



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

# **Earnings Review & Business Update**

FOURTH QUARTER 2019

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

February 13, 2020

OFFICIAL COPY

Jan 19, 2023

## Safe Harbor statement

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

## Regulation G disclosure

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

## DELIVERING ON FINANCIAL RESULTS...

- ✓ 2019 EPS above guidance range midpoint
- ✓ Strong year-over-year results represent 7% growth
- ✓ Well positioned to continue to deliver 4-6% EPS growth

## AND COMMITMENT TO THE DIVIDEND...

- ✓ 93<sup>rd</sup> consecutive year paying a dividend

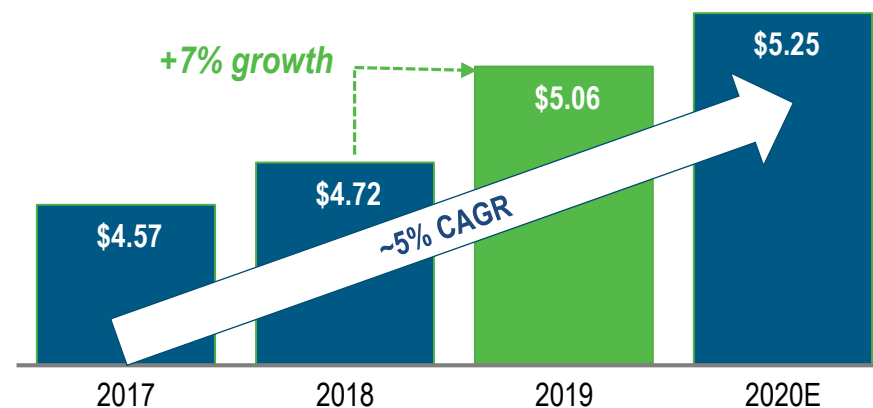
## ...WHILE MAINTAINING FOCUS ON THE CUSTOMER

- ✓ Delivered outstanding improvement in customer service, increasing reliability measures by 15% and customer satisfaction measures by 25%

**\$5.06 IN 2019**

2019 REPORTED AND ADJUSTED EPS  
**IN TOP HALF OF GUIDANCE RANGE**

### ADJUSTED EPS GROWTH



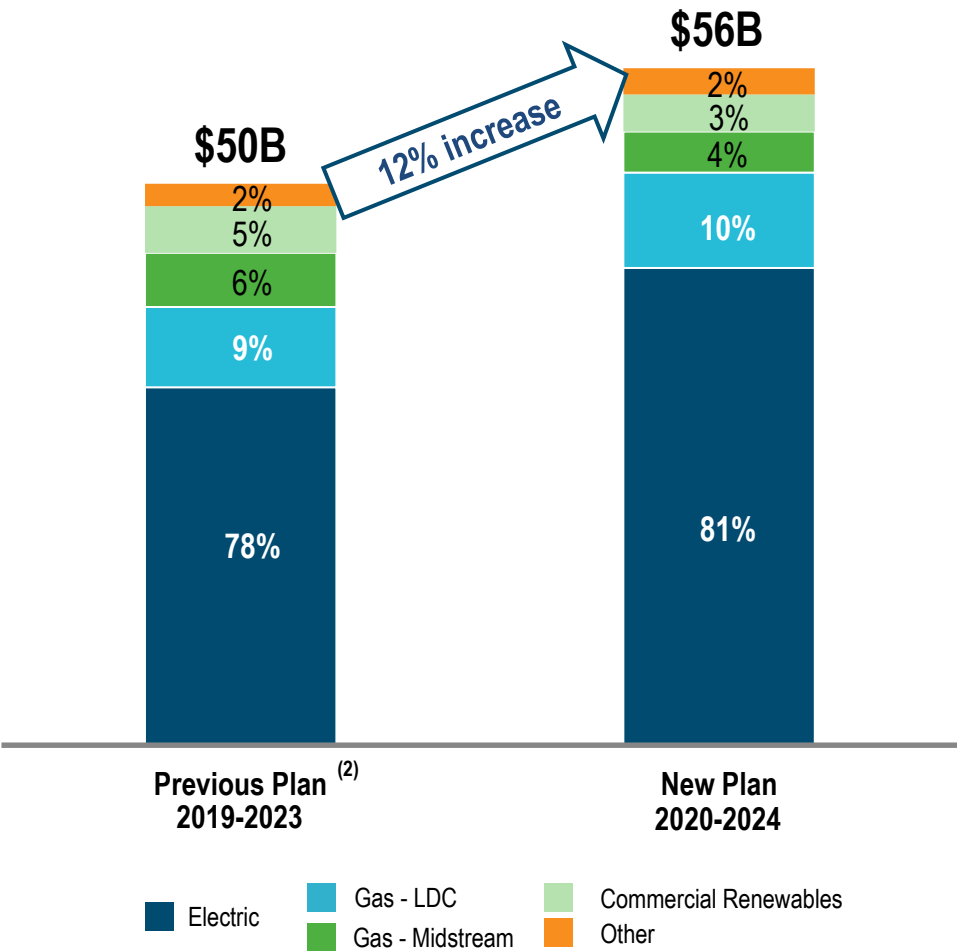
**\$5.25 TARGET MIDPOINT FOR 2020**

INTRODUCING 2020 ADJUSTED EPS  
**GUIDANCE RANGE OF \$5.05-\$5.45**

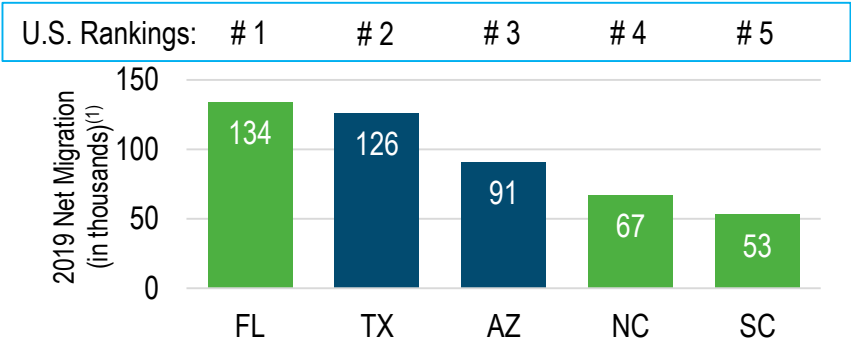
**4% – 6% GROWTH THROUGH 2024 OFF MIDPOINT OF ORIGINAL  
2019 ADJUSTED EPS GUIDANCE RANGE (\$5.00)**



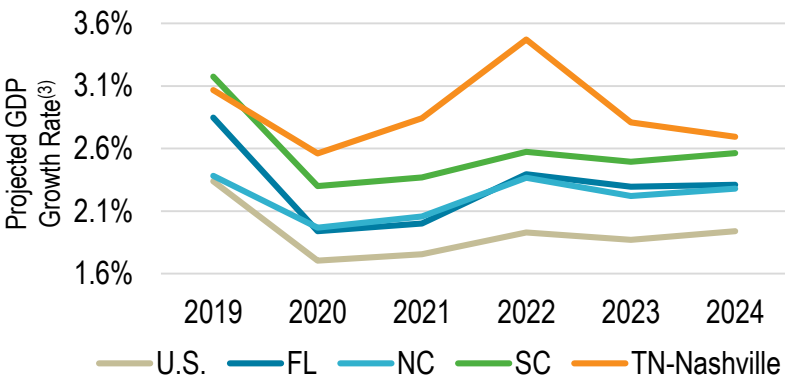
12% INCREASE IN 5-YEAR CAPITAL PLAN;  
LOW RISK INVESTMENTS



SERVING THREE OF THE MOST  
VIBRANT STATES IN THE COUNTRY



GDP GROWTH PROJECTIONS ABOVE  
THE NATIONAL AVERAGE



(1) Source: Wells Fargo Securities; U.S. Department of Commerce  
(2) As disclosed in the Fourth Quarter 2018 Earnings Review and Business Update on Feb. 14, 2019  
(3) Source: U.S. Bureau of Economic Analysis (BEA); Moody's Analytics Forecasted

VITALITY OF COMMUNITIES DRIVES REGULATED FOCUSED GROWTH



## DUKE ENERGY'S GUIDING PRINCIPLES

### *Our purpose:*

Power the lives of our customers and the vitality of our communities

### *Our vision:*

Lead the way to cleaner, smarter energy solutions that customers value

## 2019 STAKEHOLDER ENGAGEMENT RESULTS

- ✓ Reached landmark settlement with NCDEQ and community groups to finalize closure plans for low risk coal ash sites
- ✓ North Carolina storm securitization legislation passed
- ✓ Achieved constructive outcomes in Piedmont rate cases
- ✓ Announced new goal of net zero CO<sub>2</sub> emissions by 2050

Newport Tie Station; York, SC

## ENVIRONMENTAL



- Industry-leading climate goal of net-zero carbon emissions by 2050
- Announced over 1,500 MW of new wind and solar projects in 2019
- Further reduced CO<sub>2</sub> emissions by an additional 8% in 2019 from 2005 levels, bringing total decrease to 39%<sup>(1)</sup>
- Named to Dow Jones Sustainability North America Index for 14 years in a row
- Clear leader in energy efficiency savings in Southeast

## SOCIAL RESPONSIBILITY



- One of the industry leaders for 5th year in a row in safety
- Named one of “America’s Best Employers” by Forbes in 2019 and one of Fortune’s “Worlds Most Admired Companies” for 3<sup>rd</sup> consecutive year
- Earned perfect score for third year in a row on the Human Rights Campaign Corporate Equality Index; also awarded “Best Places to Work for LGBTQ Equality”

## GOVERNANCE & TRANSPARENCY



- Bloomberg ESG disclosure score of 57.4, the third best score and in the top quartile of U.S. utilities
- Climate report utilizes TCFD<sup>(2)</sup> framework; our pathway is consistent with 2-degree scenario
- 2019 board refreshment enhanced diversity (40% racial, gender and ethnic diversity)
- Strong ESG ratings from ISS Quality Score in 2019

**ANNOUNCING DUKE ENERGY'S ESG INVESTOR DAY IN MAY 2020 – DETAILS TO FOLLOW**

<sup>(1)</sup> Year to year reductions will be influenced by customer demand for electricity, weather, fuel and purchased power prices, and other factors

<sup>(2)</sup> TCFD – Task Force on Climate-related Financial Disclosures



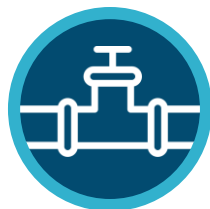
## MODERNIZE THE ENERGY GRID

- Improving the largest grid in the United States to support:
  - Carbon reduction goals / renewables penetration
  - Hardening and resiliency against storms / grid security
  - Population and economic growth of our vibrant communities



## GENERATE CLEANER ENERGY

- Targeting  $\geq 50\%$  reduction in CO<sub>2</sub> emissions by 2030<sup>(1)</sup> and net zero by 2050
- Transitioning from coal to renewables and natural gas in the Carolinas and Midwest
- Meeting solar demands of our Florida customers with >1,750 MW to be built 2019-2030



## EXPAND NATURAL GAS INFRASTRUCTURE

- Focusing on gas infrastructure needs in the Southeast to support:
  - Robust customer growth
  - Integrity management programs
  - Cleaner electric power generation transformation
- Midstream investments currently limited to the Atlantic Coast Pipeline

**SIGNIFICANT INVESTMENT RUNWAY BEYOND THE 5 YEAR PLAN REPRESENTS  
UNIQUE, LONG-TERM SHAREHOLDER VALUE PROPOSITION**

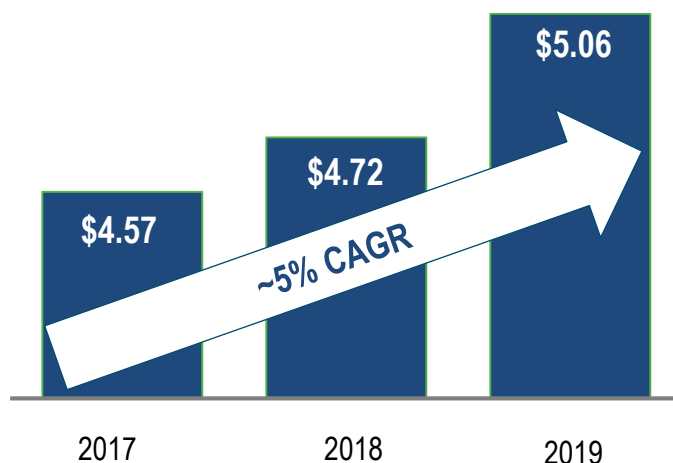
(1) From 2005 levels



## \$5.06

2019 REPORTED AND ADJUSTED EPS  
**ABOVE MIDPOINT OF  
ORIGINAL AND REVISED GUIDANCE RANGE<sup>(1)</sup>**

### ADJUSTED EARNINGS PER SHARE



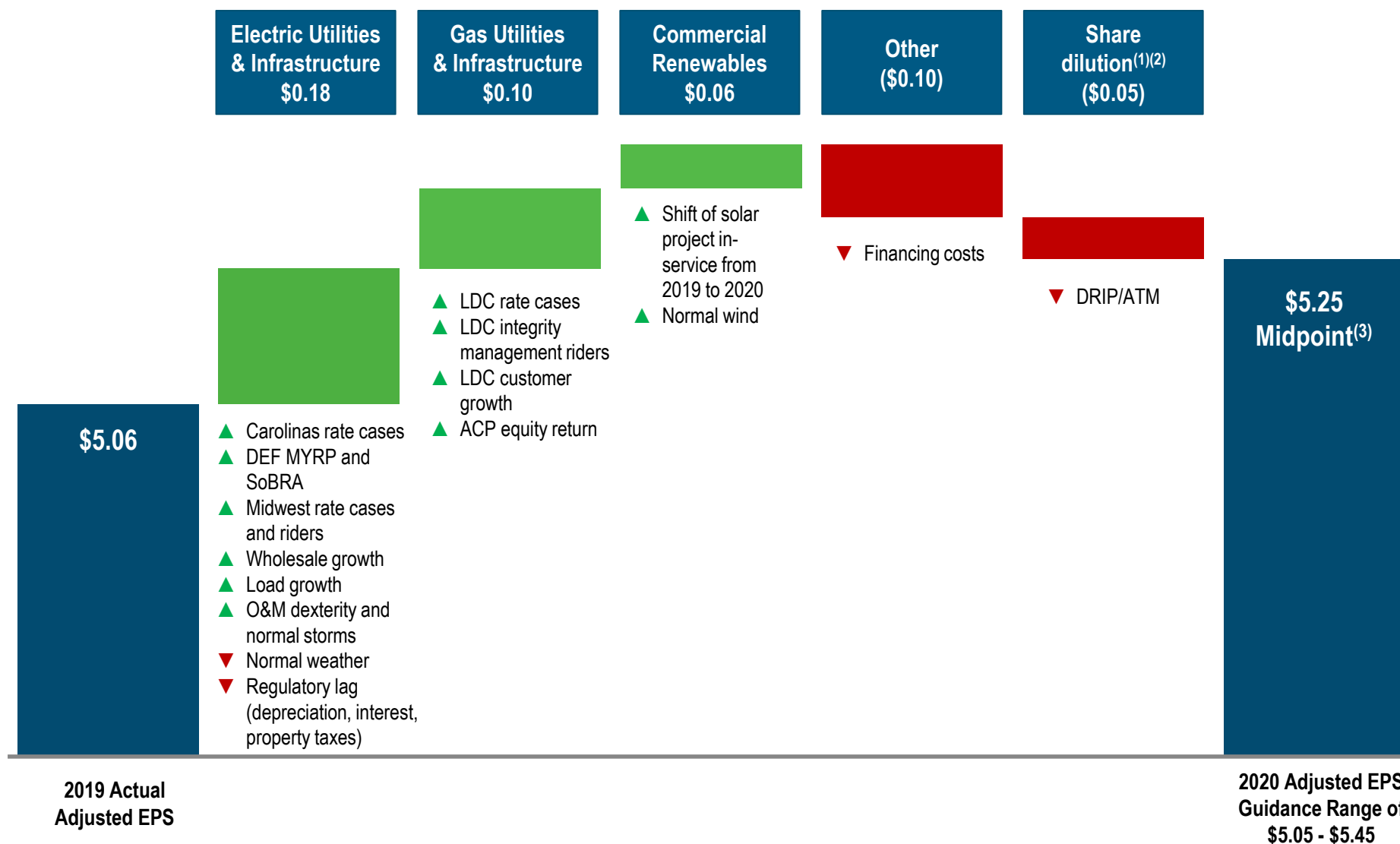
## 2019 KEY MESSAGES

- Delivered ~5% adjusted EPS CAGR from 2017 (first year of portfolio transition) through 2019
- Achieved solid year-over-year growth in each operating segment:
  - Electric Utilities and Infrastructure, +\$0.25 per share
  - Gas Utilities and Infrastructure, +\$0.18 per share
  - Commercial renewables, +\$0.13 per share
  - Other, -\$0.08 per share
  - Share dilution, -\$0.14 per share
- Demonstrated dexterity in response to favorable 2019 total volumes, for example:
  - Deployed strategic O&M spend on behalf of customers and communities (\$0.06) per share
  - Absorbed Hurricane Dorian costs (\$0.04) per share

**2019 RESULTS AND AGILITY POSITION THE COMPANY WELL TO DELIVER ON 2020 AND 2021 FINANCIAL TARGETS**

(1) Based on adjusted EPS and the original 2019 midpoint of \$5.00 and revised guidance midpoint of \$5.05

# 2020 Financial outlook – adjusted EPS waterfall



(1) Minimal dilution from \$2.5 billion equity forward as settlement expected in December 2020

(2) Based on weighted average basic shares which exclude dilution imputed for GAAP purposes during the period between pricing (Nov. 2018) and settlement (Dec. 2020) of the \$2.5 billion equity forward

(3) Midpoint of 2020 adjusted EPS guidance range of \$5.05 - \$5.45

## Electric Utilities & Infrastructure

- ↑ Florida multi-year rate plan and Solar BRA
- ↑ Rate case full year impact:
  - Indiana and Kentucky
  - DEC/DEP NC
- ↑ Midwest grid investments (DEI/DEO)
- ↑ Load growth consistent with 0.5% long-term expectation
- ↔ Cost management through digital capabilities and other efficiencies keeps O&M relatively flat

## Gas Utilities & Infrastructure

- ↑ Atlantic Coast Pipeline
- ↑ Customer growth, integrity management investments, power generation gas infrastructure

## Other Drivers

- ↓ Share dilution:
  - Dilution in 2021 from \$2.5 billion equity forward fully offset by incremental AFUDC earnings on ACP
  - \$500 million of DRIP/ATM



**REAFFIRMING 4% - 6% EPS GROWTH THROUGH 2024<sup>(1)</sup>**

(1) Based on adjusted EPS and the original 2019 guidance midpoint of \$5.00



## Florida - \$1.5B increase

- Grid hardening supported by Storm Protection Plan regulations (SB 796)
- Solar investments
- Underpinned by highest net migration in the U.S.<sup>(1)</sup>

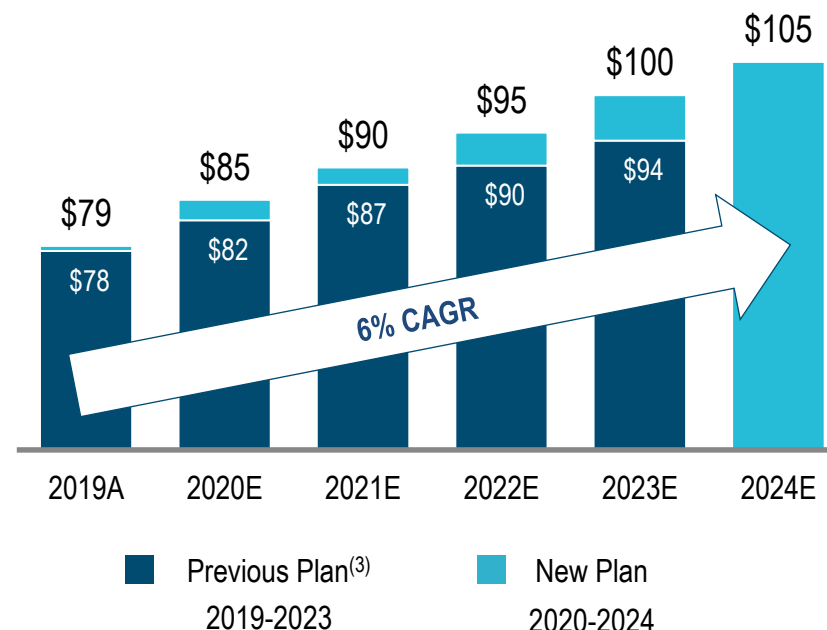
## Carolinas - \$4B increase

- T&D grid of DEC and DEP represents one of the largest systems in the country
- T&D investment needs driven by migration that ranks 4<sup>th</sup> (NC) and 5<sup>th</sup> (SC) in the U.S.<sup>(1)</sup> and NC solar penetration that ranks 2nd in the U.S.
- Storm hardening and resiliency

## Gas LDCs - \$1B increase

- Integrity management programs
- Infrastructure to support strong customer growth

## REGULATED ELECTRIC AND GAS EARNINGS BASE<sup>(2)</sup>



- (1) Source: Wells Fargo Securities; U.S. Department of Commerce
- (2) In billions. Illustrative earnings base for presentation purposes only and includes retail and wholesale; Amounts as of the end of each year shown; Projected earnings base = prior period earnings base + capex - D&A - deferred taxes
- (3) As disclosed in the Fourth Quarter 2018 Earnings Review and Business Update on Feb. 14, 2019

**STRENGTHENED BALANCE SHEET (BBB+/BAA1 STABLE) UNDERPINS  
ABILITY TO EXECUTE ON \$56B CAPITAL PLAN**

## KEY MESSAGES

- Committed to maintaining strong credit quality, including investment-grade ratings
  - Credit ratings recently affirmed at BBB+/Baa1 (Stable)
  - Credit metrics are consistently solid over the planning horizon
- Settlement of ~\$2.5 billion equity forward to occur in Dec. 2020
- Expected equity issuances of \$500 million per year 2020-2022 via DRIP/ATM programs; will evaluate continuing need for DRIP/ATM programs upon in-service of ACP

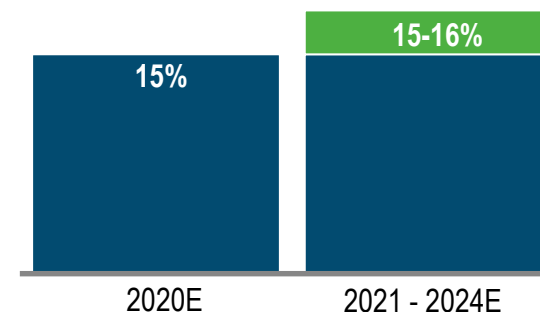
## UNIQUE FACTORS CONTRIBUTING TO BALANCE SHEET STRENGTH

- ~\$275 million refundable AMT credits expected in 2020
- Not expected to be a significant taxpayer until 2027 timeframe
- Pension plan 107% funded – no contributions forecasted in five-year plan

## PRIMARY CREDIT METRICS

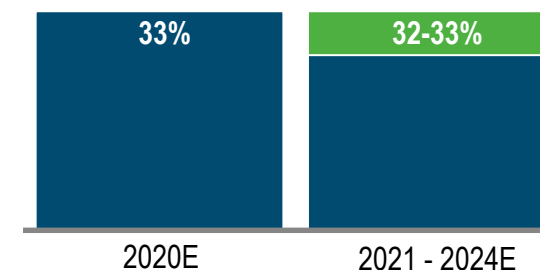
### FFO/DEBT

Target: 15 - 16%



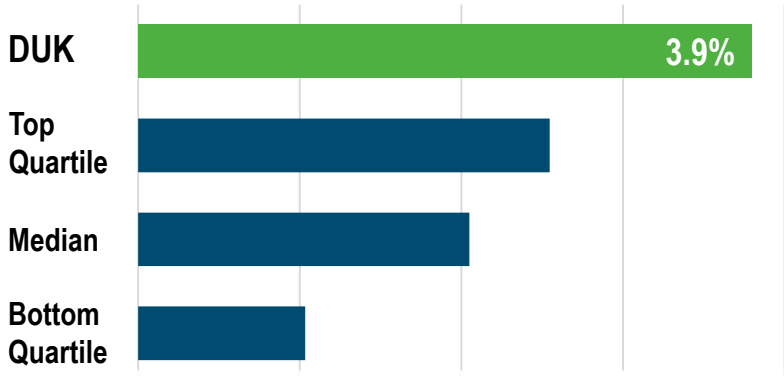
### HOLDCO DEBT %

Target: Low 30%'s

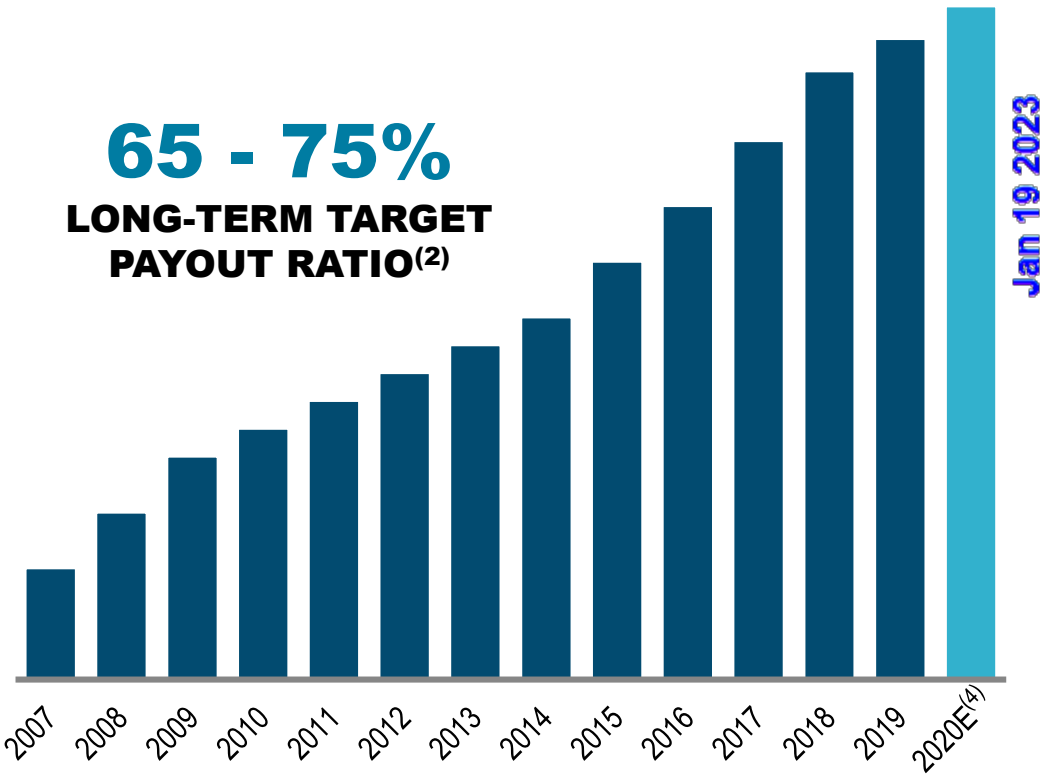


**EQUITY ISSUANCE PLAN REMAINS UNCHANGED FROM 3Q 2019 EARNINGS CALL**

**TOP TIER DIVIDEND YIELD<sup>(1)</sup>  
PROVIDES LOW RISK RETURNS...**



**...WITH A PROVEN TRACK RECORD OF  
DIVIDEND GROWTH<sup>(3)(4)</sup>**



(1) As of Feb. 11, 2020. Compared to UTY constituents  
(2) Based on adjusted EPS  
(3) Reflects annualized Q4 dividend per share for each year  
(4) Subject to approval by the Board of Directors



DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE



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

(1) As of Feb. 11, 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)



## Appendix



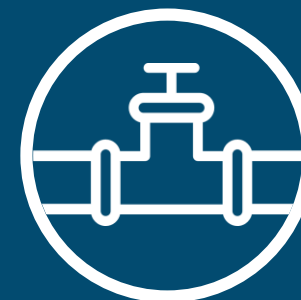
TRANSFORM THE  
**CUSTOMER EXPERIENCE**



MODERNIZE THE  
**ENERGY GRID**



GENERATE  
**CLEANER ENERGY**



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



**STAKEHOLDER**  
ENGAGEMENT

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





## FINANCIAL CONSIDERATIONS

- Expect mechanical completion of the project in late 2021 with full in-service in the first half of 2022
- Estimated cost of approximately \$8.0 billion<sup>(1)</sup>
  - ACP represents ~ 4% of Duke Energy's 5-year capital plan
- Expected EPS contribution from the project<sup>(2)</sup>:
  - 2020: ~\$0.20 cents per share
  - Full-year in-service: ~\$0.20 cents per share

## PERMIT STATUS

	Status/expected resolution	Agency
Appalachian Trail	SCOTUS oral arguments Feb 24 <sup>th</sup> / decision by June 2020	U.S. Forest Service
Biological Opinion	In process / reissuance mid-2020	U.S. Fish and Wildlife Services (USFWS)
Buckingham County	Evaluating alternatives / reissuance 2H2020	Virginia Air Control Board
Nationwide 12	Voluntarily remanded / reissuance mid-2020	U.S. Army Corps of Engineers
Blue Ridge Crossing	Voluntarily remanded / reissuance 2H2020	U.S. National Park Service

