adjustments	Adjusted Earnings
SEGMENT INCOME					
Electric Utilities and Infrastructure	**$ 705**	$		$	$ 705
Gas Utilities and Infrastructure	**249**				249
Commercial Renewables	**57**				57
Total Reportable Segment Income	**1,011**				**1,011**
Other	**(112)**	(75)	**A**	(75)	(187)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 899**	**$ (75)**		**$ (75)**	**$ 824**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.24**	**$ (0.10)**		**$ (0.10)**	**$ 1.14**

Note: Earn ngs Per Share amounts are adjusted for accumu ated d v dends for Ser es B Preferred Stock of $0.02.

A Net of $23 m on tax expense. $98 m on reversa of 2018 charges recorded w th n Operat ons, ma ntenance and other on the Condensed Conso dated Statements of Operat ons.

Weighted Average Shares (reported and adjusted) 734 million

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

	Three Months Ended March 31, 2020	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 1,027	
Severance	(98)	
Noncontro ng Interests	48	
Preferred D v dends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 938	
Reported Income Tax Expense From Continuing Operations	$ 137	13.3%
Severance	(23)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 114	12.2%

	Three Months Ended March 31, 2019	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 988	
Noncontro ng Interests	7	
Pretax Income Including Noncontrolling Interests	$ 995	
Reported Income Tax Expense From Continuing Operations	$ 95	9.6%
Tax Expense Including Noncontrolling Interests	$ 95	9.5%

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

Cash and Cash Equivalents	$ 572	
Less: Certain Amounts Held in Foreign Jurisdictions	(10)	
Less: Unavailable Domestic Cash	(129)	
	433	
Plus: Remaining Availability under Master Credit Facilities and other facilities	5,224	
Plus: Remaining Availablity from Equity Forward	2,451	
Plus: Remaining Availability from ATM Forward	84	
Total Available Liquidity (a), April 30, 2020	$ 8,192	approximately 8.2 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 April 30, 2020. 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)

		Original 2020 Assumptions[b]
Operation, maintenance and other	**$**	**6,061**
Adjustments:		
Reagents Recoverable[a]		(102)
Energy Efficiency Recoverable[a]		(424)
Other Deferrals and Recoverable[a]		(382)
Margin based O&M for Commercial Businesses		(202)
Non-Rider operation, maintenance and other	**$**	**4,950**

(a) Primarily represents expenses to be deferred or recovered through rate riders.
(b) Full year amount for 2020, as disclosed on Feb. 13, 2020

News Release

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May 12, 2020

Duke Energy reports first quarter 2020 financial results

- **First quarter 2020 GAAP EPS of $1.24 and adjusted EPS of $1.14**
- **Strong results from gas distribution and commercial renewables businesses**
- **Maintained operational excellence for our communities during COVID-19 crisis**
- **Company affirms 2020 adjusted EPS guidance range of $5.05 to $5.45**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced first quarter 2020 reported earnings per share (EPS) of $1.24, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of $1.14. This is compared to reported and adjusted EPS of $1.24 for the first quarter of 2019. First quarter 2020 results are consistent with internal plans with the exception of mild winter weather and storms.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. The difference between first quarter 2020 reported EPS and adjusted EPS was due to the deferral of 2018 severance charges resulting from a North Carolina regulatory settlement.

For the quarter, we saw improved results in our Gas Utilities and Infrastructure segment from the Piedmont North Carolina rate case and Commercial Renewables experienced growth from new projects. Electric Utilities and Infrastructure was positively impacted by electric base rate case increases in South Carolina and Florida, and higher rider revenues in the Midwest, net of forecasted higher depreciation and amortization. However, these fundamental improvements in our results were offset by mild winter weather along with severe storms that impacted much of our Carolinas utilities territory as well as unrealized investment losses on non-pension executive benefit trusts and higher financing costs at Other. Together these items resulted in lower first quarter 2020 adjusted results.

“As the country battles the COVID-19 pandemic, our thoughts are with those who have felt the impact first-hand, and with those on the front lines who have selflessly stepped forward to serve,” said Lynn Good, Duke Energy chair, president and CEO. “I am proud of our employees’ unwavering commitment to our customers and communities during this trying time.

“The first part of the year has been marked by strong financial results, as well as operational excellence as we adjusted work practices to protect our employees and customers. We successfully managed three nuclear outages, brought a natural gas combined-cycle plant and solar facility online and responded to multiple storms. We are in the early stages of managing through this crisis and still evaluating the financial and economic impacts. Given we are

already taking proactive steps to mitigate the impacts of COVID-19, we are affirming our 2020 adjusted EPS guidance range of $5.05 to $5.45, assuming an economic recovery beginning later this year. We remain focused on generating value for both customers and shareholders in 2020 and beyond, and will draw on the benefits of our size and scale, balance sheet strength, diverse operations and constructive service areas to do so."

Business segment results

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

The discussion below of first 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 first quarter 2020 segment income of $705 million, compared to $750 million in the first quarter of 2019. This represents a decrease of $0.06 per share, excluding share dilution of $0.01 per share. Lower quarterly results were primarily due to mild weather (-$0.05 per share), unfavorable O&M expenses (-$0.03 per share) and higher depreciation and amortization on a growing asset base (-$0.06 per share). These results were partially offset by contributions from base rate case changes (+$0.02 per share), higher riders and other retail margin (+$0.05 per share), volumes (+$0.02 per share) and formula rate adjustments to wholesale contracts (+$0.01 per share).

Gas Utilities and Infrastructure

On a reported and adjusted basis, Gas Utilities and Infrastructure recognized first quarter 2020 segment income of $249 million, compared to $226 million in the first quarter of 2019. This represents an increase of $0.03 per share. Higher quarterly results were driven by contributions from the Piedmont North Carolina rate case (+$0.06 per share) and higher riders and other retail margin (+$0.02 per share) partially offset by a prior year income tax adjustment for equity method investments.

Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized first quarter 2020 segment income of $57 million, compared to a reported and adjusted segment income of $13 million in the first quarter of 2019. This represents an increase of $0.06 per share. Higher quarterly results were primarily impacted by growth from renewable projects placed in service in the prior year (+$0.04 per share) and favorable wind resource and power pricing.

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 first quarter 2020 net loss of $112 million and $187 million, respectively. This is compared to a reported and adjusted net loss of $89 million in the first quarter of 2019. First quarter 2020 results were impacted by a $75 million after-tax reversal of severance charges resulting from a North Carolina regulatory settlement previously recognized during 2018. The severance charges were deferred as regulatory assets. As the 2018 severance charges were treated as a special item, the reversal in the first quarter of 2020 is a special item and excluded from adjusted earnings.

Lower adjusted quarterly results at Other were primarily due to unrealized investment losses on non-pension executive benefit trusts, and higher financing costs.

Effective tax rate

Duke Energy's consolidated reported effective tax rate for the first quarter of 2020 was 13.3% compared to 9.6% in the first quarter of 2019. The increase in the effective tax rate was primarily due to a true-up adjustment related to income tax recognition for equity method investments in the first quarter of 2019, partially offset by 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 first quarter of 2020 was 12.2% compared to the effective tax rate including impacts of noncontrolling interests of 9.5% in the first quarter of 2019. The increase was primarily due to a true-up adjustment related to income tax recognition for equity method investments in the first quarter of 2019, partially offset by an increase 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 from 10 to 11 a.m. ET today to discuss first quarter 2020 financial results. 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) of Duke Energy’s website or by dialing 800.458.4148 in the United States or 323.794.2093 outside the United States. The confirmation code is 1555838. 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, May 22, 2020, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 1555838. 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 EPS for first quarter 2020 financial results:

(In millions, except per share amounts)	After-Tax Amount	1Q 2020 EPS
EPS, as reported		$ 1.24
Adjustments to reported EPS:		
First Quarter 2020		
Severance	$ (75)	(0.10)
Total adjustments		$ (0.10)
EPS, adjusted		$ 1.14

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 from continuing operations available 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 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 Available to Duke Energy common stockholders (GAAP reported earnings), Basic EPS Available to Duke Energy Corporation common stockholders (GAAP reported EPS), and the reported effective tax rate, respectively.

The periods presented include a special item for the reversal of 2018 Severance charges, which were deferred as a result of the partial settlement in the Duke Energy Carolinas 2019 North Carolina rate case. Management believes the special item does not reflect ongoing benefits or 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 and other net loss. Segment income is defined as income from continuing operations net of income attributable to

noncontrolling interests and preferred stock dividends. 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 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. 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. 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 March 31, 2020
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item: Severance	Total Adjustments	Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 705**	$ —	$ —	$ 705
Gas Utilities and Infrastructure	**249**	—	—	249
Commercial Renewables	**57**	—	—	57
Total Reportable Segment Income	**1,011**	**—**	**—**	**1,011**
Other	**(112)**	(75) **A**	(75)	(187)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 899**	**$ (75)**	**$ (75)**	**$ 824**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.24**	**$ (0.10)**	**$ (0.10)**	**$ 1.14**

Note: Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of $0.02.

A - 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

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

	Three Months Ended March 31, 2020	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 1,027	
Severance	(98)	
Noncontrolling Interests	48	
Preferred Dividends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 938	
Reported Income Tax Expense From Continuing Operations	$ 137	13.3%
Severance	(23)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 114	12.2%

	Three Months Ended March 31, 2019	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 988	
Noncontrolling Interests	7	
Pretax Income Including Noncontrolling Interests	$ 995	
Reported Income Tax Expense From Continuing Operations	$ 95	9.6%
Tax Expense Including Noncontrolling Interests	$ 95	9.5%

DUKE ENERGY CORPORATION
EARNINGS VARIANCES
March 2020 YTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
2019 YTD Reported Earnings Per Share	**$ 1.03**	**$ 0.32**	**$ 0.02**	**$ (0.13)**	**$ 1.24**
Weather	(0.05)	—	—	—	(0.05)
Volume[a]	0.02	—	—	—	0.02
Riders and Other Retail Margin[b]	0.05	0.02	—	—	0.07
Rate case impacts, net[c]	0.02	0.06	—	—	0.08
Wholesale	0.01	—	—	—	0.01
Operations and maintenance, net of recoverables[d]	(0.03)	—	—	—	(0.03)
Midstream Gas Pipelines[e]	—	(0.05)	—	—	(0.05)
Duke Energy Renewables[f]	—	—	0.06	—	0.06
AFUDC Equity	0.01	—	—	—	0.01
Depreciation and amortization[g]	(0.06)	—	—	—	(0.06)
Preferred Dividends	—	—	—	(0.04)	(0.04)
Other[h]	(0.03)	—	—	(0.08)	(0.11)
Total variance before share count	$ (0.06)	$ 0.03	$ 0.06	$ (0.12)	$ (0.09)
Change in share count	(0.01)	—	—	—	(0.01)
2020 YTD Adjusted Earnings Per Share	**$ 0.96**	**$ 0.35**	**$ 0.08**	**$ (0.25)**	**$ 1.14**
Severance	—	—	—	0.10	0.10
2020 YTD Reported Earnings Per Share	**$ 0.96**	**$ 0.35**	**$ 0.08**	**$ (0.15)**	**$ 1.24**

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 727 million shares to 734 million.

(a) Includes unbilled revenue true-up related to prior years.
(b) Electric Utilities and Infrastructure is primarily driven by higher energy efficiency and grid modernization rider programs (+$0.03).
(c) 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.
(d) Includes higher employee related expenses due to timing and storm costs at DEC and DEP partially offset by lower customer delivery charges.
(e) Primarily related to a favorable income tax adjustment for equity method investments in the prior year.
(f) Primarily includes renewable projects placed in service in the prior year (+$0.04) and favorable wind resource and power pricing.
(g) Excludes rate case impacts.
(h) Electric Utilities and Infrastructure includes the impact of insurance proceeds received in the prior year (-$0.01). Other includes unrealized investment losses on non-pension executive benefit trusts.

March 2020
QUARTERLY HIGHLIGHTS
(Unaudited)

(In millions, except per share amounts and where noted)	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Earnings Per Share – Basic and Diluted		
Net income available to Duke Energy Corporation common stockholders		
Basic and Diluted	**$ 1.24**	$ 1.24
Weighted average shares outstanding		
Basic	**734**	727
Diluted	**736**	727
INCOME (LOSS) BY BUSINESS SEGMENT		
Electric Utilities and Infrastructure	**$ 705**	$ 750
Gas Utilities and Infrastructure	**249**	226
Commercial Renewables	**57**	13
Total Reportable Segment Income	**1,011**	989
Other[(a)]	**(112)**	(89)
Net Income Available to Duke Energy Corporation common stockholders	**$ 899**	$ 900
CAPITALIZATION		
Total Common Equity (%)	**43%**	43%
Total Debt (%)	**57%**	57%
Total Debt	**$ 64,421**	$ 59,211
Book Value Per Share	**$ 65.42**	$ 61.88
Actual Shares Outstanding	**735**	728
CAPITAL AND INVESTMENT EXPENDITURES		
Electric Utilities and Infrastructure	**$ 2,060**	$ 2,113
Gas Utilities and Infrastructure	**327**	364
Commercial Renewables	**451**	90
Other	**71**	63
Total Capital and Investment Expenditures	**$ 2,909**	$ 2,630

(a) Includes a $98 million (after tax $75M) reversal of 2018 severance charges due to the partial settlement of the Duke Energy Carolina's North Carolina rate case for the three months ended March 31, 2020.

DUKE ENERGY CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In millions, except per share amounts)

	Three Months Ended March 31,	
	2020	**2019**
Operating Revenues		
Regulated electric	**$ 5,124**	$ 5,285
Regulated natural gas	**638**	728
Nonregulated electric and other	**187**	150
Total operating revenues	**5,949**	6,163
Operating Expenses		
Fuel used in electric generation and purchased power	**1,447**	1,609
Cost of natural gas	**199**	327
Operation, maintenance and other	**1,339**	1,419
Depreciation and amortization	**1,130**	1,089
Property and other taxes	**345**	343
Impairment charges	**2**	—
Total operating expenses	**4,462**	4,787
Gains (Losses) on Sales of Other Assets and Other, net	**1**	(3)
Operating Income	**1,488**	1,373
Other Income and Expenses		
Equity in earnings of unconsolidated affiliates	**44**	43
Other income and expenses, net	**46**	115
Total other income and expenses	**90**	158
Interest Expense	**551**	543
Income Before Income Taxes	**1,027**	988
Income Tax Expense	**137**	95
Net Income	**890**	893
Less: Net Loss Attributable to Noncontrolling Interests	**(48)**	(7)
Net Income Attributable to Duke Energy Corporation	**938**	900
Less: Preferred Dividends	**39**	—
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 899**	$ 900
Earnings Per Share – Basic and Diluted		
Net income available to Duke Energy Corporation common stockholders		
Basic and Diluted	**$ 1.24**	$ 1.24
Weighted average shares outstanding		
Basic	**734**	727
Diluted	**736**	727

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2020	December 31, 2019
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 1,450**	$ 311
Receivables (net of allowance for doubtful accounts of $28 at 2020 and $22 at 2019)	**809**	1,066
Receivables of VIEs (net of allowance for doubtful accounts of $61 at 2020 and $54 at 2019)	**1,828**	1,994
Inventory	**3,324**	3,232
Regulatory assets (includes $53 at 2020 and $52 at 2019 related to VIEs)	**1,770**	1,796
Other (includes $300 at 2020 and $242 at 2019 related to VIEs)	**1,000**	764
Total current assets	**10,181**	9,163
Property, Plant and Equipment		
Cost	**149,676**	147,654
Accumulated depreciation and amortization	**(46,599)**	(45,773)
Generation facilities to be retired, net	**31**	246
Net property, plant and equipment	**103,108**	102,127
Other Noncurrent Assets		
Goodwill	**19,303**	19,303
Regulatory assets (includes $980 at 2020 and $989 at 2019 related to VIEs)	**13,413**	13,222
Nuclear decommissioning trust funds	**7,052**	8,140
Operating lease right-of-use assets, net	**1,633**	1,658
Investments in equity method unconsolidated affiliates	**2,067**	1,936
Other (includes $87 at 2020 and $110 at 2019 related to VIEs)	**3,315**	3,289
Total other noncurrent assets	**46,783**	47,548
Total Assets	**$ 160,072**	$ 158,838
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	**$ 2,364**	$ 3,487
Notes payable and commercial paper	**3,033**	3,135
Taxes accrued	**493**	392
Interest accrued	**571**	565
Current maturities of long-term debt (includes $216 at 2020 and 2019 related to VIEs)	**5,077**	3,141
Asset retirement obligations	**802**	881
Regulatory liabilities	**826**	784
Other	**2,004**	2,367
Total current liabilities	**15,170**	14,752
Long-Term Debt (includes $3,966 at 2020 and $3,997 at 2019 related to VIEs)	**56,311**	54,985
Other Noncurrent Liabilities		
Deferred income taxes	**9,321**	8,878
Asset retirement obligations	**12,497**	12,437
Regulatory liabilities	**14,029**	15,264
Operating lease liabilities	**1,414**	1,432
Accrued pension and other post-retirement benefit costs	**919**	934
Investment tax credits	**659**	624
Other (includes $258 at 2020 and $228 at 2019 related to VIEs)	**1,669**	1,581
Total other noncurrent liabilities	**40,508**	41,150
Commitments and Contingencies		
Equity		
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, $0.001 par value, 2 billion shares authorized; 735 million shares outstanding at 2020 and 733 million shares outstanding at 2019	**1**	1
Additional paid-in capital	**40,930**	40,881
Retained earnings	**4,221**	4,108
Accumulated other comprehensive loss	**(193)**	(130)
Total Duke Energy Corporation stockholders' equity	**46,921**	46,822
Noncontrolling interests	**1,162**	1,129
Total equity	**48,083**	47,951
Total Liabilities and Equity	**$ 160,072**	$ 158,838

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

	Three Months Ended March 31,	
	2020	**2019**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	**$ 890**	$ 893
Adjustments to reconcile net income to net cash provided by operating activities	**664**	346
Net cash provided by operating activities	**1,554**	1,239
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used in investing activities	**(3,022)**	(2,713)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided by financing activities	**2,593**	1,433
Net increase (decrease) in cash, cash equivalents and restricted cash	**1,125**	(41)
Cash, cash equivalents and restricted cash at beginning of period	**573**	591
Cash, cash equivalents and restricted cash at end of period	**$ 1,698**	$ 550