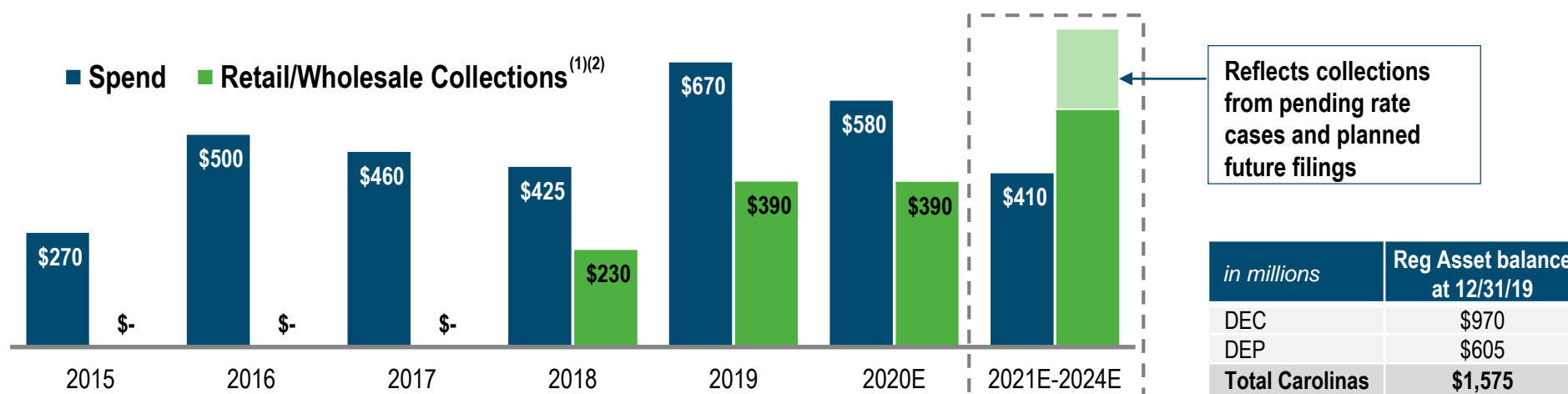
**COMMITTED TO BRINGING LOW-COST NATURAL GAS TO UNDERSERVED SOUTHEAST**

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

(2) Excludes financing costs at the holding company associated with the project

# Coal ash settlement provides clarity on closure method and costs

- NCDEQ issued order April 1, 2019 requiring remaining 9 low risk basins be fully excavated
- Settlement reached with NCDEQ and community groups on December 31, 2019:
  - ~70% of remaining ash at 7 of the 9 basins to be excavated, with ash moved to on-site lined landfills
  - Parties agreed to settle and dismiss pending litigation; NCDEQ and community groups will not challenge the reasonableness, prudence, public interest or legal requirement of Settlement obligations
  - NCDEQ will expeditiously review and act on all applications by Duke Energy for necessary permits, and cooperate with Duke Energy's efforts to extend deadlines imposed by the Federal CCR rule, as necessary
- Reduces incremental closure costs by approximately \$1.5 billion from April 1, 2019 order:
  - Now estimate total closure costs of \$8 to \$9 billion in the Carolinas
  - \$2.3 billion spent through 2019; majority of remaining expenditures to occur over next 15-20 years



## ANNUAL COLLECTIONS FORECASTED TO APPROXIMATE OR EXCEED SPEND ON CAROLINAS COAL ASH REMEDIATION

- (1) Comprised of annualized revenue requirement for DEC-NC 2018 rate case (~\$120M effective 8/1/2018), DEP-NC 2018 rate case (\$50M effective 3/15/2018), DEC-SC and DEP-SC 2019 rate cases (combined \$20M effective 6/1/2019); and annualized revenue requirement requested in current DEC-NC (\$100M effective 8/1/2020) and DEP-NC (\$120M effective 9/1/2020) rate cases; as well as annual wholesale recoveries that average \$150M 2018-2020E.
- (2) Excludes additional recovery amounts expected in SC



*Happy Jack Wind Farm; Laramie County, WY*

## KEY ASSUMPTIONS

- Commercial renewables segment income relatively flat over the five-year plan (2020-2024) at approximately \$200-\$250 million per year
- Line-of-sight to all net income prospects for 2020; and ~60% of the five-year plan (2020-2024)
- Abundant opportunities exist to fill the approximately 200-300MW per year of solar growth projects expected to be placed in service
- Significant portion of earnings from tax equity solar projects recognized over 3-5 years
- Expect to continue to utilize tax equity financing
- Project returns solidly above internal hurdle rates for these types of investments



## 2019 performance and 2020 guidance supplemental information



# Key 2020 adjusted earnings guidance assumptions

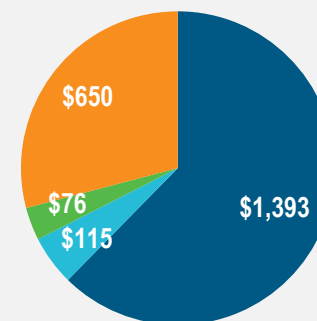
(\$ in millions)	Orig. 2019 Assumptions	2019 Actual	2020 Assumptions
<b>Adjusted segment income/(expense) <sup>(1)</sup>:</b>			
Electric Utilities & Infrastructure	\$3,480	\$3,509	\$3,640
Gas Utilities & Infrastructure	\$375	\$451	\$530
Commercial Renewables	\$230	\$198	\$240
Other	(\$440)	(\$452)	(\$540)
Duke Energy Consolidated	\$3,645	\$3,706	\$3,870
<b>Additional consolidated information:</b>			
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	12-14%	12.2%	11-13%
AFUDC equity (excludes ACP)	\$168	\$139	\$138
Capital expenditures <sup>(2)(3)</sup>	\$11,100	\$11,875	\$11,825
Weighted-average shares outstanding - basic	~729 million	729 million	~737 million

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

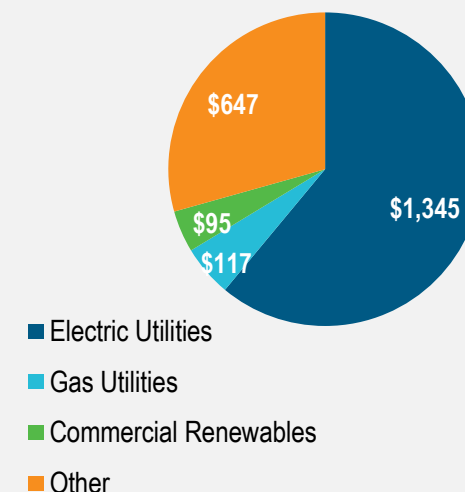
(2) Includes debt AFUDC and capitalized interest

(3) 2019 Actual includes coal ash closure spend of ~\$730 million that was included in operating cash flows and ~\$130 million funded under the ACP revolving credit facility; excludes tax equity funding of Commercial Renewables projects of ~\$430 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

**2020 Interest Expense Assumption**  
(Consolidated Total \$2,234)



**2019 Interest Expense**  
(Consolidated Total \$2,204)





# Electric utilities quarterly weather impacts

Weather segment income to normal:	2019			2018		
	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)
First Quarter	(\$55)	727	(\$0.06)	\$10	701	\$0.01
Second Quarter	\$80	728	\$0.08	\$90	704	\$0.10
Third Quarter <sup>(1)</sup>	\$145	729	\$0.15	\$55	714	\$0.05
Fourth Quarter	\$30	731	\$0.03	\$60	716	\$0.06
Year-to-Date <sup>(1)(2)</sup>	\$200	729	\$0.20	\$215	708	\$0.22

4Q 2019	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,143	(8.9%)	1,000	(11.6%)	105	(46.8%)	1,991	1.0%	1,766	(4.1%)
Cooling degree days / Variance from normal	94	161.5%	118	109.7%	674	43%	37	135.9%	49	172.2%
4Q 2018	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,333	5.9%	1,128	(0.7%)	192	(2.9%)	2,090	6.1%	1,916	4%
Cooling degree days / Variance from normal	115	243.9%	143	161.2%	612	31.6%	83	433.6%	93	449.1%

(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.

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 volumes <sup>(1)</sup>	+/- \$0.15
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.07
	\$200 million change in rate base	+/- \$0.01
	1% change in number of new customers	+/- \$0.01
Consolidated	1% change in interest rates <sup>(2)</sup>	+/- \$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

## Electric Utilities Earnings Base

(\$ in billions)	2019A	2020E	2021E	2022E	2023E	2024E
Duke Energy Carolinas	\$25.3	\$26.9	\$28.7	\$30.3	\$32.1	\$33.9
Duke Energy Progress	17.9	18.6	18.4	19.5	20.7	21.6
Duke Energy Florida	14.1	15.5	16.6	17.7	18.8	20.2
Duke Indiana	8.5	9.1	9.2	9.4	9.9	10.2
Duke Ohio – Electric	2.9	3.1	3.3	3.5	3.6	3.8
Duke Kentucky – Electric	1.0	1.1	1.1	1.2	1.3	1.3
<b>Electric Utilities Total<sup>(2)</sup></b>	<b>\$69.7</b>	<b>\$74.3</b>	<b>\$77.4</b>	<b>\$81.6</b>	<b>\$86.5</b>	<b>\$90.9</b>

## Gas Utilities Earnings Base

(\$ in billions)	2019A	2020E	2021E	2022E	2023E	2024E
Piedmont	\$5.2	\$5.7	\$6.2	\$6.7	\$7.3	\$7.8
Duke Energy Ohio – Gas	1.5	1.7	1.8	1.9	2.0	2.0
Duke Energy Kentucky - Gas	0.4	0.5	0.5	0.5	0.5	0.5
Natural Gas Transmission	2.0	3.1	4.0	4.0	3.8	3.6
<b>Gas Utilities Total<sup>(2)</sup></b>	<b>\$9.1</b>	<b>\$10.9</b>	<b>\$12.5</b>	<b>\$13.1</b>	<b>\$13.6</b>	<b>\$13.9</b>

(1) Illustrative earnings base for presentation purposes only and includes retail and wholesale; Amounts as of the end of each year shown; Projected earnings base = prior period earnings base + capex – D&A – deferred taxes

(2) Totals may not foot due to rounding

# Capital expenditures profile<sup>(1)</sup>

(\$ in millions)

Electric Utilities & Infrastructure	2019A	2020E	2021E	2022E	2023E	2024E	2020 - 2024
Electric Generation <sup>(2)</sup>	1,417	1,500	1,375	1,475	1,600	1,775	7,725
Electric Transmission	1,070	1,325	1,350	1,425	1,525	1,200	6,825
Electric Distribution	2,574	2,650	3,125	3,575	3,875	3,550	16,775
Environmental & Other <sup>(3)</sup>	1,019	975	725	750	600	500	3,550
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 6,079</b>	<b>\$ 6,450</b>	<b>\$ 6,575</b>	<b>\$ 7,225</b>	<b>\$ 7,600</b>	<b>\$ 7,025</b>	<b>\$ 34,875</b>
Maintenance	2,957	2,275	1,925	2,050	2,225	2,250	10,725
<b>Total Electric Utilities &amp; Infrastructure Capital</b>	<b>\$ 9,036</b>	<b>\$ 8,725</b>	<b>\$ 8,500</b>	<b>\$ 9,275</b>	<b>\$ 9,825</b>	<b>\$ 9,275</b>	<b>\$ 45,600</b>
Commercial Renewables <sup>(4)</sup>	965	550	600	400	300	300	2,150
<b>Total Commercial Renewables Capital</b>	<b>\$ 965</b>	<b>\$ 550</b>	<b>\$ 600</b>	<b>\$ 400</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 2,150</b>
Midstream Pipelines <sup>(5)</sup>	321	1,100	925	125	-	-	2,150
LDC - Non-Rider	376	425	350	325	325	300	1,725
LDC - Rider	318	275	350	400	425	300	1,750
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 1,015</b>	<b>\$ 1,800</b>	<b>\$ 1,625</b>	<b>\$ 850</b>	<b>\$ 750</b>	<b>\$ 600</b>	<b>\$ 5,625</b>
Maintenance	639	475	325	300	275	325	1,700
<b>Total Gas Utilities &amp; Infrastructure Capital</b>	<b>\$ 1,654</b>	<b>\$ 2,275</b>	<b>\$ 1,950</b>	<b>\$ 1,150</b>	<b>\$ 1,025</b>	<b>\$ 925</b>	<b>\$ 7,325</b>
Other <sup>(6)</sup>	219	275	275	325	275	250	1,400
<b>Total Duke Energy</b>	<b>\$ 11,875</b>	<b>\$ 11,825</b>	<b>\$ 11,325</b>	<b>\$ 11,150</b>	<b>\$ 11,425</b>	<b>\$ 10,750</b>	<b>\$ 56,475</b>

(1) Amounts include AFUDC debt or capitalized interest. Totals may not foot due to rounding

(2) Includes nuclear fuel of ~\$2.1B from 2020-2024

(3) 2019 actual amounts include ~\$730 million in coal ash closure spending that was included in operating cash flows

(4) Amounts are net of assumed tax equity financings

(5) Investment level will depend upon how the project and Duke investment are financed; 2019 actual amounts include ~\$130 million funded under the ACP revolving credit facility

(6) Primarily IT and real estate related costs

# Capital expenditures by utility<sup>(1)</sup>

(\$ in millions)

Duke Energy Carolinas	2019A	2020E	2021E	2022E	2023E	2024E	2020 - 2024
Electric Generation	\$ 535	\$ 725	\$ 525	\$ 425	\$ 575	\$ 850	\$ 3,100
Electric Transmission	197	350	400	425	375	350	1,900
Electric Distribution	809	925	1,475	1,300	1,600	1,475	6,775
Environmental & Other <sup>(2)</sup>	409	325	350	400	300	250	1,625
<b>Duke Energy Carolinas Growth Capital</b>	<b>\$ 1,949</b>	<b>\$ 2,325</b>	<b>\$ 2,750</b>	<b>\$ 2,550</b>	<b>\$ 2,850</b>	<b>\$ 2,925</b>	<b>\$ 13,400</b>
Maintenance	1,041	775	725	875	875	825	4,075
<b>Total Duke Energy Carolinas Capital</b>	<b>\$ 2,990</b>	<b>\$ 3,100</b>	<b>\$ 3,475</b>	<b>\$ 3,425</b>	<b>\$ 3,725</b>	<b>\$ 3,750</b>	<b>\$ 17,475</b>

Duke Energy Progress	2019A	2020E	2021E	2022E	2023E	2024E	2020 - 2024
Electric Generation	\$ 372	\$ 300	\$ 450	\$ 750	\$ 725	\$ 625	\$ 2,850
Electric Transmission	129	125	175	175	375	200	1,050
Electric Distribution	603	650	650	750	750	650	3,450
Environmental & Other <sup>(3)</sup>	485	450	225	225	200	200	1,300
<b>Duke Energy Progress Growth Capital</b>	<b>\$ 1,588</b>	<b>\$ 1,525</b>	<b>\$ 1,500</b>	<b>\$ 1,900</b>	<b>\$ 2,050</b>	<b>\$ 1,675</b>	<b>\$ 8,650</b>
Maintenance	912	600	600	525	575	575	2,875
<b>Total Duke Energy Progress Capital</b>	<b>\$ 2,500</b>	<b>\$ 2,125</b>	<b>\$ 2,100</b>	<b>\$ 2,425</b>	<b>\$ 2,625</b>	<b>\$ 2,250</b>	<b>\$ 11,525</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2019 actual amounts include ~\$278 million in coal ash closure spending that was included in operating cash flows

(3) 2019 actual amounts include ~\$392 million in coal ash closure spending that was included in operating cash flows

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# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy Florida	2019A	2020E	2021E	2022E	2023E	2024E	2020 - 2024
Electric Generation	\$ 401	\$ 325	\$ 325	\$ 200	\$ 200	\$ 200	\$ 1,250
Electric Transmission	425	575	450	400	300	300	2,025
Electric Distribution	471	500	525	925	925	925	3,800
Environmental & Other <sup>(2)</sup>	8	-	-	-	-	-	-
<b>Duke Energy Florida Growth Capital</b>	<b>\$ 1,306</b>	<b>\$ 1,400</b>	<b>\$ 1,300</b>	<b>\$ 1,525</b>	<b>\$ 1,425</b>	<b>\$ 1,425</b>	<b>\$ 7,075</b>
Maintenance	582	475	450	425	525	525	2,400
<b>Total Duke Energy Florida Capital</b>	<b>\$ 1,888</b>	<b>\$ 1,875</b>	<b>\$ 1,750</b>	<b>\$ 1,950</b>	<b>\$ 1,950</b>	<b>\$ 1,950</b>	<b>\$ 9,475</b>

Duke Energy Indiana	2019A	2020E	2021E	2022E	2023E	2024E	2020 - 2024
Electric Generation	\$ 94	\$ 125	\$ 75	\$ 25	\$ 100	\$ 100	\$ 425
Electric Transmission	129	125	225	325	375	250	1,300
Electric Distribution	313	225	175	300	325	225	1,250
Environmental & Other <sup>(3)</sup>	82	200	150	125	100	50	625
<b>Duke Energy Indiana Growth Capital</b>	<b>\$ 618</b>	<b>\$ 675</b>	<b>\$ 625</b>	<b>\$ 775</b>	<b>\$ 900</b>	<b>\$ 625</b>	<b>\$ 3,600</b>
Maintenance	311	300	100	150	175	225	950
<b>Total Duke Energy Indiana Capital</b>	<b>\$ 928</b>	<b>\$ 975</b>	<b>\$ 725</b>	<b>\$ 925</b>	<b>\$ 1,075</b>	<b>\$ 850</b>	<b>\$ 4,550</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2019 actual amounts include ~\$2 million in coal ash closure spending that was included in operating cash flows

(3) 2019 actual amounts include ~\$52 million in coal ash closure spending that was included in operating cash flows

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy OH/KY Electric	2019A	2020E	2021E	2022E	2023E	2024E	2020 - 2024
Electric Generation	\$ 14	\$ 25	\$ -	\$ 75	\$ -	\$ -	10
Electric Transmission	189	150	100	100	100	100	55
Electric Distribution	338	300	250	250	225	225	1,250
Environmental & Other <sup>(2)</sup>	36	-	-	-	-	-	-
<b>Duke Energy OH/KY Growth Capital</b>	<b>\$ 578</b>	<b>\$ 475</b>	<b>\$ 350</b>	<b>\$ 425</b>	<b>\$ 325</b>	<b>\$ 325</b>	<b>1,900</b>
Maintenance	111	125	50	75	75	100	425
<b>Total Duke Energy OH/KY Electric Capital</b>	<b>\$ 689</b>	<b>\$ 600</b>	<b>\$ 400</b>	<b>\$ 500</b>	<b>\$ 400</b>	<b>\$ 425</b>	<b>2,325</b>

Duke Energy OH/KY Gas	2019A	2020E	2021E	2022E	2023E	2024E	2020 - 2024
LDC - Non-Rider	65	100	150	75	75	75	475
LDC - Rider	20	25	25	-	-	-	50
<b>Duke Energy OH/KY Gas Growth Capital</b>	<b>\$ 85</b>	<b>\$ 125</b>	<b>\$ 175</b>	<b>\$ 75</b>	<b>\$ 75</b>	<b>\$ 75</b>	<b>525</b>
Maintenance	187	175	125	100	100	100	600
<b>Total Duke Energy OH/KY Gas Capital</b>	<b>\$ 272</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 175</b>	<b>\$ 175</b>	<b>\$ 175</b>	<b>1,125</b>

Piedmont	2019A	2020E	2021E	2022E	2023E	2024E	2020 - 2024
LDC - Non-Rider	310	325	200	250	250	225	1,250
LDC - Rider	298	250	325	400	425	300	1,700
<b>Piedmont Growth Capital</b>	<b>\$ 609</b>	<b>\$ 575</b>	<b>\$ 525</b>	<b>\$ 650</b>	<b>\$ 675</b>	<b>\$ 525</b>	<b>2,950</b>
Maintenance	452	300	200	200	175	225	1,100
<b>Total Piedmont Capital</b>	<b>\$ 1,061</b>	<b>\$ 875</b>	<b>\$ 725</b>	<b>\$ 850</b>	<b>\$ 850</b>	<b>\$ 750</b>	<b>4,050</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2019 actual amounts include ~\$8 million in coal ash closure spending that was included in operating cash flows

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# Environmental compliance expenditures

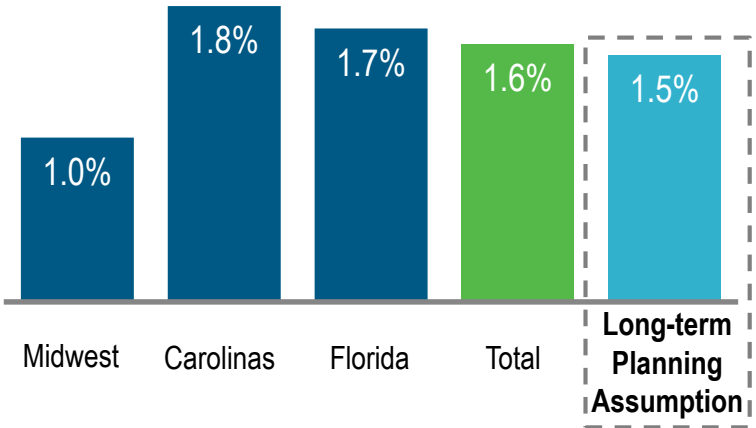
(\$ in millions)

Category	2020 – 2024
Coal ash closure	\$2,775
All other environmental	\$250
<b>Total</b>	<b>\$3,025</b>

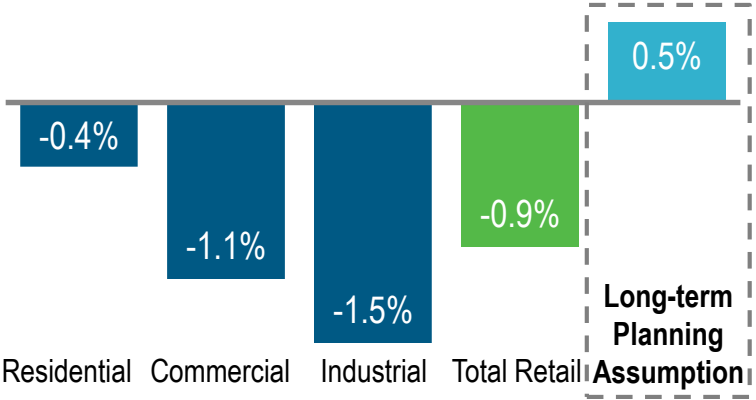
Coal Ash Closure Costs	Total Project Costs	Spend To Date <sup>(1)</sup>	2020 – 2024 Plan
Duke Energy Carolinas	\$5,025	\$1,228	\$1,025
Duke Energy Progress	\$3,650	\$1,092	\$1,200
Duke Energy Indiana	\$1,100	\$202	\$530
Duke Energy Florida	\$25	\$2	\$ --
Duke Energy Kentucky	\$75	\$23	\$20
<b>Total</b>	<b>\$9,875</b>	<b>\$2,547</b>	<b>\$2,775</b>

(1) As of Dec. 31, 2019

## ANNUAL GROWTH IN NUMBER OF RESIDENTIAL ELECTRIC CUSTOMERS



## ROLLING 12-MONTH RETAIL ELECTRIC VOLUME GROWTH



## RESIDENTIAL

- Increase in average number of customers in our attractive service territories drives long-term volume growth for electric and gas utilities
- Company-sponsored energy efficiency programs contributed to lower usage per customer

## COMMERCIAL

- Weakness in big box retail stores resulting from store closures and energy efficiency penetration
- Data center expansion continues to be a positive

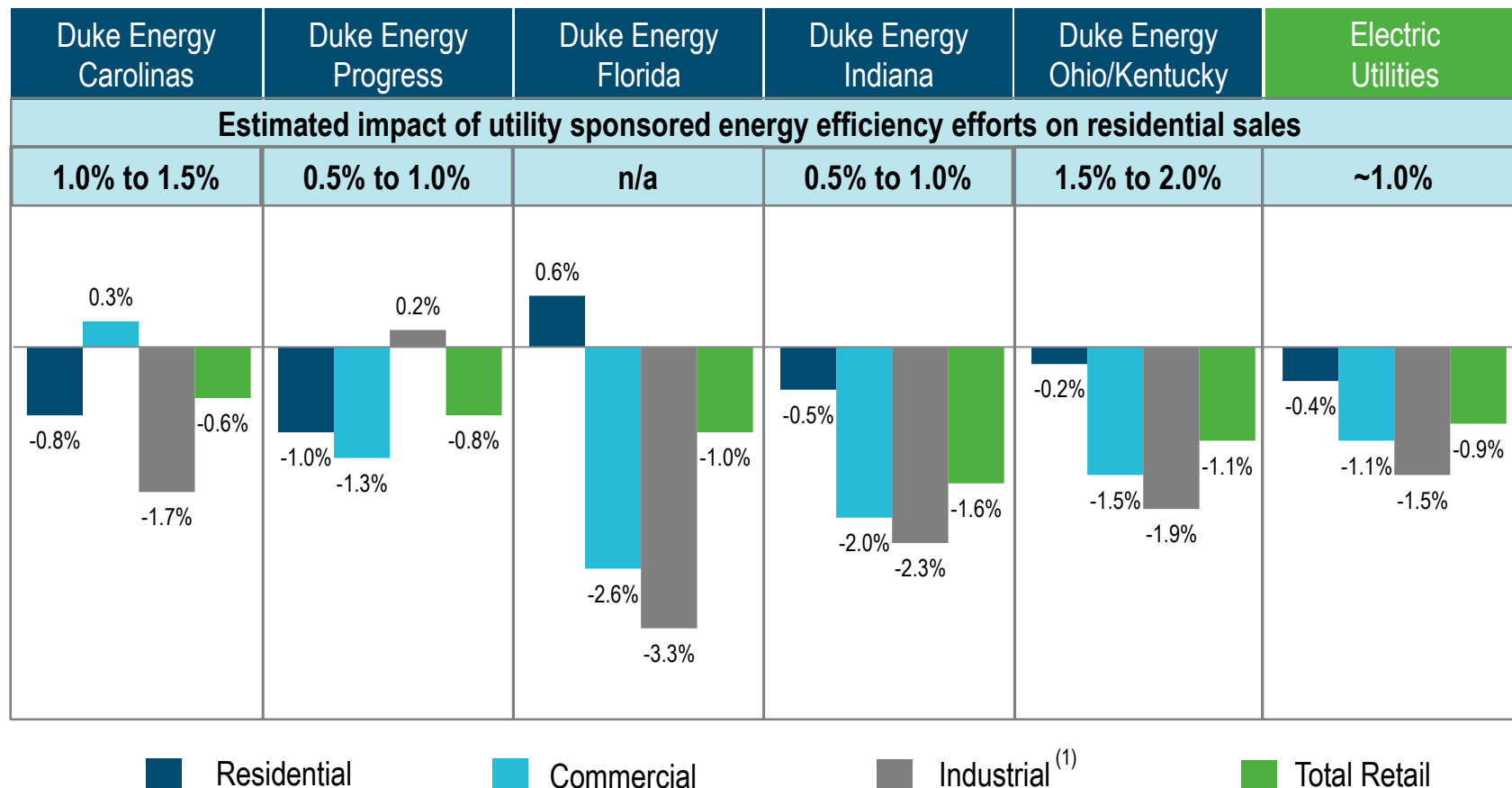
## INDUSTRIAL

- Manufacturing contractions contributed to weak volumes
- Expect improvement as customer-specific production declines and temporary outages reverse

**ENERGY EFFICIENCY RIDER REVENUES PARTIALLY OFFSET LOAD RESULTS**

# Weather normalized volume trends, by electric jurisdiction

Rolling Twelve Months, as of Dec. 31, 2019

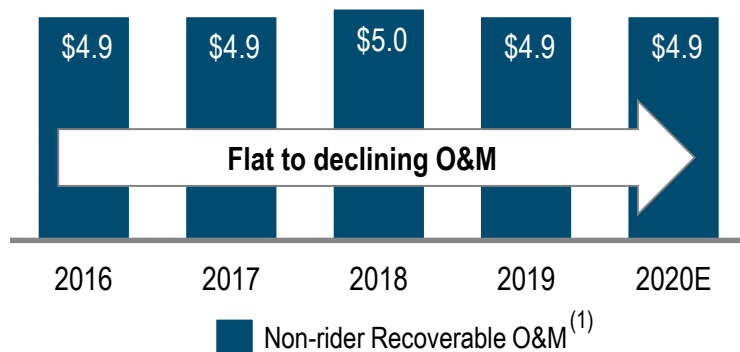


**UTILITY ENERGY EFFICIENCY PROGRAMS COMPENSATE THE COMPANY FOR INVESTMENTS AND LOST REVENUES**

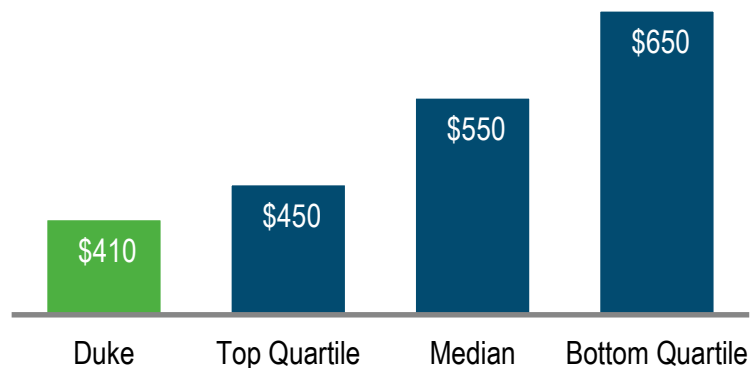
(1) Electric Utilities industrial results have been impacted by production interruptions at a couple of large customers



## O&M COST MANAGEMENT (\$ IN BILLIONS)



## TOP QUARTILE O&M PROFILE (Non-Generation O&M \$/Customer<sup>(2)</sup>)



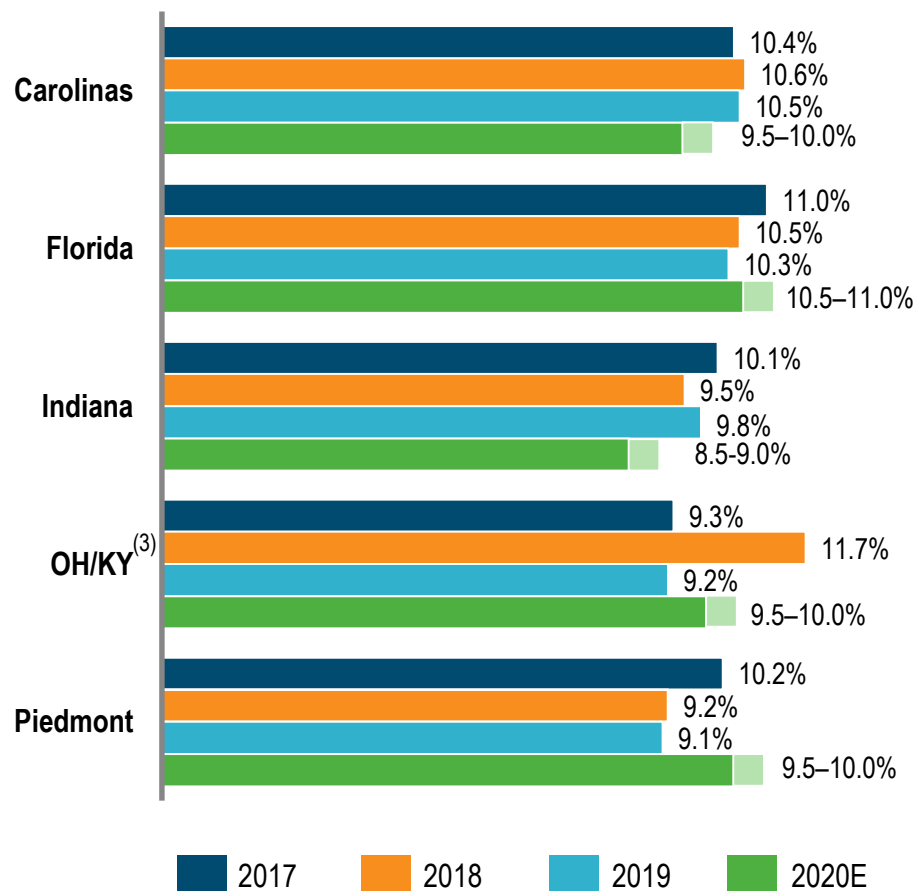
## TOP TIER COST MANAGEMENT CONTINUES

- Outstanding track record of cost management
- Since 2015, we have kept non-recoverable O&M flat
  - Includes absorbing ~\$300 million of O&M from the Piedmont acquisition in 2016, in addition to offsetting wage and salary increases and general inflation
- Leveraging increased cost flexibility to keep non-rider recoverable O&M flat despite inflation
- Employing data analytics and digital capabilities to enhance decision making and prioritization
- State of the art Innovation Center – Optimist Hall
- Utilizing cost saving opportunities as a lever to meet business commitments
- Applying our size and scale to transform operational capabilities

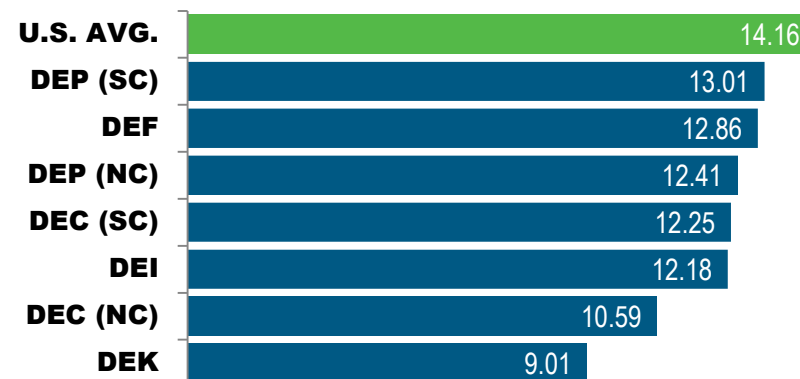
(1) Non-rider Recoverable O&M excludes special items and other non-recoverable charges incurred. For a reconciliation to GAAP O&M see accompanying materials at [www.duke-energy.com/investors](http://www.duke-energy.com/investors)

(2) S&P Global Market Intelligence; SNL Energy Data as sourced from FERC Form 1. Data from over 128 U.S. Regulated Utilities with more than 100,000 customers, rounded.