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31, 2020					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Operating Revenues						
Regulated electric	$ 5,183	$ —	$ 1	$ —	$ (60)	**$ 5,124**
Regulated natural gas	—	661	—	—	(23)	**638**
Nonregulated electric and other	—	3	128	23	33	**187**
Total operating revenues	5,183	664	129	23	(50)	**5,949**
Operating Expenses						
Fuel used in electric generation and purchased power	1,467	—	—	—	(20)	**1,447**
Cost of natural gas	—	199	—	—	—	**199**
Operation, maintenance and other	1,325	110	69	(138)	(27)	**1,339**
Depreciation and amortization	977	66	48	45	(6)	**1,130**
Property and other taxes	303	30	8	4	—	**345**
Impairment charges	2	—	—	—	—	**2**
Total operating expenses	4,074	405	125	(89)	(53)	**4,462**
Gains on Sales of Other Assets and Other, net	1	—	—	—	—	**1**
Operating Income	1,110	259	4	112	3	**1,488**
Other Income and Expenses						
Equity in earnings (losses) of unconsolidated affiliates	2	37	(2)	7	—	**44**
Other income and expenses, net	83	12	1	(40)	(10)	**46**
Total Other Income and Expenses	85	49	(1)	(33)	(10)	**90**
Interest Expense	339	31	18	171	(8)	**551**
Income (Loss) Before Income Taxes	856	277	(15)	(92)	1	**1,027**
Income Tax Expense (Benefit)	151	28	(24)	(19)	1	**137**
Net Income (Loss)	705	249	9	(73)	—	**890**
Less: Net Loss Attributable to Noncontrolling Interest[a]	—	—	(48)	—	—	**(48)**
Net Income Attributable to Duke Energy Corporation	**705**	**249**	**57**	**(73)**	**—**	**938**
Less: Preferred Dividends	—	—	—	39	—	**39**
Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders	$ 705	$ 249	$ 57	$ (112)	$ —	**$ 899**
Special Item	—	—	—	(75)	—	**(75)**
Adjusted Earnings[b]	$ 705	$ 249	$ 57	$ (187)	$ —	**$ 824**

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

	Three Months Ended March 31, 2019					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Operating Revenues						
Regulated electric	$ 5,329	$ —	$ —	$ —	$ (44)	**$ 5,285**
Regulated natural gas	—	752	—	—	(24)	**728**
Nonregulated electric and other	—	4	106	21	19	**150**
Total operating revenues	5,329	756	106	21	(49)	**6,163**
Operating Expenses						
Fuel used in electric generation and purchased power	1,630	—	—	—	(21)	**1,609**
Cost of natural gas	—	327	—	—	—	**327**
Operation, maintenance and other	1,282	110	66	(13)	(26)	**1,419**
Depreciation and amortization	947	65	40	38	(1)	**1,089**
Property and other taxes	301	33	6	3	—	**343**
Total operating expenses	4,160	535	112	28	(48)	**4,787**
Losses on Sales of Other Assets and Other, net	(3)	—	—	—	—	**(3)**
Operating Income (Loss)	1,166	221	(6)	(7)	(1)	**1,373**
Other Income and Expenses						
Equity in earnings (losses) of unconsolidated affiliates	2	33	(1)	9	—	**43**
Other income and expenses, net	89	7	(1)	35	(15)	**115**
Total Other Income and Expenses	91	40	(2)	44	(15)	**158**
Interest Expense	338	30	21	171	(17)	**543**
Income (Loss) Before Income Taxes	919	231	(29)	(134)	1	**988**
Income Tax Expense (Benefit)	169	5	(35)	(45)	1	**95**
Net Income (Loss)	750	226	6	(89)	—	**893**
Less: Net Loss Attributable to Noncontrolling Interest	—	—	(7)	—	—	**(7)**
Segment Income / Other Net Loss / Net Income Attributable to Duke Energy Corporation	$ 750	$ 226	$ 13	$ (89)	$ —	**$ 900**

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

	March 31, 2020					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Current Assets						
Cash and cash equivalents	$ 85	$ 7	$ 7	$ 1,350	$ 1	**$ 1,450**
Receivables, net	509	187	98	16	(1)	**809**
Receivables of variable interest entities, net	1,828	—	—	—	—	**1,828**
Receivables from affiliated companies	96	15	601	624	(1,336)	**—**
Notes receivable from affiliated companies	616	—	—	810	(1,426)	**—**
Inventory	3,164	65	68	27	—	**3,324**
Regulatory assets	1,576	97	—	98	(1)	**1,770**
Other	155	13	198	687	(53)	**1,000**
Total current assets	8,029	384	972	3,612	(2,816)	**10,181**
Property, Plant and Equipment						
Cost	129,190	12,044	6,233	2,311	(102)	**149,676**
Accumulated depreciation and amortization	(41,715)	(2,555)	(1,073)	(1,255)	(1)	**(46,599)**
Generation facilities to be retired, net	31	—	—	—	—	**31**
Net property, plant and equipment	87,506	9,489	5,160	1,056	(103)	**103,108**
Other Noncurrent Assets						
Goodwill	17,379	1,924	—	—	—	**19,303**
Regulatory assets	12,270	636	—	507	—	**13,413**
Nuclear decommissioning trust funds	7,052	—	—	—	—	**7,052**
Operating lease right-of-use assets, net	1,215	23	104	290	1	**1,633**
Investments in equity method unconsolidated affiliates	124	1,452	380	110	1	**2,067**
Investment in consolidated subsidiaries	378	7	3	63,334	(63,722)	**—**
Other	2,166	159	169	1,456	(635)	**3,315**
Total other noncurrent assets	40,584	4,201	656	65,697	(64,355)	**46,783**
Total Assets	136,119	14,074	6,788	70,365	(67,274)	**160,072**
Segment reclassifications, intercompany balances and other	(1,281)	24	(604)	(65,401)	67,262	**—**
Segment Assets	$ 134,838	$ 14,098	$ 6,184	$ 4,964	$ (12)	**$ 160,072**

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

	March 31, 2020					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Current Liabilities						
Accounts payable	$ 1,671	$ 189	$ 128	$ 376	$ —	**$ 2,364**
Accounts payable to affiliated companies	599	16	80	582	(1,277)	**—**
Notes payable to affiliated companies	443	620	35	335	(1,433)	**—**
Notes payable and commercial paper	—	—	157	2,876	—	**3,033**
Taxes accrued	465	50	323	(345)	—	**493**
Interest accrued	395	39	1	136	—	**571**
Current maturities of long-term debt	2,355	26	162	2,537	(3)	**5,077**
Asset retirement obligations	802	—	—	—	—	**802**
Regulatory liabilities	706	117	—	2	1	**826**
Other	1,463	60	71	517	(107)	**2,004**
Total current liabilities	8,899	1,117	957	7,016	(2,819)	**15,170**
Long-Term Debt	34,713	3,066	1,538	17,093	(99)	**56,311**
Long-Term Debt Payable to Affiliated Companies	618	7	9	—	(634)	**—**
Other Noncurrent Liabilities						
Deferred income taxes	10,511	1,108	(580)	(1,718)	—	**9,321**
Asset retirement obligations	12,311	55	131	—	—	**12,497**
Regulatory liabilities	12,523	1,482	—	24	—	**14,029**
Operating lease liabilities	1,096	22	106	190	—	**1,414**
Accrued pension and other post-retirement benefit costs	590	32	3	295	(1)	**919**
Investment tax credits	657	2	—	—	—	**659**
Other	822	255	287	494	(189)	**1,669**
Total other noncurrent liabilities	38,510	2,956	(53)	(715)	(190)	**40,508**
Equity						
Total Duke Energy Corporation stockholders' equity	53,379	6,928	3,178	46,969	(63,533)	**46,921**
Noncontrolling interests	—	—	1,159	2	1	**1,162**
Total equity	53,379	6,928	4,337	46,971	(63,532)	**48,083**
Total Liabilities and Equity	136,119	14,074	6,788	70,365	(67,274)	**160,072**
Segment reclassifications, intercompany balances and other	(1,281)	24	(604)	(65,401)	67,262	**—**
Segment Liabilities and Equity	$ 134,838	$ 14,098	$ 6,184	$ 4,964	$ (12)	**$ 160,072**

ELECTRIC UTILITIES AND INFRASTRUCTURE
CONDENSED CONSOLIDATING SEGMENT INCOME
(Unaudited)

	Three Months Ended March 31, 2020						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Other**	**Electric Utilities and Infrastructure**
Operating Revenues	$ 1,748	$ 1,338	$ 1,080	$ 346	$ 692	$ (21)	**$ 5,183**
Operating Expenses							
Fuel used in electric generation and purchased power	453	405	358	87	194	(30)	**1,467**
Operation, maintenance and other	453	337	245	94	185	11	**1,325**
Depreciation and amortization	343	287	165	47	132	3	**977**
Property and other taxes	81	47	88	65	22	—	**303**
Impairment charges	2	—	—	—	—	—	**2**
Total operating expenses	1,332	1,076	856	293	533	(16)	**4,074**
Gains (Losses) on Sales of Other Assets and Other, net	1	(1)	—	—	—	1	**1**
Operating Income	417	261	224	53	159	(4)	**1,110**
Other Income and Expenses, net[b]	43	22	10	2	10	(2)	**85**
Interest Expense	123	69	84	20	43	—	**339**
Income Before Income Taxes	337	214	150	35	126	(6)	**856**
Income Tax Expense	50	34	30	5	27	5	**151**
Segment Income	$ 287	$ 180	$ 120	$ 30	$ 99	$ (11)	**$ 705**

(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, $10 million for Duke Energy Progress, $4 million for Duke Energy Florida, $1 million for Duke Energy Ohio and $6 million for Duke Energy Indiana.

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

	March 31, 2020						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Adjustments[b]**	**Electric Utilities and Infrastructure**
Current Assets							
Cash and cash equivalents	$ 16	$ 32	$ 12	$ 10	$ 15	$ —	**$ 85**
Receivables, net	212	77	80	88	50	2	**509**
Receivables of variable interest entities, net	616	410	335	—	—	467	**1,828**
Receivables from affiliated companies	87	50	—	46	76	(163)	**96**
Notes receivable from affiliated companies	436	—	—	—	543	(363)	**616**
Inventory	1,067	956	508	94	538	1	**3,164**
Regulatory assets	524	503	451	17	78	3	**1,576**
Other	32	56	37	(3)	36	(3)	**155**
Total current assets	2,990	2,084	1,423	252	1,336	(56)	**8,029**
Property, Plant and Equipment							
Cost	49,534	34,898	20,880	7,005	16,482	391	**129,190**
Accumulated depreciation and amortization	(16,884)	(12,114)	(5,339)	(2,031)	(5,350)	3	**(41,715)**
Generation facilities to be retired, net	—	31	—	—	—	—	**31**
Net property, plant and equipment	32,650	22,815	15,541	4,974	11,132	394	**87,506**
Other Noncurrent Assets							
Goodwill	—	—	—	596	—	16,783	**17,379**
Regulatory assets	3,427	4,392	2,097	355	1,098	901	**12,270**
Nuclear decommissioning trust funds	3,717	2,644	691	—	—	—	**7,052**
Operating lease right-of-use assets, net	132	377	386	21	57	242	**1,215**
Investments in equity method unconsolidated affiliates	—	—	—	—	—	124	**124**
Investment in consolidated subsidiaries	31	5	1	179	1	161	**378**
Other	1,136	682	329	45	213	(239)	**2,166**
Total other noncurrent assets	8,443	8,100	3,504	1,196	1,369	17,972	**40,584**
Total Assets	44,083	32,999	20,468	6,422	13,837	18,310	**136,119**
Segment reclassifications, intercompany balances and other	(344)	(136)	(103)	(184)	(135)	(379)	**(1,281)**
Reportable Segment Assets	$ 43,739	$ 32,863	$ 20,365	$ 6,238	$ 13,702	$ 17,931	**$ 134,838**

(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)

	March 31, 2020						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Adjustments[b]**	**Electric Utilities and Infrastructure**
Current Liabilities							
Accounts payable	$ 605	$ 319	$ 411	$ 180	$ 157	$ (1)	**$ 1,671**
Accounts payable to affiliated companies	225	208	111	15	66	(26)	**599**
Notes payable to affiliated companies	—	229	305	265	—	(356)	**443**
Taxes accrued	117	43	74	145	81	5	**465**
Interest accrued	144	90	79	22	60	—	**395**
Current maturities of long-term debt	457	1,006	322	(26)	503	93	**2,355**
Asset retirement obligations	197	421	—	3	181	—	**802**
Regulatory liabilities	275	263	84	37	46	1	**706**
Other	478	429	383	65	92	16	**1,463**
Total current liabilities	2,498	3,008	1,769	706	1,186	(268)	**8,899**
Long-Term Debt	12,050	7,903	7,384	2,046	3,950	1,380	**34,713**
Long-Term Debt Payable to Affiliated Companies	300	150	—	18	150	—	**618**
Other Noncurrent Liabilities							
Deferred income taxes	4,015	2,458	2,193	665	1,158	22	**10,511**
Asset retirement obligations	5,552	5,442	578	40	645	54	**12,311**
Regulatory liabilities	5,766	3,790	918	381	1,672	(4)	**12,523**
Operating lease liabilities	112	344	334	20	54	232	**1,096**
Accrued pension and other post-retirement benefit costs	82	235	214	76	148	(165)	**590**
Investment tax credits	230	135	119	3	170	—	**657**
Other	641	85	50	66	30	(50)	**822**
Total other noncurrent liabilities	16,398	12,489	4,406	1,251	3,877	89	**38,510**
Equity	12,837	9,449	6,909	2,401	4,674	17,109	**53,379**
Total Liabilities and Equity	44,083	32,999	20,468	6,422	13,837	18,310	**136,119**
Segment reclassifications, intercompany balances and other	(344)	(136)	(103)	(184)	(135)	(379)	**(1,281)**
Reportable Segment Liabilities and Equity	$ 43,739	$ 32,863	$ 20,365	$ 6,238	$ 13,702	$ 17,931	**$ 134,838**

(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)

	Three Months Ended March 31, 2020				
(In millions)	**Duke Energy Ohio[a]**	**Piedmont Natural Gas LDC**	**Midstream Pipelines and Storage[b]**	**Eliminations/ Adjustments**	**Gas Utilities and Infrastructure**
Operating Revenues	$ 152	$ 512	$ —	$ —	**$ 664**
Operating Expenses					
Cost of natural gas	37	162	—	—	**199**
Operation, maintenance and other	29	79	2	—	**110**
Depreciation and amortization	21	45	—	—	**66**
Property and other taxes	18	12	—	—	**30**
Total operating expenses	105	298	2	—	**405**
Operating Income (Loss)	47	214	(2)	—	**259**
Other Income and Expenses					
Equity in earnings of unconsolidated affiliates	—	—	37	—	**37**
Other income and expenses, net	1	9	—	2	**12**
Total other income and expenses	1	9	37	2	**49**
Interest Expense	4	27	—	—	**31**
Income Before Income Taxes	44	196	35	2	**277**
Income Tax Expense	8	28	—	(8)	**28**
Segment Income	$ 36	$ 168	$ 35	$ 10	**$ 249**

(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)

	March 31, 2020				
(In millions)	**Duke Energy Ohio[a]**	**Piedmont Natural Gas LDC**	**Midstream Pipelines and Storage**	**Eliminations/ Adjustments[b]**	**Gas Utilities and Infrastructure**
Current Assets					
Cash and cash equivalents	$ 4	$ 4	$ —	$ (1)	**$ 7**
Receivables, net	(4)	191	—	—	**187**
Receivables from affiliated companies	5	89	—	(79)	**15**
Inventory	27	39	—	(1)	**65**
Regulatory assets	1	96	—	—	**97**
Other	(1)	11	1	2	**13**
Total current assets	32	430	1	(79)	**384**
Property, Plant and Equipment					
Cost	3,396	8,648	—	—	**12,044**
Accumulated depreciation and amortization	(852)	(1,703)	—	—	**(2,555)**
Net property, plant and equipment	2,544	6,945	—	—	**9,489**
Other Noncurrent Assets					
Goodwill	324	49	—	1,551	**1,924**
Regulatory assets	226	263	—	147	**636**
Operating lease right-of-use assets, net	—	23	—	—	**23**
Investments in equity method unconsolidated affiliates	—	—	1,442	10	**1,452**
Investment in consolidated subsidiaries	—	—	—	7	**7**
Other	10	132	16	1	**159**
Total other noncurrent assets	560	467	1,458	1,716	**4,201**
Total Assets	3,136	7,842	1,459	1,637	**14,074**
Segment reclassifications, intercompany balances and other	(1)	(18)	(13)	56	**24**
Reportable Segment Assets	$ 3,135	$ 7,824	$ 1,446	$ 1,693	**$ 14,098**

(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)

	March 31, 2020				
(In millions)	**Duke Energy Ohio[a]**	**Piedmont Natural Gas LDC**	**Midstream Pipelines and Storage**	**Eliminations/ Adjustments[b]**	**Gas Utilities and Infrastructure**
Current Liabilities					
Accounts payable	$ 44	$ 144	$ —	$ 1	**$ 189**
Accounts payable to affiliated companies	—	17	79	(80)	**16**
Notes payable to affiliated companies	134	486	—	—	**620**
Taxes accrued	15	32	4	(1)	**50**
Interest accrued	8	32	—	(1)	**39**
Current maturities of long-term debt	26	—	—	—	**26**
Regulatory liabilities	26	91	—	—	**117**
Other	4	55	—	1	**60**
Total current liabilities	257	857	83	(80)	**1,117**
Long-Term Debt	549	2,385	—	132	**3,066**
Long-Term Debt Payable to Affiliated Companies	7	—	—	—	**7**
Other Noncurrent Liabilities					
Deferred income taxes	288	727	114	(21)	**1,108**
Asset retirement obligations	38	17	—	—	**55**
Regulatory liabilities	381	1,087	—	14	**1,482**
Operating lease liabilities	—	22	—	—	**22**
Accrued pension and other post-retirement benefit costs	25	7	—	—	**32**
Investment tax credits	2	—	—	—	**2**
Other	28	119	11	97	**255**
Total other noncurrent liabilities	762	1,979	125	90	**2,956**
Equity	1,561	2,621	1,251	1,495	**6,928**
Total Liabilities and Equity	3,136	7,842	1,459	1,637	**14,074**
Segment reclassifications, intercompany balances and other	(1)	(18)	(13)	56	**24**
Reportable Segment Liabilities and Equity	$ 3,135	$ 7,824	$ 1,446	$ 1,693	**$ 14,098**