## ADJUSTED BOOK ROEs<sup>(1)</sup>



## COMPETITIVE CUSTOMER RATES<sup>(2)</sup>



**DELIVERING COMPETITIVE RETURNS FOR INVESTORS WHILE KEEPING RATES WELL BELOW THE NATIONAL AVERAGE FOR CUSTOMERS**

(1) Adjusted book ROEs exclude special items and are based on average book equity less Goodwill. Adjusted ROEs also include wholesale and are not adjusted for the impacts of weather. Regulatory ROEs will differ from Adjusted Book ROEs

(2) Residential customer rates. Typical bill rates (¢/kWh) in effect as of July 1, 2019. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2019

(3) Combined electric and gas utilities

## REGULATED

Site	Solar Megawatts	COD	Location
Lake Placid	45	Q4 2019	FL
Trenton	74.9	Q4 2019	FL
DeBary	74.5	Q1 2020	FL
Columbia	74.9	Q1 2020	FL
Twin Rivers	74.9	Q4 2020	FL
Santa Fe	74.9	Q4 2020	FL
Catawba County <sup>(1)</sup>	69	2020	NC (DEC)
Gaston County <sup>(1)</sup>	25	2020	NC (DEC)
PPA projects <sup>(1)(2)</sup>	331	2020/2021	NC/SC
<b>Total</b>	<b>844</b>		

## COMMERCIAL RENEWABLES

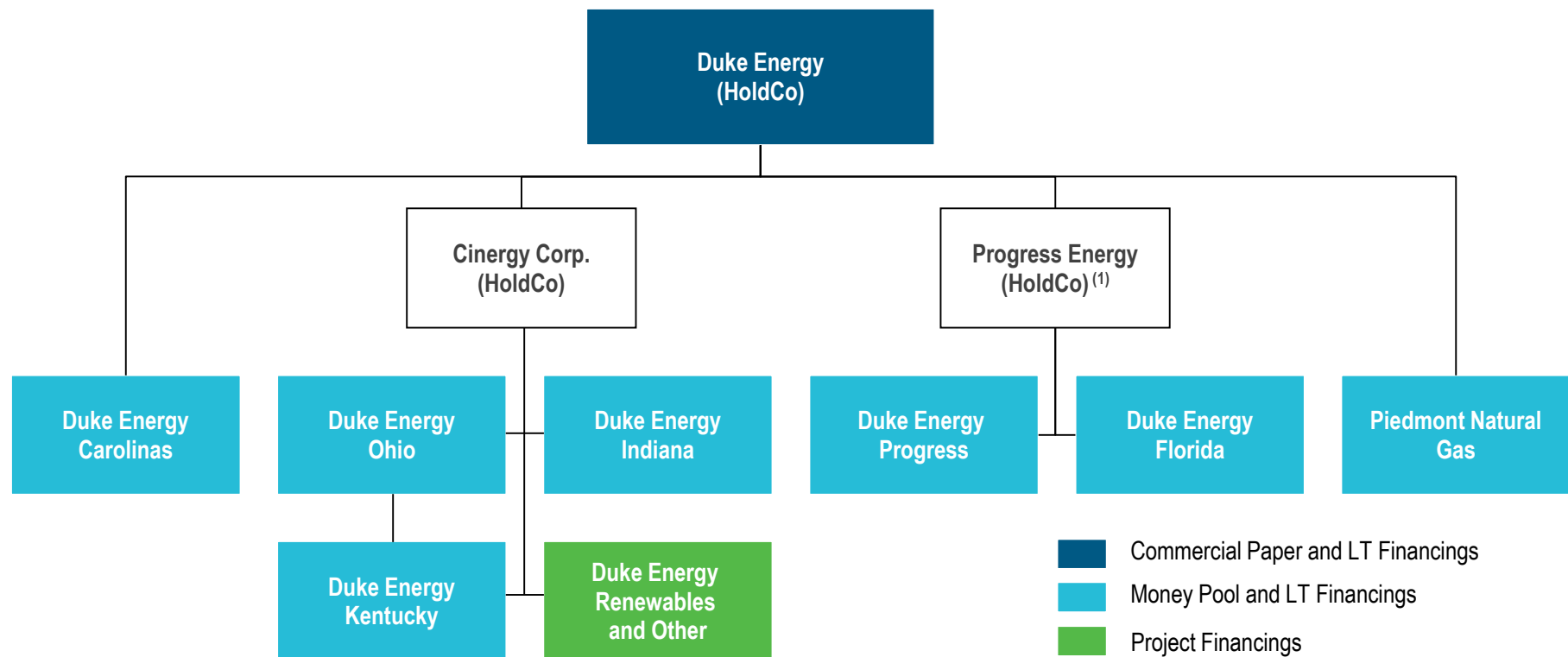
Site	Megawatts				COD	Location
	Solar	Wind	Fuel Cell	Total		
Cleveland County <sup>(1)</sup>	50	-	-	50	2020	NC
Surry County <sup>(1)</sup>	23	-	-	23	2020	NC
Cabarrus County <sup>(1)</sup>	23	-	-	23	2020	NC
Rosamond	150	-	-	150	Q2 2019	CA
Lapetus	100	-	-	100	Q4 2019	TX
Palmer	60	-	-	60	Q1 2020	CO
Holstein	200	-	-	200	Mid-2020	TX
Rambler	200	-	-	200	Mid-2020	TX
Mesteno	-	200	-	200	Q4 2019	TX
Frontier II	-	350	-	350	2020	OK
Maryneal	-	180	-	180	2020	TX
Bloom Energy	-	-	37	37	2019/2020	Various
<b>Total</b>	<b>806</b>	<b>730</b>	<b>37</b>	<b>1,573</b>		

(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 and any construction delays

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



## Financing assumptions

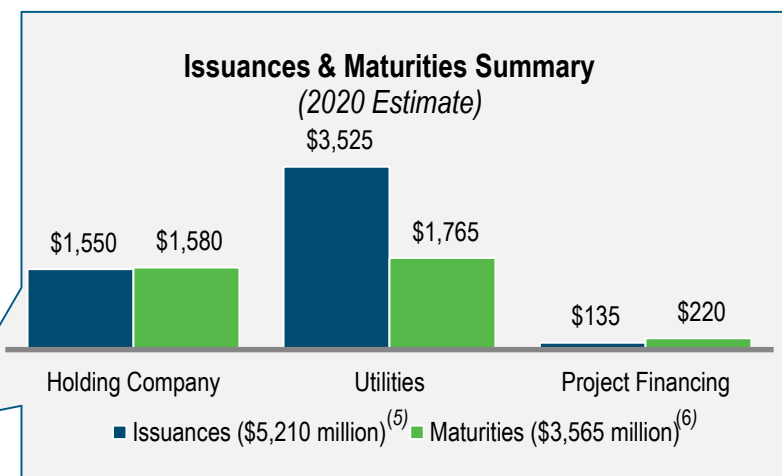


(1) Progress Energy HoldCo has long-term debt outstanding, but no future common equity issuance is planned at this financing entity



# Forecasted 2020 summary cash flows<sup>(1)</sup>

Adjusted net income <sup>(2)</sup>	\$ 3,870
Depreciation & amortization	5,470
Deferred and accrued taxes <sup>(3)</sup>	805
Other sources / (uses), net <sup>(4)</sup>	(235)
<b>Primary sources</b>	<b>9,910</b>
Capital expenditures	(11,825)
Dividends (subject to Board of Directors discretion)	(2,800)
<b>Primary uses</b>	<b>(14,625)</b>
Uses in excess of sources	(4,715)
Net Change in debt	1,645
Common equity issuance	2,985
<b>Net Change in Cash</b>	<b>\$ (85)</b>



(1) Financing plan is subject to change, based on circumstances encountered throughout the year

(2) Based upon the midpoint of the 2020 guidance range

(3) Includes expected AMT refund of ~\$275 million

(4) Includes changes in working capital and AFUDC equity

(5) Includes junior subordinated debt/equity content security issuances

(6) Includes net changes in Commercial Paper

# 2020 Financing plan<sup>(1)</sup>

Issuer	Planned Amount (\$ in millions)	Security	Completed (\$ in millions)	Date Issued	Term	Rate	2020 Maturities <sup>(4)</sup>
Holding Company	\$1,000 - \$1,500	Debt/hybrid securities	-	-	-	-	\$330
Holding Company	\$500	Common Equity (ATM/DRIP) <sup>(2)</sup>	\$0 – ATM \$5 – DRIP	YTD	-	-	-
DE Carolinas	\$800 - \$1,000	Senior Debt	\$500 \$400	Jan. 2019	10-year 30-year <sup>(3)</sup>	Fixed – 2.45% Fixed – 3.20%	\$450
DE Progress	\$500 - \$700	Senior Debt	-	-	-	-	\$1,000
DE Florida	\$400 - \$600	Senior Debt	-	-	-	-	\$500
DE Indiana	\$450 - \$650	Senior Debt	-	-	-	-	\$500
DE Ohio	\$300 - \$500	Senior Debt	-	-	-	-	-
Piedmont	\$300 - \$500	Senior Debt	-	-	-	-	-
DE Kentucky	\$50 - \$70	Senior Debt	-	-	-	-	-

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

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

(3) Reopened the existing 3.20% 2049s

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

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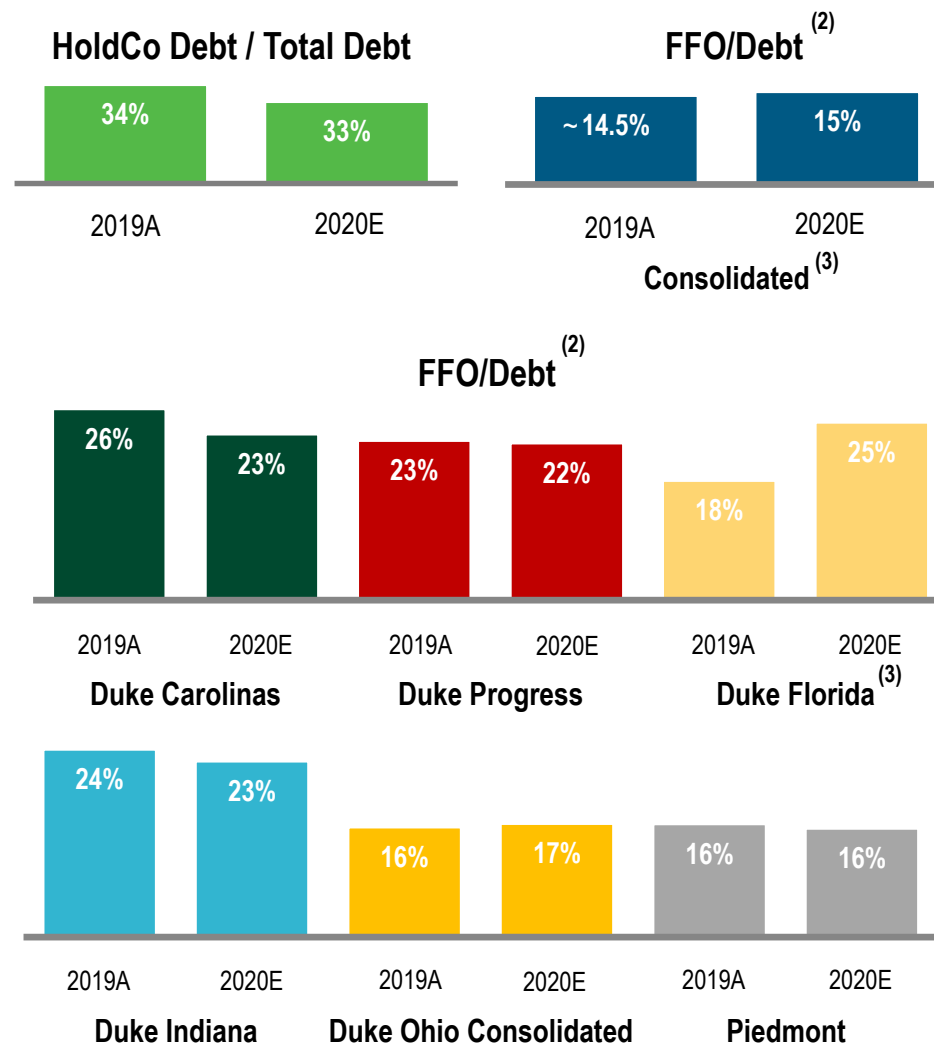
Jan 19 2023

# Credit ratings (as of February 13, 2020) and cash flow metrics<sup>(1)</sup>

## Rated Issuers

	Moody's	S&P
<b>DUKE ENERGY CORPORATION</b>	Stable	Stable
Senior Unsecured Debt	Baa1	BBB+
Commercial Paper	P-2	A-2
<b>PROGRESS ENERGY, INC.</b>	Stable	Stable
Senior Unsecured Debt	Baa1	BBB+
<b>DUKE ENERGY CAROLINAS, LLC</b>	Stable	Stable
Senior Secured Debt	Aa2	A
Senior Unsecured Debt	A1	A-
<b>DUKE ENERGY PROGRESS, LLC</b>	Stable	Stable
Senior Secured Debt	Aa3	A
<b>DUKE ENERGY FLORIDA, LLC</b>	Stable	Stable
Senior Secured Debt	A1	A
Senior Unsecured Debt	A3	A-
<b>DUKE ENERGY INDIANA, LLC</b>	Stable	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	A-
<b>DUKE ENERGY OHIO, INC.</b>	Stable	Stable
Senior Secured Debt	A2	A
Senior Unsecured Debt	Baa1	A-
<b>DUKE ENERGY KENTUCKY, INC.</b>	Stable	Stable
Senior Unsecured Debt	Baa1	A-
<b>PIEDMONT NATURAL GAS, INC.</b>	Stable	Stable
Senior Unsecured Debt	A3	A-

Note: Fitch announced on January 21, 2020 its intention to withdraw ratings on Duke Energy Corp within 30 days due to commercial reasons



- (1) Amounts do not include all adjustments that may be made by the rating agencies
- (2) Key adjustments within the computation include the removal of coal ash remediation spending from FFO, and the adjusted debt balance excludes purchase accounting adjustments
- (3) Assumes securitization treated as off credit

# Liquidity summary (as of Dec. 31, 2019)

(\$ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility <sup>(1)</sup>	\$ 2,650	\$ 1,500	\$ 1,250	\$ 800	\$ 600	\$ 450	\$ 150	\$ 600	\$ 8,000
Less: Notes payable and commercial paper <sup>(2)</sup>	(1,119)	(325)	(207)	-	(176)	(200)	(96)	(414)	(2,537)
Coal Ash Set-Aside <sup>(3)</sup>	-	(250)	(250)	-	-	-	-	-	(500)
Outstanding letters of credit (LOCs)	(42)	(4)	(2)	-	-	-	-	(2)	(50)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 1,489	\$ 921	\$ 791	\$ 800	\$ 343	\$ 250	\$ 54	\$ 184	\$ 4,832
Funded Revolver and Term Loan <sup>(4)</sup>	\$ 1,000		\$ 700						\$ 1,700
Less: Borrowings Under Credit Facilities	(500)		(700)						(1,200)
Available capacity	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Cash & short-term investments									277
<b>Total available liquidity</b>									<b>\$ 5,609</b>

(1) Duke Energy's master credit facility supports Tax-Exempt Bonds, LOCs and the Duke Energy CP program of \$6 billion. The CP program was increased to \$6.0 billion (previously \$4.85B) on 11/15/19.

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

- On a consolidated basis, Duke Energy pension plans funding status is 107% as of 12/31/2019 on a PBO basis
- Duke Energy's pension funding policy:
  - Duke Energy's policy is to fund amounts on an actuarial basis to provide assets sufficient to meet benefit payments to be paid to plan participants
  - Duke plans have a targeted allocation of 58% fixed-income assets and 42% return-seeking assets

Pension Contributions (\$ in millions)	2018A	2019A	2020E
All plans	\$141	\$77	\$0

- Key 2020 assumptions (as of Dec. 31, 2019):
  - Discount rate: 3.3% for 2020 (vs. 4.3% for 2019)
  - Expected long-term return of 6.85% on plan assets (flat to 2019 assumption)





## Sustainability / Environmental Social and Governance (ESG)

## Companywide CO<sub>2</sub> Emissions Reduction Goals<sup>(1)</sup>

- ❑ Cut CO<sub>2</sub> emissions by at least 50% by 2030
- ❑ Attain net-zero CO<sub>2</sub> emissions by 2050

## CO<sub>2</sub> Reductions Already Achieved<sup>(2)</sup>

- ✓ Exceeded 2025 reduction benchmarks agreed to by the U.S. for the Paris climate accord
- ✓ Met the 2030 CO<sub>2</sub> emission-reduction requirements of EPA's former Clean Power Plan almost 11 years early

## 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

(1) From 2005 levels

(2) Achieved 39% reduction as of 2019

## SIGNIFICANT CARBON REDUCTIONS AND RENEWABLE POWER EXPANSION

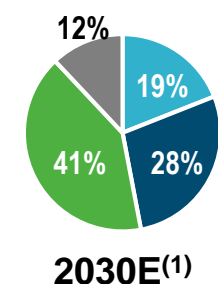
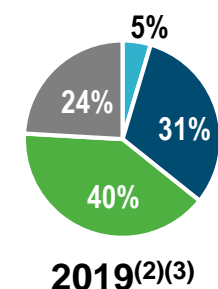
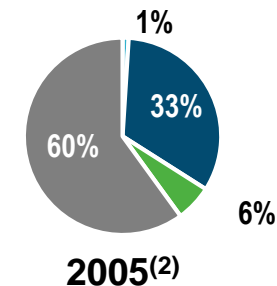
- Since 2005, decreased CO<sub>2</sub> emissions by 39%, sulfur dioxide emissions by 97% and nitrogen oxides emissions by 79%<sup>(1)</sup>
- 51 coal units retired (~6.5 GW) since 2010
  - Plans to retire an additional ~0.9 GW of coal by 2024
  - Proposals in NC and IN for accelerated depreciation of ~7 GW of coal units
- Completed excavation of 12 ash basins, ~28 million tons of ash to fully lined facilities or recycled
- As of year-end 2019, owned or contracted 8,100 MW of renewables
- Targeting 1 trillion gallon reduction in water withdrawals by our generation fleet by 2030 (from 5.34 trillion gallons in 2016)
- Clear leader in energy efficiency savings in the Southeast

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

(2) 2005 and 2019 data based on Duke's ownership share of U.S. generation assets as of Dec. 31, 2019

(3) 2019 data excludes 9,400 GWh of purchased renewables, equivalent to ~4% of Duke's output

## FUEL DIVERSITY (MWh OUTPUT)

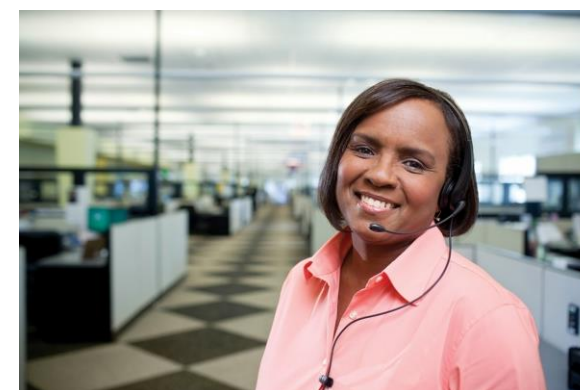


## SAFETY – OUR NUMBER ONE PRIORITY

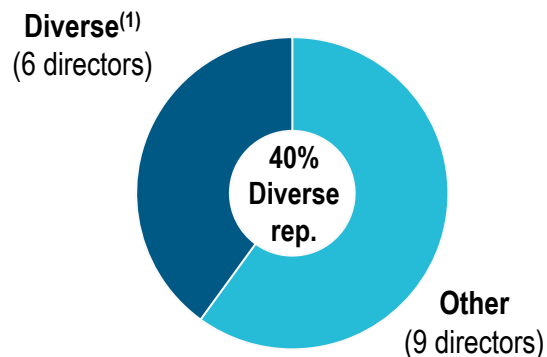
- Total Incident Case Rate (TICR) of 0.38 in 2019; one of the industry leaders for 5<sup>th</sup> year in a row

## EMPLOYEES

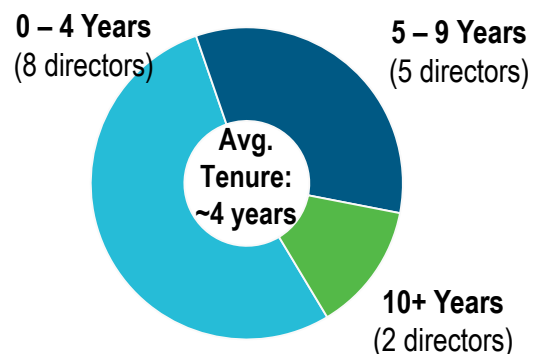
- Named one of Fortune’s “World’s Most Admired Companies” for 3<sup>rd</sup> consecutive year
- Named one of “America’s Best Employers” by Forbes in 2019 for 2<sup>nd</sup> consecutive year
- Duke Energy was named to the Human Rights Campaign’s 2020 “Best Place to Work for LGBTQ Equality” list with a perfect score of 100 percent in its Corporate Equality Index.
- Named one of the “50 Best Companies for Diversity” by Black Enterprise magazine in 2018
- Ranked 125 on Newsweek’s 2020 list of 300 most responsible American companies, out of 2,000 companies analyzed



## BOARD DIVERSITY



## BOARD TENURE



- Dow Jones Sustainability Index for 14 years in a row
- Over a decade of annual Sustainability reports
- Climate Report issued in 2018 analyzes 2-degree scenario
  - Utilizes Task Force on Climate-related Financial Disclosures (“TCFD”) framework
  - Updating Climate Report in 2020 to align with new climate goal
- EEI / AGA reporting templates provide investors greater uniformity and consistency in reporting of ESG metrics
- 2019 Winner of U.S. Transparency Award by Labrador Group for utilities
- Bloomberg ESG disclosure score of 57.4, the third-best score and in the top quartile of U.S. utilities<sup>(2)</sup>

## GOVERNANCE

- Oversight of sustainability formally added to charter of the Corporate Governance Committee of the Duke Energy Board of Directors in 2018
- Received highest possible ISS Governance score

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

(1) Racial, gender and ethnic diversity

(2) As of January 29, 2020



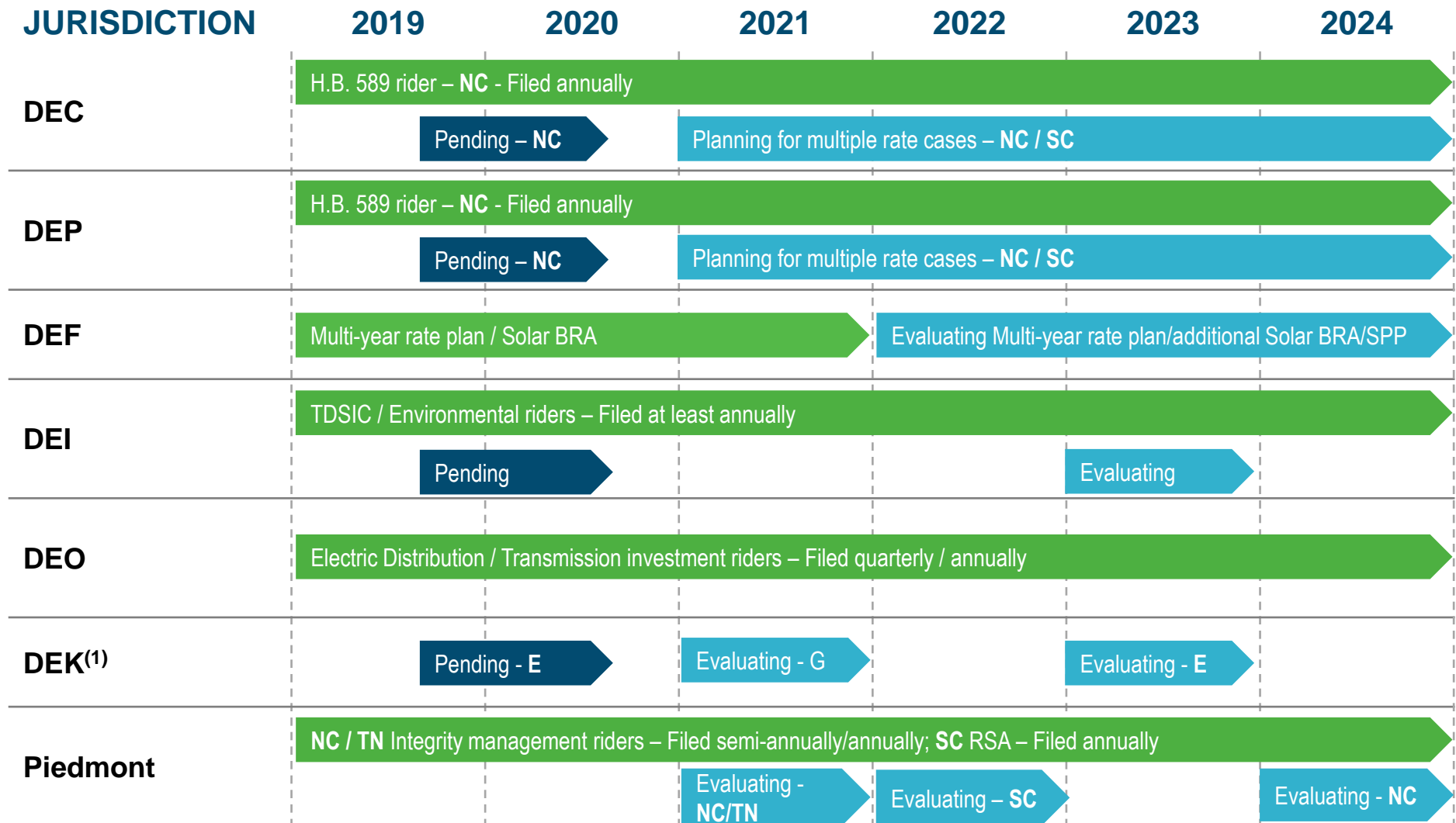


# Regulatory overview

	FILING TYPE	DOCKET NO.	STATUS	KEY DRIVERS
DUKE ENERGY <b>CAROLINAS</b>	NC Base Rate Case filed Sep. 30, '19	E-7 Sub 1214	<ul style="list-style-type: none"> <li>Hearings scheduled Mar 23, '20</li> <li>Requested new rates effective Aug. 1, '20</li> </ul>	<ul style="list-style-type: none"> <li>ROE 10.3%; 53% equity cap. structure</li> <li>Grid investments, including AMI</li> <li>Dual fuel plant upgrades</li> <li>Accelerated depreciation for coal plants</li> <li>Storm costs<sup>(1)</sup> and coal ash</li> </ul>
DUKE ENERGY <b>PROGRESS</b>	NC Base Rate Case filed Oct. 30, '19	E-2 Sub 1219	<ul style="list-style-type: none"> <li>Hearings scheduled May 4, '20</li> <li>Requested new rates effective Sep. 1, '20</li> </ul>	<ul style="list-style-type: none"> <li>ROE 10.3%; 53% equity cap. structure</li> <li>Grid investments, including AMI</li> <li>Western Carolinas Modernization Project</li> <li>Nuclear plant investments</li> <li>Accelerated depreciation for coal plants</li> <li>Storm costs<sup>(1)</sup> and coal ash</li> </ul>
DUKE ENERGY <b>INDIANA</b>	Base Rate Case filed July 2, '19	No. 45253	<ul style="list-style-type: none"> <li>Hearings concluded Feb. 7, '20</li> <li>Requested new rates effective mid-'20</li> </ul>	<ul style="list-style-type: none"> <li>ROE 10.4%; 53% equity cap. structure</li> <li>Grid investments</li> <li>Accelerated depreciation for coal plants</li> <li>Coal ash costs</li> <li>Includes modernized regulatory mechanisms</li> </ul>
DUKE ENERGY <b>KENTUCKY</b>	Base Rate Case filed Sep. 3, '19	2019-00271	<ul style="list-style-type: none"> <li>Hearings scheduled Feb. 19, '20</li> <li>Requested new rates effective Q2 '20</li> </ul>	<ul style="list-style-type: none"> <li>ROE 9.8%; 48% equity cap. structure</li> <li>Investments in distribution system to support localized load growth and dual fuel capability</li> </ul>