(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
March 2020

	Three Months Ended March 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
Gigawatt-hour (GWh) Sales[a]				
Residential	20,874	22,218	(6.0%)	(0.9%)
General Service	17,682	17,917	(1.3%)	0.6%
Industrial	11,983	12,048	(0.5%)	—%
Other Energy Sales	144	145	(0.7%)	n/a
Unbilled Sales	(585)	(1,336)	56.2%	n/a
Total Retail Sales	50,098	50,992	(1.8%)	(0.2%)
Wholesale and Other	8,854	9,702	(8.7%)	
Total Consolidated Electric Sales – Electric Utilities and Infrastructure	58,952	60,694	(2.9%)	
Average Number of Customers (Electric)				
Residential	6,811,644	6,709,086	1.5%	
General Service	996,789	988,438	0.8%	
Industrial	17,314	17,398	(0.5%)	
Other Energy Sales	30,930	28,556	8.3%	
Total Retail Customers	7,856,677	7,743,478	1.5%	
Wholesale and Other	46	51	(9.8%)	
Total Average Number of Customers – Electric Utilities and Infrastructure	7,856,723	7,743,529	1.5%	
Sources of Electric Energy (GWh)				
Generated – Net Output[c]				
Coal	7,152	11,486	(37.7%)	
Nuclear	18,804	18,590	1.2%	
Hydro	1,021	1,053	(3.0%)	
Oil and Natural Gas	19,587	17,649	11.0%	
Renewable Energy	215	125	72.0%	
Total Generation[d]	46,779	48,903	(4.3%)	
Purchased Power and Net Interchange[e]	15,163	14,912	1.7%	
Total Sources of Energy	61,942	63,815	(2.9%)	
Less: Line Loss and Other	2,990	3,121	(4.2%)	
Total GWh Sources	58,952	60,694	(2.9%)	
Owned Megawatt (MW) Capacity[c]				
Summer	50,635	50,888		
Winter	54,175	54,574		
Nuclear Capacity Factor (%)[f]	97	98		

(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 sta ions.
(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
March 2020

	Three Months Ended March 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	7,361	7,755	(5.1%)	
General Service	6,815	6,822	(0.1%)	
Industrial	4,875	4,934	(1.2%)	
Other Energy Sales	79	80	(1.3%)	
Unbilled Sales	(75)	(355)	78.9%	
Total Retail Sales	19,055	19,236	(0.9%)	0.8%
Wholesale and Other	2,181	2,592	(15.9%)	
Total Consolidated Electric Sales – Duke Energy Carolinas	21,236	21,828	(2.7%)	
Average Number of Customers				
Residential	2,285,112	2,244,914	1.8%	
General Service	364,075	360,183	1.1%	
Industrial	6,113	6,131	(0.3%)	
Other Energy Sales	22,787	20,522	11.0%	
Total Retail Customers	2,678,087	2,631,750	1.8%	
Wholesale and Other	24	20	20.0%	
Total Average Number of Customers – Duke Energy Carolinas	2,678,111	2,631,770	1.8%	
Sources of Electric Energy (GWh)				
Generated – Net Output[c]				
Coal	2,459	3,222	(23.7%)	
Nuclear	11,522	11,466	0.5%	
Hydro	743	779	(4.6%)	
Oil and Natural Gas	4,868	4,081	19.3%	
Renewable Energy	44	34	29.4%	
Total Generation[d]	19,636	19,582	0.3%	
Purchased Power and Net Interchange[e]	2,415	2,902	(16.8%)	
Total Sources of Energy	22,051	22,484	(1.9%)	
Less: Line Loss and Other	815	656	24.2%	
Total GWh Sources	21,236	21,828	(2.7%)	
Owned MW Capacity[c]				
Summer	20,192	20,209		
Winter	21,127	21,137		
Nuclear Capacity Factor (%)[f]	99	100		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	1,390	1,603	(13.3%)	
Cooling Degree Days	35	4	775.0%	
Variance from Normal				
Heating Degree Days	(19.6%)	(6.9%)		
Cooling Degree Days	382.8%	(46.0%)		

(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 sta ions.
(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
March 2020

	Three Months Ended March 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	4,618	4,898	(5.7%)	
General Service	3,471	3,538	(1.9%)	
Industrial	2,497	2,501	(0.2%)	
Other Energy Sales	19	19	—%	
Unbilled Sales	(355)	(364)	2.5%	
Total Retail Sales	10,250	10,592	(3.2%)	(0.3%)
Wholesale and Other	5,420	5,756	(5.8%)	
Total Consolidated Electric Sales – Duke Energy Progress	15,670	16,348	(4.1%)	
Average Number of Customers				
Residential	1,362,360	1,341,886	1.5%	
General Service	237,477	235,425	0.9%	
Industrial	4,002	4,047	(1.1%)	
Other Energy Sales	1,416	1,417	(0.1%)	
Total Retail Customers	1,605,255	1,582,775	1.4%	
Wholesale and Other	9	14	(35.7%)	
Total Average Number of Customers – Duke Energy Progress	1,605,264	1,582,789	1.4%	
Sources of Electric Energy (GWh)				
Generated – Net Output[c]				
Coal	615	1,781	(65.5%)	
Nuclear	7,282	7,124	2.2%	
Hydro	241	252	(4.4%)	
Oil and Natural Gas	5,891	5,438	8.3%	
Renewable Energy	52	46	13.0%	
Total Generation[d]	14,081	14,641	(3.8%)	
Purchased Power and Net Interchange[e]	2,099	2,201	(4.6%)	
Total Sources of Energy	16,180	16,842	(3.9%)	
Less: Line Loss and Other	510	494	3.2%	
Total GWh Sources	15,670	16,348	(4.1%)	
Owned MW Capacity[c]				
Summer	12,442	12,779		
Winter	13,497	13,942		
Nuclear Capacity Factor (%)[f]	93	92		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	1,186	1,483	(20.0%)	
Cooling Degree Days	52	6	766.7%	
Variance from Normal				
Heating Degree Days	(25.8%)	(7.8%)		
Cooling Degree Days	349.1%	(45.5%)		

(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 sta ions.
(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
March 2020

	Three Months Ended March 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	4,060	4,214	(3.7%)	
General Service	3,285	3,273	0.4%	
Industrial	769	677	13.6%	
Other Energy Sales	6	6	—%	
Unbilled Sales	183	(232)	178.9%	
Total Retail Sales	8,303	7,938	4.6%	0.7%
Wholesale and Other	314	383	(18.0%)	
Total Electric Sales – Duke Energy Florida	8,617	8,321	3.6%	
Average Number of Customers				
Residential	1,642,342	1,616,295	1.6%	
General Service	204,184	202,710	0.7%	
Industrial	2,010	2,039	(1.4%)	
Other Energy Sales	1,492	1,504	(0.8%)	
Total Retail Customers	1,850,028	1,822,548	1.5%	
Wholesale and Other	8	12	(33.3%)	
Total Average Number of Customers – Duke Energy Florida	1,850,036	1,822,560	1.5%	
Sources of Electric Energy (GWh)				
Generated – Net Output[c]				
Coal	35	618	(94.3%)	
Oil and Natural Gas	8,266	7,487	10.4%	
Renewable Energy	114	41	178.0%	
Total Generation[d]	8,415	8,146	3.3%	
Purchased Power and Net Interchange[e]	901	860	4.8%	
Total Sources of Energy	9,316	9,006	3.4%	
Less: Line Loss and Other	699	685	2.0%	
Total GWh Sources	8,617	8,321	3.6%	
Owned MW Capacity[c]				
Summer	10,302	10,218		
Winter	11,347	11,308		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	220	271	(18.8%)	
Cooling Degree Days	470	244	92.6%	
Variance from Normal				
Heating Degree Days	(9.8%)	(26.9%)		
Cooling Degree Days	138.0%	27.8%		

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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 sta ions.
(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
March 2020

	Three Months Ended March 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	2,290	2,523	(9.2%)	
General Service	2,198	2,275	(3.4%)	
Industrial	1,365	1,394	(2.1%)	
Other Energy Sales	27	27	—%	
Unbilled Sales	(152)	(197)	22.8%	
Total Retail Sales	5,728	6,022	(4.9%)	(0.8%)
Wholesale and Other	95	142	(33.1%)	
Total Electric Sales – Duke Energy Ohio	5,823	6,164	(5.5%)	
Average Number of Customers				
Residential	779,652	772,754	0.9%	
General Service	88,871	88,493	0.4%	
Industrial	2,491	2,481	0.4%	
Other Energy Sales	3,431	3,377	1.6%	
Total Retail Customers	874,445	867,105	0.8%	
Wholesale and Other	1	1	—%	
Total Average Number of Customers – Duke Energy Ohio	874,446	867,106	0.8%	
Sources of Electric Energy (GWh)				
Generated – Net Output[c]				
Coal	622	371	67.7%	
Oil and Natural Gas	(1)	1	(200.0%)	
Total Generation[d]	621	372	66.9%	
Purchased Power and Net Interchange[e]	5,874	6,601	(11.0%)	
Total Sources of Energy	6,495	6,973	(6.9%)	
Less: Line Loss and Other	672	809	(16.9%)	
Total GWh Sources	5,823	6,164	(5.5%)	
Owned MW Capacity[c]				
Summer	1,076	1,076		
Winter	1,164	1,164		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	2,186	2,571	(15.0%)	
Cooling Degree Days	5	—	—%	
Variance from Normal				
Heating Degree Days	(15.1%)	0.6%		
Cooling Degree Days	45.7%	(100.0%)		

(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 sta ions.
(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
March 2020

	Three Months Ended March 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	2,545	2,828	(10.0%)	
General Service	1,913	2,009	(4.8%)	
Industrial	2,477	2,542	(2.6%)	
Other Energy Sales	13	13	—%	
Unbilled Sales	(186)	(188)	(1.1%)	
Total Retail Sales	6,762	7,204	(6.1%)	(3.1%)
Wholesale and Other	844	829	1.8%	
Total Electric Sales – Duke Energy Indiana	7,606	8,033	(5.3%)	
Average Number of Customers				
Residential	742,178	733,237	1.2%	
General Service	102,182	101,627	0.5%	
Industrial	2,698	2,700	(0.1%)	
Other Energy Sales	1,804	1,736	3.9%	
Total Retail Customers	848,862	839,300	1.1%	
Wholesale and Other	4	4	—%	
Total Average Number of Customers – Duke Energy Indiana	848,866	839,304	1.1%	
Sources of Electric Energy (GWh)				
Generated – Net Output[c]				
Coal	3,421	5,494	(37.7%)	
Hydro	37	22	68.2%	
Oil and Natural Gas	563	642	(12.3%)	
Renewable Energy	5	4	25.0%	
Total Generation[d]	4,026	6,162	(34.7%)	
Purchased Power and Net Interchange[e]	3,874	2,348	65.0%	
Total Sources of Energy	7,900	8,510	(7.2%)	
Less: Line Loss and Other	294	477	(38.4%)	
Total GWh Sources	7,606	8,033	(5.3%)	
Owned MW Capacity[c]				
Summer	6,623	6,606		
Winter	7,040	7,023		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	2,457	2,884	(14.8%)	
Cooling Degree Days	—	—	—%	
Variance from Normal				
Heating Degree Days	(10.6%)	4.6%		
Cooling Degree Days	(100.0%)	(100.0%)		

(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 sta ions.
(d) Generation by source is reported net of auxiliary power.
(e) Purchased power includes renewable energy purchases.

Gas Utilities and Infrastructure
Quarterly Highlights
March 2020

	Three Months Ended March 31,		
	2020	2019	% Inc. (Dec.)
Total Sales			
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms)[a]	148,503,995	151,662,741	(2.1%)
Duke Energy Midwest LDC throughput (Mcf)	33,785,834	38,538,272	(12.3%)
Average Number of Customers – Piedmont Natural Gas			
Residential	998,267	983,440	1.5%
Commercial	105,460	104,720	0.7%
Industrial	974	966	0.8%
Power Generation	17	17	—%
Total Average Number of Gas Customers – Piedmont Natural Gas	1,104,718	1,089,143	1.4%
Average Number of Customers – Duke Energy Midwest			
Residential	496,426	493,168	0.7%
General Service	45,131	45,347	(0.5%)
Industrial	1,622	1,679	(3.4%)
Other	132	135	(2.2%)
Total Average Number of Gas Customers – Duke Energy Midwest	543,311	540,329	0.6%

(a) Piedmont has a margin decoupling mechanism in North Carolina, weather normaliza ion 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
March 2020

	Three Months Ended March 31,		
	2020	2019	% Inc. (Dec.)
Renewable Plant Production, GWh	2,437	2,068	17.8%
Net Proportional MW Capacity in Operation[a]	3,502	2,996	16.9%

(a) Includes 100% tax equity project capacity.

Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 12, 2020

Adjusted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 12, 2020, include a discussion of adjusted EPS for the quarters ended March 31, 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 (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 ended March 31, 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 ended March 31, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted EPS for the quarter ended March 31, 2020, to the most directly comparable GAAP measure is included herein.

Special items for the quarter ended March 31, 2020, include the following item, which management believes does not reflect ongoing costs:

- Severance represents a reversal of 2018 severance 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 First Quarter Earnings Review and Business Update on May 12, 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 of $5.25. The materials also reference the long-term range of annual growth of 4% - 6% through 2024 off the original midpoint of 2019 adjusted EPS guidance range of $5.00. 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 and Adjusted Other Net Loss

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 2020, include a discussion of adjusted segment income and adjusted other net loss for the quarter ended March 31, 2020 and a discussion of 2020 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 EPS). Management believes the presentation of adjusted segment income 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 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 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 ended March 31, 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 ended March 31, 2019, to the most directly comparable GAAP measure. A reconciliation of adjusted segment income and adjusted other net loss for the quarter ended March 31, 2020 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 EPS guidance.

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

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter ended March 31, 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 quarter ended March 31, 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 First Quarter Earnings Review and Business Update on May 12, 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 April 30, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of April 30, 2020, to the most directly comparable GAAP measure is included herein.

Dividend Payout Ratio

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 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") Ratios

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 2020 include a reference to expected 2020 FFO to Total Debt ratios. These ratios reflect 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) and AMT refunds. 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, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred equity 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.

Non-Rider O&M

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 12, 2020, include a discussion of Duke Energy's non-rider operating, maintenance and other expenses (O&M) for the forecasted year-to-date period ended December 31, 2020. Non-rider O&M expenses are non-GAAP financial measures, as they represent reported O&M expenses adjusted for special items and expenses recovered through riders. The most directly comparable GAAP financial measure for non-rider O&M expenses is reported operating, maintenance and other expenses. A reconciliation of non-rider O&M expenses for the forecasted year-to-date period ended December 31, 2020, to the most directly comparable GAAP measure are included here-in. 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; however, projected non-rider O&M costs have been forecasted for the year ended December 31, 2020 and are presented in the reconciliation herein.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2020
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Item: Severance		Total Adjustments	Adjusted Earnings
SEGMENT INCOME					
Electric Utilities and Infrastructure	**$ 705**	$		$	$ 705
Gas Utilities and Infrastructure	**249**				249
Commercial Renewables	**57**				57
Total Reportable Segment Income	**1,011**				**1,011**
Other	**(112)**	(75)	**A**	(75)	(187)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 899**	**$ (75)**		**$ (75)**	**$ 824**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.24**	**$ (0.10)**		**$ (0.10)**	**$ 1.14**

Note: Earn ngs Per Share amounts are adjusted for accumu ated d v dends for Ser es B Preferred Stock of $0.02.

A Net of $23 m on tax expense. $98 m on reversa of 2018 charges recorded w th n Operat ons, ma ntenance and other on the Condensed Conso dated Statements of Operat ons.

Weighted Average Shares (reported and adjusted) 734 million

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

	Three Months Ended March 31, 2020	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 1,027	
Severance	(98)	
Noncontro ng Interests	48	
Preferred D v dends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 938	
Reported Income Tax Expense From Continuing Operations	$ 137	13.3%
Severance	(23)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 114	12.2%

	Three Months Ended March 31, 2019	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 988	
Noncontro ng Interests	7	
Pretax Income Including Noncontrolling Interests	$ 995	
Reported Income Tax Expense From Continuing Operations	$ 95	9.6%
Tax Expense Including Noncontrolling Interests	$ 95	9.5%

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

Cash and Cash Equivalents	$ 572	
Less: Certain Amounts Held in Foreign Jurisdictions	(10)	
Less: Unavailable Domestic Cash	(129)	
	433	
Plus: Remaining Availability under Master Credit Facilities and other facilities	5,224	
Plus: Remaining Availablity from Equity Forward	2,451	
Plus: Remaining Availability from ATM Forward	84	
Total Available Liquidity (a), April 30, 2020	$ 8,192	approximately 8.2 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 April 30, 2020. 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)

		Original 2020 Assumptions[b]
Operation, maintenance and other	**$**	**6,061**
Adjustments:		
Reagents Recoverable[a]		(102)
Energy Efficiency Recoverable[a]		(424)
Other Deferrals and Recoverable[a]		(382)
Margin based O&M for Commercial Businesses		(202)
Non-Rider operation, maintenance and other	**$**	**4,950**

(a) Primarily represents expenses to be deferred or recovered through rate riders.
(b) Full year amount for 2020, as disclosed on Feb. 13, 2020

DUKE ENERGY®

Q1 / 2021

EARNINGS REVIEW AND BUSINESS

UPDATE

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

May 10, 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.

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/.

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; 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. 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.

Financial highlights

$1.25 / $1.26

Q1 2021 REPORTED / ADJUSTED EPS
ELECTRIC UTILITIES KEY GROWTH DRIVER

$5.00 - $5.30

REAFFIRMING 2021 ADJUSTED EPS GUIDANCE RANGE

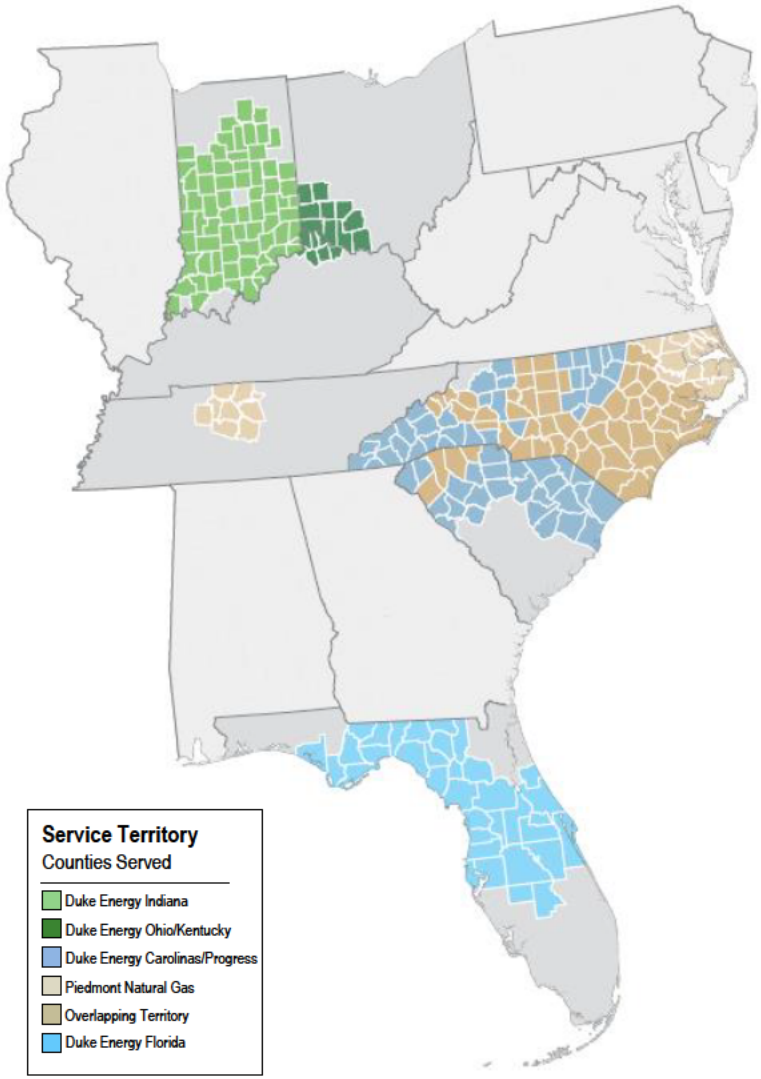
5% – 7%

REAFFIRMING GROWTH RATE THROUGH 2025 OFF 2021 MIDPOINT OF $5.15[1]

(1) *Based on adjusted EPS*

DELIVERING STRONG RESULTS TO START THE YEAR

Recent accomplishments provide clarity and momentum



ADVANCED STRATEGY WHILE MAINTAINING OPERATIONAL EXCELLENCE

- ✓ Moved past ACP
- ✓ Hosted inaugural ESG day, clearly articulating our clean energy transition and investment opportunity
- ✓ Participated in stakeholder meetings in the Carolinas focused on the clean energy transition and regulatory reforms needed to recover those investments
- ✓ Announced sale of 19.9% minority interest for $2.05 billion to GIC; source of efficient capital at attractive valuation
- ✓ Maintained a sharp focus on our cost structure, operational excellence and customer service
- ✓ Raised growth rate to 5% - 7%, driven by the largest fleet transition in the US

REGULATORY OUTCOMES PROVIDE CLARITY

- ✓ IN rate case with forward looking test year approved
- ✓ Comprehensive NC coal ash and rate case settlements approved
- ✓ FL settlement establishing multi-year rate plan through 2024 approved
- ✓ FL Clean Energy Connection and first three years of Storm Protection Plan approved
- ✓ Piedmont TN rate case settlement approved

STRONG STOCK PERFORMANCE AND POISED FOR GROWTH

Clear vision for the future – to lead the energy transition

Our Clean Energy Transformation

≥50% REDUCTION IN CO_2 EMISSIONS AND NET-ZERO METHANE EMISSIONS BY 2030 ON THE WAY TO

NET-ZERO CO_2 BY 2050

Transform the system

robust **$59 billion** capital plan focused on clean generation and grid investments

Shape the landscape

to accelerate the transition, with an eye on reliability and affordability

Deliver value

for customers and shareholders

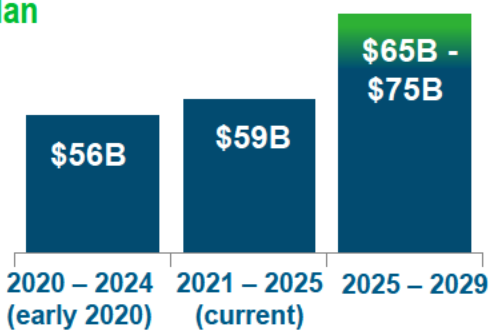
Near-term initiatives

Carolinas	• Collaborating with NC policymakers and stakeholders to support the state's energy transition • Advancing IRP process in both states
Florida	• MYRP settlement approved; advancing grid, solar and EV infrastructure
Indiana	• Actively working with stakeholders as we prepare for comprehensive Nov. IRP filing
Federal	• Engaging policymakers to advance shared objectives on climate

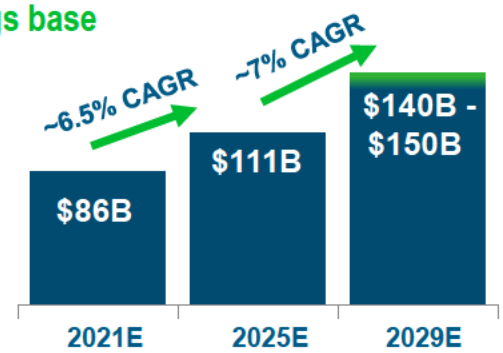
Making investments to accelerate our pace of change

GROWING FIVE-YEAR CAPITAL PLAN DRIVES SIGNIFICANT EARNINGS BASE GROWTH…

Capex plan



Earnings base



- Base capital plan
- Range of estimated capital deployment needed to effectuate clean energy transition across all jurisdictions

… AS WE EXECUTE THE LARGEST COAL CLOSURE IN THE INDUSTRY

50 TO 70%

REDUCTION IN ACTIVE COAL UNITS BY 2030[1]

TRIPLING

RENEWABLES PORTFOLIO BY 2030

ADDING 15 – 20 GW[1]

(1) *Reflects range of portfolios in the Carolinas IRP. Coal retirements exclude Edwardsport and Cliffside 6 coal units that can run 100% on natural gas. Renewables includes owned, operated and under contract. 2030 capacity will be dependent upon state and federal policies and regulations, as well as other external factors.*

CAPEX RUNWAY EXTENDS MULTIPLE DECADES

Leading the way in ESG

ENVIRONMENTAL

- Retired Allen coal unit (270 MW, DEC) in NC on March 31, marking 52 units retired since 2010. In IN, accelerating retirement of Gallagher station (280 MW) from Dec. 2022 to June 2021
- 570 MW wind and solar generation placed in service in Q1
- Advancing EV infrastructure through pilot programs and alliances

SOCIAL RESPONSIBILITY

- Disclosed EEO-1 diversity metrics in Sustainability Report, positioning Duke Energy as one of the first utilities to provide this data publicly
- Conducted more than 500 Pathways to Inclusion sessions for employees to share ways to make our workplace more inclusive

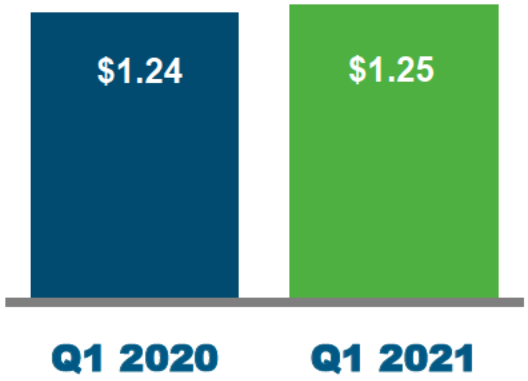
GOVERNANCE AND TRANSPARENCY

- Recently appointed three new members to Board of Directors, maintaining focus on diversity of backgrounds
- One of the first U.S. utilities to issue report disclosing trade associations and their positions on climate change
- Ranked No. 7 out of S&P 250 companies for investor transparency by Labrador Advisory Services

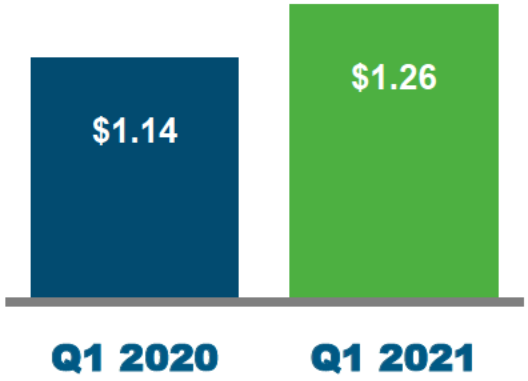
15TH CONSECUTIVE YEAR OF ISSUING SUSTAINABILITY REPORT

Q1 2021 adjusted EPS summary and primary drivers

REPORTED EARNINGS PER SHARE



ADJUSTED EARNINGS PER SHARE



SEGMENT RESULTS VS. PRIOR YEAR QUARTER[1]

Electric Utilities & Infrastructure, +$115 M (+$0.15 per share)[2]

- ▲ Contribution from base rate changes (+$0.10 per share)
- ▲ Weather (+$0.09 per share)
- ▲ Timing of O&M expenses (+$0.03 per share)
- ▼ Retail and wholesale electric volumes (-$0.03 per share)
- ▼ Regulatory lag[3] on growing asset base (-$0.04 per share)

Gas Utilities & Infrastructure, +$1 M (flat)[2]

- ▲ Riders and LDC margin expansion (+$0.03 per share)
- ▲ Contribution from base rate changes (+$0.01 per share)
- ▼ Regulatory lag[3] on growing asset base (-$0.01 per share)
- ▼ ACP cancellation (-$0.03 per share)

Commercial Renewables, -$30 M (-$0.04 per share)

- ▼ Impacts from Texas Storm Uri (-$0.04 per share)

Other, +$48 M (+$0.06 per share)[2]

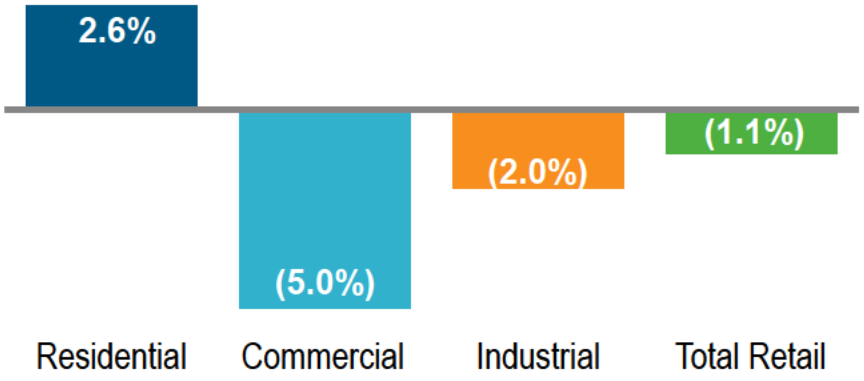
- ▲ Higher market returns on benefit trusts (+$0.04 per share)
- ▲ Holdco financing costs (+$0.02 per share)

Total Share Dilution (-$0.05 per share)[2]

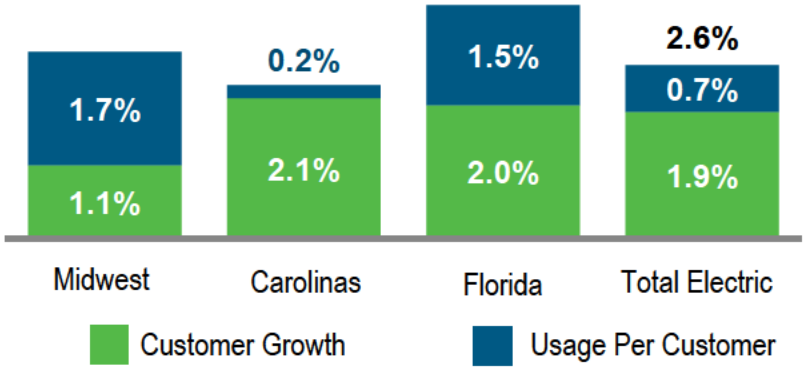
(1) Based on adjusted EPS
(2) Excludes share dilution impacts for each segment of Electric Utilities & Infrastructure ($0.04), Gas Utilities & Infrastructure ($0.02), and Other $0.01. Total share dilution is ($0.05) per share.
(3) Regulatory lag includes depreciation and amortization, interest expense and property taxes

Retail electric volumes

Q1 2021 RETAIL ELECTRIC VOLUMES[1]



Q1 2021 RESIDENTIAL LOAD GROWTH COMPONENTS



(1) *Compared to Q1 2020 actuals. Q1 2020 results only saw modest impact from pandemic*

RESIDENTIAL

- Work from home and remote learning continue to drive strong volume results
- Strongest residential growth trend in the last decade, particularly in the Southeast

COMMERCIAL

- Winter surge of COVID-19 impacted close-contact activities, such as restaurants and schools
- Accelerating vaccine rollout and high levels of household savings expected to support recovery as restrictions ease
- Retailers expect more store openings than closings in 2021 for the first time in many years

INDUSTRIAL

- Industrial volumes continue to steadily improve
- ISM Manufacturing index showing optimism in the sector. The March 2021 reading of 64.7 is the highest level since 1983

CONTINUE TO EXPECT 2021 RETAIL SALES GROWTH OF 1% - 2%

Regulatory calendar and financing plan remain on track

SUCCESSFUL EXECUTION OF ACTIVE REGULATORY CALENDAR…

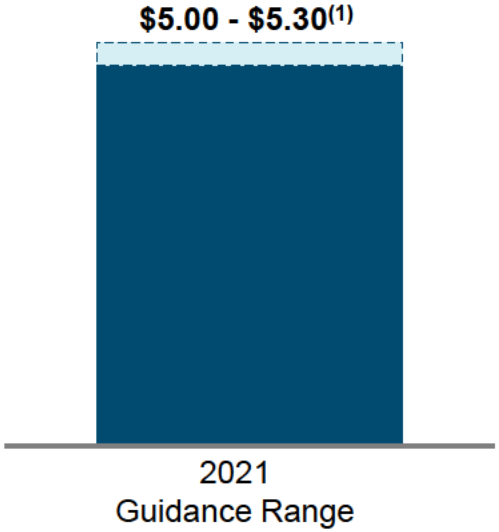
- ✓ DEC and DEP North Carolina orders received, approving all major settlements
  - Resolves coal ash recovery issues through early 2030
  - Approves deferral of $1.2 billion grid improvement program
- ✓ DEF Settlement approved by the FPSC on May 4th
  - Provides clarity through 2024
  - Supports clean energy transition
- ✓ Piedmont NC rate case filed March 22nd
  - Includes investments to accommodate growth in our communities
  - Provides for infrastructure to decrease price volatility for customers
- ✓ TN gas rate case settlement approved
- ✓ DEK gas pre-filing rate case notice on April 30th

…REMAINDER OF FINANCING PLAN ON TRACK

- First of two-part closing of DEI minority interest sale to GIC expected mid-year
- NC storm cost securitization of ~$1 billion on track to close by Q3
- Closed $1.4 billion in debt financings at DEC and Piedmont at attractive rates
- No common equity issuances in 5-year plan

CONTINUED EXECUTION OF OUR BUSINESS STRATEGY

2021 EPS guidance and balance of the year consideration



ON TRACK

TO ACHIEVE 2021 EPS
GUIDANCE RANGE OF $5.00 - $5.30(1)

SHAPING CONSIDERATIONS COMPARED TO 2020

	2Q21	3Q21	4Q21
Load	▲	▲	▲
O&M timing driven by 2020 mitigation efforts	▼	▼	▲
ACP	▼	--	--
Other 2020 mitigation timing, including tax optimization	▼	▼	--
Q4 2020 storms	--	--	▲

(1) Based on adjusted EPS

Our investor value proposition

DUK LISTED NYSE

A STRONG LONG-TERM RETURN PROPOSITION

DUK LISTED NYSE

3.8%

DIVIDEND YIELD(1) WITH LONG-TERM DIVIDEND **GROWTH COMMITMENT**(2)

~10%

ATTRACTIVE RISK-ADJUSTED **TOTAL SHAREHOLDER RETURN**(3)

5-7%

LONG-TERM **EPS GROWTH**(4) THROUGH 2025

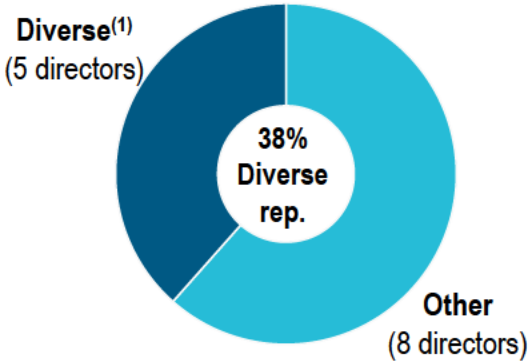
CONSTRUCTIVE JURISDICTIONS, LOWER-RISK REGULATED INVESTMENTS AND BALANCE SHEET STRENGTH

(1) As of May 7, 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

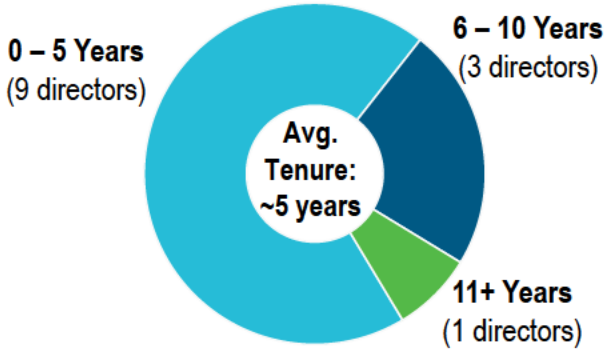
APPENDIX

Board of Directors

BOARD DIVERSITY



BOARD TENURE



New Board Members

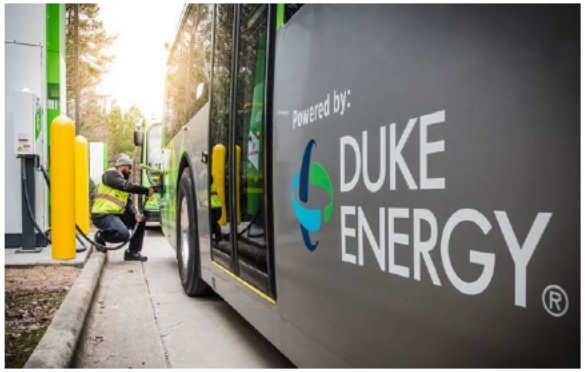
Name	Caroline Dorsa	Michael J. Pacilio	W. Roy Dunbar
			
Work Experience	Retired EVP and CFO, Public Service Enterprise Group	Retired EVP and COO, Exelon Generation	Retired Chairman and CEO of Network Solutions
Skillsets & Expertise	Cyber and Technology, Human Capital Management, Industry, Risk Management	Cyber and Technology, Environmental, Industry, Regulatory	Customer Service, Cyber and Technology, Environmental, Human Capital Management, Industry and Regulatory

Special thanks to Marya Rose, Bill Kennard and Dan DiMicco for their service and contributions to Duke Energy