(1) With passage of SB559 (legislation for storm securitization) DEC and DEP will seek to securitize these costs

Pending rate case
  Planned/Evaluating rate case
  Modern recovery mechanism



(1) "E" denotes Electric, "G" denotes Gas

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# Overview of state commissions by jurisdiction

	North Carolina	South Carolina	Florida	Indiana	Ohio	Kentucky	Tennessee
Number of Commissioners	7	7	5	5	5	3	5
Term (years)	6	4	4	4	5	4	6
Appointed/Elected	Appointed by Governor	Elected by the General Assembly	Appointed by Governor	Appointed by Governor	Appointed by Governor	Appointed by Governor	Appointed by Governor and Legislature
Chair (Term Exp.)	Charlotte Mitchell (June 2023)	Randy Randall (June 2020)	Gary Clark (January 2023)	Jim Huston (March 2021)	Sam Randazzo (April 2024)	Michael Schmitt (June 2023)	Robin Morrison (June 2020)
Other Commissioners (Term Exp.)	<ul style="list-style-type: none"> <li>Lyons Gray (June 2021)</li> <li>ToNola Brown-Bland (June 2023)</li> <li>Dan Clodfelter (June 2023)</li> <li>Floyd McKissick (June 2025)</li> <li>Kimberly Duffley (June 2025)</li> <li>Jeff Hughes (June 2025)</li> </ul>	<ul style="list-style-type: none"> <li>Florence Belser (February 2023)</li> <li>Swain Whitfield (June 2020)</li> <li>Butch Howard (June 2020)</li> <li>G. O'Neal Hamilton (June 2020)</li> <li>Tom Ervin (June 2022)</li> <li>Justin Williams (June 2022)</li> </ul>	<ul style="list-style-type: none"> <li>Art Graham (January 2022)</li> <li>Julie Brown (January 2023)</li> <li>Donald Polmann (January 2021)</li> <li>Andrew Fay (January 2022)</li> </ul>	<ul style="list-style-type: none"> <li>David Ziegner (April 2023)</li> <li>David Ober (January 2024)</li> <li>Sarah Freeman (January 2022)</li> <li>Stephanie Krevda (April 2022)</li> </ul>	<ul style="list-style-type: none"> <li>Lawrence Friedman (April 2020)</li> <li>Beth Trombold (April 2023)</li> <li>Dennis Deters (April 2021)</li> <li>Daniel Conway (April 2022)</li> </ul>	<ul style="list-style-type: none"> <li>Robert Cicero (June 2020)</li> <li>Talina Mathews (June 2021)</li> </ul>	<ul style="list-style-type: none"> <li>Kenneth Hill (June 2020)</li> <li>Herbert Hilliard (June 2023)</li> <li>John Hie (June 2024)</li> <li>David Jones (June 2024)</li> </ul>

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# Current electric rate information by jurisdiction

	North Carolina	South <sup>(1)</sup> Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Retail Rate Base	\$13.5 B <sup>(2)</sup> (DEC) \$8.2 B <sup>(2)</sup> (DEP)	\$5.4 B (DEC) \$1.5 B (DEP)	\$13.5 B <sup>(3)</sup>	\$7.1 B <sup>(4)</sup>	\$1.3 B (dist. only)	\$650 M <sup>(5)</sup>
Wholesale Rate Base	\$1.8 B (DEC) 3Q 2019 \$3.2 B (DEP) 3Q 2019		\$1.9 B <sup>(3)</sup>	\$555 M	\$0.6 B (trans. only)	\$0
Allowed ROE	9.9% (DEC & DEP)	9.5% (DEC & DEP)	10.50% <sup>(6)</sup>	10.50%	9.84% - Dist 11.38% - Trans	9.725%
Allowed Equity	52.0% (DEC & DEP)	53.0% (DEC & DEP)	41.54% <sup>(7)</sup>	44.44% <sup>(8)</sup>	50.8%	49.3%
Effective Date of Most Recent Rates	8/1/18 (DEC) 3/16/18 (DEP)	6/1/19 (DEC & DEP)	1/1/20	5/24/04	Distr: 1/2/19 Trans 6/1/19 ESP: 1/2/19	4/13/18
Fuel Clause Updated	Annually (DEC & DEP)	Annually (DEC & DEP)	Annually	Quarterly	Annually for Non-Shoppers	Monthly
Environmental Clause Updated	N/A	N/A	Annually	Semi-Annually	Quarterly	Monthly

(1) DEC SC and DEP SC rate base and allowed ROE as of June 2019. The Public Service Commission of South Carolina issued orders in the DEC SC and DEP SC rate cases on May 21, 2019. DEC and DEP filed notices of appeal on November 15, 2019.

(2) DEC NC's rate base as of August 2018. DEP NC's rate base as of March 2018.

(3) Florida's thirteen-month average as of November 2019. Retail rate base includes amounts recovered in base rates of \$13.0B and amounts recovered in trackers of \$0.5B.

(4) As of November 30, 2019; includes amounts being recovered in base rates of \$3.7B, amounts being recovered in environmental trackers of \$1.0B, and amounts being recovered in IGCC trackers of \$2.1B and other trackers of \$0.3B

(5) Kentucky allows recovery on total capitalization instead of rate base

(6) Represents the mid-point of an authorized range from 9.5% to 11.5%

(7) Florida's capital structure includes accumulated deferred income taxes (ADIT), customer deposits and investment tax credits (ITC) and is as of Nov. 30, 2019. Excluding these items, the capital structure approximates 50% equity

(8) Indiana's capital structure includes ADIT. When ADIT is excluded, the capital structure approximates 53% equity

## General Rate Case Provisions

	North Carolina	South Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Notice of Intent Required?	Yes	Yes	Yes	Yes <sup>(1)</sup>	Yes	Yes
Notice Period	30 Days	30 Days	60 Days	Varies	30 Days	30 Days
Test Year	Historical Adjusted for Known and Measureable Changes	Historical Adjusted for Known and Measureable Changes	Projected	Optional <sup>(2)</sup>	Partially Projected	Forecast Optional
Time Limitation Between Cases	No	12 months	No	15 Months	No	No
Rates Effective Subject to Refund	9 Months After Filing	6 Months After Filing <sup>(3)</sup>	8 Months After Filing	10 Months After Filing <sup>(4)</sup>	9 Months After Filing	6 Months After Filing <sup>(5)</sup>

(1) IURC recommended procedure. Not a statutory requirement

(2) Utilities may elect to a historical test period, a forward-looking test period, or a hybrid test year in the context of a general rate case

(3) If the South Carolina Commission fails to rule on a rate case filing within 6 months, the new rates can be implemented and are not subject to refund. There is a grace period here. The Company would have to notify the Commission that it planned to put rates in and the Commission would then have 10 additional days to issue an order

(4) The utility may implement interim rates, subject to refund, if the IURC has not rendered a decision within 10 months of filing (can be extended 60 days by IURC). The interim rates are not to exceed 50% of the original request

(5) The effective date is 7 months after filing for a forecasted test year



# Current gas rate information by jurisdiction

	North Carolina	South Carolina	Tennessee	Ohio (Gas)	Kentucky (Gas)
Rate Base (\$M)	\$3.5 billion	\$366 million	\$349 million	\$900 million <sup>(1)</sup>	\$313 million <sup>(2)</sup>
Allowed ROE	9.7%	9.9%	10.2%	9.84%	9.7%
Allowed Equity	52%	55.35%	52.7%	53.3%	50.8%
Effective Date of Most Recent Rates	11/1/19	11/1/19 <sup>(3)</sup>	3/1/12	12/1/13	4/1/19
Significant Rider Mechanisms	Margin Decoupling Rider Integrity Management Rider Fuel Clause	Rate Stabilization Adj. Weather Normalization Adj. Fuel Clause	Weather Normalization Adj. Integrity Management Rider Fuel Clause	AMRP SmartGrid <sup>(4)</sup> Fuel Clause Capital Expenditure <sup>(5)</sup>	Weather Normalization Adj. Fuel Clause

(1) Excludes all rate base related to capital recovery that is being tracked (e.g., AMRP and AU after 3/31/2012)

(2) Kentucky allows recovery on total capitalization instead of rate base

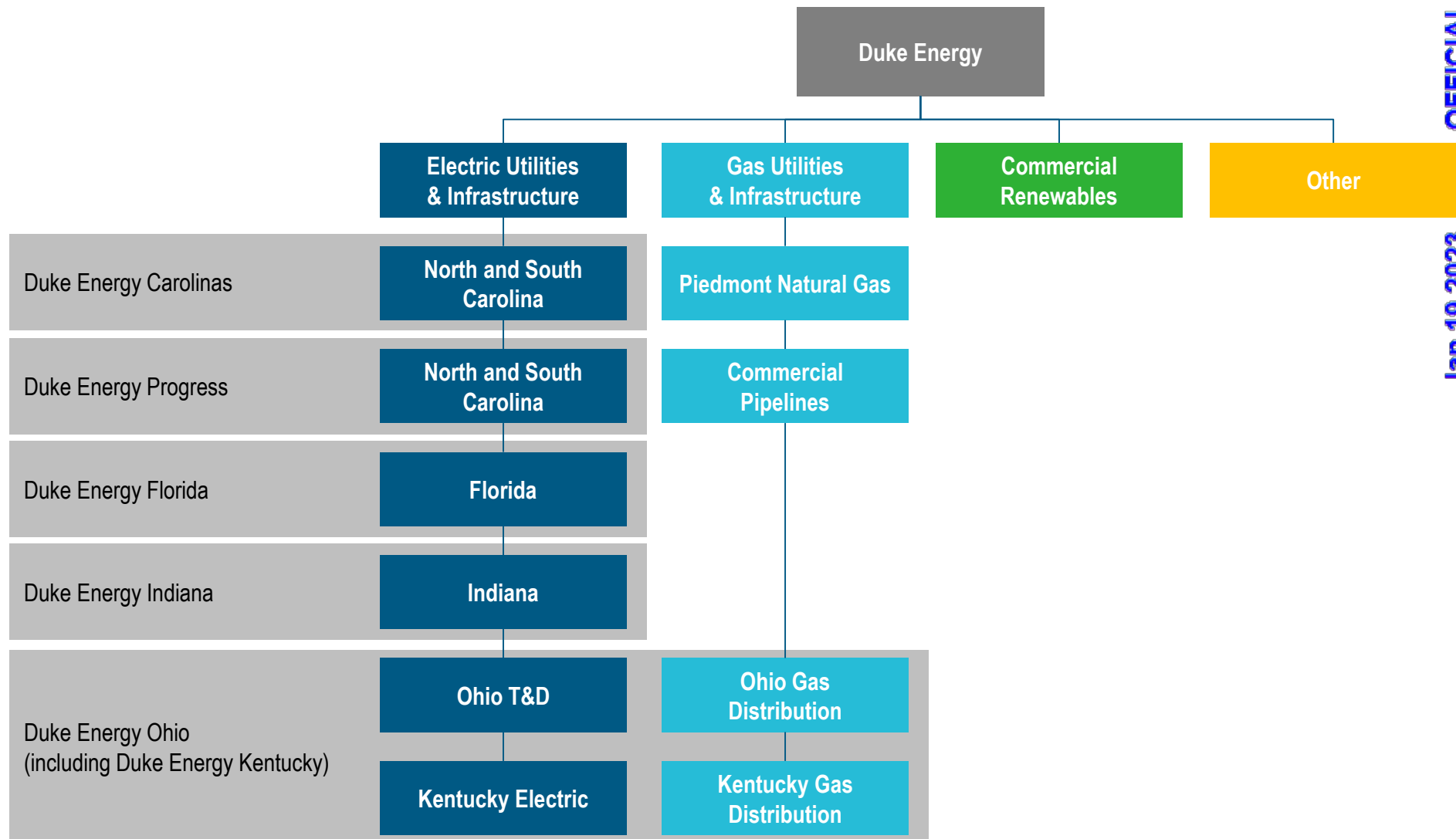
(3) Rates refreshed annually under the South Carolina Rate Stabilization Act (RSA)

(4) The Ohio Commission temporarily suspended DEO's Gas SmartGrid Rider pending an audit.

(5) The Company has a pending application to implement a capital expenditure rider (Rider CEP) that will recover certain capital-related costs for incremental investment in most gas utility plant since the most recent base rate case approved in 2012.



# Segment overviews



**HEADQUARTERED IN  
CHARLOTTE, NC**

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

**A FORTUNE 150 COMPANY**

**\$71 B**

**MARKET CAP**  
(AS OF 2/11/2020)

**\$159 B**

**TOTAL ASSETS**  
(AS OF 12/31/2019)

**29 K**

**EMPLOYEES**  
(AS OF 12/31/2019)

**53 GWs**

**TOTAL GENERATING  
CAPACITY** (AS OF 12/31/2019)

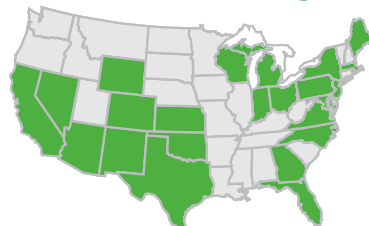
## **ELECTRIC UTILITIES & INFRASTRUCTURE**



## **GAS UTILITIES & INFRASTRUCTURE**



## **COMMERCIAL RENEWABLES**



- Operating in six constructive jurisdictions, with attractive allowed ROEs, serving 7.8 million retail customers
- Customer rates below the national average<sup>(1)</sup>
- Balanced generation portfolio that has reduced its carbon emissions by 39% since 2005
- Industry-leading safety performance, as recognized by E
- Five state LDCs serving 1.6 million customers
- Strong earnings trajectory driven by customer growth, system integrity improvements, and continued expansion of natural gas infrastructure
- Significant investments in midstream natural gas pipelines and storage facilities
- Invested ~\$5 billion over the past 10 years
- Approximately 4 GWs of wind and solar in operation
- Long-term Power Purchase Agreements with creditworthy counterparties

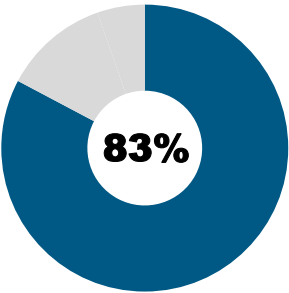
(1) Source: EEI Typical Bills and Average Rates Report, Winter 2019

# Complementary businesses with strong growth opportunities

## ELECTRIC UTILITIES & INFRASTRUCTURE



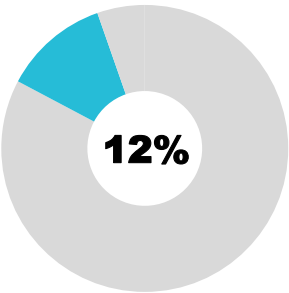
## 2020 ADJUSTED EPS CONTRIBUTION<sup>(1)</sup>



## 2020-2024 CAPEX

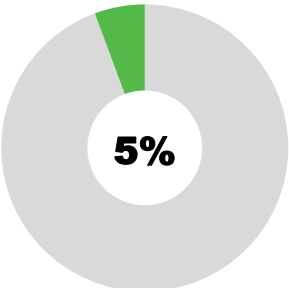
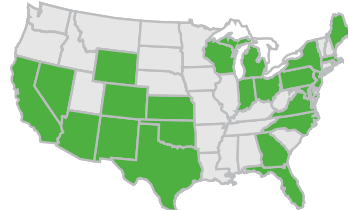
**\$45.6 B**

## GAS UTILITIES & INFRASTRUCTURE



**\$7.3 B**

## COMMERCIAL RENEWABLES



**\$2.2 B<sup>(3)</sup>**

## 2020 – 2024 ADJUSTED EPS CAGR

**Consolidated  
4-6%**



Electric Utilities & Infrastructure

Gas Utilities & Infrastructure

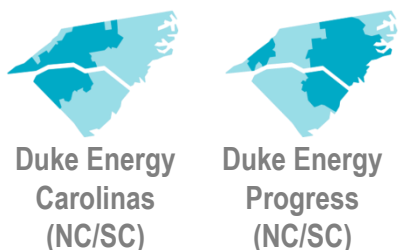
(1) Based upon the midpoint of the 2020 adjusted EPS guidance range of \$5.05-\$5.45 per share; excludes the impact of Other

(2) CAGR off of the components of the midpoint of the 2019 EPS guidance range of \$4.80-\$5.20 per share; consolidated growth rate includes the impact of Commercial Renewables (approximately flat growth) and Other

(3) Net of tax equity financing

## EIGHT UTILITIES IN HIGH-QUALITY REGIONS OF THE U.S.

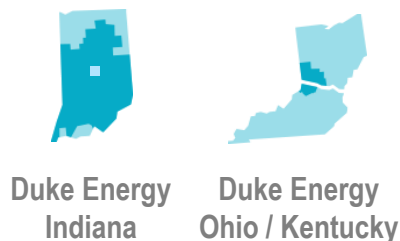
### CAROLINAS



### FLORIDA



### MIDWEST



## COMPETITIVE CUSTOMER RATES<sup>(1)</sup>

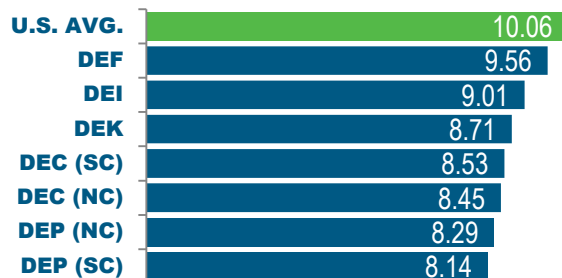
### RESIDENTIAL



### COMMERCIAL

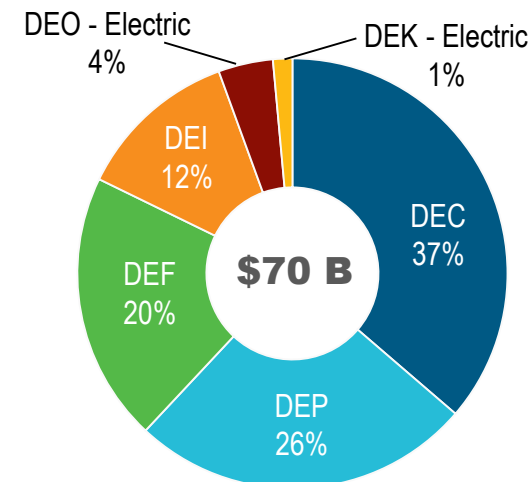


### INDUSTRIAL

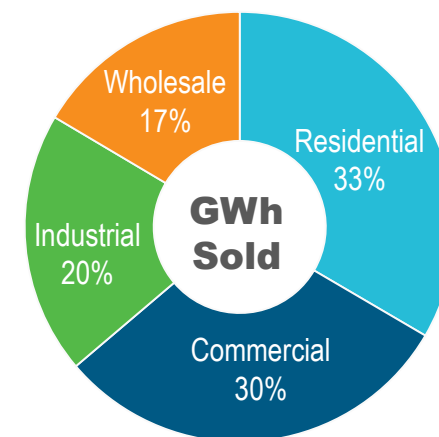


(1) Typical bill rates (¢/kWh) in effect as of July 1, 2019. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2019

## REGULATED ELECTRIC 2019 EARNINGS BASE



## BALANCED CUSTOMER MIX

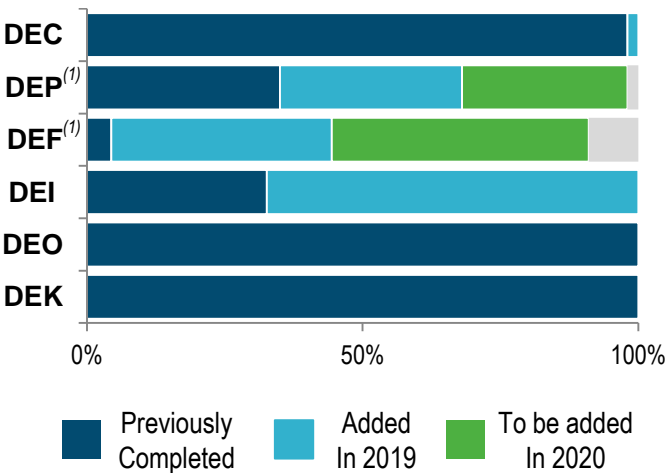


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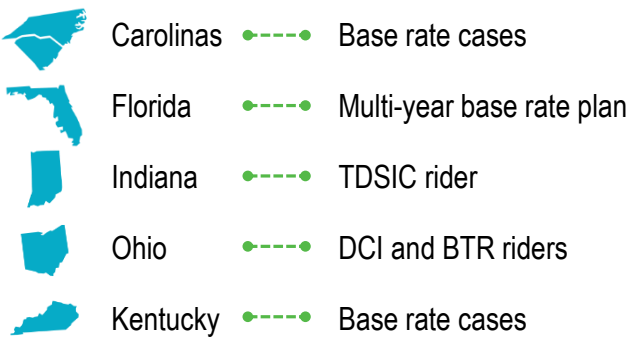
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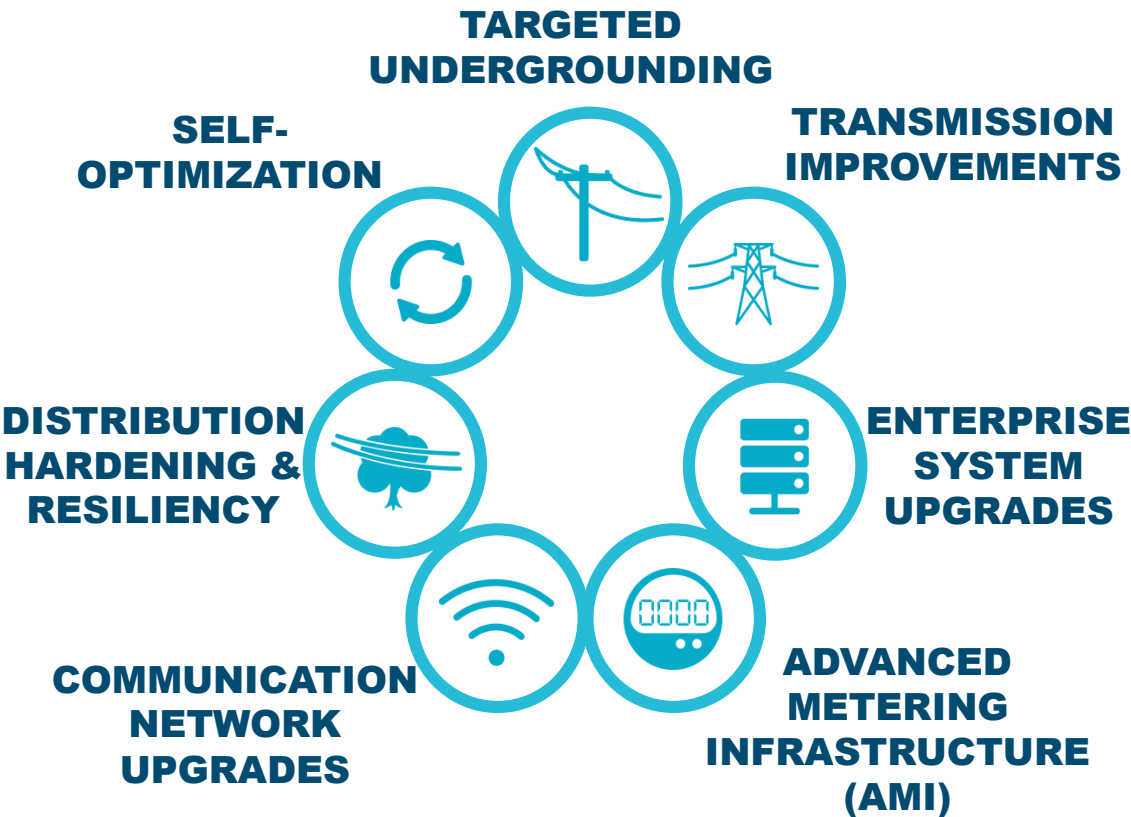
## AMI DEPLOYMENT



## PRIMARY RECOVERY MECHANISMS



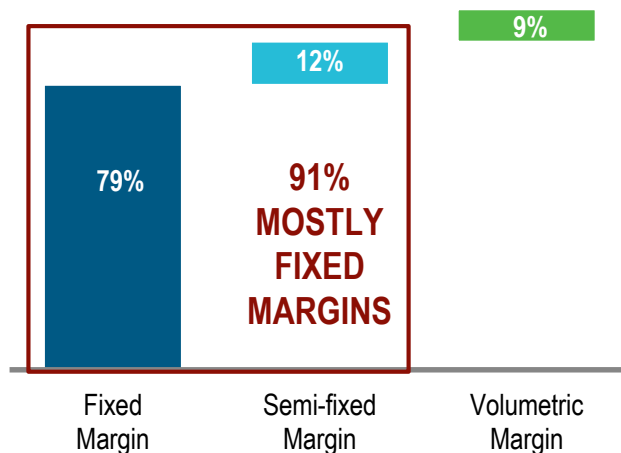
(1) Remaining amounts expected to be completed in Q1 2021



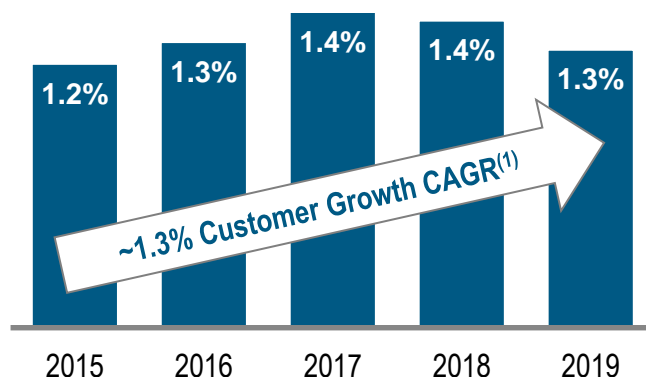
## CUSTOMER BENEFITS



## GAS UTILITIES WITH LOW VOLUMETRIC EXPOSURE DUE TO MOSTLY FIXED MARGINS...



## ...WITH EARNINGS DRIVEN BY INVESTMENT AND STRONG RESIDENTIAL CUSTOMER GROWTH



(1) Piedmont CAGR: 1.6%, Midwest LDC CAGR 0.8%

## MARGIN STABILIZING MECHANISMS

1. Purchased Gas Adjustment	All States
2. Uncollectible Recovery	All States
3. Integrity Management Rider ("IMR")	North Carolina and Tennessee
4. Margin Decoupling	North Carolina
5. Weather Normalization	South Carolina, Tennessee and Kentucky
6. Rate Stabilization Act	South Carolina
7. Accelerated Main Replacement Program Rider	Ohio
8. Advanced Utility Rider	Ohio
9. Manufactured Gas Rider	Ohio

A full list of generation facilities can be found at:

[https://www.duke-energy.com/\\_/media/pdfs/our-company/investors/duke-energy-generation-portfolio.pdf](https://www.duke-energy.com/_/media/pdfs/our-company/investors/duke-energy-generation-portfolio.pdf)

Duke Energy Renewables



Duke Energy Renewables  
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## Upcoming events & other

Event	Date
1Q 2020 earnings call (tentative)	May 1, 2020
May 2020 ESG Investor day (tentative)	Mid to late May 2020
2Q 2020 earnings call (tentative)	August 6, 2020
3Q 2020 earnings call (tentative)	November 5, 2020

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

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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 nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; Costs and effects of legal and administrative proceedings, settlements, investigations and claims; Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies; Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs; Advancements in technology; Additional competition in electric and natural gas markets and continued industry consolidation; The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business; Operational interruptions to our natural gas distribution and transmission activities; The availability of adequate interstate pipeline transportation capacity and natural gas supply; The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions; Credit ratings of the Duke Energy Registrants may be different from what is expected; Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; The ability to control operation and maintenance costs; The level of creditworthiness of counterparties to transactions; The ability to obtain adequate insurance at acceptable costs; Employee workforce factors, including the potential inability to attract and retain key personnel; The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; The effect of accounting pronouncements issued periodically by accounting standard-setting bodies; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; and The ability to implement our business strategy, including enhancing existing technology systems.

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



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

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Fourth Quarter Earnings Review & Business Update**  
**February 13, 2020**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Fourth Quarter Earnings Review and Business Update on February 13, 2020, include a discussion of adjusted EPS for the year-to-date periods ended December 31, 2019, 2018 and 2017.

The non-GAAP financial measure, adjusted EPS, represents basic and diluted EPS from continuing operations available 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 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 and diluted EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the year-to-date periods ended December 31, 2019, 2018 and 2017, to the most directly comparable GAAP measures are included herein.

Special items for the year-to-date periods ended December 31, 2019, 2018 and 2017, include the following items, which management believes do not reflect ongoing costs:

- Impairment Charges in 2019 represents a reduction of a prior-year impairment at Citrus County CC and an other-than-temporary-impairment on the remaining investment in Constitution Pipeline Company, LLC. For 2018, it represents an impairment at Citrus County CC, a goodwill impairment at Commercial Renewables and an other-than-temporary impairment of an investment in Constitution Pipeline Company, LLC. For 2017, the charges represent goodwill and other-than-temporary asset impairments at Commercial Renewables. For 2017, it represents charges related to the Levy nuclear project in Florida and the Mayo Zero Liquid Discharge and Sutton combustion turbine projects in North Carolina.
- Costs to Achieve Mergers represents charges that resulted from strategic acquisitions.
- Regulatory and Legislative Impacts in 2018 represents charges related to Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impacts of the Tax Act represents amounts recognized related to the Tax Act.
- Severance Charges relate to companywide initiatives, excluding merger integration, to standardize processes and systems, leverage technology and workforce optimization.

## Adjusted EPS Guidance

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 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 from continuing operations available to Duke Energy Corporation common stockholders, 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.

For the years ended December 31, 2018 and 2019, Basic EPS Available to Duke Energy Corporation common stockholders and Diluted EPS Available to Duke Energy Corporation common stockholders were equal. Beginning in 2020, Duke Energy will use adjusted basic EPS as the financial measure to evaluate management performance. Adjusted basic EPS will represent Basic EPS Available to Duke Energy Corporation common stockholders (GAAP reported Basic EPS), adjusted for the per-share impact of special items.

## Adjusted Segment Income and Adjusted Other Net Loss

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020, include a discussion of adjusted segment income and adjusted other net loss for the year-to-date periods ended December 31, 2019 and 2018, and a discussion of 2019 and 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. A reconciliation of adjusted segment income and adjusted other net loss for the year-to-date periods ended December 31, 2019 and 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 EPS guidance.

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

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date periods ended December 31, 2019. The materials also include a discussion of the 2019 and 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 year-to-date periods ended December 31, 2019, 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 Fourth Quarter Earnings Review and Business Update on February 13, 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, 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 December 31, 2019, to the most directly comparable GAAP measure is included herein.

## **Non-Rider Recoverable O&M**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020, include a discussion of Duke Energy's non-rider recoverable operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2019, 2018, 2017 and 2016 as well as the forecasted year-to-date period ended December 31, 2020. Non-rider recoverable 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 recoverable O&M expenses is reported operating, maintenance and other expenses. A reconciliation of non-rider recoverable O&M expenses for the year-to-date periods ended December 31, 2019, 2018, 2017, and 2016, as well as 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 rider recoverable O&M costs have been forecasted for the year ended December 31, 2020 and are presented in the reconciliation herein.

## Dividend Payout Ratio

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 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 from continuing operations available to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

The materials also reference the 2019 actual dividend payout ratio of 74%. This payout ratio is a non-GAAP financial measure as it is the annualized Q4 2019 dividend divided by the 2019 adjusted EPS (as discussed above under Adjusted EPS Guidance). On an annualized basis, the Q4 2019 dividend of \$0.9540 is equal to \$3.78, which creates an annual dividend payout ratio of 74% when compared to 2019 adjusted EPS.

## Adjusted Book Return on Equity (ROE)

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020 include a reference to the historical and projected adjusted book return on equity (ROE) ratio. This ratio is a non-GAAP financial measure. The numerator represents Net Income, adjusted for the impact of special items (as discussed above under Adjusted EPS). The denominator is average Total Common Stockholder's Equity, reduced for Goodwill. A reconciliation of the components of adjusted ROE to the most directly comparable GAAP measures is 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.

## Funds From Operations ("FFO") Ratios

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020 include a reference to historical and expected 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. The calculation of FFO to Total Debt ratio for the year ended December 31, 2019 is 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.



**Holdco Debt Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020 include a reference to a historical and projected Holdco debt percentage. This percentage reflects a non-GAAP financial measure. The numerator of the Holdco debt percentage is the balance of Duke Energy Corporate debt, Progress Energy, Inc. debt, PremierNotes and the Commercial Paper attributed to the Holding Company. The denominator for the percentage is 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 and commercial paper outstanding

**Business Mix Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020, reference each segment's 2020 projected adjusted segment income as a percentage of the total projected 2020 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's segments are comprised of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2019  
(Dollars in millions, except per-share amounts)

		<u>Special Items</u>			
	Reported Earnings	Impairment Charges	Discontinued Operations	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 3,536	\$ (27) A	\$ —	\$ (27)	\$ 3,509
Gas Utilities and Infrastructure	432	19 B	—	19	451
Commercial Renewables	198	—	—	—	198
<b>Total Reportable Segment Income</b>	<b>4,166</b>	<b>(8)</b>	<b>—</b>	<b>(8)</b>	<b>4,158</b>
Other	(452)		—	—	(452)
Discontinued Operations	(7)	—	7 C	7	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,707</b>	<b>\$ (8)</b>	<b>\$ 7</b>	<b>\$ (1)</b>	<b>\$ 3,706</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS, DILUTED</b>	<b>\$ 5.06</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ —</b>	<b>\$ 5.06</b>

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

**A** – Net of \$9 million tax expense. \$36 million reduction of a prior year impairment recorded within Impairment charges for the Citrus County CC project on Duke Energy Florida's Consolidated Statements of Operations.

**B** – Net of \$6 million tax benefit. \$25 million included within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company, LLC.

**C** – Recorded in (Loss) Income from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) – 729 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2018  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items							Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Regulatory and Legislative Impacts	Sale of Retired Plant	Impairment Charges	Impacts of the Tax Act	Severance	Discontinued Operations		
<b>SEGMENT INCOME</b>										
Electric Utilities and Infrastructure	\$ 3,058	\$ —	\$ 202	B \$ —	\$ 46	D \$ 24	\$ —	\$ —	\$ 272	\$ 3,330
Gas Utilities and Infrastructure	274	—	—	—	42	E 1	—	—	43	317
Commercial Renewables	9	—	—	—	91	F (3)	—	—	88	97
<b>Total Reportable Segment Income</b>	<b>3,341</b>	<b>—</b>	<b>202</b>	<b>—</b>	<b>179</b>	<b>22</b>	<b>—</b>	<b>—</b>	<b>403</b>	<b>3,744</b>
Other	(694)	65	A —	82	C —	(2)	144	H —	289	(405)
Discontinued Operations	19	—	—	—	—	—	—	(19)	I (19)	—
Net Income Attributable to Duke Energy Corporation	\$ 2,666	\$ 65	\$ 202	\$ 82	\$ 179	\$ 20	G \$ 144	\$ (19)	\$ 673	\$ 3,339
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 3.76</b>	<b>\$ 0.09</b>	<b>\$ 0.29</b>	<b>\$ 0.12</b>	<b>\$ 0.25</b>	<b>\$ 0.03</b>	<b>\$ 0.21</b>	<b>\$ (0.03)</b>	<b>\$ 0.96</b>	<b>\$ 4.72</b>

**A** – Net of \$19 million tax benefit. \$84 million recorded within Operating Expenses on the Consolidated Statements of Operations.

**B** – Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas, related to the North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act.

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

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

**C** – Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Consolidated Statements of Operations. Sale of retired plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.

**D** – Net of \$14 million tax benefit. \$60 million recorded within Impairment charges for the Citrus County CC project on Duke Energy Florida's Consolidated Statements of Operations.

**E** – Net of \$13 million tax benefit. \$55 million recorded within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the investment in Constitution Pipeline Company, LLC.

**F** – Net of \$2 million Noncontrolling Interests. \$93 million goodwill impairment recorded within Impairment charges on the Consolidated Statement of Operations.

**G** – \$20 million true up of prior year Tax Act estimates within Income Tax Expense from Continuing Operations on the Consolidated Statements of Operations.

**H** – Net of \$43 million tax benefit. \$187 million recorded with Operations, maintenance and other on the Consolidated Statements of Operations.

**I** – Recorded in (Loss) Income from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) – 708 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
 Twelve Months Ended December 31, 2017  
 (Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items				Discontinued Operations	Total Adjustments	Adjusted Earnings		
		Costs to Achieve Piedmont Merger	Regulatory Settlements	Commercial Renewables Impairments	Impacts of the Tax Act					
SEGMENT INCOME										
Electric Utilities and Infrastructure	\$ 3,210	\$ —	\$ 98	B	\$ —	\$ (231)	\$ —	\$ (133)	\$ 3,077	
Gas Utilities and Infrastructure	319	—	—		—	(26)	D	—	(26)	293
Commercial Renewables	441	—	—		74	C	(442)	—	(368)	73
Total Reportable Segment Income	3,970	—	98		74	(699)	—	(527)	3,443	
Other	(905)	64	A	—	—	597	—	661	(244)	
Discontinued Operations	(6)	—	—		—	—	6	E	6	—
Net Income Attributable to Duke Energy Corporation	\$ 3,059	\$ 64	\$ 98		\$ 74	\$ (102)	D	\$ 6	\$ 140	\$ 3,199
EPS ATTRIBUTABLE TO DUKE ENERGY CORP, DILUTED	\$ 4.36	\$ 0.09	\$ 0.14		\$ 0.11	\$ (0.14)	\$ 0.01	\$ 0.21	\$ 4.57	

**A** - Net of \$39 million tax benefit. \$102 million recorded within Operating Expenses and \$1 million recorded within Interest Expense on the Consolidated Statements of Operations.

**B** - Net of \$60 million tax benefit. \$154 million recorded within Impairment charges and \$4 million recorded within Other Income and Expenses on the Consolidated Statements of Operations.

**C** - Net of \$28 million tax benefit. \$92 million recorded within Impairment charges and \$10 million recorded within Other Income and Expenses on the Consolidated Statements of Operations.

**D** - \$118 million benefit recorded with Income Tax Expense from Continuing Operations, offset by \$16 million expense recorded within Gas Utilities and Infrastructure's Equity in Earnings of Unconsolidated Affiliates on the Consolidated Statements of Operations.

**E** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

Weighted Average Shares, Diluted (reported and adjusted) - 700 million

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

	Three Months Ended December 31, 2019		Year Ended December 31, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 709		\$ 4,097	
Impairment Charges	14		(11)	
Noncontrolling Interests	67		177	
Preferred Dividends	(14)		(41)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 776</u>		<u>\$ 4,222</u>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 95	13.4%	\$ 519	12.7%
Impairment Charges	3		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 98</u>	12.6%	<u>\$ 516</u>	12.2%

	Three Months Ended December 31, 2018		Year Ended December 31, 2018	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 433		\$ 3,073	
Costs to Achieve Piedmont Merger	31		84	
Regulatory and Legislative Impacts	—		265	
Sale of Retired Plant	—		107	
Impairment Charges	60		206	
Severance	187		187	
Noncontrolling Interests	10		22	
<b>Pretax Income Including Noncontrolling Interests and Excluding Special Items</b>	<u>\$ 721</u>		<u>\$ 3,944</u>	
<b>Reported Income Tax (Benefit) Expense From Continuing Operations</b>	\$ (1)	(0.2)%	\$ 448	14.6%
Costs to Achieve Piedmont Merger	7		19	
Regulatory and Legislative Impacts	—		63	
Sale of Retired Plant	—		25	
Impairment Charges	14		27	
Severance	43		43	
Impacts of the Tax Act	53		(20)	
<b>Tax Expense Including Noncontrolling Interests and Excluding Special Items</b>	<u>\$ 116</u>	16.1 %	<u>\$ 605</u>	15.3%

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of December 31, 2019**  
**(In millions)**

Cash and Cash Equivalents	\$ 311	
Less: Certain Amounts Held in Foreign Jurisdictions	(1)	
Less: Unavailable Domestic Cash	<u>(33)</u>	
	277	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,332</u>	
Total Available Liquidity (a)	<u><u>\$ 5,609</u></u>	approximately 5.6 billion

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



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

	<b>Actual</b> <b>December 31, 2016</b>	<b>Actual</b> <b>December 31, 2017</b>	<b>Actual</b> <b>December 31, 2018</b>	<b>Actual</b> <b>December 31, 2019</b>	<b>Forecast</b> <b>December 31, 2020</b>
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$6,223</b>	<b>\$5,944</b>	<b>\$6,463</b>	<b>\$6,066</b>	<b>\$6,061</b>
Adjustments:					
Costs to Achieve, Mergers <sup>(b)</sup>	(238)	(94)	(83)	—	—
Severance <sup>(b)</sup>	(92)	—	(187)	—	—
Regulatory settlement <sup>(b)</sup>	—	(5)	(40)	—	—
Reagents Recoverable <sup>(c)</sup>	(93)	(90)	(112)	(95)	(102)
Energy Efficiency Recoverable <sup>(c)</sup>	(417)	(485)	(446)	(415)	(424)
Other Deferrals and Recoverable <sup>(c)</sup>	(233)	(246)	(477)	(472)	(382)
Margin based O&M for Commercial Businesses	(185)	(94)	(113)	(95)	(202)
Short-term incentive payments (over)/under budget	(90)	(22)	(30)	(112)	—
<b>Non-Rider Recoverable operation, maintenance and other</b>	<b>\$ 4,875</b>	<b>\$ 4,908</b>	<b>\$ 4,974</b>	<b>\$ 4,878</b>	<b>\$ 4,950</b>

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

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

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

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2019  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2019	\$ 1,403	\$ 805	\$ 2,208	\$ 693	\$ 436	\$ 244 (2)	\$ 196 (4)
Special Items (1)	-	-	-	(27)	-	-	-
Adjusted Net Income 2019	1,403	805	2,208	666	436	244	196
2019							
Equity	12,811	9,246	22,057	6,788	4,575	3,687 (3)	2,381 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
2018							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
Average Equity less Goodwill	12,247	8,844	21,091	6,442	4,457	2,648	2,165
Adjusted Book ROEs			10.5%	10.3%	9.8%	9.2%	9.1%

(1) Impacts of Citrus County CC, Net of Tax

(2) Net Income for 2019 equals Duke Energy Ohio reportable segments segment income

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2019	2018
Reported Equity for Duke Energy Ohio	3,683	3,445
Less: Non-Reg & Other	(4)	(4)
Duke Energy Ohio Reportable Segments Equity	3,687	3,449

(4) Piedmont Natural Gas Net Income excludes \$6 million of income related to Investments in Gas Transmission Infrastructure

2019
202
(6)
196

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2019	2018
Reported Equity for Piedmont Natural Gas	2,443	2,091
Less: Investments in Gas Transmission Infrastructure	62	44
Piedmont Natural Gas Adjusted Equity	2,381	2,047

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2018  
*dollars in millions*

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2018	\$ 1,071	\$ 667	\$ 1,738	\$ 553	\$ 393	\$ 279 (2)	\$ 124 (4)
Special Items (1)	234	118	352	63	8	-	40
Adjusted Net Income 2018	1,305	785	2,090	616	401	279	164
2018							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
2017							
Equity	11,361	7,949	19,310	5,618	4,121	3,166 (3)	1,616 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,361	7,949	19,310	5,618	4,121	2,246	1,567
Average Equity less Goodwill			19,717	5,857	4,230	2,388	1,783
Adjusted Book ROEs			10.6%	10.5%	9.5%	11.7%	9.2%

(1) Costs to Achieve (CTA) Mergers net of tax, Severance, Regulatory and Legislative Impacts and Tax Reform.

(2) Net Income for 2018 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA and cost savings initiatives, Severance and Sale of Retired Plant.

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2018	2017
Reported Equity for Duke Energy Ohio	3,445	3,163
Less: Non-Reg & Other	(4)	(3)
Duke Energy Ohio Reportable Segments Equity	3,449	3,166

(4) Piedmont Natural Gas Net Income excludes \$5 million of income related to Investments in Gas Transmission Infrastructure.

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2018	2017
Reported Equity for Piedmont Natural Gas	2,091	1,662
Less: Investments in Gas Transmission Infrastructure	44	46
Piedmont Natural Gas Adjusted Equity	2,047	1,616

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2017  
*dollars in millions*

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2017	\$ 1,214	\$ 715	\$ 1,929	\$ 712	\$ 354	\$ 223 (2)	\$ 133 (4)
Special Items (1)	28	(17)	11	(136)	58	(20)	25
Adjusted Net Income 2017	1,242	698	1,940	576	412	203	158
2017							
Equity	11,361	7,949	19,310	5,618	4,121	3,166 (3)	1,616 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,361	7,949	19,310	5,618	4,121	2,246	1,567
2016							
Equity	10,772	7,358	18,130	4,900	4,067	3,027 (3)	1,569 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	10,772	7,358	18,130	4,900	4,067	2,107	1,520
Average Equity less Goodwill			18,720	5,259	4,094	2,177	1,544
Adjusted Book ROEs			10.4%	11.0%	10.1%	9.3%	10.2%

(1) Costs to Achieve (CTA), Mergers net of tax, Regulatory Settlements, and Tax Reform.

(2) Net Income for 2017 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA and cost savings initiatives.

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2017	2016
Reported Equity for Duke Energy Ohio	3,163	2,996
Less: Non-Reg & Other	(3)	(31)
Duke Energy Ohio Reportable Segments Equity	3,166	3,027

(4) Piedmont Natural Gas Net Income excludes \$6 million of income related to Investments in Gas Transmission Infrastructure.

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2017	2016
Reported Equity for Piedmont Natural Gas	1,662	1,672
Less: Investments in Gas Transmission Infrastructure	46	103
Piedmont Natural Gas Adjusted Equity	1,616	1,569

Duke Energy Corporation  
2020 Forecasted Cash Flow Reconciliation, Required by SEC Regulation G  
February 13, 2020  
(\$ in millions)

		Forecast 2020
<b>Primary Sources:</b>		
Adjusted net income (1)	(a)	\$3,870
Depreciation & amortization	(a)	5,470
Deferred and accrued taxes	(a)	805
Other sources / (uses), net	(a)	(235)
Total Sources		9,910
<b>Primary Uses:</b>		
Capital expenditures (including discretionary)	(b)	(11,825)
Dividends	(c)	(2,800)
Total Uses		(14,625)
Uses in Excess of Sources		(4,715)
<b>Net Change in Financing</b>		
Debt issuances	(c)	5,210
Debt maturities	(c, d)	(3,565)
Net Change in Debt		1,645
Common stock issuances	(c)	2,985
Net Change in Cash		(\$85)
<b>Reconciliations to forecasted U.S. GAAP reporting amounts:</b>		
Operating cash flow components, sum of (a) from above		\$9,910
Reconciling items to GAAP cash flows from operating activities	(2)	(580)
Net cash provided by operating activities per GAAP Consolidated Statement of Cash Flows		\$9,330
Investing cash flow components, (b) from above		(\$11,825)
Reconciling items to GAAP cash flows from investing activities	(2)	75
Net cash used in investing activities per GAAP Consolidated Statement of Cash Flows		(\$11,750)
Financing cash flow components, sum of (c) from above		\$1,830
Reconciling items to GAAP cash flows from financing activities	(2)	505
Net cash provided by financing activities per GAAP Consolidated Statement of Cash Flows		\$2,335
<i>Debt maturities [(d) from above] includes "Notes payable and commercial paper" which is separately presented per GAAP Consolidated Statements of Cash Flows</i>		
Net decrease in cash and cash equivalents per forecasted GAAP Consolidated Statements of Cash Flows		(\$85)

**Notes:**

(1) The forecasted adjusted net income of \$3,870 million for 2020 is an illustrative amount based on the midpoint of Duke Energy's forecasted 2020 adjusted EPS outlook range of \$5.05-\$5.45 per share. Adjusted EPS is a non-GAAP financial measure as it represents basic and diluted EPS from continuing operations available to Duke Energy Corporation shareholders and adjusted for the per-share impact of special items. Special items represent certain charges and credits which management believes will not be recurring on a regular basis, although it is reasonably possible such charges and credits could recur. The most directly comparable GAAP measure for adjusted EPS is reported basic and diluted EPS available to Duke Energy Corporation common shareholders, which includes the impact of special items. 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.

(2) Amount consists primarily of an adjustment for operating cashflow items (principally payments for asset retirement obligations) included in the "Capital expenditures (including discretionary)", which are combined for the GAAP reconciliation in Investing activities; an adjustment for investing cash flow items (principally cost of removal expenditures, proceeds from sales and maturities of available-for-sale securities and Other) included in the "Other sources/(uses), net", which are combined for the GAAP reconciliation in Operating activities, and ; an adjustment for financing cash flow items (principally proceeds from Noncontrolling Interests initial investments, payments for interest on preferred debt/equity content securities, dividends on preferred stock, common equity forward transaction costs and Other) included in the "Adjusted net income", "Other sources/(uses), net" and "Capital expenditures (including discretionary)", which are combined for the GAAP reconciliation in Operating activities and Investing activities.

**FFO to Debt Calculation**  
**Duke Energy Corporation**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	8,209
Adjust for Working Capital		250
Coal ash ARO spend		746
Include Capitalized Interest as cost		(159)
Hybrid interest adjustment		10
Preferred stock adjustment		(21)
CR3 securitization adjustment		(54)
ACP construction loan interest adjustment		(32)
AMT refund adjustment (1)		(287)
Lease-imputed FFO adjustment (D&A)		240
<b>Funds From Operations</b>	<b>\$</b>	<b>8,903</b>
Notes payable and commercial paper	\$	3,135
Current maturities of LT debt		3,141
LT debt		54,985
Less: Purchase Accounting adjustments		(1,912)
CR3 securitization		(1,111)
Underfunded Pension		350
ACP construction loan		827
Hybrid debt adjustment		(250)
Preferred stock adjustment		1,000
Lease-imputed debt		1,640
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>61,805</b>
Working capital detail, excluding MTM		
Receivables	\$	78
Inventory		(122)
Other current assets		10
Accounts payable		(164)
Taxes accrued		(224)
Other current liabilities		172
	<b>\$</b>	<b>(250)</b>
<b>FFO / Debt</b>		<b>14.4%</b>

(1) AMT refund adjustment is an expected 2020 cash inflow from the IRS related to AMT refunds that Duke Energy will receive as a result of the 2017 Tax Act. The 2020 AMT refund is included in the 2019 GAAP cash flow statement as deferred income taxes and change in other current assets. The change in other current assets is part of working capital, which is added back to the cash from operations. Therefore, the AMT refund adjustment is required to reduce cash from operations so there is no impact in 2019 for the 2020 expected AMT Refund.

In the 2018 Funds From Operations, a similar adjustment should have been made for the \$573 million AMT refund. Had the adjustment been made, the Funds From Operations would have been reduced by \$573 million. Starting in 2019 and going forward, receipt of the AMT refund will consistently be included in Fund From Operations in the year the cash is received.



**FFO to Debt Calculation**  
**Duke Energy Carolinas**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	2,709
Adjust for Working Capital		144
ARO spend		278
Include Capitalized Interest as cost		(30)
Lease-imputed FFO adjustment (D&A)		43
<b>Funds From Operations</b>	<b>\$</b>	<b>3,144</b>
Current maturities of LT debt	\$	458
LT debt		11,142
LT debt payable to affiliates		300
Notes payable to affiliated companies		29
Lease imputed debt		129
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>12,058</b>
Working capital detail, excluding MTM		
Receivables	\$	(21)
Receivables from affiliates		68
Inventory		(48)
Other current assets		(73)
Accounts payable		(50)
Accounts payable to affiliates		(20)
Taxes accrued		(127)
Other current liabilities		127
	<b>\$</b>	<b>(144)</b>
<b>FFO / Debt</b>		<b>26.1%</b>

**FFO to Debt Calculation**  
**Duke Energy Progress**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	1,823
Adjust for Working Capital		(92)
Coal ash ARO spend		390
Include Capitalized Interest as cost		(28)
Lease-imputed FFO adjustment (D&A)		56
<b>Funds From Operations</b>	<b>\$</b>	<b>2,149</b>
Notes payable to affiliated companies	\$	66
Current maturities of LT debt		1,006
LT debt		7,902
LT debt payable to affiliates		150
Lease imputed debt		391
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>9,515</b>
Working capital detail, excluding MTM		
Receivables	\$	21
Receivables from affiliates		(29)
Inventory		20
Other current assets		101
Accounts payable		32
Accounts payable to affiliates		(75)
Taxes accrued		(46)
Other current liabilities		68
	<b>\$</b>	<b>92</b>
<b>FFO / Debt</b>		<b>22.6%</b>

**FFO to Debt Calculation**  
**Duke Energy Florida**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	1,478
Adjust for Working Capital		(178)
Coal ash ARO spend		22
Include Capitalized Interest as cost		(3)
Adjust for CR3		(54)
Lease-imputed FFO adjustment (D&A)		79
<b>Funds From Operations</b>	<b>\$</b>	<b>1,344</b>
Notes payable to affiliated companies	\$	-
Current maturities of LT debt		571
LT debt		7,416
Adjust for CR3		(1,111)
Lease imputed debt		401
Underfunded Pension		77
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>7,354</b>
Working capital detail, excluding MTM		
Receivables	\$	26
Receivables from affiliates		17
Inventory		42
Other current assets		156
Accounts payable		(36)
Accounts payable to affiliates		40
Taxes accrued		(31)
Other current liabilities		(36)
	<b>\$</b>	<b>178</b>

<b>FFO / Debt</b>	<b>18.3%</b>
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**FFO to Debt Calculation**  
**Duke Energy Indiana**  
(in millions)

	Year Ended December 31,	
	2019	
	Actual	
Cash From Operations	\$	997
Adjust for Working Capital		2
Coal ash ARO spend		48
Include Capitalized Interest as cost		(26)
Lease-imputed FFO adjustment (D&A)		18
<b>Funds From Operations</b>	<b>\$</b>	<b>1,039</b>
Notes payable to affiliated companies	\$	30
Current maturities of LT debt		503
LT debt		3,404
LT debt payable to affiliates		150
CRC		186
Lease imputed debt		58
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>4,331</b>
Working capital detail, excluding MTM		
Receivables	\$	(8)
Receivables from affiliates		41
Inventory		(95)
Other current assets		76
Accounts payable		(10)
Accounts payable to affiliates		4
Taxes accrued		(25)
Other current liabilities		15
	<b>\$</b>	<b>(2)</b>
<b>FFO / Debt</b>		<b>24.0%</b>

**FFO to Debt Calculation**  
**Duke Energy Ohio**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	526
Adjust for Working Capital		(19)
Coal Ash ARO spend		8
Include capitalized Interest as cost		(22)
Lease-imputed FFO adjustment (D&A)		10
<b>Funds From Operations</b>	<b>\$</b>	<b>503</b>
Notes payable to affiliated companies	\$	312
Current maturities of LT debt		-
LT debt		2,594
LT debt payable to affiliates		25
CRC		165
Lease imputed debt		22
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>3,118</b>
Working capital detail, excluding MTM		
Receivables	\$	20
Receivables from affiliates		22
Inventory		(9)
Other current assets		(5)
Accounts payable		(17)
Accounts payable to affiliates		(10)
Taxes accrued		17
Other current liabilities		1
	<b>\$</b>	<b>19</b>
<b>FFO / Debt</b>		<b>16.1%</b>

**FFO to Debt Calculation**  
**Piedmont Natural Gas**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	409
Adjust for Working Capital		88
Include Capitalized Interest as cost		(26)
Lease-imputed FFO adjustment (D&A)		4
<b>Funds From Operations</b>	<b>\$</b>	<b>475</b>
Notes payable to affiliated companies	\$	476
Current maturities of LT debt		-
LT debt		2,384
Lease imputed debt		27
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>2,887</b>
Working capital detail, excluding MTM		
Receivables	\$	28
Receivables from affiliates		12
Inventory		(2)
Other current assets		(25)
Accounts payable		(7)
Accounts payable to affiliates		(35)
Taxes accrued		(60)
Other current liabilities		1
	<b>\$</b>	<b>(88)</b>

<b>FFO / Debt</b>	<b>16.5%</b>
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## News Release



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Feb. 13, 2020

### Duke Energy reports fourth quarter and full-year 2019 financial results

- **Delivered full-year 2019 GAAP and adjusted EPS of \$5.06, representing adjusted EPS growth of 7%**
- **Achieved strong results above the midpoint of original and revised 2019 guidance range**
- **Established 2020 adjusted EPS target of \$5.25 and guidance range of \$5.05 to \$5.45**
- **Extending long-term earnings growth expectation of 4% to 6% through 2024**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced 2019 full-year reported earnings per share (EPS), prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of \$5.06. This is compared to reported and adjusted EPS of \$3.76 and \$4.72, respectively, for the full-year 2018.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. The impacts of items excluded from adjusted EPS were offsetting and results in no difference between 2019 GAAP reported EPS and adjusted EPS.

Higher full-year 2019 adjusted results were primarily driven by growth from investments in all operating segments resulting in favorable pricing and riders and rate case impacts. These items were partially offset by higher depreciation and amortization and financing costs as Duke Energy's investment base grows.

“2019 was an outstanding year for Duke Energy, as we delivered on our commitments, advanced our long-term strategy and exceeded growth expectations,” said Lynn Good, Duke Energy chairman, president and CEO. “Our electric, gas and commercial renewables businesses are positioned to generate more value for customers and shareholders as we invest in low-risk opportunities across our thriving service areas.

Results like these give us confidence in our new 2020 adjusted EPS target of \$5.25 and guidance range of \$5.05 to \$5.45. We also extended our 4% to 6% growth rate through 2024 and are expanding our five-year capital plan by \$6 billion to meet the increasing energy needs in our jurisdictions. This plan builds upon the momentum we’ve generated and enables us to continue delivering long-term growth.”

## Quarterly results

Duke Energy's fourth quarter 2019 GAAP reported EPS was \$0.88, compared to \$0.65 for fourth quarter 2018. Duke Energy's fourth quarter 2019 adjusted EPS was \$0.91, compared to \$0.84 for the fourth quarter of 2018. Higher adjusted results for the quarter compared to last year were driven by growth from investments at electric and gas utilities and new renewable projects placed in service. These items were partially offset by higher planned O&M expenses, depreciation and amortization and financing costs.

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

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

### Electric Utilities and Infrastructure

On a reported basis, Electric Utilities and Infrastructure recognized fourth quarter 2019 segment income of \$592 million, compared to \$566 million in the fourth quarter of 2018. Fourth quarter 2019 reported results included the reduction of an impairment charge originally recorded in 2018. This amount was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, Electric Utilities and Infrastructure recognized fourth quarter 2019 adjusted segment income of \$584 million, compared to \$628 million in the fourth quarter of 2018, a decrease of \$0.06 per share, excluding share dilution of \$0.01. Lower quarterly results were primarily due to higher planned O&M expenses (-\$0.11 per share) and higher depreciation and amortization on a growing asset base (-\$0.05 per share). These results were partially offset by contributions from base rate changes and higher rider revenues (+\$0.13 per share).

### Gas Utilities and Infrastructure

On a reported basis, Gas Utilities and Infrastructure recognized fourth quarter 2019 segment income of \$140 million, compared to \$113 million in the fourth quarter of 2018. In addition to the drivers outlined below, fourth quarter 2019 results were impacted by a \$19 million after-tax impairment charge for Constitution, which was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, Gas Utilities and Infrastructure recognized fourth quarter 2019 segment income of \$159 million, compared to \$113 million in the fourth quarter of 2018. This represents an increase of \$0.06 per share. Higher quarterly results were driven primarily by contributions in the gas distribution business from base rate changes and higher pricing and riders.

### Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized fourth quarter 2019 segment income of \$59 million, compared to a reported and adjusted segment income of \$13

million in the fourth quarter of 2018. This represents an increase of \$0.06 per share. Higher quarterly results were primarily impacted by growth from new projects placed in service.

### **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 fourth quarter 2019 net loss of \$124 million. This is compared to a reported and adjusted net loss of \$248 million and \$149 million, respectively, in the fourth quarter of 2018. Fourth quarter 2018 results were impacted by severance charges and the reversal of a valuation allowance related to the Tax Act. These amounts were treated as special items and excluded from adjusted earnings.

Improved quarterly results at Other were primarily due to higher returns on investments, lower claims at the captive insurer, partially offset by higher contributions to the Duke Energy Foundation and financing costs.