(1) Racial, gender and ethnic diversity

Advancing EV Infrastructure

- **Investing $100M to support decarbonization of the transportation sector across the Southeast. Approved programs include:**
  - FL: building 700 charging stations by 2026 (590 in service)
  - NC pilot: building 310 charging stations by 2023
  - SC pilot: building 60 charging stations by 2023
  - Programs also include customer rebates that will support more than 5,000 charging stations for retail customers
- **Electric Highway Coalition announced Mar. 2nd**
  - Partnership between DUK, D, AEP, ETR, ES, SO, TVA to provide a seamless network of charging stations connecting major highways across a broad portion of the country
- **ETransEnergy – new Duke Energy subsidiary** helps companies and cities transition commercial fleets to EV's
  - Announced pilot program with Charlotte Area Transit System (CATS) to assess performance of battery electric buses in preparation for full fleet transition
- **New EV Savings Calculator online tool** calculates savings from electric vehicle vs. gasoline-powered vehicle
- **DUK fleet electrification commitment**
  - Will convert 100% of light-duty vehicles to electric, and 50% of medium-duty, heavy-duty and off-road vehicles to EVs, plug-in hybrids or other zero-carbon alternatives
  - By 2030, will reduce CO_2 emissions by 60,000 metric tons and petroleum usage by 10 million gallons annually



ELECTRIFICATION SUPPORTS GROWTH AND DECARBONIZATION STRATEGY

2020 performance and 2021 guidance supplemental information

Key 2021 adjusted earnings guidance assumptions

($ in millions)	Original 2021 Assumptions [1]	2021 YTD (thru 3/31/2021)
Adjusted segment income/ (expense) [2]:		
Electric Utilities & Infrastructure	$3,900	$820
Gas Utilities & Infrastructure	$415	$250
Commercial Renewables	$220	$27
Other	($575)	($139)
Duke Energy Consolidated	$3,960	$958
Additional consolidated information:		
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	6-8%	8.1%
AFUDC equity	$185	$42
Capital expenditures [3][4]	$10,475	$2,001
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 ~$90 million that was included in operating cash flows and excludes tax equity funding of Commercial Renewables projects of ~$300 million

Electric utilities quarterly weather impacts

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				($8)	735	($0.01)
Third Quarter				$67	735	$0.07
Fourth Quarter				$2	742	--
Year-to-Date[1]	($17)	769	($0.02)	($48)	737	($0.05)

1Q 2021	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,683	(2.0%)	1,548	(2.3%)	295	(20.2%)	2,705	(1.6%)	2,500	(2.3%)
Cooling degree days / Variance from normal	5	(33.2)%	14	32.1%	268	40.4%	-	-	-	-

1Q 2020	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,390	(19.6%)	1,186	(25.8%)	220	(9.8%)	2,457	(10.6%)	2,186	(15.1%)
Cooling degree days / Variance from normal	35	382.8%	52	349.1%	470	138%	-	-	5	45.7%

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

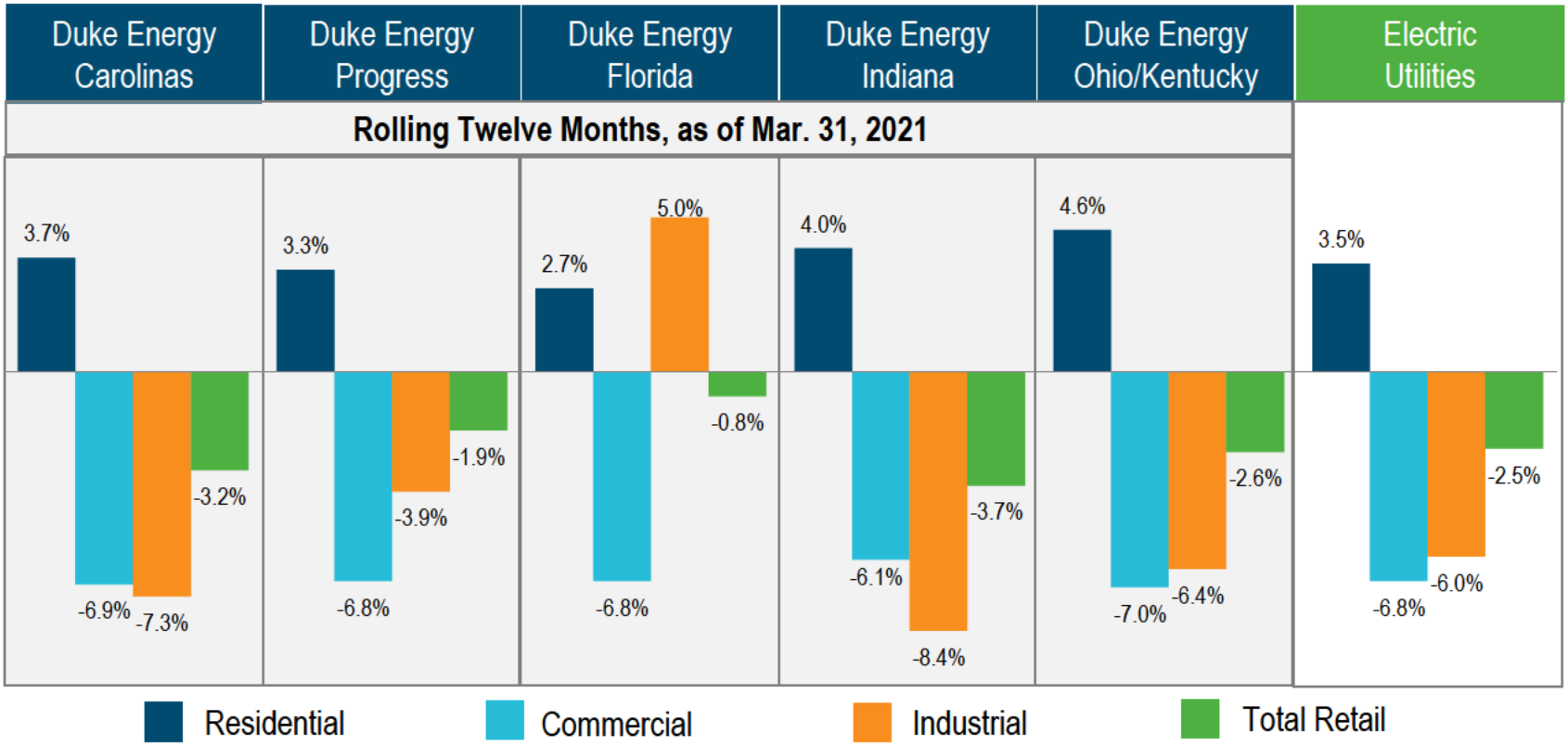
Key 2021 earnings sensitivities

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: Industrial +/- $0.02 (2) Commercial +/- $0.05 (2) Residential +/- $0.08 (2)	+/- $0.15(1) (2)
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(3)	+/- $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



Regulatory update

NC RATE CASE ORDERS – DEC AND DEP

- Approved Partial Stipulations:
  - ROE of 9.6%; 52% equity component of cap structure
  - Deferral treatment of grid improvement plan projects of $1.2 billion including return
  - Unprotected EDIT flowback period of 5 years
- Approved Coal Ash Settlement
  - Resolves coal ash issues in 2017 and 2019 rate cases
  - Allows return at 150 basis point lower than prevailing ROE
  - Accelerates customer savings during pandemic
- Issued opinion that IRP docket more appropriate venue for generation retirements

DUKE ENERGY FLORIDA SETTLEMENT

- FPSC approved the Settlement on May 4
- Clarity through 2024
- ROE band of 8.85% to 10.85%, with innovative trigger mechanism that insulates against rising interest rates
- Clean Energy Connection solar buildout: 750 MW to be built 2022-2024 ($1B investment)
- EV Charging Station program ($54M investment)
- Accelerated depreciation for coal plants (from 2042 to 2034)
- Vision Florida program funds $100M in emerging technologies

LDC RATE CASES FILINGS PIEDMONT-NC/DEK

PNG-NC RATE CASE FILING

- Filed on March 22, 2021
- Revenue increase request of $109M
  - ROE request of 10.25% and 52% equity component
  - Proposed rate base of $4.8B
- Includes investments for:
  - $250M Robeson LNG facility
  - System growth, pipeline integrity management, infrastructure and safety and security upgrades
- Rates requested to be in effect if approved by the end of 2021

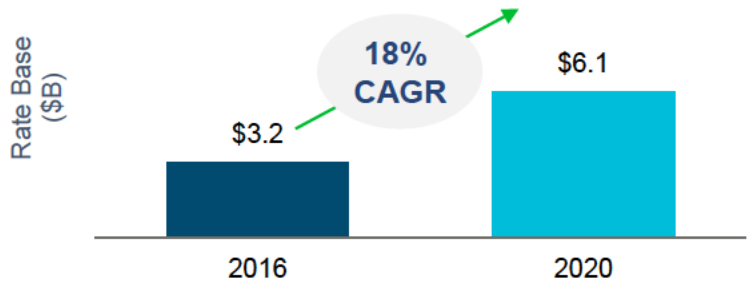
DEK RATE CASE FILING

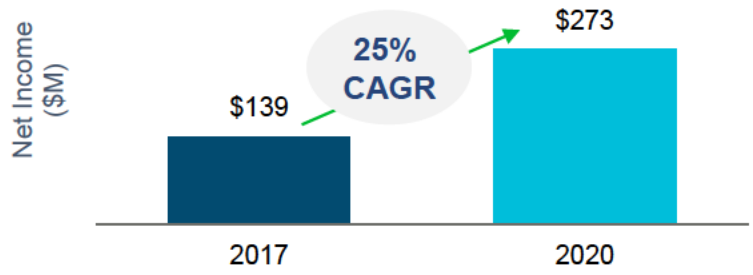
- Pre-filing notice (PFN) filed on April 30, 2021
- Expect rates to be in effect January 2022

CONTINUED EXECUTION OF REGULATORY STRATEGY

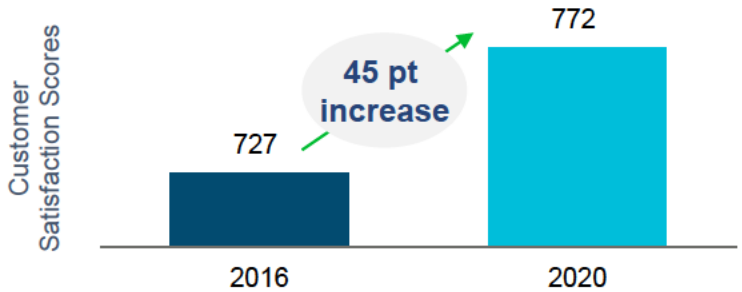
Recent strategic decisions have been in the best interest of shareholders

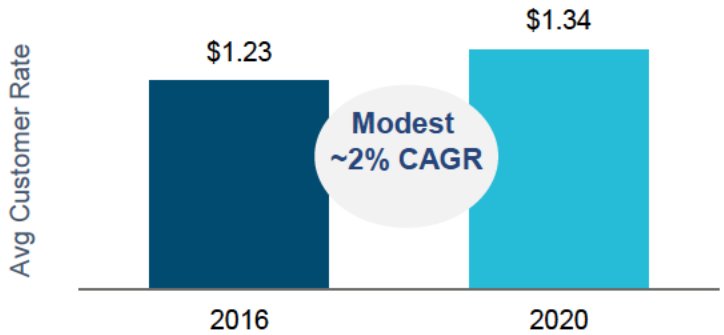
2016 PIEDMONT ACQUISITION HAS BEEN GOOD FOR SHAREHOLDERS…





… AND GOOD FOR PIEDMONT CUSTOMERS





DUKE ENERGY HAS OPTIMIZED ITS PORTFOLIO TO REDUCE RISK AND GROW EARNINGS

- Sale of midwest merchant generation
- Sale of international generation portfolio
- Sale of DukeNet fiber/telecom business
- Joint venture of commercial renewables portfolio
- Minority interest sale of Duke Energy Indiana
- Forgoing certain investments due to risk profile

STRONG TRACK RECORD OF DELIVERING SHAREHOLDER VALUE AND REDUCING RISK

Financing plan update and current liquidity

2021 Financing plan[1]

Issuer	Estimated / Actual Amount ($ in millions)	Security	Completed ($ in millions)	Date Issued	Term	Rate	2021 Maturities[2]
Holding Company	$2,750 – $3,250	-	-	-	-	-	$1,750 (May & Sept)
DE Carolinas	$900 - $1,100	First Mortgage Bonds	$550 $450	April 2021	10-year 30-year	Fixed – 2.55% Fixed – 3.45%	$500 (June)
DE Progress	$1,000 - $1,200	-	-	-	-	-	$1,300 (June & Sept.)
DE Florida	$1,100 - $1,300	-	-	-	-	-	$500 (Aug. & Nov.)
DE Indiana	$300 - $400	-	-	-	-	-	-
Piedmont	$300 - $400	Senior Notes	$350	March 2021	10-year	Fixed - 2.50%	$160 (June)
DE Kentucky	$50 - $100	-	-	-	-	-	-
Total	**$6,400 - $7,750**	**-**	**$1,350**	**-**	**-**	**-**	**$4,210**

(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

Liquidity summary (as of March 31, 2021)

($ 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 [1]	$ 2,650	$ 1,475	$ 1,250	$ 700	$ 600	$ 450	$ 175	$ 700	$ 8,000
Less: Notes payable and commercial paper [2]	(1,781)	(741)	(292)	(243)	(150)	(165)	(94)	-	(3,466)
Outstanding letters of credit (LOCs)	(25)	(4)	(2)	-	-	-	-	-	(31)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	$ 844	$ 730	$ 956	$ 457	$ 369	$ 285	$ 81	$ 700	$ 4,422
Funded Revolver and Term Loan [3]	$ 1,000								$ 1,000
Less: Borrowings Under Credit Facilities	(500)								(500)
Available capacity	$ 500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500
Cash & short-term investments									241
Total available liquidity									**$ 5,163**

(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
2Q 2021 earnings call (tentative)	August 5, 2021
3Q 2021 earnings call (tentative)	November 4, 2021

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DUKE ENERGY®

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

For additional information on Duke Energy,
please visit: duke-energy.com/investors

Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 10, 2021

Adjusted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of adjusted EPS for the quarters ended March 31, 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 quarters ended March 31, 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 additional exit costs related to ACP.
- Severance represents the reversal of 2018 Severance costs, 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.

Adjusted EPS Guidance

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 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. 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 First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter ended March 31, 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 ended March 31, 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.

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

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter ended March 31, 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 quarter ended March 31, 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 First Quarter Earnings Review and Business Update on May 10, 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 March 31, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of March 31, 2021, to the most directly comparable GAAP measure is included herein.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2021
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item: Gas Pipeline Investments	Total Adjustments	Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 820**	$	$	$ 820
Gas Utilities and Infrastructure	**245**	5 **A**	5	250
Commercial Renewables	**27**			27
Total Reportable Segment Income	**1,092**	**5**	**5**	**1,097**
Other	**(139)**			(139)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 953**	**$ 5**	**$ 5**	**$ 958**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.25**	**$ 0.01**	**$ 0.01**	**$ 1.26**

Note: Earn ngs Per Share amounts are adjusted for accumu ated d v dends for Ser es B Preferred Stock of $0.02.

A Net of $1 m on tax benef t. $6 m on of ex t ob gat ons recorded w th n Equ ty n (osses) earn ngs of unconso dated aff ates on the Condensed Conso dated Statements of Operat ons.

Weighted Average Shares (reported and adjusted) 769 million

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2020
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item Severance	Total Adjustments	Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 705**	$	$	$ 705
Gas Utilities and Infrastructure	**249**			249
Commercial Renewables	**57**			57
Total Reportable Segment Income	**1,011**			**1,011**
Other	**(112)**	(75) **A**	(75)	(187)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 899**	**$ (75)**	**$ (75)**	**$ 824**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.24**	**$ (0.10)**	**$ (0.10)**	**$ 1.14**

Note: Earn ngs Per Share amounts are adjusted for accumu ated d v dends for Ser es B Preferred Stock of $0.02.

A Net of $23 m on tax expense. $98 m on reversa of 2018 charges recorded w th n Operat ons, ma ntenance and other on the Condensed Conso dated Statements of Operat ons.

Weighted Average Shares (reported and adjusted) 734 million

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

	Three Months Ended March 31, 2021	
	Balance	**Effective Tax Rate**
Reported Income Before Income Taxes	$ 1,025	
Ex t Ob gat ons for Gas P pe ne Investments	6	
Noncontro ng Interests	51	
Preferred D v dends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 1,043	
Reported Income Tax Expense	$ 84	8.2 %
Gas P pe ne Investments	1	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 85	8.1 %

	Three Months Ended March 31, 2020	
	Balance	**Effective Tax Rate**
Reported Income Before Income Taxes	$ 1,027	
Severance	(98)	
Noncontro ng Interests	48	
Preferred D v dends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 938	
Reported Income Tax Expense	$ 137	13.3 %
Severance	(23)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 114	12.2 %

Duke Energy Corporation
Available Liquidity Reconciliation
As of March 31, 2021
(In millions)

Cash and Cash Equivalents	$ 379	
Less: Certain Amounts Held in Foreign Jurisdictions	(4)	
Less: Unavailable Domestic Cash	(134)	
	241	
Plus: Remaining Availability under Master Credit Facilities and other facilities	4,922	
Total Available Liquidity (a), March 31, 2021	$ 5,163	approximately 5.2 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 March 31, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

News Release

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Office: 980.373.3564

May 10, 2021

Duke Energy reports first quarter 2021 financial results

- **First quarter 2021 reported EPS of $1.25 and adjusted EPS of $1.26**
- **Delivered strong adjusted EPS results to start the year, driven by Electric Utilities and Infrastructure growth**
- **Advanced clean energy transformation with 570 MW of renewable generation placed in service and the retirement of a 270 MW coal unit during the quarter**
- **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 first quarter 2021 reported EPS of $1.25, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of $1.26. This is compared to reported EPS of $1.24 and adjusted EPS of $1.14 for the first quarter of 2020.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. The difference between the first quarter 2021 reported and adjusted EPS was due to exit obligations from gas pipeline investments.

Higher first quarter 2021 adjusted results were led by growth in Electric Utilities and Infrastructure from rate case contributions and prior year unfavorable weather. Gas Utilities and Infrastructure also benefited from customer growth, rate case contributions and rider programs. Higher market returns on certain benefit trusts and lower financing costs drove higher results in the Other segment. These items were partially offset by impacts from Texas Storm Uri, the loss of ACP earnings, higher depreciation and amortization on a growing asset base and share dilution.