### **Effective tax rate**

Duke Energy's consolidated reported effective tax rate for the fourth quarter of 2019 was 13.4% compared to (0.2)% in the fourth quarter of 2018. The increase in the effective tax rate was primarily due to the reversal of a valuation allowance related to the Tax Act recorded in the fourth quarter 2018, which was treated as a special item and excluded from adjusted results.

The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the fourth quarter of 2019 was 12.6% compared to 16.1% in the fourth quarter of 2018. The decrease was primarily due to the amortization of excess deferred taxes.

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

### **Earnings conference call for analysts**

An earnings conference call for analysts is scheduled from 10 to 11 a.m. ET today to discuss fourth quarter and year-end 2019 financial results. In addition, the company will discuss its 2020 adjusted diluted EPS guidance range and other business and financial updates. The conference call will be hosted by Lynn Good, chairman, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](http://duke-energy.com/investors)) of Duke Energy's website or by dialing 888.204.4368 in the United States or 323.994.2093 outside the United States. The confirmation code is 9324332. 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, February 23, 2020, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the

code 9324332. 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 fourth quarter and full-year 2019 and 2018 financial results:

(In millions, except per-share amounts)	After-Tax Amount	4Q 2019 EPS	4Q 2018 EPS
Diluted EPS, as reported		\$ 0.88	\$ 0.65
Adjustments to reported diluted EPS:			
<b>Fourth Quarter 2019</b>			
Impairment charges, net <sup>(a)</sup>	\$ 11	0.02	
Discontinued operations	7	0.01	
<b>Fourth Quarter 2018</b>			
Severance	\$ 144		0.20
Impairment charge	46		0.06
Costs to achieve Piedmont merger	24		0.03
Impacts of the Tax Act	(53)		(0.07)
Discontinued Operations	(20)		(0.03)
Total adjustments		\$ 0.03	\$ 0.19
Diluted EPS, adjusted		\$ 0.91	\$ 0.84

(In millions, except per-share amounts)	After-Tax Amount	Full-Year 2019 EPS	Full-Year 2018 EPS
Diluted EPS, as reported		\$ 5.06	\$ 3.76
Adjustments to reported diluted EPS:			
<b>Full-Year 2019</b>			
Impairment charges, net <sup>(a)</sup>	\$ (8)	(0.01)	
Discontinued operations	7	0.01	
<b>Full-Year 2018</b>			
Regulatory and legislative impacts	\$ 202		0.29
Impairment charges	179		0.25
Severance	144		0.21
Sale of retired plant	82		0.12
Costs to achieve Piedmont merger	65		0.09
Impacts of the Tax Act	20		0.03
Discontinued operations	(19)		(0.03)
Total adjustments		\$ —	\$ 0.96
Diluted EPS, adjusted		\$ 5.06	\$ 4.72

(a) Refer to the Non-GAAP financial measures section for a description of Impairment charges, net excluded from 2019 adjusted diluted EPS.

## 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), Diluted EPS Available 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 benefits or costs:

- Impairment Charges in 2019 represents a reduction of a prior year impairment at Citrus County CC and an other-than-temporary impairment of the remaining investment in Constitution Pipeline Company, LLC. For 2018, it represents an impairment at Citrus County CC, a goodwill impairment at Commercial Renewables and an other-than-temporary impairment of the investment in Constitution Pipeline Company, LLC.
- Costs to Achieve Mergers represents charges that result from strategic acquisitions.
- Regulatory and Legislative Impacts in 2018 represents charges related to the Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impacts of the Tax Act represents amounts recognized related to the Tax Act.
- Severance Charges relate to companywide initiatives, excluding merger integration, to standardize processes and systems, leverage technology and workforce optimization.

For the years ended December 31, 2019, and 2018, Basic EPS Available to Duke Energy Corporation common stockholders and Diluted EPS Available to Duke Energy Corporation common stockholders were equal. Beginning in 2020, Duke Energy will use adjusted basic EPS as the financial measure to evaluate management performance. Adjusted basic EPS will represent Basic EPS Available to Duke Energy Corporation common stockholders (GAAP

reported Basic EPS), adjusted for the per share impact of special items. 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 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 2020 "World's Most Admired Companies" list, and Forbes' 2019 "America's Best Employers" list. More information about the company is available



at [duke-energy.com](https://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 nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;

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

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended December 31, 2019  
(Dollars in millions, except per-share amounts)

		<u>Special Items</u>				
	Reported Earnings	Impairment Charges	Discontinued Operations	Total Adjustments	Adjusted Earnings	
<b>SEGMENT INCOME</b>						
Electric Utilities and Infrastructure	\$ 592	\$ (8) <b>A</b>	\$ —	\$ (8)	\$ 584	
Gas Utilities and Infrastructure	140	19 <b>B</b>	—	19	159	
Commercial Renewables	59	—	—	—	59	
<b>Total Reportable Segment Income</b>	<b>791</b>	<b>11</b>	<b>—</b>	<b>11</b>	<b>802</b>	
Other	(124)	—	—	—	(124)	
Discontinued Operations	(7)	—	7 <b>C</b>	7	—	
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 660</b>	<b>\$ 11</b>	<b>\$ 7</b>	<b>\$ 18</b>	<b>\$ 678</b>	
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS, DILUTED</b>	<b>\$ 0.88</b>	<b>\$ 0.02</b>	<b>\$ 0.01</b>	<b>\$ 0.03</b>	<b>\$ 0.91</b>	

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

**A** – Net of \$3 million tax expense. \$11 million reduction of prior year impairment recorded within Impairment charges for the Citrus County CC project on Duke Energy Florida's Consolidated Statements of Operations.

**B** – Net of \$6 million tax benefit. \$25 million included within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company, LLC.

**C** – Recorded in (Loss) Income from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) – 731 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2019  
(Dollars in millions, except per-share amounts)

		<u>Special Items</u>			
	<u>Reported Earnings</u>	<u>Impairment Charges</u>	<u>Discontinued Operations</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 3,536	\$ (27) A	\$ —	\$ (27)	\$ 3,509
Gas Utilities and Infrastructure	432	19 B	—	19	451
Commercial Renewables	198	—	—	—	198
<b>Total Reportable Segment Income</b>	<b>4,166</b>	<b>(8)</b>	<b>—</b>	<b>(8)</b>	<b>4,158</b>
Other	(452)	—	—	—	(452)
Discontinued Operations	(7)	—	7 C	7	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,707</b>	<b>\$ (8)</b>	<b>\$ 7</b>	<b>\$ (1)</b>	<b>\$ 3,706</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS, DILUTED</b>	<b>\$ 5.06</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ —</b>	<b>\$ 5.06</b>

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

**A** – Net of \$9 million tax expense. \$36 million reduction of a prior year impairment recorded within Impairment charges for the Citrus County CC project on Duke Energy Florida's Consolidated Statements of Operations.

**B** – Net of \$6 million tax benefit. \$25 million included within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company, LLC.

**C** – Recorded in (Loss) Income from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) – 729 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended December 31, 2018  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items					Discontinued Operations	Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Impairment Charge	Impacts of the Tax Act	Severance				
SEGMENT INCOME									
Electric Utilities and Infrastructure	\$ 566	\$ —	\$ 46 B	\$ 16	\$ —	\$ —	\$ 62	\$ 628	
Gas Utilities and Infrastructure	113	—	—	—	—	—	—	113	
Commercial Renewables	13	—	—	—	—	—	—	13	
Total Reportable Segment Income	692	—	46	16	—	—	62	754	
Other	(248)	24 A	—	(69)	144 D	—	99	(149)	
Discontinued Operations	20	—	—	—	—	(20) E	(20)	—	
Net Income Attributable to Duke Energy Corporation	\$ 464	\$ 24	\$ 46	\$ (53) C	\$ 144	\$ (20)	\$ 141	\$ 605	
EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED	\$ 0.65	\$ 0.03	\$ 0.06	\$ (0.07)	\$ 0.20	\$ (0.03)	\$ 0.19	\$ 0.84	

**A** – Net of \$7 million tax benefit. \$31 million recorded within Operating Expenses on the Consolidated Statements of Operations.

**B** – Net of \$14 million tax benefit. \$60 million recorded within Impairment charges for the Citrus County CC project on Duke Energy Florida's Consolidated Statements of Operations.

**C** – Reversal of \$76 million AMT valuation allowance and \$23 million true up of prior year Tax Act estimates recorded within Income Tax Expense from Continuing Operations on the Consolidated Statements of Operations.

**D** – Net of \$43 million tax benefit. \$187 million recorded with Operations, maintenance and other on the Consolidated Statements of Operations.

**E** – Recorded in (Loss) Income from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) – 716 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2018  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items							Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Regulatory and Legislative Impacts	Sale of Retired Plant	Impairment Charges	Impacts of the Tax Act	Severance	Discontinued Operations		
<b>SEGMENT INCOME</b>										
Electric Utilities and Infrastructure	\$ 3,058	\$ —	\$ 202 B	\$ —	\$ 46 D	\$ 24	\$ —	\$ —	\$ 272	\$ 3,330
Gas Utilities and Infrastructure	274	—	—	—	42 E	1	—	—	43	317
Commercial Renewables	9	—	—	—	91 F	(3)	—	—	88	97
<b>Total Reportable Segment Income</b>	<b>3,341</b>	<b>—</b>	<b>202</b>	<b>—</b>	<b>179</b>	<b>22</b>	<b>—</b>	<b>—</b>	<b>403</b>	<b>3,744</b>
Other	(694)	65 A	—	82 C	—	(2)	144 H	—	289	(405)
Discontinued Operations	19	—	—	—	—	—	—	(19) I	(19)	—
Net Income Attributable to Duke Energy Corporation	\$ 2,666	\$ 65	\$ 202	\$ 82	\$ 179	\$ 20 G	\$ 144	\$ (19)	\$ 673	\$ 3,339
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 3.76</b>	<b>\$ 0.09</b>	<b>\$ 0.29</b>	<b>\$ 0.12</b>	<b>\$ 0.25</b>	<b>\$ 0.03</b>	<b>\$ 0.21</b>	<b>\$ (0.03)</b>	<b>\$ 0.96</b>	<b>\$ 4.72</b>

**A** – Net of \$19 million tax benefit. \$84 million recorded within Operating Expenses on the Consolidated Statements of Operations.

**B** – Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas, related to the North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act.

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

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

**C** – Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Consolidated Statements of Operations. Sale of retired plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.

**D** – Net of \$14 million tax benefit. \$60 million recorded within Impairment charges for the Citrus County CC project on Duke Energy Florida's Consolidated Statements of Operations.

**E** – Net of \$13 million tax benefit. \$55 million recorded within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the investment in Constitution Pipeline Company, LLC.

**F** – Net of \$2 million Noncontrolling Interests. \$93 million goodwill impairment recorded within Impairment charges on the Consolidated Statement of Operations.

**G** – \$20 million true up of prior year Tax Act estimates within Income Tax Expense from Continuing Operations on the Consolidated Statements of Operations.

**H** – Net of \$43 million tax benefit. \$187 million recorded with Operations, maintenance and other on the Consolidated Statements of Operations.

**I** – Recorded in (Loss) Income from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) – 708 million**

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

	Three Months Ended December 31, 2019		Year Ended December 31, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 709		\$ 4,097	
Impairment Charges	14		(11)	
Noncontrolling Interests	67		177	
Preferred Dividends	(14)		(41)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 776</u>		<u>\$ 4,222</u>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 95	13.4%	\$ 519	12.7%
Impairment Charges	3		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 98</u>	12.6%	<u>\$ 516</u>	12.2%

	Three Months Ended December 31, 2018		Year Ended December 31, 2018	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 433		\$ 3,073	
Costs to Achieve Piedmont Merger	31		84	
Regulatory and Legislative Impacts	—		265	
Sale of Retired Plant	—		107	
Impairment Charges	60		206	
Severance	187		187	
Noncontrolling Interests	10		22	
<b>Pretax Income Including Noncontrolling Interests and Excluding Special Items</b>	<u>\$ 721</u>		<u>\$ 3,944</u>	
<b>Reported Income Tax (Benefit) Expense From Continuing Operations</b>	\$ (1)	(0.2)%	\$ 448	14.6%
Costs to Achieve Piedmont Merger	7		19	
Regulatory and Legislative Impacts	—		63	
Sale of Retired Plant	—		25	
Impairment Charges	14		27	
Severance	43		43	
Impacts of the Tax Act	53		(20)	
<b>Tax Expense Including Noncontrolling Interests and Excluding Special Items</b>	<u>\$ 116</u>	16.1 %	<u>\$ 605</u>	15.3%



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

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Discontinued Operations	Consolidated
<b>2018 QTD Reported Earnings Per Share, Diluted</b>	<b>\$ 0.79</b>	<b>\$ 0.17</b>	<b>\$ 0.02</b>	<b>\$ (0.36)</b>	<b>\$ 0.03</b>	<b>\$ 0.65</b>
Costs to Achieve Piedmont Merger	—	—	—	0.03	—	0.03
Impairment Charges	0.06	—	—	—	—	0.06
Severance	—	—	—	0.20	—	0.20
Impacts of the Tax Act	0.02	—	—	(0.09)	—	(0.07)
Discontinued Operations	—	—	—	—	(0.03)	(0.03)
<b>2018 QTD Adjusted Earnings Per Share, Diluted</b>	<b>\$ 0.87</b>	<b>\$ 0.17</b>	<b>\$ 0.02</b>	<b>\$ (0.22)</b>	<b>\$ —</b>	<b>\$ 0.84</b>
Weather	(0.03)	—	—	—	—	(0.03)
Volume	(0.01)	—	—	—	—	(0.01)
Pricing and Riders <sup>(a)</sup>	0.09	0.02	—	—	—	0.11
Rate case impacts, net <sup>(b)</sup>	0.04	0.04	—	—	—	0.08
Operations and maintenance, net of recoverables <sup>(c)</sup>	(0.11)	(0.01)	—	—	—	(0.12)
Midstream Gas Pipelines	—	0.01	—	—	—	0.01
Duke Energy Renewables <sup>(d)</sup>	—	—	0.06	—	—	0.06
Interest Expense	—	—	—	0.01	—	0.01
Depreciation and amortization <sup>(e)</sup>	(0.05)	—	—	—	—	(0.05)
Preferred Dividends	—	—	—	(0.04)	—	(0.04)
Other <sup>(f)</sup>	0.01	—	—	0.05	—	0.06
Total variance before share count	\$ (0.06)	\$ 0.06	\$ 0.06	\$ 0.02	\$ —	\$ 0.08
Change in share count	(0.01)	—	—	—	—	(0.01)
<b>2019 QTD Adjusted Earnings Per Share, Diluted</b>	<b>\$ 0.80</b>	<b>\$ 0.23</b>	<b>\$ 0.08</b>	<b>\$ (0.20)</b>	<b>\$ —</b>	<b>\$ 0.91</b>
Impairment Charges	0.01	(0.03)	—	—	—	(0.02)
Discontinued Operations	—	—	—	—	(0.01)	(0.01)
<b>2019 QTD Reported Earnings Per Share, Diluted</b>	<b>\$ 0.81</b>	<b>\$ 0.20</b>	<b>\$ 0.08</b>	<b>\$ (0.20)</b>	<b>\$ (0.01)</b>	<b>\$ 0.88</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average diluted shares outstanding increased from 716 million shares to 731 million.

- (a) Electric Utilities and Infrastructure is primarily driven by favorable energy efficiency orders (+\$0.05).
- (b) Electric Utilities and Infrastructure includes the net impact of the DEF GBRA, SBRA and multi-year rate plan (+\$0.02) and the Carolinas rate cases (+\$0.02), which is primarily comprised of base rate increases partially offset by higher depreciation and amortization expense. Gas Utilities and Infrastructure includes the net impact of the NC Piedmont rate case, effective November 1, 2019.
- (c) Primarily due to higher planned O&M related to employee benefits and customer delivery and operations costs.
- (d) Primarily includes new tax equity projects placed in service (+0.04).
- (e) Excludes rate case impacts.
- (f) Other is primarily due to higher returns on investments and lower claims at the captive insurer, offset by higher contributions to the Duke Energy Foundation.

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

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Discontinued Operations	Consolidated
<b>2018 YTD Reported Earnings Per Share, Diluted</b>	<b>\$ 4.32</b>	<b>\$ 0.39</b>	<b>\$ 0.01</b>	<b>\$ (0.99)</b>	<b>\$ 0.03</b>	<b>\$ 3.76</b>
Costs to Achieve Piedmont Merger	—	—	—	0.09	—	0.09
Regulatory and Legislative Impacts	0.29	—	—	—	—	0.29
Sale of Retired Plant	—	—	—	0.12	—	0.12
Impairment Charges	0.06	0.06	0.13	—	—	0.25
Severance	—	—	—	0.21	—	0.21
Impacts of the Tax Act	0.03	—	—	—	—	0.03
Discontinued Operations	—	—	—	—	(0.03)	(0.03)
<b>2018 YTD Adjusted Earnings Per Share, Diluted</b>	<b>\$ 4.70</b>	<b>\$ 0.45</b>	<b>\$ 0.14</b>	<b>\$ (0.57)</b>	<b>\$ —</b>	<b>\$ 4.72</b>
Weather	(0.01)	—	—	—	—	(0.01)
Volume	(0.05)	—	—	—	—	(0.05)
Pricing and Riders <sup>(a)</sup>	0.24	0.04	—	—	—	0.28
Rate case impacts, net <sup>(b)</sup>	0.21	0.04	—	—	—	0.25
Operations and maintenance, net of recoverables	0.04	(0.03)	—	—	—	0.01
Midstream Gas Pipelines <sup>(c)</sup>	—	0.13	—	—	—	0.13
Duke Energy Renewables <sup>(d)</sup>	—	—	0.13	—	—	0.13
Interest Expense	—	—	—	(0.05)	—	(0.05)
AFUDC Equity	(0.05)	—	—	—	—	(0.05)
Depreciation and amortization <sup>(e)</sup>	(0.17)	—	—	—	—	(0.17)
Preferred Dividends	—	—	—	(0.08)	—	(0.08)
Other <sup>(f)</sup>	0.04	—	—	0.05	—	0.09
Total variance before share count	\$ 0.25	\$ 0.18	\$ 0.13	\$ (0.08)	\$ —	\$ 0.48
Change in share count	(0.14)	—	—	—	—	(0.14)
<b>2019 YTD Adjusted Earnings Per Share, Diluted</b>	<b>\$ 4.81</b>	<b>\$ 0.63</b>	<b>\$ 0.27</b>	<b>\$ (0.65)</b>	<b>\$ —</b>	<b>\$ 5.06</b>
Impairment Charges	0.04	(0.03)	—	—	—	0.01
Discontinued Operations	—	—	—	—	(0.01)	(0.01)
<b>2019 YTD Reported Earnings Per Share, Diluted</b>	<b>\$ 4.85</b>	<b>\$ 0.60</b>	<b>\$ 0.27</b>	<b>\$ (0.65)</b>	<b>\$ (0.01)</b>	<b>\$ 5.06</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average diluted shares outstanding increased from 708 million shares to 729 million.

- (a) Electric Utilities and Infrastructure is primarily driven by higher transmission revenues and purchased power true ups (+\$0.15) and energy efficiency and grid modernization rider programs (+\$0.08) in DEC, DEP and DEI.
- (b) Electric Utilities and Infrastructure includes the net impact of the DEF GBRA, SBRA and multi-year rate plan (+\$0.09), the Carolinas rate cases (+\$0.10) and DEO and DEK rate cases (+\$0.02), which is primarily base rate increases partially offset by higher depreciation and amortization expense. In prior periods, interest expense (-\$0.03) and AFUDC equity (-\$0.03) were presented separately from rate case impacts, net; for the period presented above, these amounts are included in rate case impacts, net as they are recovered through the DEF GBRA. Gas Utilities and Infrastructure includes the net impact of the NC Piedmont rate case, effective November 1, 2019.
- (c) Includes an income tax adjustment for equity method investments related to prior years.
- (d) Primarily includes new tax equity projects placed in service (+\$0.12).
- (e) Excludes rate case impacts.
- (f) Electric Utilities and Infrastructure includes an impairment charge in 2018 related to the Edwardsport settlement at Duke Energy Indiana (+0.03). Other includes higher returns on investments and lower claims at the captive insurer, offset by higher contributions to the Duke Energy Foundation.

**December 2019**  
**QUARTERLY HIGHLIGHTS**  
(Unaudited)

	Three Months Ended		Years Ended	
	December 31,		December 31,	
	2019	2018	2019	2018
<i>(In millions, except per-share amounts and where noted)</i>				
<b>Earnings Per Share – Basic and Diluted</b>				
Income from continuing operations available to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ 0.89	\$ 0.62	\$ 5.07	\$ 3.73
(Loss) Income from discontinued operations attributable to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ (0.01)	\$ 0.03	\$ (0.01)	\$ 0.03
Net income available to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ 0.88	\$ 0.65	\$ 5.06	\$ 3.76
Weighted average shares outstanding				
Basic	730	716	729	708
Diluted	731	716	729	708
<b>INCOME (LOSS) BY BUSINESS SEGMENT</b>				
Electric Utilities and Infrastructure <sup>(a)</sup>	\$ 592	\$ 566	\$ 3,536	\$ 3,058
Gas Utilities and Infrastructure <sup>(b)</sup>	140	113	432	274
Commercial Renewables	59	13	198	9
Total Reportable Segment Income	791	692	4,166	3,341
Other	(124)	(248)	(452)	(694)
(Loss) Income from Discontinued Operations	(7)	20	(7)	19
Net Income Available to Duke Energy Corporation common stockholders	\$ 660	\$ 464	\$ 3,707	\$ 2,666
<b>CAPITALIZATION</b>				
Total Common Equity (%)			44%	43%
Total Debt (%)			56%	57%
Total Debt			\$ 61,261	\$ 57,939
Book Value Per Share			\$ 65.42	\$ 60.29
Actual Shares Outstanding			733	727
<b>CAPITAL AND INVESTMENT EXPENDITURES</b>				
Electric Utilities and Infrastructure	\$ 2,171	\$ 2,260	\$ 8,263	\$ 8,082
Gas Utilities and Infrastructure	410	389	1,539	1,156
Commercial Renewables	491	40	1,423	195
Other	19	63	221	263
Total Capital and Investment Expenditures	\$ 3,091	\$ 2,752	\$ 11,446	\$ 9,696

- (a) Includes a reduction of a prior year impairment at Citrus County CC of \$11 million (net of tax of \$3 million) for the three months ended December 31, 2019 and \$36 million (net of tax of \$9 million) for the year ended December 31, 2019.
- (b) Includes an other-than-temporary impairment of the remaining investment in Constitution of \$25 million (net of tax of \$6 million) for the three months and year ended December 31, 2019.

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Jan 19 2023

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

	Years Ended December 31,		
	2019	2018	2017
<b>Operating Revenues</b>			
Regulated electric	\$ 22,615	\$ 22,097	\$ 21,177
Regulated natural gas	1,759	1,773	1,734
Nonregulated electric and other	705	651	654
Total operating revenues	25,079	24,521	23,565
<b>Operating Expenses</b>			
Fuel used in electric generation and purchased power	6,826	6,831	6,350
Cost of natural gas	627	697	632
Operation, maintenance and other	6,066	6,463	5,944
Depreciation and amortization	4,548	4,074	3,527
Property and other taxes	1,307	1,280	1,233
Impairment charges	(8)	402	282
Total operating expenses	19,366	19,747	17,968
<b>(Losses) Gains on Sales of Other Assets and Other, net</b>	<b>(4)</b>	<b>(89)</b>	<b>28</b>
<b>Operating Income</b>	<b>5,709</b>	<b>4,685</b>	<b>5,625</b>
<b>Other Income and Expenses</b>			
Equity in earnings of unconsolidated affiliates	162	83	119
Other income and expenses, net	430	399	508
Total other income and expenses	592	482	627
<b>Interest Expense</b>	<b>2,204</b>	<b>2,094</b>	<b>1,986</b>
<b>Income From Continuing Operations Before Income Taxes</b>	<b>4,097</b>	<b>3,073</b>	<b>4,266</b>
<b>Income Tax Expense From Continuing Operations</b>	<b>519</b>	<b>448</b>	<b>1,196</b>
<b>Income From Continuing Operations</b>	<b>3,578</b>	<b>2,625</b>	<b>3,070</b>
<b>(Loss) Income From Discontinued Operations, net of tax</b>	<b>(7)</b>	<b>19</b>	<b>(6)</b>
<b>Net Income</b>	<b>3,571</b>	<b>2,644</b>	<b>3,064</b>
<b>Less: Net (Loss) Income Attributable to Noncontrolling Interests</b>	<b>(177)</b>	<b>(22)</b>	<b>5</b>
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>3,748</b>	<b>2,666</b>	<b>\$ 3,059</b>
<b>Less: Preferred Dividends</b>	<b>41</b>	<b>—</b>	<b>\$ —</b>
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,707</b>	<b>\$ 2,666</b>	<b>\$ 3,059</b>

**Earnings Per Share – Basic and Diluted**

Income from continuing operations available to Duke Energy Corporation common stockholders

Basic and Diluted	\$ 5.07	\$ 3.73	\$ 4.37
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(Loss) Income from discontinued operations attributable to Duke Energy Corporation common stockholders

Basic and Diluted	\$ (0.01)	\$ 0.03	\$ (0.01)
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Net income available to Duke Energy Corporation common stockholders

Basic and Diluted	\$ 5.06	\$ 3.76	\$ 4.36
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Weighted average shares outstanding

Basic and Diluted	729	708	700
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Jan 19 2023

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

(In millions)	December 31, 2019	December 31, 2018
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 311	\$ 442
Receivables (net of allowance for doubtful accounts of \$22 at 2019 and \$16 at 2018)	1,066	962
Receivables of VIEs (net of allowance for doubtful accounts of \$54 at 2019 and \$55 at 2018)	1,994	2,172
Inventory	3,232	3,084
Regulatory assets (includes \$52 at 2019 and 2018 related to VIEs)	1,796	2,005
Other (includes \$242 at 2019 and \$162 at 2018 related to VIEs)	764	1,049
Total current assets	9,163	9,714
<b>Property, Plant and Equipment</b>		
Cost	147,654	134,458
Accumulated depreciation and amortization	(45,773)	(43,126)
Generation facilities to be retired, net	246	362
Net property, plant and equipment	102,127	91,694
<b>Other Noncurrent Assets</b>		
Goodwill	19,303	19,303
Regulatory assets (includes \$989 at 2019 and \$1,041 at 2018 related to VIEs)	13,222	13,617
Nuclear decommissioning trust funds	8,140	6,720
Operating lease right-of-use assets, net	1,658	—
Investments in equity method unconsolidated affiliates	1,936	1,409
Other (includes \$110 at 2019 and \$261 at 2018 related to VIEs)	3,289	2,935
Total other noncurrent assets	47,548	43,984
<b>Total Assets</b>	<b>\$ 158,838</b>	<b>\$ 145,392</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 3,487	\$ 3,487
Notes payable and commercial paper	3,135	3,410
Taxes accrued	392	577
Interest accrued	565	559
Current maturities of long-term debt (includes \$216 at 2019 and \$227 at 2018 related to VIEs)	3,141	3,406
Asset retirement obligations	881	919
Regulatory liabilities	784	598
Other	2,367	2,085
Total current liabilities	14,752	15,041
<b>Long-Term Debt (includes \$3,996 at 2019 and \$3,998 at 2018 related to VIEs)</b>	<b>54,985</b>	<b>51,123</b>
<b>Other Noncurrent Liabilities</b>		
Deferred income taxes	8,878	7,806
Asset retirement obligations	12,437	9,548
Regulatory liabilities	15,264	14,834
Operating lease liabilities	1,432	—
Accrued pension and other post-retirement benefit costs	934	988
Investment tax credits	624	568
Other (includes \$228 at 2019 and \$212 at 2018 related to VIEs)	1,581	1,650
Total other noncurrent liabilities	41,150	35,394
<b>Commitments and Contingencies</b>		
<b>Equity</b>		
Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2019	973	—
Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2019	989	—
Common stock, \$0.001 par value, 2 billion shares authorized; 733 million shares outstanding at 2019 and 727 million shares outstanding at 2018	1	1
Additional paid-in capital	40,881	40,795
Retained earnings	4,108	3,113
Accumulated other comprehensive loss	(130)	(92)
Total Duke Energy Corporation stockholders' equity	46,822	43,817
Noncontrolling interests	1,129	17
Total equity	47,951	43,834
<b>Total Liabilities and Equity</b>	<b>\$ 158,838</b>	<b>\$ 145,392</b>

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

	Years Ended December 31,		
	2019	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Income	\$ 3,571	\$ 2,644	\$ 3,064
Adjustments to reconcile net income to net cash provided by operating activities	4,638	4,542	3,560
Net cash provided by operating activities	8,209	7,186	6,624
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net cash used in investing activities	(11,957)	(10,060)	(8,442)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash provided by financing activities	3,730	2,960	1,782
Net (decrease) increase in cash, cash equivalents and restricted cash	(18)	86	(36)
Cash, cash equivalents and restricted cash at beginning of period	591	505	541
Cash, cash equivalents and restricted cash at end of period	\$ 573	\$ 591	\$ 505

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Jan 19 2023

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

(In millions)	Three Months Ended December 31, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,450	\$ —	\$ —	\$ —	\$ (58)	\$ 5,392
Regulated natural gas	—	552	—	—	(24)	528
Nonregulated electric and other	—	3	125	24	31	183
Total operating revenues	5,450	555	125	24	(51)	6,103
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,618	—	—	—	(20)	1,598
Cost of natural gas	—	176	—	—	—	176
Operation, maintenance and other	1,540	121	86	4	(22)	1,729
Depreciation and amortization	1,027	64	45	53	(5)	1,184
Property and other taxes	276	22	5	(6)	(2)	295
Impairment charges	8	—	—	—	—	8
Total operating expenses	4,469	383	136	51	(49)	4,990
<b>Gains (losses) on Sales of Other Assets and Other, net</b>	1	—	(3)	(2)	—	(4)
<b>Operating Income (Loss)</b>	982	172	(14)	(29)	(2)	1,109
<b>Other Income and Expenses</b>						
Equity in (losses) earnings of unconsolidated affiliates	(2)	13	—	15	(1)	25
Other income and expenses, net	88	8	2	32	(8)	122
Total Other Income and Expenses	86	21	2	47	(9)	147
<b>Interest Expense</b>	341	31	17	169	(11)	547
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	727	162	(29)	(151)	—	709
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	135	22	(21)	(41)	—	95
<b>Income (Loss) from Continuing Operations</b>	592	140	(8)	(110)	—	614
<b>Less: Net Loss Attributable to Noncontrolling Interest</b>	—	—	(67)	—	—	(67)
<b>Less: Preferred Dividends</b>	—	—	—	14	—	14
<b>Segment Income/Other Net Loss</b>	\$ 592	\$ 140	\$ 59	\$ (124)	\$ —	\$ 667
<b>Loss from Discontinued Operations, net of tax</b>						(7)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ 660
<b>Segment Income/Other Net Loss</b>	\$ 592	\$ 140	\$ 59	\$ (124)	\$ —	\$ 667
<b>Special Items</b>	(8)	19	—	—	—	11
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 584	\$ 159	\$ 59	\$ (124)	\$ —	\$ 678