“We’re off to a very strong start in 2021, executing well and delivering on our commitments to our customers, communities and investors,” said Lynn Good, Duke Energy chair, president and chief executive officer. “We are positioned to deliver sustainable long-term value as we accelerate our clean energy transformation by investing in renewables, battery storage and in our delivery system. As a result, we have reaffirmed our 2021 adjusted EPS guidance range of $5.00 to $5.30 and long-term growth rate of 5% to 7%, off the 2021 midpoint.”

Business segment results

In addition to the following summary of first quarter 2021 business segment performance, comprehensive tables with detailed EPS drivers for the first quarter compared to prior year are provided at the end of this news release.

The discussion below of first 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 first quarter 2021 segment income of $820 million, compared to segment income of $705 million in the first quarter of 2020, an increase of $0.15 per share, excluding share dilution of $0.04 per share. Higher quarterly results were primarily due to contributions from rate cases (+$0.10 per share), prior year unfavorable weather (+$0.09 per share) and timing of O&M expenses (+$0.03 per share). These results were partially offset by higher depreciation and amortization on a growing asset base (-$0.04 per share) and unfavorable retail and wholesale volumes (-$0.03 per share). First quarter 2020 retail and wholesale volumes were on a pre-pandemic basis.

Gas Utilities and Infrastructure

On a reported basis, Gas Utilities and Infrastructure recognized first quarter 2021 segment income of $245 million, compared to $249 million in the first quarter of 2020. Lower first quarter 2021 results include exit obligations for ACP. These charges were treated as special items and excluded from adjusted earnings.

On an adjusted basis, Gas Utilities and Infrastructure recognized first quarter 2021 segment income of $250 million, compared to $249 million in the first quarter of 2020, flat excluding share dilution of $0.02 per share. Riders and margin expansion (+$0.03 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 property taxes and depreciation on a growing asset base (-$0.01).

Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized first quarter 2021 segment income of $27 million, compared to reported and adjusted segment income of $57 million in the first quarter of 2020. This represents a decrease of $0.04 per share due to impacts from Texas Storm Uri in February 2021.

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 first quarter 2021 net loss of $139 million. This is compared to a reported and adjusted net loss of $112 million and $187 million, respectively, in the first quarter of 2020, an increase of $0.06 per share, excluding share dilution of -$0.01 per share. Higher quarterly results at Other were primarily due to market returns on certain benefit trusts (+$0.04 per share) and lower financing costs (+$0.02 per share).

Effective tax rate

Duke Energy's consolidated reported effective tax rate for the first quarter of 2021 was 8.2% compared to 13.3% in the first quarter of 2020. The decrease in the effective tax rate was primarily due to 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 first quarter of 2021 was 8.1% compared to 12.2% in the first quarter of 2020. The decrease was primarily due to an increase 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 from 10 to 11 a.m. ET today to discuss first 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) 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 5906267. 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, May 20, 2021, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 5906267. 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 to adjusted earnings per share for first quarter 2021 and 2020 financial results:

(In millions, except per share amounts)	After-Tax Amount	1Q 2021 EPS	1Q 2020 EPS
EPS, as reported		**$ 1.25**	$ 1.24
Adjustments to reported EPS:			
First Quarter 2021			
Exit obligations for gas pipeline investments	**$ 5**	**0.01**	
First Quarter 2020			
Severance	$ (75)		(0.10)
Total adjustments		**$ 0.01**	$ (0.10)
EPS, adjusted		**$ 1.26**	$ 1.14

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 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 Available to Duke Energy Corporation common stockholders (GAAP reported earnings), Basic earnings per share Available to Duke Energy Corporation common stockholders (GAAP reported earnings 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 additional exit obligations related to ACP.
- Severance represents the reversal of 2018 Severance charges, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and Duke Energy Progress 2019 North Carolina rate cases.

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 net of income attributable to noncontrolling interests and preferred stock dividends. 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 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. 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 mpact of the COVID-19 pandem c;
- State, federa and fore gn eg s at ve and regu atory n t at ves, nc ud ng costs of comp ance w th ex st ng and future env ronmenta requ rements, nc ud ng those re ated to c mate change, as we as ru ngs that affect cost and nvestment recovery or have an mpact on rate structures or market pr ces;
- The extent and t m ng of costs and ab t es to comp y w th federa and state aws, regu at ons and ega requ rements re ated to coa ash remed at on, nc ud ng amounts for requ red c osure of certa n ash mpoundments, are uncerta n and d ff cu t to est mate;
- The ab ty to recover e g b e costs, nc ud ng amounts assoc ated w th coa ash mpoundment ret rement ob gat ons and costs re ated to s gn f cant weather events, and to earn an adequate return on nvestment through rate case proceed ngs and the regu atory process;
- The costs of decomm ss on ng nuc ear fac t es cou d prove to be more extens ve than amounts est mated and a costs may not be fu y recoverab e through the regu atory process;
- Costs and effects of ega and adm n strat ve proceed ngs, sett ements, nvest gat ons and c a ms;
- Industr a , commerc a and res dent a growth or dec ne n serv ce terr tor es or customer bases resu t ng from susta ned downturns of the economy and the econom c hea th of our serv ce terr tor es or var at ons n customer usage patterns, nc ud ng energy eff c ency efforts and use of a ternat ve energy sources, such as se f-generat on and d str buted generat on techno og es;

- Federa and state regu at ons, aws and other efforts des gned to promote and expand the use of energy eff c ency measures and d str buted generat on techno og es, such as pr vate so ar and battery storage, n Duke Energy serv ce terr tor es cou d resu t n customers eav ng the e ectr c d str but on system, excess generat on resources as we as stranded costs;
- Advancements n techno ogy;
- Add t ona compet t on n e ectr c and natura gas markets and cont nued ndustry conso dat on;
- The nf uence of weather and other natura phenomena on operat ons, nc ud ng the econom c, operat ona and other effects of severe storms, hurr canes, droughts, earthquakes and tornadoes, nc ud ng extreme weather assoc ated w th c mate change;
- Chang ng customer expectat ons and demands nc ud ng he ghtened emphas s on env ronmenta , soc a and governance concerns;
- The ab ty to successfu y operate e ectr c generat ng fac t es and de ver e ectr c ty to customers nc ud ng d rect or nd rect effects to the company resu t ng from an nc dent that affects the U.S. e ectr c gr d or generat ng resources;
- Operat ona nterrupt ons to our natura gas d str but on and transm ss on act v t es;
- The ava ab ty of adequate nterstate p pe ne transportat on capac ty and natura gas supp y;
- The mpact on fac t es and bus ness from a terror st attack, cybersecur ty threats, data secur ty breaches, operat ona acc dents, nformat on techno ogy fa ures or other catastroph c events, such as f res, exp os ons, pandem c hea th events or other s m ar occurrences;
- The nherent r sks assoc ated w th the operat on of nuc ear fac t es, nc ud ng env ronmenta , hea th, safety, regu atory and f nanc a r sks, nc ud ng the f nanc a stab ty of th rd-party serv ce prov ders;
- The t m ng and extent of changes n commod ty pr ces and nterest rates and the ab ty to recover such costs through the regu atory process, where appropr ate, and the r mpact on qu d ty pos t ons and the va ue of under y ng assets;
- The resu ts of f nanc ng efforts, nc ud ng the ab ty to obta n f nanc ng on favorab e terms, wh ch can be affected by var ous factors, nc ud ng cred t rat ngs, nterest rate f uctuat ons, comp ance w th debt covenants and cond t ons and genera market and econom c cond t ons;
- Cred t rat ngs of the Duke Energy Reg strants may be d fferent from what s expected;
- Dec nes n the market pr ces of equ ty and f xed- ncome secur t es and resu tant cash fund ng requ rements for def ned benef t pens on p ans, other post-ret rement benef t p ans and nuc ear decomm ss on ng trust funds;
- Construct on and deve opment r sks assoc ated w th the comp et on of the Duke Energy Reg strants cap ta nvestment projects, nc ud ng r sks re ated to f nanc ng, obta n ng and comp y ng w th terms of perm ts, meet ng construct on budgets and schedu es and sat sfy ng operat ng and env ronmenta performance standards, as we as the ab ty to recover costs from customers n a t me y manner, or at a ;
- Changes n ru es for reg ona transm ss on organ zat ons, nc ud ng changes n rate des gns and new and evo v ng capac ty markets, and r sks re ated to ob gat ons created by the defau t of other part c pants;
- The ab ty to contro operat on and ma ntenance costs;
- The eve of cred tworth ness of counterpart es to transact ons;
- The ab ty to obta n adequate nsurance at acceptab e costs;
- Emp oyee workforce factors, nc ud ng the potent a nab ty to attract and reta n key personne ;
- The ab ty of subs d ar es to pay d v dends or d str but ons to Duke Energy Corporat on ho d ng company (the Parent);
- The performance of projects undertaken by our nonregu ated bus nesses and the success of efforts to nvest n and deve op new opportun t es;
- The effect of account ng pronouncements ssued per od ca y by account ng standard-sett ng bod es;
- The mpact of U.S. tax eg s at on to our f nanc a cond t on, resu ts of operat ons or cash f ows and our cred t rat ngs;
- The mpacts from potent a mpa rments of goodw or equ ty method nvestment carry ng va ues; and
- The ab ty to mp ement our bus ness strategy, nc ud ng enhanc ng ex st ng techno ogy 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. 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 March 31, 2021
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item: Gas Pipeline Investments	Total Adjustments	Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 820**	$	$	$ 820
Gas Utilities and Infrastructure	**245**	5 **A**	5	250
Commercial Renewables	**27**			27
Total Reportable Segment Income	**1,092**	**5**	**5**	**1,097**
Other	**(139)**			(139)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 953**	**$ 5**	**$ 5**	**$ 958**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.25**	**$ 0.01**	**$ 0.01**	**$ 1.26**

Note: Earn ngs Per Share amounts are adjusted for accumu ated d v dends for Ser es B Preferred Stock of $0.02.

A Net of $1 m on tax benef t. $6 m on of ex t ob gat ons recorded w th n Equ ty n (osses) earn ngs of unconso dated aff ates on the Condensed Conso dated Statements of Operat ons.

Weighted Average Shares (reported and adjusted) 769 million

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2020
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item Severance	Total Adjustments	Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 705**	$	$	$ 705
Gas Utilities and Infrastructure	**249**			249
Commercial Renewables	**57**			57
Total Reportable Segment Income	**1,011**			**1,011**
Other	**(112)**	(75) **A**	(75)	(187)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 899**	**$ (75)**	**$ (75)**	**$ 824**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.24**	**$ (0.10)**	**$ (0.10)**	**$ 1.14**

Note: Earn ngs Per Share amounts are adjusted for accumu ated d v dends for Ser es B Preferred Stock of $0.02.

A Net of $23 m on tax expense. $98 m on reversa of 2018 charges recorded w th n Operat ons, ma ntenance and other on the Condensed Conso dated Statements of Operat ons.

Weighted Average Shares (reported and adjusted) 734 million

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

	Three Months Ended March 31, 2021	
	Balance	**Effective Tax Rate**
Reported Income Before Income Taxes	$ 1,025	
Ex t Ob gat ons for Gas P pe ne Investments	6	
Noncontro ng Interests	51	
Preferred D v dends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 1,043	
Reported Income Tax Expense	$ 84	8.2 %
Gas P pe ne Investments	1	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 85	8.1 %

	Three Months Ended March 31, 2020	
	Balance	**Effective Tax Rate**
Reported Income Before Income Taxes	$ 1,027	
Severance	(98)	
Noncontro ng Interests	48	
Preferred D v dends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 938	
Reported Income Tax Expense	$ 137	13.3 %
Severance	(23)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 114	12.2 %

DUKE ENERGY CORPORATION
EARNINGS VARIANCES
March 2021 YTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
2020 YTD Reported Earnings Per Share	**$ 0.96**	**$ 0.35**	**$ 0.08**	**$ (0.15)**	**$ 1.24**
Severance				(0.10)	(0.10)
2020 YTD Adjusted Earnings Per Share	**$ 0.96**	**$ 0.35**	**$ 0.08**	**$ (0.25)**	**$ 1.14**
Weather	0.09				0.09
Vo ume	(0.01)				(0.01)
R ders and Other Reta Marg n		0.03			0.03
Rate case mpacts, net[a]	0.10	0.01			0.11
Who esa e	(0.02)				(0.02)
Operat ons and ma ntenance, net of recoverab es[b]	0.03				0.03
M dstream Gas P pe nes[c]		(0.03)			(0.03)
Duke Energy Renewab es[d]			(0.04)		(0.04)
Interest Expense	0.01			0.02	0.03
Deprec at on and amort zat on[e]	(0.04)				(0.04)
Other[f]	(0.01)	(0.01)		0.04	0.02
Tota var ance before share count	$ 0.15	$	$ (0.04)	$ 0.06	$ 0.17
Change n share count	(0.04)	(0.02)		0.01	(0.05)
2021 YTD Adjusted Earnings Per Share	**$ 1.07**	**$ 0.33**	**$ 0.04**	**$ (0.18)**	**$ 1.26**
Gas P pe ne Investments		**(0.01)**			(0.01)
2021 YTD Reported Earnings Per Share	**$ 1.07**	**$ 0.32**	**$ 0.04**	**$ (0.18)**	**$ 1.25**

Note: Earn ngs Per Share amounts are ca cu ated us ng the conso dated statutory ncome tax rate for a dr vers except for Commerc a Renewab es, wh ch uses an effect ve rate. We ghted average shares outstand ng ncreased from 734 m on shares to 769 m on.

(a) E ectr c Ut t es and Infrastructure nc udes the net mpact of DEC and DEP North Caro na nter m rates effect ve August and September 2020, respect ve y (+0.08), DEI base rate ncreases, effect ve August 2020 (+0.01) and DEK base rate ncreases (+0.01). Gas Ut t es and Infrastructure nc udes the net mpact of the P edmont Tennessee rate case, effect ve January 2021.
(b) Pr mar y due to ower abor costs and emp oyee re ated expenses, part a y offset by h gher storm costs.
(c) Pr mar y the oss of ACP earn ngs.
(d) Pr mar y due to Texas Storm Ur n February 2021.
(e) Exc udes rate case mpacts.
(f) Other nc udes market returns certa n benef t trusts.

DUKE ENERGY CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In millions, except per share amounts)

	Three Months Ended March 31,	
	2021	**2020**
Operating Revenues		
Regu ated e ectr c	**$ 5,219**	$ 5,124
Regu ated natura gas	**749**	638
Nonregu ated e ectr c and other	**182**	187
Tota operat ng revenues	**6,150**	5,949
Operating Expenses		
Fue used n e ectr c generat on and purchased power	**1,443**	1,447
Cost of natura gas	**276**	199
Operat on, ma ntenance and other	**1,402**	1,339
Deprec at on and amort zat on	**1,226**	1,130
Property and other taxes	**353**	345
Impa rment of assets and other charges		2
Tota operat ng expenses	**4,700**	4,462
Gains on Sales of Other Assets and Other, net		1
Operating Income	**1,450**	1,488
Other Income and Expenses		
Equ ty n (osses) earn ngs of unconso dated aff ates	**(17)**	44
Other ncome and expenses, net	**127**	46
Tota other ncome and expenses	**110**	90
Interest Expense	**535**	551
Income Before Income Taxes	**1,025**	1,027
Income Tax Expense	**84**	137
Net Income	**941**	890
Add: Net Loss Attributable to Noncontrolling Interests	**51**	48
Net Income Attributable to Duke Energy Corporation	**992**	938
Less: Preferred Dividends	**39**	39
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 953**	$ 899
Earnings Per Share Basic and Diluted		
Net ncome ava ab e to Duke Energy Corporat on common stockho ders		
Bas c and D uted	**$ 1.25**	$ 1.24
We ghted average shares outstand ng		
Bas c	**769**	734
D uted	**769**	736

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2021	December 31, 2020
ASSETS		
Current Assets		
Cash and cash equ va ents	$ 379	$ 259
Rece vab es (net of a owance for doubtfu accounts of $31 at 2021 and $29 at 2020)	950	1,009
Rece vab es of VIEs (net of a owance for doubtfu accounts of $116 at 2021 and $117 at 2020)	1,834	2,144
Inventory	3,076	3,167
Regu atory assets (nc udes $54 at 2021 and $53 at 2020 re ated to VIEs)	1,650	1,641
Other (nc udes $333 at 2021 and $296 at 2020 re ated to VIEs)	619	462
Tota current assets	8,508	8,682
Property, Plant and Equipment		
Cost	157,372	155,580
Accumu ated deprec at on and amort zat on	(49,772)	(48,827)
Generat on fac t es to be ret red, net	29	29
Net property, p ant and equ pment	107,629	106,782
Other Noncurrent Assets		
Goodw	19,303	19,303
Regu atory assets (nc udes $927 at 2021 and $937 at 2020 re ated to VIEs)	12,441	12,421
Nuc ear decomm ss on ng trust funds	9,410	9,114
Operat ng ease r ght of use assets, net	1,540	1,524
Investments n equ ty method unconso dated aff ates	919	961
Other (nc udes $82 at 2021 and $81 at 2020 re ated to VIEs)	3,715	3,601
Tota other noncurrent assets	47,328	46,924
Total Assets	$ 163,465	$ 162,388
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payab e	$ 2,497	$ 3,144
Notes payab e and commerc a paper	4,064	2,873
Taxes accrued	574	482
Interest accrued	536	537
Current matur t es of ong term debt (nc udes $472 at 2021 and 2020 re ated to VIEs)	5,586	4,238
Asset ret rement ob gat ons	709	718
Regu atory ab t es	1,509	1,377
Other	1,858	2,936
Tota current ab t es	17,333	16,305
Long-Term Debt (includes $3,686 at 2021 and $3,535 at 2020 related to VIEs)	54,768	55,625
Other Noncurrent Liabilities		
Deferred ncome taxes	9,459	9,244
Asset ret rement ob gat ons	12,299	12,286
Regu atory ab t es	15,070	15,029
Operat ng ease ab t es	1,352	1,340
Accrued pens on and other post ret rement benef t costs	1,010	969
Investment tax cred ts	747	687
Other (nc udes $331 at 2021 and $316 at 2020 re ated to VIEs)	1,769	1,719
Tota other noncurrent ab t es	41,706	41,274
Commitments and Contingencies		
Equity		
Preferred stock, Ser es A, $0.001 par va ue, 40 m on depos tary shares author zed and outstand ng at 2021 and 2020	973	973
Preferred stock, Ser es B, $0.001 par va ue, 1 m on shares author zed and outstand ng at 2021 and 2020	989	989
Common Stock, $0.001 par va ue, 2 b on shares author zed; 769 m on shares outstand ng at 2021 and 2020	1	1
Add t ona pa d n cap ta	43,761	43,767
Reta ned earn ngs	2,680	2,471
Accumu ated other comprehens ve oss	(218)	(237)
Tota Duke Energy Corporat on stockho ders' equ ty	48,186	47,964
Noncontro ng nterests	1,472	1,220
Tota equ ty	49,658	49,184
Total Liabilities and Equity	$ 163,465	$ 162,388