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



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

(In millions)	Years Ended December 31, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 22,831	\$ —	\$ —	\$ —	(216)	\$ 22,615
Regulated natural gas	—	1,854	—	—	(95)	1,759
Nonregulated electric and other	—	12	487	95	111	705
Total operating revenues	22,831	1,866	487	95	(200)	25,079
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	6,904	—	—	—	(78)	6,826
Cost of natural gas	—	627	—	—	—	627
Operation, maintenance and other	5,497	446	297	(65)	(109)	6,066
Depreciation and amortization	3,951	256	168	178	(5)	4,548
Property and other taxes	1,175	106	23	4	(1)	1,307
Impairment charges	(8)	—	—	—	—	(8)
Total operating expenses	17,519	1,435	488	117	(193)	19,366
<b>Gains (losses) on Sales of Other Assets and Other, net</b>	1	—	(3)	(2)	—	(4)
<b>Operating Income</b>	5,313	431	(4)	(24)	(7)	5,709
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	9	114	(4)	43	—	162
Other income and expenses, net	344	26	9	102	(51)	430
Total Other Income and Expenses	353	140	5	145	(51)	592
<b>Interest Expense</b>	1,345	117	95	705	(58)	2,204
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	4,321	454	(94)	(584)	—	4,097
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	785	22	(115)	(173)	—	519
<b>Income (Loss) from Continuing Operations</b>	3,536	432	21	(411)	—	3,578
<b>Less: Net Loss Attributable to Noncontrolling Interest<sup>(a)</sup></b>	—	—	(177)	—	—	(177)
<b>Less: Preferred Dividends</b>	—	—	—	41	—	41
<b>Segment Income/Other Net Loss</b>	\$ 3,536	\$ 432	\$ 198	\$ (452)	\$ —	\$ 3,714
<b>Loss from Discontinued Operations, net of tax</b>						(7)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ 3,707
<b>Segment Income/Other Net Loss</b>	\$ 3,536	\$ 432	\$ 198	\$ (452)	\$ —	\$ 3,714
<b>Special Items</b>	(27)	19	—	—	—	(8)
<b>Adjusted Earnings<sup>(b)</sup></b>	\$ 3,509	\$ 451	\$ 198	\$ (452)	\$ —	\$ 3,706

(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)

(In millions)	Three Months Ended December 31, 2018					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,467	\$ —	\$ —	\$ —	(48)	\$ 5,419
Regulated natural gas	—	577	—	—	(25)	552
Nonregulated electric and other	—	3	130	(12)	23	144
Total operating revenues	5,467	580	130	(12)	(50)	6,115
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,715	—	—	(43)	(22)	1,650
Cost of natural gas	—	237	—	—	—	237
Operation, maintenance and other	1,480	109	95	216	(29)	1,871
Depreciation and amortization	953	63	39	39	1	1,095
Property and other taxes	292	26	6	1	1	326
Impairment charges	63	—	—	—	—	63
Total operating expenses	4,503	435	140	213	(49)	5,242
<b>Losses on Sales of Other Assets and Other, net</b>	(1)	—	(1)	—	—	(2)
<b>Operating Income (Loss)</b>	963	145	(11)	(225)	(1)	871
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	—	25	(1)	9	1	34
Other income and expenses, net	92	6	2	(17)	(11)	72
Total Other Income and Expenses	92	31	1	(8)	(10)	106
<b>Interest Expense</b>	333	28	22	173	(12)	544
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	722	148	(32)	(406)	1	433
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	156	35	(35)	(157)	—	(1)
<b>Income (Loss) from Continuing Operations</b>	566	113	3	(249)	1	434
<b>Less: Net (Loss) Income Attributable to Noncontrolling Interest</b>	—	—	(10)	(1)	1	(10)
<b>Segment Income/Other Net Loss</b>	\$ 566	\$ 113	\$ 13	\$ (248)	\$ —	\$ 444
<b>Income from Discontinued Operations, net of tax</b>						20
<b>Net Income Attributable to Duke Energy Corporation</b>						\$ 464
<b>Segment Income/Other Net Loss</b>	\$ 566	\$ 113	\$ 13	\$ (248)	\$ —	\$ 444
<b>Special Items</b>	62	—	—	99	—	161
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 628	\$ 113	\$ 13	\$ (149)	\$ —	\$ 605

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

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

(In millions)	Years Ended December 31, 2018					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 22,273	\$ —	\$ —	\$ —	(176)	\$ 22,097
Regulated natural gas	—	1,871	—	—	(98)	1,773
Nonregulated electric and other	—	10	477	89	75	651
Total operating revenues	22,273	1,881	477	89	(199)	24,521
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	6,917	—	—	—	(86)	6,831
Cost of natural gas	—	697	—	—	—	697
Operation, maintenance and other	5,631	421	304	214	(107)	6,463
Depreciation and amortization	3,523	245	155	152	(1)	4,074
Property and other taxes	1,134	107	25	14	—	1,280
Impairment charges	309	—	93	—	—	402
Total operating expenses	17,514	1,470	577	380	(194)	19,747
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	8	—	(1)	(96)	—	(89)
<b>Operating Income (Loss)</b>	4,767	411	(101)	(387)	(5)	4,685
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	5	27	(1)	52	—	83
Other income and expenses, net	373	20	24	21	(39)	399
Total Other Income and Expenses	378	47	23	73	(39)	482
<b>Interest Expense</b>	1,288	106	88	657	(45)	2,094
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	3,857	352	(166)	(971)	1	3,073
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	799	78	(147)	(282)	—	448
<b>Income (Loss) from Continuing Operations</b>	3,058	274	(19)	(689)	1	2,625
<b>Less: Net (Loss) Income Attributable to Noncontrolling Interest</b>	—	—	(28)	5	1	(22)
<b>Segment Income/Other Net Loss</b>	\$ 3,058	\$ 274	\$ 9	\$ (694)	\$ —	\$ 2,647
<b>Income from Discontinued Operations, net of tax</b>						19
<b>Net Income Attributable to Duke Energy Corporation</b>						\$ 2,666
<b>Segment Income/Other Net Loss</b>	\$ 3,058	\$ 274	\$ 9	\$ (694)	\$ —	\$ 2,647
<b>Special Items</b>	272	43	88	289	—	692
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 3,330	\$ 317	\$ 97	\$ (405)	\$ —	\$ 3,339

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

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

(In millions)	December 31, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Assets</b>						
Cash and cash equivalents	\$ 94	\$ 5	\$ 133	\$ 79	\$ —	\$ 311
Receivables, net	690	239	109	27	1	1,066
Receivables of variable interest entities, net	1,994	—	—	—	—	1,994
Receivables from affiliated companies	66	16	809	509	(1,400)	—
Notes receivable from affiliated companies	130	—	—	794	(924)	—
Inventory	3,032	111	65	25	(1)	3,232
Regulatory assets	1,607	75	—	114	—	1,796
Other	199	29	208	327	1	764
Total current assets	7,812	475	1,324	1,875	(2,323)	9,163
<b>Property, Plant and Equipment</b>						
Cost	127,677	11,788	5,927	2,366	(104)	147,654
Accumulated depreciation and amortization	(40,928)	(2,517)	(1,017)	(1,311)	—	(45,773)
Generation facilities to be retired, net	246	—	—	—	—	246
Net property, plant and equipment	86,995	9,271	4,910	1,055	(104)	102,127
<b>Other Noncurrent Assets</b>						
Goodwill	17,379	1,924	—	—	—	19,303
Regulatory assets	12,068	656	—	499	(1)	13,222
Nuclear decommissioning trust funds	8,140	—	—	—	—	8,140
Operating lease right-of-use assets, net	1,237	24	100	296	1	1,658
Investments in equity method unconsolidated affiliates	122	1,388	314	112	—	1,936
Investment in consolidated subsidiaries	339	5	3	62,406	(62,753)	—
Other	2,159	146	181	1,473	(670)	3,289
Total other noncurrent assets	41,444	4,143	598	64,786	(63,423)	47,548
<b>Total Assets</b>	<b>136,251</b>	<b>13,889</b>	<b>6,832</b>	<b>67,716</b>	<b>(65,850)</b>	<b>158,838</b>
Segment reclassifications, intercompany balances and other	(690)	32	(812)	(64,568)	66,038	—
<b>Segment Assets</b>	<b>\$ 135,561</b>	<b>\$ 13,921</b>	<b>\$ 6,020</b>	<b>\$ 3,148</b>	<b>\$ 188</b>	<b>\$ 158,838</b>

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

(In millions)	December 31, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Liabilities</b>						
Accounts payable	\$ 2,477	\$ 281	\$ 237	\$ 492	\$ —	\$ 3,487
Accounts payable to affiliated companies	646	4	25	670	(1,345)	—
Notes payable to affiliated companies	302	583	—	53	(938)	—
Notes payable and commercial paper	—	—	174	2,961	—	3,135
Taxes accrued	347	44	426	(426)	1	392
Interest accrued	380	40	2	143	—	565
Current maturities of long-term debt	2,607	26	162	350	(4)	3,141
Asset retirement obligations	881	—	—	—	—	881
Regulatory liabilities	679	105	—	—	—	784
Other	1,702	73	74	559	(41)	2,367
Total current liabilities	10,021	1,156	1,100	4,802	(2,327)	14,752
<b>Long-Term Debt</b>	33,375	3,071	1,541	17,098	(100)	54,985
<b>Long-Term Debt Payable to Affiliated Companies</b>	618	7	46	—	(671)	—
<b>Other Noncurrent Liabilities</b>						
Deferred income taxes	10,369	1,082	(653)	(1,920)	—	8,878
Asset retirement obligations	12,253	54	129	—	1	12,437
Regulatory liabilities	13,720	1,517	—	27	—	15,264
Operating lease liabilities	1,109	23	102	198	—	1,432
Accrued pension and other post-retirement benefit costs	605	28	3	298	—	934
Investment tax credits	622	2	—	—	—	624
Other	822	185	478	315	(219)	1,581
Total other noncurrent liabilities	39,500	2,891	59	(1,082)	(218)	41,150
<b>Equity</b>						
Total Duke Energy Corporation stockholders' equity	52,737	6,764	2,960	46,895	(62,534)	46,822
Noncontrolling interests	—	—	1,126	3	—	1,129
Total equity	52,737	6,764	4,086	46,898	(62,534)	47,951
<b>Total Liabilities and Equity</b>	136,251	13,889	6,832	67,716	(65,850)	158,838
Segment reclassifications, intercompany balances and other	(690)	32	(812)	(64,568)	66,038	—
<b>Segment Liabilities and Equity</b>	\$ 135,561	\$ 13,921	\$ 6,020	\$ 3,148	\$ 188	\$ 158,838

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

(In millions)	Three Months Ended December 31, 2019						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 1,776	\$ 1,398	\$ 1,244	\$ 357	\$ 715	\$ (40)	\$ 5,450
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	433	441	483	95	215	(49)	1,618
Operation, maintenance and other	537	373	303	104	221	2	1,540
Depreciation and amortization	375	288	180	46	132	6	1,027
Property and other taxes	71	45	83	65	14	(2)	276
Impairment charges	6	12	(11)	—	—	1	8
Total operating expenses	1,422	1,159	1,038	310	582	(42)	4,469
<b>Gains on Sales of Other Assets and Other, net</b>	—	—	—	—	—	1	1
<b>Operating Income</b>	354	239	206	47	133	3	982
<b>Other Income and Expenses, net<sup>(b)</sup></b>	45	25	9	4	6	(3)	86
<b>Interest Expense</b>	117	74	82	19	45	4	341
<b>Income Before Income Taxes</b>	282	190	133	32	94	(4)	727
<b>Income Tax Expense</b>	57	32	25	2	20	(1)	135
<b>Segment Income</b>	\$ 225	\$ 158	\$ 108	\$ 30	\$ 74	\$ (3)	\$ 592

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

(b) Includes an equity component of allowance for funds used during construction of \$13 million for Duke Energy Carolinas, \$16 million for Duke Energy Progress, \$2 million for Duke Energy Florida, \$2 million for Duke Energy Ohio and \$5 million for Duke Energy Indiana.

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

(In millions)	Years Ended December 31, 2019						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 7,395	\$ 5,957	\$ 5,231	\$ 1,456	\$ 3,004	\$ (212)	\$ 22,831
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	1,804	2,012	2,012	388	935	(247)	6,904
Operation, maintenance and other	1,843	1,433	1,026	396	784	15	5,497
Depreciation and amortization	1,388	1,143	702	182	525	11	3,951
Property and other taxes	292	176	392	248	69	(2)	1,175
Impairment charges	17	12	(36)	—	—	(1)	(8)
Total operating expenses	5,344	4,776	4,096	1,214	2,313	(224)	17,519
<b>Gains on Sales of Other Assets and Other, net</b>	—	—	—	—	—	1	1
<b>Operating Income</b>	2,051	1,181	1,135	242	691	13	5,313
<b>Other Income and Expenses, net<sup>(b)</sup></b>	151	100	48	17	41	(4)	353
<b>Interest Expense</b>	463	306	328	80	156	12	1,345
<b>Income Before Income Taxes</b>	1,739	975	855	179	576	(3)	4,321
<b>Income Tax Expense</b>	316	159	156	20	135	(1)	785
<b>Segment Income</b>	\$ 1,423	\$ 816	\$ 699	\$ 159	\$ 441	\$ (2)	\$ 3,536

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

(b) Includes an equity component of allowance for funds used during construction of \$42 million for Duke Energy Carolinas, \$60 million for Duke Energy Progress, \$6 million for Duke Energy Florida, \$10 million for Duke Energy Ohio and \$18 million for Duke Energy Indiana.



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

(In millions)	December 31, 2019						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Assets</b>							
Cash and cash equivalents	\$ 18	\$ 22	\$ 17	\$ 12	\$ 25	\$ —	\$ 94
Receivables, net	324	123	96	86	60	1	690
Receivables of variable interest entities, net	642	489	341	—	—	522	1,994
Receivables from affiliated companies	114	52	—	71	79	(250)	66
Notes receivable from affiliated companies	—	—	173	—	—	(43)	130
Inventory	996	934	489	95	517	1	3,032
Regulatory assets	550	526	419	18	90	4	1,607
Other	21	59	58	6	60	(5)	199
Total current assets	2,665	2,205	1,593	288	831	230	7,812
<b>Property, Plant and Equipment</b>							
Cost	48,922	34,603	20,457	6,895	16,305	495	127,677
Accumulated depreciation and amortization	(16,525)	(11,915)	(5,236)	(2,008)	(5,233)	(11)	(40,928)
Generation facilities to be retired, net	—	246	—	—	—	—	246
Net property, plant and equipment	32,397	22,934	15,221	4,887	11,072	484	86,995
<b>Other Noncurrent Assets</b>							
Goodwill	—	—	—	596	—	16,783	17,379
Regulatory assets	3,360	4,152	2,194	364	1,082	916	12,068
Nuclear decommissioning trust funds	4,359	3,047	734	—	—	—	8,140
Operating lease right-of-use assets, net	123	387	401	21	57	248	1,237
Investments in equity method unconsolidated affiliates	—	—	—	—	—	122	122
Investment in consolidated subsidiaries	49	14	2	176	1	97	339
Other	1,149	650	311	41	234	(226)	2,159
Total other noncurrent assets	9,040	8,250	3,642	1,198	1,374	17,940	41,444
<b>Total Assets</b>	<b>44,102</b>	<b>33,389</b>	<b>20,456</b>	<b>6,373</b>	<b>13,277</b>	<b>18,654</b>	<b>136,251</b>
Segment reclassifications, intercompany balances and other	(301)	(112)	(156)	(185)	(82)	146	(690)
<b>Reportable Segment Assets</b>	<b>\$ 43,801</b>	<b>\$ 33,277</b>	<b>\$ 20,300</b>	<b>\$ 6,188</b>	<b>\$ 13,195</b>	<b>\$ 18,800</b>	<b>\$ 135,561</b>

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

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

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

(In millions)	December 31, 2019						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Liabilities</b>							
Accounts payable	\$ 954	\$ 629	\$ 474	\$ 217	\$ 201	\$ 2	\$ 2,477
Accounts payable to affiliated companies	210	203	131	13	87	2	646
Notes payable to affiliated companies	29	66	—	205	30	(28)	302
Taxes accrued	47	17	43	189	49	2	347
Interest accrued	115	110	75	23	58	(1)	380
Current maturities of long-term debt	458	1,006	571	(26)	503	95	2,607
Asset retirement obligations	206	485	—	1	189	—	881
Regulatory liabilities	255	236	94	40	55	(1)	679
Other	612	478	416	70	112	14	1,702
Total current liabilities	2,886	3,230	1,804	732	1,284	85	10,021
<b>Long-Term Debt</b>	11,142	7,902	7,416	2,045	3,404	1,466	33,375
<b>Long-Term Debt Payable to Affiliated Companies</b>	300	150	—	18	150	—	618
<b>Other Noncurrent Liabilities</b>							
Deferred income taxes	3,968	2,400	2,180	649	1,150	22	10,369
Asset retirement obligations	5,528	5,408	578	41	643	55	12,253
Regulatory liabilities	6,423	4,232	993	392	1,685	(5)	13,720
Operating lease liabilities	102	354	343	21	55	234	1,109
Accrued pension and other post-retirement benefit costs	84	238	218	75	148	(158)	605
Investment tax credits	231	137	87	3	164	—	622
Other	627	93	48	63	18	(27)	822
Total other noncurrent liabilities	16,963	12,862	4,447	1,244	3,863	121	39,500
<b>Equity</b>	12,811	9,245	6,789	2,334	4,576	16,982	52,737
<b>Total Liabilities and Equity</b>	44,102	33,389	20,456	6,373	13,277	18,654	136,251
Segment reclassifications, intercompany balances and other	(301)	(112)	(156)	(185)	(82)	146	(690)
<b>Reportable Segment Liabilities and Equity</b>	\$ 43,801	\$ 33,277	\$ 20,300	\$ 6,188	\$ 13,195	\$ 18,800	\$ 135,561

- (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 December 31, 2019				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 130	\$ 425	\$ —	\$ —	\$ 555
<b>Operating Expenses</b>					
Cost of natural gas	27	148	—	1	176
Operation, maintenance and other	36	84	1	—	121
Depreciation and amortization	20	45	—	(1)	64
Property and other taxes	14	6	—	2	22
Total operating expenses	97	283	1	2	383
<b>Operating Income (Loss)</b>	33	142	(1)	(2)	172
<b>Other Income and Expenses</b>					
Equity in earnings of unconsolidated affiliates	—	—	2	11	13
Other income and expenses, net	1	5	—	2	8
Total other income and expenses	1	5	2	13	21
<b>Interest Expense</b>	9	22	—	—	31
<b>Income Before Income Taxes</b>	25	125	1	11	162
<b>Income Tax Expense (Benefit)</b>	5	16	(7)	8	22
<b>Segment Income</b>	\$ 20	\$ 109	\$ 8	\$ 3	\$ 140

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

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

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

(In millions)	Years Ended December 31, 2019				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/ Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 484	\$ 1,381	\$ —	\$ 1	\$ 1,866
<b>Operating Expenses</b>					
Cost of natural gas	95	532	—	—	627
Operation, maintenance and other	118	323	4	1	446
Depreciation and amortization	83	172	1	—	256
Property and other taxes	60	45	—	1	106
Total operating expenses	356	1,072	5	2	1,435
<b>Operating Income (Loss)</b>	128	309	(5)	(1)	431
<b>Other Income and Expenses</b>					
Equity in earnings of unconsolidated affiliates	—	—	103	11	114
Other income and expenses, net	7	18	—	1	26
Total other income and expenses	7	18	103	12	140
<b>Interest Expense</b>	29	87	1	—	117
<b>Income Before Income Taxes</b>	106	240	97	11	454
<b>Income Tax Expense (Benefit)</b>	21	41	(44)	4	22
<b>Segment Income</b>	\$ 85	\$ 199	\$ 141	\$ 7	\$ 432

(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)

(In millions)	December 31, 2019				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Assets</b>					
Cash and cash equivalents	\$ 5	\$ —	\$ —	\$ —	5
Receivables, net	(2)	241	—	—	239
Receivables from affiliated companies	12	87	—	(83)	16
Inventory	40	72	—	(1)	111
Regulatory assets	2	73	—	—	75
Other	—	27	1	1	29
Total current assets	57	500	1	(83)	475
<b>Property, Plant and Equipment</b>					
Cost	3,347	8,441	—	—	11,788
Accumulated depreciation and amortization	(836)	(1,681)	—	—	(2,517)
Net property, plant and equipment	2,511	6,760	—	—	9,271
<b>Other Noncurrent Assets</b>					
Goodwill	324	49	—	1,551	1,924
Regulatory assets	214	290	—	152	656
Operating lease right-of-use assets, net	—	24	—	—	24
Investments in equity method unconsolidated affiliates	—	—	1,377	11	1,388
Investment in consolidated subsidiaries	—	—	—	5	5
Other	9	121	16	—	146
Total other noncurrent assets	547	484	1,393	1,719	4,143
<b>Total Assets</b>	<b>3,115</b>	<b>7,744</b>	<b>1,394</b>	<b>1,636</b>	<b>13,889</b>
Segment reclassifications, intercompany balances and other	1	(13)	(11)	55	32
<b>Reportable Segment Assets</b>	<b>\$ 3,116</b>	<b>\$ 7,731</b>	<b>\$ 1,383</b>	<b>\$ 1,691</b>	<b>\$ 13,921</b>

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

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

(In millions)	December 31, 2019				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/ Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Liabilities</b>					
Accounts payable	\$ 67	\$ 213	\$ —	\$ 1	\$ 281
Accounts payable to affiliated companies	—	8	78	(82)	4
Notes payable to affiliated companies	107	476	—	—	583
Taxes accrued	20	20	4	—	44
Interest accrued	7	33	—	—	40
Current maturities of long-term debt	26	—	—	—	26
Regulatory liabilities	24	81	—	—	105
Other	6	68	—	(1)	73
Total current liabilities	257	899	82	(82)	1,156
<b>Long-Term Debt</b>	549	2,384	—	138	3,071
<b>Long-Term Debt Payable to Affiliated Companies</b>	7	—	—	—	7
<b>Other Noncurrent Liabilities</b>					
Deferred income taxes	284	693	104	1	1,082
Asset retirement obligations	38	17	—	(1)	54
Regulatory liabilities	372	1,131	—	14	1,517
Operating lease liabilities	—	23	—	—	23
Accrued pension and other post-retirement benefit costs	26	3	—	(1)	28
Investment tax credits	2	—	—	—	2
Other	26	147	11	1	185
Total other noncurrent liabilities	748	2,014	115	14	2,891
<b>Equity</b>	1,554	2,447	1,197	1,566	6,764
<b>Total Liabilities and Equity</b>	3,115	7,744	1,394	1,636	13,889
Segment reclassifications, intercompany balances and other	1	(13)	(11)	55	32
<b>Reportable Segment Liabilities and Equity</b>	\$ 3,116	\$ 7,731	\$ 1,383	\$ 1,691	\$ 13,921

(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**  
**December 2019**

	Three Months Ended December 31,				Years Ended December 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>								
Residential	19,743	20,260	(2.6%)	(0.4%)	86,088	88,309	(2.5%)	(0.4%)
General Service	18,864	18,614	1.3%	(0.9%)	78,192	78,789	(0.8%)	(1.1%)
Industrial	12,384	12,335	0.4%	(2.4%)	50,864	51,773	(1.8%)	(1.5%)
Other Energy Sales	144	145	(0.7%)		580	567	2.3%	
Unbilled Sales	(766)	222	(445.0%)	n/a	(455)	(952)	52.2%	n/a
Total Retail Sales	50,369	51,576	(2.3%)	(1.1)%	215,269	218,486	(1.5%)	(0.9%)
Wholesale and Other	9,996	11,018	(9.3%)		41,795	44,242	(5.5%)	
Total Consolidated Electric Sales – Electric Utilities and Infrastructure	60,365	62,594	(3.6%)		257,064	262,728	(2.2%)	
<b>Average Number of Customers (Electric)</b>								
Residential	6,779,122	6,676,442	1.5%		6,740,566	6,634,854	1.6%	
General Service	995,165	986,617	0.9%		991,955	983,352	0.9%	
Industrial	17,315	17,496	(1.0%)		17,335	17,531	(1.1%)	
Other Energy Sales	30,788	28,410	8.4%		29,656	25,185	17.8%	
Total Retail Customers	7,822,390	7,708,965	1.5%		7,779,512	7,660,922	1.5%	
Wholesale and Other	43	54	(20.4%)		48	55	(12.7%)	
Total Average Number of Customers – Electric Utilities and Infrastructure	7,822,433	7,709,019	1.5%		7,779,560	7,660,977	1.5%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	12,187	15,725	(22.5%)		55,900	67,518	(17.2%)	
Nuclear	18,250	17,586	3.8%		73,948	72,262	2.3%	
Hydro	479	1,025	(53.3%)		2,551	3,284	(22.3%)	
Oil and Natural Gas	17,132	17,192	(0.3%)		75,398	72,827	3.5%	
Renewable Energy	135	84	60.7%		654	448	46.0%	
Total Generation <sup>(d)</sup>	48,183	51,612	(6.6%)		208,451	216,339	(3.6%)	
Purchased Power and Net Interchange <sup>(e)</sup>	15,691	14,421	8.8%		61,976	61,199	1.3%	
Total Sources of Energy	63,874	66,033	(3.3%)		270,427	277,538	(2.6%)	
Less: Line Loss and Other	3,509	3,439	2.0%		13,363	14,810	(9.8%)	
Total GWh Sources	60,365	62,594	(3.6%)		257,064	262,728	(2.2%)	
<b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>								
Summer					51,144	50,867		
Winter					54,853	54,562		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					95	93		

- (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**  
**December 2019**

	Three Months Ended December 31,				Years Ended December 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	6,486	6,597	(1.7%)		28,861	29,717	(2.9%)	
General Service	7,089	6,697	5.9%		29,628	29,656	(0.1%)	
Industrial	5,174	4,898	5.6%		21,300	21,720	(1.9%)	
Other Energy Sales	79	80	(1.3%)		320	306	4.6%	
Unbilled Sales	(46)	786	(105.9%)		(215)	(366)	41.3%	
Total Retail Sales	18,782	19,058	(1.4%)	0.7%	79,894	81,033	(1.4%)	(0.6%)
Wholesale and Other	2,119	2,716	(22.0%)		10,026	11,247	(10.9%)	
Total Consolidated Electric Sales – Duke Energy Carolinas	20,901	21,774	(4.0%)		89,920	92,280	(2.6%)	
<b>Average Number of Customers</b>								
Residential	2,275,136	2,232,204	1.9%		2,260,939	2,215,198	2.1%	
General Service	363,479	359,385	1.1%		362,174	357,880	1.2%	
Industrial	6,120	6,168	(0.8%)		6,123	6,176	(0.9%)	
Other Energy Sales	22,668	20,407	11.1%		21,581	17,193	25.5%	
Total Retail Customers	2,667,403	2,618,164	1.9%		2,650,817	2,596,447	2.1%	
Wholesale and Other	19	23	(17.4%)		19	23	(17.4%)	
Total Average Number of Customers – Duke Energy Carolinas	2,667,422	2,618,187	1.9%		2,650,836	2,596,470	2.1%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	4,511	3,939	14.5%		20,927	22,654	(7.6%)	
Nuclear	11,097	10,703	3.7%		45,244	44,771	1.1%	
Hydro	291	772	(62.3%)		1,714	2,348	(27.0%)	
Oil and Natural Gas	3,109	4,020	(22.7%)		15,694	16,193	(3.1%)	
Renewable Energy	35	31	12.9%		158	160	(1.3%)	
Total Generation <sup>(d)</sup>	19,043	19,465	(2.2%)		83,737	86,126	(2.8%)	
Purchased Power and Net Interchange <sup>(e)</sup>	3,058	3,634	(15.9%)		11,088	11,113	(0.2%)	
Total Sources of Energy	22,101	23,099	(4.3%)		94,825	97,239	(2.5%)	
Less: Line Loss and Other	1,200	1,325	(9.4%)		4,905	4,959	(1.1%)	
Total GWh Sources	20,901	21,774	(4.0%)		89,920	92,280	(2.6%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					20,192	20,209		
Winter					21,127	21,137		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					97	95		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	1,143	1,333	(14.3%)		2,873	3,262	(11.9%)	
Cooling Degree Days	94	115	(18.3%)		1,935	1,899	1.9%	
<b>Variance from Normal</b>								
Heating Degree Days	(8.9%)	5.9%			(10.5%)	0.7%		
Cooling Degree Days	161.5%	243.9%			27.1%	24.7%		

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

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

	Three Months Ended December 31,				Years Ended December 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	4,070	4,234	(3.9%)		18,177	18,940	(4.0%)	
General Service	3,644	3,697	(1.4%)		15,452	15,702	(1.6%)	
Industrial	2,516	2,585	(2.7%)		10,534	10,475	0.6%	
Other Energy Sales	19	19	—%		77	77	—%	
Unbilled Sales	(60)	(55)	(9.1%)		(50)	(367)	86.4%	
Total Retail Sales	10,189	10,480	(2.8%)	(0.9%)	44,190	44,827	(1.4%)	(0.8%)
Wholesale and Other	6,095	6,104	(0.1%)		24,166	24,504	(1.4%)	
Total Consolidated Electric Sales – Duke Energy Progress	16,284	16,584	(1.8%)		68,356	69,331	(1.4%)	
<b>Average Number of Customers</b>								
Residential	1,356,540	1,337,723	1.4%		1,348,989	1,330,795	1.4%	
General Service	237,210	235,384	0.8%		236,549	234,719	0.8%	
Industrial	4,011	4,069	(1.4%)		4,026	4,064	(0.9%)	
Other Energy Sales	1,417	1,419	(0.1%)		1,416	1,434	(1.3%)	
Total Retail Customers	1,599,178	1,578,595	1.3%		1,590,980	1,571,012	1.3%	
Wholesale and Other	9	14	(35.7%)		12	14	(14.3%)	
Total Average Number of Customers – Duke Energy Progress	1,599,187	1,578,609	1.3%		1,590,992	1,571,026	1.3%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	2,070	1,844	12.3%		9,554	8,604	11.0%	
Nuclear	7,153	6,883	3.9%		28,704	27,491	4.4%	
Hydro	130	216	(39.8%)		673	806	(16.5%)	
Oil and Natural Gas	5,524	5,820	(5.1%)		21,349	24,002	(11.1%)	
Renewable Energy	51	44	15.9%		253	235	7.7%	
Total Generation <sup>(d)</sup>	14,928	14,807	0.8%		60,533	61,138	(1.0%)	
Purchased Power and Net Interchange <sup>(e)</sup>	1,995	2,365	(15.6%)		9,973	10,835	(8.0%)	
Total Sources of Energy	16,923	17,172	(1.5%)		70,506	71,973	(2.0%)	
Less: Line Loss and Other	639	588	8.7%		2,150	2,642	(18.6%)	
Total GWh Sources	16,284	16,584	(1.8%)		68,356	69,331	(1.4%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					12,994	12,747		
Winter					14,175	13,913		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					92	89		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	1,000	1,128	(11.3%)		2,600	2,933	(11.4%)	
Cooling Degree Days	118	143	(17.5%)		2,072	2,079	(0.3%)	
<b>Variance from Normal</b>								
Heating Degree Days	(11.6%)	(0.7%)			(11.3%)	(0.6%)		
Cooling Degree Days	109.7%	161.2%			24.4%	25.9%		

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

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

	Three Months Ended December 31,				Years Ended December 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	4,943	5,149	(4.0%)		20,775	20,636	0.7%	
General Service	3,835	3,908	(1.9%)		15,425	15,378	0.3%	
Industrial	760	755	0.7%		2,963	3,107	(4.6%)	
Other Energy Sales	6	6	—%		24	24	—%	
Unbilled Sales	(452)	(585)	22.7%		(84)	30	(380.0%)	
Total Retail Sales	9,092	9,233	(1.5%)	(2.5%)	39,103	39,175	(0.2%)	(1.0%)
Wholesale and Other	613	528	16.1%		3,070	2,384	28.8%	
Total Electric Sales – Duke Energy Florida	9,705	9,761	(0.6%)		42,173	41,559	1.5%	
<b>Average Number of Customers</b>								
Residential	1,633,362	1,607,774	1.6%		1,624,629	1,598,178	1.7%	
General Service	203,626	201,685	1.0%		203,104	200,934	1.1%	
Industrial	2,013	2,060	(2.3%)		2,025	2,080	(2.6%)	
Other Energy Sales	1,492	1,505	(0.9%)		1,499	1,510	(0.7%)	
Total Retail Customers	1,840,493	1,813,024	1.5%		1,831,257	1,802,702	1.6%	
Wholesale and Other	10	11	(9.1%)		12	12	—%	
Total Average Number of Customers – Duke Energy Florida	1,840,503	1,813,035	1.5%		1,831,269	1,802,714	1.6%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	1,249	1,983	(37.0%)		4,300	8,422	(48.9%)	
Oil and Natural Gas	7,570	6,801	11.3%		35,218	28,777	22.4%	
Renewable Energy	44	4	1,000.0%		215	25	760.0%	
Total Generation <sup>(d)</sup>	8,863	8,788	0.9%		39,733	37,224	6.7%	
Purchased Power and Net Interchange <sup>(e)</sup>	1,171	1,358	(13.8%)		4,833	6,743	(28.3%)	
Total Sources of Energy	10,034	10,146	(1.1%)		44,566	43,967	1.4%	
Less: Line Loss and Other	329	385	(14.5%)		2,393	2,408	(0.6%)	
Total GWh Sources	9,705	9,761	(0.6%)		42,173	41,559	1.5%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					10,259	10,229		
Winter					11,347	11,325		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	105	192	(45.3%)		376	577	(34.8%)	
Cooling Degree Days	674	612	10.1%		3,622	3,445	5.1%	
<b>Variance from Normal</b>								
Heating Degree Days	(46.8%)	(2.9%)			(34.8%)	(1.8%)		
Cooling Degree Days	43.0%	31.6%			13.5%	8.5%		

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- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
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- (e) Purchased power includes renewable energy purchases.