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

	Three Months Ended March 31,	
	2021	**2020**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	**$ 941**	$ 890
Adjustments to reconc e net ncome to net cash prov ded by operat ng act v t es	**1,147**	664
Net cash prov ded by operat ng act v t es	**2,088**	1,554
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used n nvest ng act v t es	**(3,137)**	(3,022)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash prov ded by f nanc ng act v t es	**1,185**	2,593
Net ncrease n cash, cash equ va ents and restr cted cash	**136**	1,125
Cash, cash equivalents and restricted cash at beginning of period	**556**	573
Cash, cash equivalents and restricted cash at end of period	**$ 692**	$ 1,698

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31, 2021					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Operating Revenues						
Regu ated e ectr c	$ 5,281	$	$	$	$ (62)	**$ 5,219**
Regu ated natura gas		772			(23)	**749**
Nonregu ated e ectr c and other		3	119	26	34	**182**
Tota operat ng revenues	5,281	775	119	26	(51)	**6,150**
Operating Expenses						
Fue used n e ectr c generat on and purchased power	1,462				(19)	**1,443**
Cost of natura gas		276				**276**
Operat on, ma ntenance and other	1,282	102	72	(24)	(30)	**1,402**
Deprec at on and amort zat on	1,057	68	53	55	(7)	**1,226**
Property and other taxes	311	35	9	(3)	1	**353**
Tota operat ng expenses	4,112	481	134	28	(55)	**4,700**
Operating Income (Loss)	1,169	294	(15)	(2)	4	**1,450**
Other Income and Expenses						
Equ ty n earn ngs (osses) of unconso dated aff ates	3		(27)	7		**(17)**
Other ncome and expenses, net	101	17	2	14	(7)	**127**
Tota Other Income and Expenses	104	17	(25)	21	(7)	**110**
Interest Expense	340	33	13	151	(2)	**535**
Income (Loss) Before Income Taxes	933	278	(53)	(132)	(1)	**1,025**
Income Tax Expense (Benefit)	113	33	(29)	(32)	(1)	**84**
Net Income (Loss)	820	245	(24)	(100)		**941**
Add: Net Loss Attributable to Noncontrolling Interest			51			**51**
Net Income Attributable to Duke Energy Corporation	**820**	**245**	**27**	**(100)**		**992**
Less: Preferred Dividends				39		**39**
Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders	$ 820	$ 245	$ 27	$ (139)	$	**$ 953**
Special Item		5				**5**
Adjusted Earnings[(a)]	$ 820	$ 250	$ 27	$ (139)	$	**$ 958**

(a) See Reported to Adjusted Earn ngs Reconc at on for a deta ed reconc at on of Segment Income / Other Net Loss to Adjusted Earn ngs.

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31, 2020					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Operating Revenues						
Regu ated e ectr c	$ 5,183	$	$ 1	$	$ (60)	**$ 5,124**
Regu ated natura gas		661			(23)	**638**
Nonregu ated e ectr c and other		3	128	23	33	**187**
Tota operat ng revenues	5,183	664	129	23	(50)	**5,949**
Operating Expenses						
Fue used n e ectr c generat on and purchased power	1,467				(20)	**1,447**
Cost of natura gas		199				**199**
Operat on, ma ntenance and other	1,325	110	69	(138)	(27)	**1,339**
Deprec at on and amort zat on	977	66	48	45	(6)	**1,130**
Property and other taxes	303	30	8	4		**345**
Impa rment of assets and other charges	2					**2**
Tota operat ng expenses	4,074	405	125	(89)	(53)	**4,462**
Gains on Sales of Other Assets and Other, net	1					**1**
Operating Income	1,110	259	4	112	3	**1,488**
Other Income and Expenses						
Equ ty n earn ngs (osses) of unconso dated aff ates	2	37	(2)	7		**44**
Other ncome and expenses, net	83	12	1	(40)	(10)	**46**
Tota Other Income and Expenses	85	49	(1)	(33)	(10)	**90**
Interest Expense	339	31	18	171	(8)	**551**
Income (Loss) Before Income Taxes	856	277	(15)	(92)	1	**1,027**
Income Tax Expense (Benefit)	151	28	(24)	(19)	1	**137**
Net Income (Loss)	705	249	9	(73)		**890**
Add: Net Loss Attributable to Noncontrolling Interest			48			**48**
Net Income Attributable to Duke Energy Corporation	705	249	57	(73)		**938**
Less: Preferred Dividends				39		**39**
Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders	$ 705	$ 249	$ 57	$ (112)	$	**$ 899**
Special Item				(75)		**(75)**
Adjusted Earnings[(a)]	$ 705	$ 249	$ 57	$ (187)	$	**$ 824**

(a) See Reported to Adjusted Earn ngs Reconc at on for a deta ed reconc at on of Segment Income / Other Net Loss to Adjusted Earn ngs.

DUKE ENERGY CORPORATION
CONDENSED CONSOLIDATING BALANCE SHEETS ASSETS
(Unaudited)

	March 31, 2021					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Current Assets						
Cash and cash equ va ents	$ 110	$ 6	$ 13	$ 251	$ (1)	**$ 379**
Rece vab es, net	487	266	191	5	1	**950**
Rece vab es of var ab e nterest ent t es, net	1,834					**1,834**
Rece vab es from aff ated compan es	117	337	655	1,212	(2,321)	
Notes rece vab e from aff ated compan es	21	189		1,110	(1,320)	
Inventory	2,885	54	93	45	(1)	**3,076**
Regu atory assets	1,434	119		97		**1,650**
Other	337	18	241	83	(60)	**619**
Tota current assets	7,225	989	1,193	2,803	(3,702)	**8,508**
Property, Plant and Equipment						
Cost	135,001	13,056	6,910	2,504	(99)	**157,372**
Accumu ated deprec at on and amort zat on	(44,481)	(2,609)	(1,272)	(1,409)	(1)	**(49,772)**
Generat on fac t es to be ret red, net	29					**29**
Net property, p ant and equ pment	90,549	10,447	5,638	1,095	(100)	**107,629**
Other Noncurrent Assets						
Goodw	17,379	1,924				**19,303**
Regu atory assets	11,198	731		513	(1)	**12,441**
Nuc ear decomm ss on ng trust funds	9,410					**9,410**
Operat ng ease r ght of use assets, net	1,123	19	122	276		**1,540**
Investments n equ ty method unconso dated aff ates	108	215	484	112		**919**
Investment n conso dated subs d ar es	558	3		65,375	(65,936)	
Other	2,063	305	113	1,857	(623)	**3,715**
Tota other noncurrent assets	41,839	3,197	719	68,133	(66,560)	**47,328**
Total Assets	139,613	14,633	7,550	72,031	(70,362)	**163,465**
Segment rec ass f cat ons, ntercompany ba ances and other	(879)	(494)	(656)	(68,321)	70,350	
Segment Assets	$ 138,734	$ 14,139	$ 6,894	$ 3,710	$ (12)	**$ 163,465**

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

	March 31, 2021					
(In millions)	**Electric Utilities and Infrastructure**	**Gas Utilities and Infrastructure**	**Commercial Renewables**	**Other**	**Eliminations/ Adjustments**	**Duke Energy**
Current Liabilities						
Accounts payab e	$ 1,819	$ 214	$ 108	$ 355	$ 1	**$ 2,497**
Accounts payab e to aff ated compan es	608	22	658	945	(2,233)	
Notes payab e to aff ated compan es	1,113	80	50	89	(1,332)	
Notes payab e and commerc a paper			89	3,975		**4,064**
Taxes accrued	582	50	(150)	93	(1)	**574**
Interest accrued	357	45	2	133	(1)	**536**
Current matur t es of ong term debt	2,888	187	166	2,349	(4)	**5,586**
Asset ret rement ob gat ons	709					**709**
Regu atory ab t es	1,417	91		1		**1,509**
Other	1,336	116	106	437	(137)	**1,858**
Tota current ab t es	10,829	805	1,029	8,377	(3,707)	**17,333**
Long-Term Debt	33,899	3,649	1,585	15,730	(95)	**54,768**
Long-Term Debt Payable to Affiliated Companies	618	7			(625)	
Other Noncurrent Liabilities						
Deferred ncome taxes	10,533	1,140	(595)	(1,619)		**9,459**
Asset ret rement ob gat ons	12,081	63	155			**12,299**
Regu atory ab t es	13,621	1,426		23		**15,070**
Operat ng ease ab t es	1,027	17	126	182		**1,352**
Accrued pens on and other post ret rement benef t costs	456	37	(27)	545	(1)	**1,010**
Investment tax cred ts	745	2				**747**
Other	803	261	357	536	(188)	**1,769**
Tota other noncurrent ab t es	39,266	2,946	16	(333)	(189)	**41,706**
Equity						
Tota Duke Energy Corporat on stockho ders' equ ty	55,001	7,226	3,450	48,255	(65,746)	**48,186**
Noncontro ng nterests			1,470	2		**1,472**
Tota equ ty	55,001	7,226	4,920	48,257	(65,746)	**49,658**
Total Liabilities and Equity	139,613	14,633	7,550	72,031	(70,362)	**163,465**
Segment rec ass f cat ons, ntercompany ba ances and other	(879)	(494)	(656)	(68,321)	70,350	
Segment Liabilities and Equity	$ 138,734	$ 14,139	$ 6,894	$ 3,710	$ (12)	**$ 163,465**

ELECTRIC UTILITIES AND INFRASTRUCTURE
CONDENSED CONSOLIDATING SEGMENT INCOME
(Unaudited)

	Three Months Ended March 31, 2021						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Other**	**Electric Utilities and Infrastructure**
Operating Revenues	$ 1,716	$ 1,401	$ 1,101	$ 363	$ 745	$ (45)	**$ 5,281**
Operating Expenses							
Fue used n e ectr c generat on and purchased power	422	436	359	82	217	(54)	**1,462**
Operat on, ma ntenance and other	432	352	238	81	176	3	**1,282**
Deprec at on and amort zat on	359	285	200	54	152	7	**1,057**
Property and other taxes	83	49	93	71	21	(6)	**311**
Tota operat ng expenses	1,296	1,122	890	288	566	(50)	**4,112**
Operating Income	420	279	211	75	179	5	**1,169**
Other Income and Expenses, net[b]	48	24	18	4	9	1	**104**
Interest Expense	124	69	80	22	50	(5)	**340**
Income Before Income Taxes	344	234	149	57	138	11	**933**
Income Tax Expense	25	21	30	7	24	6	**113**
Segment Income	$ 319	$ 213	$ 119	$ 50	$ 114	$ 5	**$ 820**

(a) Inc udes resu ts of the who y owned subs d ary, Duke Energy Kentucky.
(b) Inc udes an equ ty component of a owance for funds used dur ng construct on of $16 m on for Duke Energy Caro nas, $8 m on for Duke Energy Progress, $4 m on for Duke Energy F or da, $2 m on for Duke Energy Oh o and $5 m on for Duke Energy Ind ana.

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

	March 31, 2021						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Adjustments[b]**	**Electric Utilities and Infrastructure**
Current Assets							
Cash and cash equ va ents	$ 12	$ 46	$ 22	$ 13	$ 17	$	**$ 110**
Rece vab es, net	171	80	84	88	63	1	**487**
Rece vab es of var ab e nterest ent t es, net	613	422	327			472	**1,834**
Rece vab es from aff ated compan es	119	70	7	58	62	(199)	**117**
Notes rece vab e from aff ated compan es					51	(30)	**21**
Inventory	1,021	882	455	91	436		**2,885**
Regu atory assets	433	469	352	23	151	6	**1,434**
Other	90	138	82	(3)	34	(4)	**337**
Tota current assets	2,459	2,107	1,329	270	814	246	**7,225**
Property, Plant and Equipment							
Cost	51,027	36,077	22,459	7,500	17,548	390	**135,001**
Accumu ated deprec at on and amort zat on	(17,690)	(13,064)	(5,646)	(2,249)	(5,821)	(11)	**(44,481)**
Generat on fac t es to be ret red, net		29					**29**
Net property, p ant and equ pment	33,337	23,042	16,813	5,251	11,727	379	**90,549**
Other Noncurrent Assets							
Goodw				596		16,783	**17,379**
Regu atory assets	3,028	4,033	1,717	353	1,217	850	**11,198**
Nuc ear decomm ss on ng trust funds	5,147	3,645	617			1	**9,410**
Operat ng ease r ght of use assets, net	105	386	333	20	54	225	**1,123**
Investments n equ ty method unconso dated aff ates			1			107	**108**
Investment n conso dated subs d ar es	49	14	2	244	1	248	**558**
Other	1,186	759	354	58	251	(545)	**2,063**
Tota other noncurrent assets	9,515	8,837	3,024	1,271	1,523	17,669	**41,839**
Total Assets	45,311	33,986	21,166	6,792	14,064	18,294	**139,613**
Segment rec ass f cat ons, ntercompany ba ances and other	(313)	(119)	(103)	(248)	(77)	(19)	**(879)**
Reportable Segment Assets	$ 44,998	$ 33,867	$ 21,063	$ 6,544	$ 13,987	$ 18,275	**$ 138,734**

(a) Inc udes ba ances of the who y owned subs d ary, Duke Energy Kentucky.
(b) Inc udes the e m nat on of ntercompany ba ances, purchase account ng adjustments and restr cted rece vab es re ated to C nergy Rece vab es Company.

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

	March 31, 2021						
(In millions)	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio[a]**	**Duke Energy Indiana**	**Eliminations/ Adjustments[b]**	**Electric Utilities and Infrastructure**
Current Liabilities							
Accounts payab e	$ 643	$ 339	$ 457	$ 217	$ 163	$	**$ 1,819**
Accounts payab e to aff ated compan es	206	225	108	17	72	(20)	**608**
Notes payab e to aff ated compan es	508	163	279	180		(17)	**1,113**
Taxes accrued	140	75	85	166	122	(6)	**582**
Interest accrued	128	71	75	24	59		**357**
Current matur t es of ong term debt	507	1,302	824	23	123	109	**2,888**
Asset ret rement ob gat ons	258	267		8	176		**709**
Regu atory ab t es	559	618	84	37	119		**1,417**
Other	440	382	356	63	83	12	**1,336**
Tota current ab t es	3,389	3,442	2,268	735	917	78	**10,829**
Long-Term Debt	11,522	7,904	7,060	2,446	3,818	1,149	**33,899**
Long-Term Debt Payable to Affiliated Companies	300	150		18	150		**618**
Other Noncurrent Liabilities							
Deferred ncome taxes	3,960	2,386	2,210	711	1,231	35	**10,533**
Asset ret rement ob gat ons	5,117	5,366	493	61	997	47	**12,081**
Regu atory ab t es	6,540	4,454	672	343	1,629	(17)	**13,621**
Operat ng ease ab t es	93	356	292	20	52	214	**1,027**
Accrued pens on and other post ret rement benef t costs	72	240	230	85	172	(343)	**456**
Investment tax cred ts	235	131	208	3	168		**745**
Other	617	87	59	59	34	(53)	**803**
Tota other noncurrent ab t es	16,634	13,020	4,164	1,282	4,283	(117)	**39,266**
Equity	13,466	9,470	7,674	2,311	4,896	17,184	**55,001**
Total Liabilities and Equity	45,311	33,986	21,166	6,792	14,064	18,294	**139,613**
Segment rec ass f cat ons, ntercompany ba ances and other	(313)	(119)	(103)	(248)	(77)	(19)	**(879)**
Reportable Segment Liabilities and Equity	$ 44,998	$ 33,867	$ 21,063	$ 6,544	$ 13,987	$ 18,275	**$ 138,734**

(a) Inc udes ba ances of the who y owned subs d ary, Duke Energy Kentucky.
(b) Inc udes the e m nat on of ntercompany ba ances and purchase account ng adjustments.

GAS UTILITIES AND INFRASTRUCTURE
CONDENSED CONSOLIDATING SEGMENT INCOME
(Unaudited)

	Three Months Ended March 31, 2021		
(In millions)	**Duke Energy Ohio[a]**	**Piedmont Natural Gas LDC**	**Gas Utilities and Infrastructure[b]**
Operating Revenues	$ 169	$ 606	**$ 775**
Operating Expenses			
Cost of natura gas	51	225	**276**
Operat on, ma ntenance and other	25	77	**102**
Deprec at on and amort zat on	20	48	**68**
Property and other taxes	21	14	**35**
Tota operat ng expenses	117	364	**481**
Operating Income	52	242	**294**
Other income and expenses, net	2	15	**17**
Interest Expense	4	29	**33**
Income Before Income Taxes	50	228	**278**
Income Tax Expense	7	26	**33**
Segment Income	$ 43	$ 202	**$ 245**

(a) Inc udes resu ts of the who y owned subs d ary, Duke Energy Kentucky.
(b) Inc udes osses from the cance at on of the ACP p pe ne and earn ngs from nvestments n Saba Tra and Card na p pe nes, as we as Hardy and P ne Need e storage fac t es.

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

(In millions)	March 31, 2021				
	Duke Energy Ohio[a]	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/ Adjustments[b]	Gas Utilities and Infrastructure
Current Assets					
Cash and cash equ va ents	$ 4	$ 1	$	$ 1	**$ 6**
Rece vab es, net	10	257		(1)	**266**
Rece vab es from aff ated compan es	2	65	355	(85)	**337**
Notes rece vab e from aff ated compan es		198		(9)	**189**
Inventory	17	37			**54**
Regu atory assets	18	100		1	**119**
Other	7	11	1	(1)	**18**
Tota current assets	58	669	356	(94)	**989**
Property, Plant and Equipment					
Cost	3,699	9,357			**13,056**
Accumu ated deprec at on and amort zat on	(801)	(1,809)		1	**(2,609)**
Net property, p ant and equ pment	2,898	7,548		1	**10,447**
Other Noncurrent Assets					
Goodw	324	49		1,551	**1,924**
Regu atory assets	280	324		127	**731**
Operat ng ease r ght of use assets, net		19			**19**
Investments n equ ty method unconso dated aff ates			210	5	**215**
Investment n conso dated subs d ar es				3	**3**
Other	17	273	16	(1)	**305**
Tota other noncurrent assets	621	665	226	1,685	**3,197**
Total Assets	3,577	8,882	582	1,592	**14,633**
Segment rec ass f cat ons, ntercompany ba ances and other	(2)	(54)	5	(443)	**(494)**
Reportable Segment Assets	$ 3,575	$ 8,828	$ 587	$ 1,149	**$ 14,139**

(a) Inc udes ba ances of the who y owned subs d ary, Duke Energy Kentucky.
(b) Inc udes the e m nat on of ntercompany ba ances and purchase account ng adjustments.

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

	March 31, 2021				
(In millions)	**Duke Energy Ohio[a]**	**Piedmont Natural Gas LDC**	**Midstream Pipelines and Storage**	**Eliminations/ Adjustments[b]**	**Gas Utilities and Infrastructure**
Current Liabilities					
Accounts payab e	$ 49	$ 166	$	$ (1)	**$ 214**
Accounts payab e to aff ated compan es	5	45	62	(90)	**22**
Notes payab e to aff ated compan es	90			(10)	**80**
Taxes accrued	16	67	(33)		**50**
Interest accrued	8	37			**45**
Current matur t es of ong term debt	26	160		1	**187**
Regu atory ab t es	21	70			**91**
Other	4	72	39	1	**116**
Tota current ab t es	219	617	68	(99)	**805**
Long-Term Debt	570	2,967		112	**3,649**
Long-Term Debt Payable to Affiliated Companies	7				**7**
Other Noncurrent Liabilities					
Deferred ncome taxes	298	821	19	2	**1,140**
Asset ret rement ob gat ons	43	20			**63**
Regu atory ab t es	397	1,015		14	**1,426**
Operat ng ease ab t es		17			**17**
Accrued pens on and other post ret rement benef t costs	29	8			**37**
Investment tax cred ts	1	1			**2**
Other	35	177	49		**261**
Tota other noncurrent ab t es	803	2,059	68	16	**2,946**
Equity	1,978	3,239	446	1,563	**7,226**
Total Liabilities and Equity	3,577	8,882	582	1,592	**14,633**
Segment rec ass f cat ons, ntercompany ba ances and other	(2)	(54)	5	(443)	**(494)**
Reportable Segment Liabilities and Equity	$ 3,575	$ 8,828	$ 587	$ 1,149	**$ 14,139**

(a) Inc udes ba ances of the who y owned subs d ary, Duke Energy Kentucky.
(b) Inc udes the e m nat on of ntercompany ba ances and purchase account ng adjustments.

Electric Utilities and Infrastructure
Quarterly Highlights
March 2021

	Three Months Ended March 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
Gigawatt-hour (GWh) Sales[a]				
Residential	23 769	20 874	13 9%	2 6%
General Service	17 308	17 682	(2 1%)	(5 0%)
ndustrial	11 769	11 983	(1 8%)	(2 0%)
Other Energy Sales	139	144	(3 5%)	n/a
Unbilled Sales	(2 082)	(585)	(255 9%)	n/a
Total Retail Sales	50 903	50 098	1 6%	(1 1%)
Wholesale and Other	9 880	8 854	11 6%	
Total Consolidated Electric Sales Electric Utilities and nfrastructure	60 783	58 952	3 1%	
Average Number of Customers (Electric)				
Residential	6 937 684	6 811 644	1 9%	
General Service	1 011 684	996 789	1 5%	
ndustrial	17 187	17 314	(0 7%)	
Other Energy Sales	30 668	30 930	(0 8%)	
Total Retail Customers	7 997 223	7 856 677	1 8%	
Wholesale and Other	39	46	(15 2%)	
Total Average Number of Customers Electric Utilities and nfrastructure	7 997 262	7 856 723	1 8%	
Sources of Electric Energy (GWh)				
Generated Net Output[c]				
Coal	13 071	7 152	82 8%	
Nuclear	18 972	18 804	0 9%	
Hydro	963	1 021	(5 7%)	
Natural Gas and Oil	17 584	19 587	(10 2%)	
Renewable Energy	301	215	40 0%	
Total Generation[d]	50 891	46 779	8 8%	
Purchased Power and Net nterchange[e]	13 690	15 163	(9 7%)	
Total Sources of Energy	64 581	61 942	4 3%	
Less Line Loss and Other	3 798	2 990	27 0%	
Total GWh Sources	60 783	58 952	3 1%	
Owned Megawatt (MW) Capacity[c]				
Summer	50 374	50 635		
Winter	53 795	54 175		
Nuclear Capacity Factor (%)[f]	99	97		

(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
March 2021

	Three Months Ended March 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	8 354	7 361	13 5%	
General Service	6 570	6 815	(3 6%)	
ndustrial	4 758	4 875	(2 4%)	
Other Energy Sales	75	79	(5 1%)	
Unbilled Sales	(355)	(75)	(373 3%)	
Total Retail Sales	19 402	19 055	1 8%	(1 5%)
Wholesale and Other	2 560	2 181	17 4%	
Total Consolidated Electric Sales Duke Energy Carolinas	21 962	21 236	3 4%	
Average Number of Customers				
Residential	2 333 704	2 285 112	2 1%	
General Service	371 039	364 075	1 9%	
ndustrial	6 070	6 113	(0 7%)	
Other Energy Sales	22 453	22 787	(1 5%)	
Total Retail Customers	2 733 266	2 678 087	2 1%	
Wholesale and Other	19	24	(20 8%)	
Total Average Number of Customers Duke Energy Carolinas	2 733 285	2 678 111	2 1%	
Sources of Electric Energy (GWh)				
Generated Net Output[c]				
Coal	4 118	2 459	67 5%	
Nuclear	11 651	11 522	1 1%	
Hydro	619	743	(16 7%)	
Natural Gas and Oil	4 496	4 868	(7 6%)	
Renewable Energy	67	44	52 3%	
Total Generation[d]	20 951	19 636	6 7%	
Purchased Power and Net nterchange[e]	2 159	2 415	(10 6%)	
Total Sources of Energy	23 110	22 051	4 8%	
Less Line Loss and Other	1 148	815	40 9%	
Total GWh Sources	21 962	21 236	3 4%	
Owned MW Capacity[c]				
Summer	20 001	20 192		
Winter	20 877	21 127		
Nuclear Capacity Factor (%)[f]	101	99		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	1 683	1 390	21 1%	
Cooling Degree Days	5	35	(85 7%)	
Variance from Normal				
Heating Degree Days	(2 0%)	(19 6%)		
Cooling Degree Days	(33 2%)	382 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
March 2021

	Three Months Ended March 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	5 481	4 618	18 7%	
General Service	3 441	3 471	(0 9%)	
ndustrial	2 452	2 497	(1 8%)	
Other Energy Sales	19	19	%	
Unbilled Sales	(591)	(355)	(66 5%)	
Total Retail Sales	10 802	10 250	5 4%	(0 4%)
Wholesale and Other	5 735	5 420	5 8%	
Total Consolidated Electric Sales Duke Energy Progress	16 537	15 670	5 5%	
Average Number of Customers				
Residential	1 391 105	1 362 360	2 1%	
General Service	241 471	237 477	1 7%	
ndustrial	3 997	4 002	(0 1%)	
Other Energy Sales	1 415	1 416	(0 1%)	
Total Retail Customers	1 637 988	1 605 255	2 0%	
Wholesale and Other	8	9	(11 1%)	
Total Average Number of Customers Duke Energy Progress	1 637 996	1 605 264	2 0%	
Sources of Electric Energy (GWh)				
Generated Net Output[c]				
Coal	2 207	615	258 9%	
Nuclear	7 321	7 282	0 5%	
Hydro	280	241	16 2%	
Natural Gas and Oil	5 432	5 891	(7 8%)	
Renewable Energy	49	52	(5 8%)	
Total Generation[d]	15 289	14 081	8 6%	
Purchased Power and Net nterchange[e]	1 811	2 099	(13 7%)	
Total Sources of Energy	17 100	16 180	5 7%	
Less Line Loss and Other	563	510	10 4%	
Total GWh Sources	16 537	15 670	5 5%	
Owned MW Capacity[c]				
Summer	12 468	12 442		
Winter	13 612	13 497		
Nuclear Capacity Factor (%)[f]	94	93		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	1 548	1 186	30 5%	
Cooling Degree Days	14	52	(73 1%)	
Variance from Normal				
Heating Degree Days	(2 3%)	(25 8%)		
Cooling Degree Days	32 1%	349 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% of jointly owned stations

Duke Energy Florida
Quarterly Highlights
Supplemental Electric Utilities and Infrastructure Information
March 2021

	Three Months Ended March 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	4 488	4 060	10 5%	
General Service	3 216	3 285	(2 1%)	
ndustrial	812	769	5 6%	
Other Energy Sales	6	6	%	
Unbilled Sales	(402)	183	(319 7%)	
Total Retail Sales	8 120	8 303	(2 2%)	0 3%
Wholesale and Other	434	314	38 2%	
Total Electric Sales Duke Energy Florida	8 554	8 617	(0 7%)	
Average Number of Customers				
Residential	1 675 242	1 642 342	2 0%	
General Service	206 790	204 184	1 3%	
ndustrial	1 951	2 010	(2 9%)	
Other Energy Sales	1 488	1 492	(0 3%)	
Total Retail Customers	1 885 471	1 850 028	1 9%	
Wholesale and Other	7	8	(12 5%)	
Total Average Number of Customers Duke Energy Florida	1 885 478	1 850 036	1 9%	
Sources of Electric Energy (GWh)				
Generated Net Output[c]				
Coal	1 036	35	2 860 0%	
Natural Gas and Oil	7 176	8 266	(13 2%)	
Renewable Energy	184	114	61 4%	
Total Generation[d]	8 396	8 415	(0 2%)	
Purchased Power and Net nterchange[e]	837	901	(7 1%)	
Total Sources of Energy	9 233	9 316	(0 9%)	
Less Line Loss and Other	679	699	(2 9%)	
Total GWh Sources	8 554	8 617	(0 7%)	
Owned MW Capacity[c]				
Summer	10 206	10 302		
Winter	11 081	11 347		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	295	220	34 1%	
Cooling Degree Days	268	470	(43 0%)	
Variance from Normal				
Heating Degree Days	(20 2%)	(9 8%)		
Cooling Degree Days	40 4%	138 0%		

(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 Ohio
Quarterly Highlights
Supplemental Electric Utilities and Infrastructure Information
March 2021

	Three Months Ended March 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	2 587	2 290	13 0%	
General Service	2 172	2 198	(1 2%)	
ndustrial	1 335	1 365	(2 2%)	
Other Energy Sales	26	27	(3 7%)	
Unbilled Sales	(321)	(152)	(111 2%)	
Total Retail Sales	5 799	5 728	1 2%	(2 1%)
Wholesale and Other	205	95	115 8%	
Total Electric Sales Duke Energy Ohio	6 004	5 823	3 1%	
Average Number of Customers				
Residential	785 987	779 652	0 8%	
General Service	89 654	88 871	0 9%	
ndustrial	2 479	2 491	(0 5%)	
Other Energy Sales	3 456	3 431	0 7%	
Total Retail Customers	881 576	874 445	0 8%	
Wholesale and Other	1	1	%	
Total Average Number of Customers Duke Energy Ohio	881 577	874 446	0 8%	
Sources of Electric Energy (GWh)				
Generated Net Output[c]				
Coal	966	622	55 3%	
Natural Gas and Oil	2	(1)	300 0%	
Total Generation[d]	968	621	55 9%	
Purchased Power and Net nterchange[e]	5 781	5 874	(1 6%)	
Total Sources of Energy	6 749	6 495	3 9%	
Less Line Loss and Other	745	672	10 9%	
Total GWh Sources	6 004	5 823	3 1%	
Owned MW Capacity[c]				
Summer	1 076	1 076		
Winter	1 164	1 164		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	2 500	2 186	14 4%	
Cooling Degree Days		5	(100 0%)	
Variance from Normal				
Heating Degree Days	(2 3%)	(15 1%)		
Cooling Degree Days	(100 0%)	45 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
March 2021

	Three Months Ended March 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal[b]
GWh Sales[a]				
Residential	2 859	2 545	12 3%	
General Service	1 909	1 913	(0 2%)	
ndustrial	2 412	2 477	(2 6%)	
Other Energy Sales	13	13	%	
Unbilled Sales	(413)	(186)	(122 0%)	
Total Retail Sales	6 780	6 762	0 3%	(1 6%)
Wholesale and Other	946	844	12 1%	
Total Electric Sales Duke Energy ndiana	7 726	7 606	1 6%	
Average Number of Customers				
Residential	751 646	742 178	1 3%	
General Service	102 730	102 182	0 5%	
ndustrial	2 690	2 698	(0 3%)	
Other Energy Sales	1 856	1 804	2 9%	
Total Retail Customers	858 922	848 862	1 2%	
Wholesale and Other	4	4	%	
Total Average Number of Customers Duke Energy ndiana	858 926	848 866	1 2%	
Sources of Electric Energy (GWh)				
Generated Net Output[c]				
Coal	4 744	3 421	38 7%	
Hydro	64	37	73 0%	
Natural Gas and Oil	478	563	(15 1%)	
Renewable Energy	1	5	(80 0%)	
Total Generation[d]	5 287	4 026	31 3%	
Purchased Power and Net nterchange[e]	3 102	3 874	(19 9%)	
Total Sources of Energy	8 389	7 900	6 2%	
Less Line Loss and Other	663	294	125 5%	
Total GWh Sources	7 726	7 606	1 6%	
Owned MW Capacity[c]				
Summer	6 623	6 623		
Winter	7 061	7 040		
Heating and Cooling Degree Days				
Actual				
Heating Degree Days	2 705	2 457	10 1%	
Cooling Degree Days			%	
Variance from Normal				
Heating Degree Days	(1 6%)	(10 6%)		
Cooling Degree Days	(100 0%)	(100 0%)		

(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

March 2021

	Three Months Ended March 31,		
	2021	**2020**	**% Inc. (Dec.)**
Total Sales			
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms)[(a)]	149 626 582	148 503 995	0 8%
Duke Energy Midwest LDC throughput (Mcf)	37 109 003	33 785 834	9 8%
Average Number of Customers – Piedmont Natural Gas			
Residential	1 021 856	998 267	2 4%
Commercial	106 055	105 460	0 6%
ndustrial	965	974	(0 9%)
Power Generation	19	17	11 8%
Total Average Number of Gas Customers Piedmont Natural Gas	1 128 895	1 104 718	2 2%
Average Number of Customers – Duke Energy Midwest			
Residential	501 260	496 426	1 0%
General Service	44 628	45 131	(1 1%)
ndustrial	1 610	1 622	(0 7%)
Other	131	132	(0 8%)
Total Average Number of Gas Customers Duke Energy Midwest	547 629	543 311	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

March 2021

	Three Months Ended March 31,		
	2021	**2020**	**% Inc. (Dec.)**
Renewable Plant Production GWh	2 588	2 437	6 2 %
Net Proportional MW Capacity in Operation[(a)]	4 294	3 502	22 6 %

(a) ncludes 100% tax equity project capacity

Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 10, 2021

Adjusted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of adjusted EPS for the quarters ended March 31, 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 quarters ended March 31, 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 additional exit costs related to ACP.
- Severance represents the reversal of 2018 Severance costs, 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.

Adjusted EPS Guidance

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 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. 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 First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter ended March 31, 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 ended March 31, 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.

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

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter ended March 31, 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 quarter ended March 31, 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 First Quarter Earnings Review and Business Update on May 10, 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 March 31, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of March 31, 2021, to the most directly comparable GAAP measure is included herein.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2021
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item: Gas Pipeline Investments	Total Adjustments	Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 820**	$	$	$ 820
Gas Utilities and Infrastructure	**245**	5 **A**	5	250
Commercial Renewables	**27**			27
Total Reportable Segment Income	**1,092**	**5**	**5**	**1,097**
Other	**(139)**			(139)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 953**	**$ 5**	**$ 5**	**$ 958**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.25**	**$ 0.01**	**$ 0.01**	**$ 1.26**

Note: Earn ngs Per Share amounts are adjusted for accumu ated d v dends for Ser es B Preferred Stock of $0.02.

A Net of $1 m on tax benef t. $6 m on of ex t ob gat ons recorded w th n Equ ty n (osses) earn ngs of unconso dated aff ates on the Condensed Conso dated Statements of Operat ons.

Weighted Average Shares (reported and adjusted) 769 million

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2020
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item Severance	Total Adjustments	Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 705**	$	$	$ 705
Gas Utilities and Infrastructure	**249**			249
Commercial Renewables	**57**			57
Total Reportable Segment Income	**1,011**			**1,011**
Other	**(112)**	(75) **A**	(75)	(187)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 899**	**$ (75)**	**$ (75)**	**$ 824**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.24**	**$ (0.10)**	**$ (0.10)**	**$ 1.14**

Note: Earn ngs Per Share amounts are adjusted for accumu ated d v dends for Ser es B Preferred Stock of $0.02.

A Net of $23 m on tax expense. $98 m on reversa of 2018 charges recorded w th n Operat ons, ma ntenance and other on the Condensed Conso dated Statements of Operat ons.

Weighted Average Shares (reported and adjusted) 734 million

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

	Three Months Ended March 31, 2021	
	Balance	**Effective Tax Rate**
Reported Income Before Income Taxes	$ 1,025	
Ex t Ob gat ons for Gas P pe ne Investments	6	
Noncontro ng Interests	51	
Preferred D v dends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 1,043	
Reported Income Tax Expense	$ 84	8.2 %
Gas P pe ne Investments	1	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 85	8.1 %

	Three Months Ended March 31, 2020	
	Balance	**Effective Tax Rate**
Reported Income Before Income Taxes	$ 1,027	
Severance	(98)	
Noncontro ng Interests	48	
Preferred D v dends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 938	
Reported Income Tax Expense	$ 137	13.3 %
Severance	(23)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 114	12.2 %

Duke Energy Corporation
Available Liquidity Reconciliation
As of March 31, 2021
(In millions)

Cash and Cash Equivalents	$ 379	
Less: Certain Amounts Held in Foreign Jurisdictions	(4)	
Less: Unavailable Domestic Cash	(134)	
	241	
Plus: Remaining Availability under Master Credit Facilities and other facilities	4,922	
Total Available Liquidity (a), March 31, 2021	$ 5,163	approximately 5.2 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 March 31, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

Duke Energy Progress, LLC
Docket No. E-2 Sub 1300
E1-21- Annual Reports
For the Test Year Ending 2021

DUKE ENERGY®

Q1 / 2022

Earnings Review and Business Update

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

May 9, 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.

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/.