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

	Three Months Ended December 31,				Years Ended December 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	2,084	2,104	(1.0%)		9,005	9,367	(3.9%)	
General Service	2,308	2,302	0.3%		9,461	9,645	(1.9%)	
Industrial	1,403	1,465	(4.2%)		5,721	5,844	(2.1%)	
Other Energy Sales	27	27	—%		108	108	—%	
Unbilled Sales	(127)	18	(805.6%)		(49)	(143)	65.7%	
Total Retail Sales	5,695	5,916	(3.7%)	(2.8%)	24,246	24,821	(2.3%)	(1.1%)
Wholesale and Other	75	230	(67.4%)		483	508	(4.9%)	
Total Electric Sales – Duke Energy Ohio	5,770	6,146	(6.1%)		24,729	25,329	(2.4%)	
<b>Average Number of Customers</b>								
Residential	775,532	768,871	0.9%		772,065	766,381	0.7%	
General Service	88,872	88,465	0.5%		88,409	88,280	0.1%	
Industrial	2,480	2,482	(0.1%)		2,469	2,490	(0.8%)	
Other Energy Sales	3,420	3,357	1.9%		3,399	3,340	1.8%	
Total Retail Customers	870,304	863,175	0.8%		866,342	860,491	0.7%	
Wholesale and Other	1	1	—%		1	1	—%	
Total Average Number of Customers – Duke Energy Ohio	870,305	863,176	0.8%		866,343	860,492	0.7%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	398	983	(59.5%)		3,166	2,793	13.4%	
Oil and Natural Gas	5	3	66.7%		138	116	19.0%	
Total Generation <sup>(d)</sup>	403	986	(59.1%)		3,304	2,909	13.6%	
Purchased Power and Net Interchange <sup>(e)</sup>	6,401	5,669	12.9%		24,141	25,137	(4.0%)	
Total Sources of Energy	6,804	6,655	2.2%		27,445	28,046	(2.1%)	
Less: Line Loss and Other	1,034	509	103.1%		2,716	2,717	—%	
Total GWh Sources	5,770	6,146	(6.1%)		24,729	25,329	(2.4%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					1,076	1,076		
Winter					1,164	1,164		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	1,766	1,916	(7.8%)		4,684	5,011	(6.5%)	
Cooling Degree Days	49	93	(47.3%)		1,408	1,546	(8.9%)	
<b>Variance from Normal</b>								
Heating Degree Days	(4.1%)	4.0%			(4.5%)	1.8%		
Cooling Degree Days	172.2%	449.1%			28.0%	40.0%		

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

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

	Three Months Ended December 31,				Years Ended December 31,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	2,160	2,176	(0.7%)		9,270	9,649	(3.9%)	
General Service	1,988	2,010	(1.1%)		8,226	8,408	(2.2%)	
Industrial	2,531	2,632	(3.8%)		10,346	10,627	(2.6%)	
Other Energy Sales	13	13	—%		51	52	(1.9%)	
Unbilled Sales	(81)	58	(239.7%)		(57)	(106)	(46.2%)	
Total Retail Sales	6,611	6,889	(4.0%)	(2.8%)	27,836	28,630	(2.8%)	(1.6%)
Wholesale and Other	1,094	1,440	(24.0%)		4,050	5,599	(27.7%)	
Total Electric Sales – Duke Energy Indiana	7,705	8,329	(7.5%)		31,886	34,229	(6.8%)	
<b>Average Number of Customers</b>								
Residential	738,552	729,870	1.2%		733,944	724,302	1.3%	
General Service	101,978	101,698	0.3%		101,719	101,539	0.2%	
Industrial	2,691	2,717	(1.0%)		2,692	2,721	(1.1%)	
Other Energy Sales	1,791	1,722	4.0%		1,761	1,708	3.1%	
Total Retail Customers	845,012	836,007	1.1%		840,116	830,270	1.2%	
Wholesale and Other	4	5	(20.0%)		4	5	(20.0%)	
Total Average Number of Customers – Duke Energy Indiana	845,016	836,012	1.1%		840,120	830,275	1.2%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	3,959	6,976	(43.2%)		17,953	25,045	(28.3%)	
Hydro	58	37	56.8%		164	130	26.2%	
Oil and Natural Gas	924	548	68.6%		2,999	3,739	(19.8%)	
Renewable Energy	5	5	—%		28	28	—%	
Total Generation <sup>(d)</sup>	4,946	7,566	(34.6%)		21,144	28,942	(26.9%)	
Purchased Power and Net Interchange <sup>(e)</sup>	3,066	1,395	119.8%		11,941	7,371	62.0%	
Total Sources of Energy	8,012	8,961	(10.6%)		33,085	36,313	(8.9%)	
Less: Line Loss and Other	307	632	(51.4%)		1,199	2,084	(42.5%)	
Total GWh Sources	7,705	8,329	(7.5%)		31,886	34,229	(6.8%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					6,623	6,606		
Winter					7,040	7,023		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	1,991	2,090	(4.7%)		5,349	5,505	(2.8%)	
Cooling Degree Days	37	83	(55.4%)		1,261	1,540	(18.1%)	
<b>Variance from Normal</b>								
Heating Degree Days	1.0%	6.1%			1.2%	4.0%		
Cooling Degree Days	135.9%	433.6%			15.0%	40.6%		

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
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- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

## Gas Utilities and Infrastructure

## Quarterly Highlights

December 2019

	Three Months Ended December 31,			Years Ended December 31,		
	2019	2018	% Inc. (Dec.)	2019	2018	% Inc. (Dec.)
<b>Total Sales</b>						
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup>	133,517,816	150,000,599	(11.0%)	511,243,774	557,145,128	(8.2%)
Duke Energy Midwest LDC throughput (Mcf)	26,747,349	28,492,975	(6.1%)	89,025,972	90,604,833	(1.7%)
<b>Average Number of Customers – Piedmont Natural Gas</b>						
Residential	980,623	965,368	1.6%	979,210	964,924	1.5%
Commercial	103,827	102,931	0.9%	103,991	103,516	0.5%
Industrial	976	967	0.9%	972	963	0.9%
Power Generation	17	17	—%	16	17	(5.9%)
Total Average Number of Gas Customers – Piedmont Natural Gas	1,085,443	1,069,283	1.5%	1,084,189	1,069,420	1.4%
<b>Average Number of Customers – Duke Energy Midwest</b>						
Residential	491,566	487,780	0.8%	489,942	486,042	0.8%
General Service	43,651	43,575	0.2%	43,350	43,276	0.2%
Industrial	1,591	1,604	(0.8%)	1,578	1,589	(0.7%)
Other	133	135	(1.5%)	135	137	(1.5%)
Total Average Number of Gas Customers – Duke Energy Midwest	536,941	533,094	0.7%	535,005	531,044	0.7%

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

## Commercial Renewables

## Quarterly Highlights

December 2019

	Three Months Ended December 31,			Years Ended December 31,		
	2019	2018	% Inc. (Dec.)	2019	2018	% Inc. (Dec.)
Renewable Plant Production, GWh	2,046	1,974	3.6%	8,574	8,522	0.6%
Net Proportional MW Capacity in Operation <sup>(a)</sup>	n/a	n/a		3,485	2,991	16.5%

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Fourth Quarter Earnings Review & Business Update**  
**February 13, 2020**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Fourth Quarter Earnings Review and Business Update on February 13, 2020, include a discussion of adjusted EPS for the year-to-date periods ended December 31, 2019, 2018 and 2017.

The non-GAAP financial measure, adjusted EPS, represents basic and diluted EPS from continuing operations available 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 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 and diluted EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the year-to-date periods ended December 31, 2019, 2018 and 2017, to the most directly comparable GAAP measures are included herein.

Special items for the year-to-date periods ended December 31, 2019, 2018 and 2017, include the following items, which management believes do not reflect ongoing costs:

- Impairment Charges in 2019 represents a reduction of a prior-year impairment at Citrus County CC and an other-than-temporary-impairment on the remaining investment in Constitution Pipeline Company, LLC. For 2018, it represents an impairment at Citrus County CC, a goodwill impairment at Commercial Renewables and an other-than-temporary impairment of an investment in Constitution Pipeline Company, LLC. For 2017, the charges represent goodwill and other-than-temporary asset impairments at Commercial Renewables. For 2017, it represents charges related to the Levy nuclear project in Florida and the Mayo Zero Liquid Discharge and Sutton combustion turbine projects in North Carolina.
- Costs to Achieve Mergers represents charges that resulted from strategic acquisitions.
- Regulatory and Legislative Impacts in 2018 represents charges related to Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impacts of the Tax Act represents amounts recognized related to the Tax Act.
- Severance Charges relate to companywide initiatives, excluding merger integration, to standardize processes and systems, leverage technology and workforce optimization.



## Adjusted EPS Guidance

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 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 from continuing operations available to Duke Energy Corporation common stockholders, 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.

For the years ended December 31, 2018 and 2019, Basic EPS Available to Duke Energy Corporation common stockholders and Diluted EPS Available to Duke Energy Corporation common stockholders were equal. Beginning in 2020, Duke Energy will use adjusted basic EPS as the financial measure to evaluate management performance. Adjusted basic EPS will represent Basic EPS Available to Duke Energy Corporation common stockholders (GAAP reported Basic EPS), adjusted for the per-share impact of special items.

## Adjusted Segment Income and Adjusted Other Net Loss

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020, include a discussion of adjusted segment income and adjusted other net loss for the year-to-date periods ended December 31, 2019 and 2018, and a discussion of 2019 and 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. A reconciliation of adjusted segment income and adjusted other net loss for the year-to-date periods ended December 31, 2019 and 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 EPS guidance.

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

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date periods ended December 31, 2019. The materials also include a discussion of the 2019 and 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 year-to-date periods ended December 31, 2019, 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 Fourth Quarter Earnings Review and Business Update on February 13, 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, 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 December 31, 2019, to the most directly comparable GAAP measure is included herein.

## **Non-Rider Recoverable O&M**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020, include a discussion of Duke Energy's non-rider recoverable operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2019, 2018, 2017 and 2016 as well as the forecasted year-to-date period ended December 31, 2020. Non-rider recoverable 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 recoverable O&M expenses is reported operating, maintenance and other expenses. A reconciliation of non-rider recoverable O&M expenses for the year-to-date periods ended December 31, 2019, 2018, 2017, and 2016, as well as 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 rider recoverable O&M costs have been forecasted for the year ended December 31, 2020 and are presented in the reconciliation herein.

## Dividend Payout Ratio

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 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 from continuing operations available to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

The materials also reference the 2019 actual dividend payout ratio of 74%. This payout ratio is a non-GAAP financial measure as it is the annualized Q4 2019 dividend divided by the 2019 adjusted EPS (as discussed above under Adjusted EPS Guidance). On an annualized basis, the Q4 2019 dividend of \$0.9540 is equal to \$3.78, which creates an annual dividend payout ratio of 74% when compared to 2019 adjusted EPS.

## Adjusted Book Return on Equity (ROE)

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020 include a reference to the historical and projected adjusted book return on equity (ROE) ratio. This ratio is a non-GAAP financial measure. The numerator represents Net Income, adjusted for the impact of special items (as discussed above under Adjusted EPS). The denominator is average Total Common Stockholder's Equity, reduced for Goodwill. A reconciliation of the components of adjusted ROE to the most directly comparable GAAP measures is 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.

## Funds From Operations ("FFO") Ratios

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020 include a reference to historical and expected 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. The calculation of FFO to Total Debt ratio for the year ended December 31, 2019 is 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.

**Holdco Debt Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020 include a reference to a historical and projected Holdco debt percentage. This percentage reflects a non-GAAP financial measure. The numerator of the Holdco debt percentage is the balance of Duke Energy Corporate debt, Progress Energy, Inc. debt, PremierNotes and the Commercial Paper attributed to the Holding Company. The denominator for the percentage is 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 and commercial paper outstanding

**Business Mix Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 13, 2020, reference each segment's 2020 projected adjusted segment income as a percentage of the total projected 2020 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's segments are comprised of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2019  
(Dollars in millions, except per-share amounts)

		<u>Special Items</u>			
	Reported Earnings	Impairment Charges	Discontinued Operations	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 3,536	\$ (27) A	\$ —	\$ (27)	\$ 3,509
Gas Utilities and Infrastructure	432	19 B	—	19	451
Commercial Renewables	198	—	—	—	198
<b>Total Reportable Segment Income</b>	<b>4,166</b>	<b>(8)</b>	<b>—</b>	<b>(8)</b>	<b>4,158</b>
Other	(452)		—	—	(452)
Discontinued Operations	(7)	—	7 C	7	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,707</b>	<b>\$ (8)</b>	<b>\$ 7</b>	<b>\$ (1)</b>	<b>\$ 3,706</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS, DILUTED</b>	<b>\$ 5.06</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ —</b>	<b>\$ 5.06</b>

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

**A** – Net of \$9 million tax expense. \$36 million reduction of a prior year impairment recorded within Impairment charges for the Citrus County CC project on Duke Energy Florida's Consolidated Statements of Operations.

**B** – Net of \$6 million tax benefit. \$25 million included within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company, LLC.

**C** – Recorded in (Loss) Income from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) – 729 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2018  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items							Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Regulatory and Legislative Impacts	Sale of Retired Plant	Impairment Charges	Impacts of the Tax Act	Severance	Discontinued Operations		
<b>SEGMENT INCOME</b>										
Electric Utilities and Infrastructure	\$ 3,058	\$ —	\$ 202	B \$ —	\$ 46	D \$ 24	\$ —	\$ —	\$ 272	\$ 3,330
Gas Utilities and Infrastructure	274	—	—	—	42	E 1	—	—	43	317
Commercial Renewables	9	—	—	—	91	F (3)	—	—	88	97
<b>Total Reportable Segment Income</b>	<b>3,341</b>	<b>—</b>	<b>202</b>	<b>—</b>	<b>179</b>	<b>22</b>	<b>—</b>	<b>—</b>	<b>403</b>	<b>3,744</b>
Other	(694)	65	A —	82	C —	(2)	144	H —	289	(405)
Discontinued Operations	19	—	—	—	—	—	—	(19)	I (19)	—
Net Income Attributable to Duke Energy Corporation	\$ 2,666	\$ 65	\$ 202	\$ 82	\$ 179	\$ 20	G \$ 144	\$ (19)	\$ 673	\$ 3,339
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 3.76</b>	<b>\$ 0.09</b>	<b>\$ 0.29</b>	<b>\$ 0.12</b>	<b>\$ 0.25</b>	<b>\$ 0.03</b>	<b>\$ 0.21</b>	<b>\$ (0.03)</b>	<b>\$ 0.96</b>	<b>\$ 4.72</b>

**A** – Net of \$19 million tax benefit. \$84 million recorded within Operating Expenses on the Consolidated Statements of Operations.

**B** – Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas, related to the North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act.

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

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

**C** – Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Consolidated Statements of Operations. Sale of retired plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.

**D** – Net of \$14 million tax benefit. \$60 million recorded within Impairment charges for the Citrus County CC project on Duke Energy Florida's Consolidated Statements of Operations.

**E** – Net of \$13 million tax benefit. \$55 million recorded within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the investment in Constitution Pipeline Company, LLC.

**F** – Net of \$2 million Noncontrolling Interests. \$93 million goodwill impairment recorded within Impairment charges on the Consolidated Statement of Operations.

**G** – \$20 million true up of prior year Tax Act estimates within Income Tax Expense from Continuing Operations on the Consolidated Statements of Operations.

**H** – Net of \$43 million tax benefit. \$187 million recorded with Operations, maintenance and other on the Consolidated Statements of Operations.

**I** – Recorded in (Loss) Income from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) – 708 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Twelve Months Ended December 31, 2017  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items				Discontinued Operations	Total Adjustments	Adjusted Earnings		
		Costs to Achieve Piedmont Merger	Regulatory Settlements	Commercial Renewables Impairments	Impacts of the Tax Act					
SEGMENT INCOME										
Electric Utilities and Infrastructure	\$ 3,210	\$ —	\$ 98	B	\$ —	\$ (231)	\$ —	\$ (133)	\$ 3,077	
Gas Utilities and Infrastructure	319	—	—		—	(26)	D	—	(26)	293
Commercial Renewables	441	—	—		74	C	(442)	—	(368)	73
Total Reportable Segment Income	3,970	—	98		74	(699)	—	(527)	3,443	
Other	(905)	64	A	—	—	597	—	661	(244)	
Discontinued Operations	(6)	—	—		—	—	6	E	6	—
Net Income Attributable to Duke Energy Corporation	\$ 3,059	\$ 64	\$ 98		\$ 74	\$ (102)	D	\$ 6	\$ 140	\$ 3,199
EPS ATTRIBUTABLE TO DUKE ENERGY CORP, DILUTED	\$ 4.36	\$ 0.09	\$ 0.14		\$ 0.11	\$ (0.14)	\$ 0.01	\$ 0.21	\$ 4.57	

**A** - Net of \$39 million tax benefit. \$102 million recorded within Operating Expenses and \$1 million recorded within Interest Expense on the Consolidated Statements of Operations.

**B** - Net of \$60 million tax benefit. \$154 million recorded within Impairment charges and \$4 million recorded within Other Income and Expenses on the Consolidated Statements of Operations.

**C** - Net of \$28 million tax benefit. \$92 million recorded within Impairment charges and \$10 million recorded within Other Income and Expenses on the Consolidated Statements of Operations.

**D** - \$118 million benefit recorded with Income Tax Expense from Continuing Operations, offset by \$16 million expense recorded within Gas Utilities and Infrastructure's Equity in Earnings of Unconsolidated Affiliates on the Consolidated Statements of Operations.

**E** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

Weighted Average Shares, Diluted (reported and adjusted) - 700 million



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

	Three Months Ended December 31, 2019		Year Ended December 31, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 709		\$ 4,097	
Impairment Charges	14		(11)	
Noncontrolling Interests	67		177	
Preferred Dividends	(14)		(41)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 776</b>		<b>\$ 4,222</b>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 95	13.4%	\$ 519	12.7%
Impairment Charges	3		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 98</b>	<b>12.6%</b>	<b>\$ 516</b>	<b>12.2%</b>

	Three Months Ended December 31, 2018		Year Ended December 31, 2018	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 433		\$ 3,073	
Costs to Achieve Piedmont Merger	31		84	
Regulatory and Legislative Impacts	—		265	
Sale of Retired Plant	—		107	
Impairment Charges	60		206	
Severance	187		187	
Noncontrolling Interests	10		22	
<b>Pretax Income Including Noncontrolling Interests and Excluding Special Items</b>	<b>\$ 721</b>		<b>\$ 3,944</b>	
<b>Reported Income Tax (Benefit) Expense From Continuing Operations</b>	\$ (1)	(0.2)%	\$ 448	14.6%
Costs to Achieve Piedmont Merger	7		19	
Regulatory and Legislative Impacts	—		63	
Sale of Retired Plant	—		25	
Impairment Charges	14		27	
Severance	43		43	
Impacts of the Tax Act	53		(20)	
<b>Tax Expense Including Noncontrolling Interests and Excluding Special Items</b>	<b>\$ 116</b>	<b>16.1 %</b>	<b>\$ 605</b>	<b>15.3%</b>

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of December 31, 2019**  
**(In millions)**

Cash and Cash Equivalents	\$ 311	
Less: Certain Amounts Held in Foreign Jurisdictions	(1)	
Less: Unavailable Domestic Cash	<u>(33)</u>	
	277	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,332</u>	
Total Available Liquidity (a)	<u><u>\$ 5,609</u></u>	approximately 5.6 billion

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

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

	<b>Actual</b> <b>December 31, 2016</b>	<b>Actual</b> <b>December 31, 2017</b>	<b>Actual</b> <b>December 31, 2018</b>	<b>Actual</b> <b>December 31, 2019</b>	<b>Forecast</b> <b>December 31, 2020</b>
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$6,223</b>	<b>\$5,944</b>	<b>\$6,463</b>	<b>\$6,066</b>	<b>\$6,061</b>
Adjustments:					
Costs to Achieve, Mergers <sup>(b)</sup>	(238)	(94)	(83)	—	—
Severance <sup>(b)</sup>	(92)	—	(187)	—	—
Regulatory settlement <sup>(b)</sup>	—	(5)	(40)	—	—
Reagents Recoverable <sup>(c)</sup>	(93)	(90)	(112)	(95)	(102)
Energy Efficiency Recoverable <sup>(c)</sup>	(417)	(485)	(446)	(415)	(424)
Other Deferrals and Recoverable <sup>(c)</sup>	(233)	(246)	(477)	(472)	(382)
Margin based O&M for Commercial Businesses	(185)	(94)	(113)	(95)	(202)
Short-term incentive payments (over)/under budget	(90)	(22)	(30)	(112)	—
<b>Non-Rider Recoverable operation, maintenance and other</b>	<b>\$ 4,875</b>	<b>\$ 4,908</b>	<b>\$ 4,974</b>	<b>\$ 4,878</b>	<b>\$ 4,950</b>

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

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

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

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2019  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2019	\$ 1,403	\$ 805	\$ 2,208	\$ 693	\$ 436	\$ 244 (2)	\$ 196 (4)
Special Items (1)	-	-	-	(27)	-	-	-
Adjusted Net Income 2019	1,403	805	2,208	666	436	244	196
2019							
Equity	12,811	9,246	22,057	6,788	4,575	3,687 (3)	2,381 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
2018							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
Average Equity less Goodwill	12,247	8,844	21,091	6,442	4,457	2,648	2,165
Adjusted Book ROEs			10.5%	10.3%	9.8%	9.2%	9.1%

(1) Impacts of Citrus County CC, Net of Tax

(2) Net Income for 2019 equals Duke Energy Ohio reportable segments segment income

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2019	2018
Reported Equity for Duke Energy Ohio	3,683	3,445
Less: Non-Reg & Other	(4)	(4)
Duke Energy Ohio Reportable Segments Equity	3,687	3,449

(4) Piedmont Natural Gas Net Income excludes \$6 million of income related to Investments in Gas Transmission Infrastructure

2019
202
(6)
196

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2019	2018
Reported Equity for Piedmont Natural Gas	2,443	2,091
Less: Investments in Gas Transmission Infrastructure	62	44
Piedmont Natural Gas Adjusted Equity	2,381	2,047

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2018  
*dollars in millions*

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2018	\$ 1,071	\$ 667	\$ 1,738	\$ 553	\$ 393	\$ 279 (2)	\$ 124 (4)
Special Items (1)	234	118	352	63	8	-	40
Adjusted Net Income 2018	1,305	785	2,090	616	401	279	164
2018							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
2017							
Equity	11,361	7,949	19,310	5,618	4,121	3,166 (3)	1,616 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,361	7,949	19,310	5,618	4,121	2,246	1,567
Average Equity less Goodwill			19,717	5,857	4,230	2,388	1,783
Adjusted Book ROEs			10.6%	10.5%	9.5%	11.7%	9.2%

(1) Costs to Achieve (CTA) Mergers net of tax, Severance, Regulatory and Legislative Impacts and Tax Reform.

(2) Net Income for 2018 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA and cost savings initiatives, Severance and Sale of Retired Plant.

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2018	2017
Reported Equity for Duke Energy Ohio	3,445	3,163
Less: Non-Reg & Other	(4)	(3)
Duke Energy Ohio Reportable Segments Equity	3,449	3,166

(4) Piedmont Natural Gas Net Income excludes \$5 million of income related to Investments in Gas Transmission Infrastructure.

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2018	2017
Reported Equity for Piedmont Natural Gas	2,091	1,662
Less: Investments in Gas Transmission Infrastructure	44	46
Piedmont Natural Gas Adjusted Equity	2,047	1,616

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2017  
*dollars in millions*

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2017	\$ 1,214	\$ 715	\$ 1,929	\$ 712	\$ 354	\$ 223 (2)	\$ 133 (4)
Special Items (1)	28	(17)	11	(136)	58	(20)	25
Adjusted Net Income 2017	1,242	698	1,940	576	412	203	158
2017							
Equity	11,361	7,949	19,310	5,618	4,121	3,166 (3)	1,616 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,361	7,949	19,310	5,618	4,121	2,246	1,567
2016							
Equity	10,772	7,358	18,130	4,900	4,067	3,027 (3)	1,569 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	10,772	7,358	18,130	4,900	4,067	2,107	1,520
Average Equity less Goodwill			18,720	5,259	4,094	2,177	1,544
Adjusted Book ROEs			10.4%	11.0%	10.1%	9.3%	10.2%

(1) Costs to Achieve (CTA), Mergers net of tax, Regulatory Settlements, and Tax Reform.

(2) Net Income for 2017 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA and cost savings initiatives.

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2017	2016
Reported Equity for Duke Energy Ohio	3,163	2,996
Less: Non-Reg & Other	(3)	(31)
Duke Energy Ohio Reportable Segments Equity	3,166	3,027

(4) Piedmont Natural Gas Net Income excludes \$6 million of income related to Investments in Gas Transmission Infrastructure.

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2017	2016
Reported Equity for Piedmont Natural Gas	1,662	1,672
Less: Investments in Gas Transmission Infrastructure	46	103
Piedmont Natural Gas Adjusted Equity	1,616	1,569

Duke Energy Corporation  
2020 Forecasted Cash Flow Reconciliation, Required by SEC Regulation G  
February 13, 2020  
(\$ in millions)

		Forecast 2020
<b>Primary Sources:</b>		
Adjusted net income (1)	(a)	\$3,870
Depreciation & amortization	(a)	5,470
Deferred and accrued taxes	(a)	805
Other sources / (uses), net	(a)	(235)
Total Sources		9,910
<b>Primary Uses:</b>		
Capital expenditures (including discretionary)	(b)	(11,825)
Dividends	(c)	(2,800)
Total Uses		(14,625)
Uses in Excess of Sources		(4,715)
<b>Net Change in Financing</b>		
Debt issuances	(c)	5,210
Debt maturities	(c, d)	(3,565)
Net Change in Debt		1,645
Common stock issuances	(c)	2,985
Net Change in Cash		(\$85)
<b>Reconciliations to forecasted U.S. GAAP reporting amounts:</b>		
Operating cash flow components, sum of (a) from above		\$9,910
Reconciling items to GAAP cash flows from operating activities	(2)	(580)
Net cash provided by operating activities per GAAP Consolidated Statement of Cash Flows		\$9,330
Investing cash flow components, (b) from above		(\$11,825)
Reconciling items to GAAP cash flows from investing activities	(2)	75
Net cash used in investing activities per GAAP Consolidated Statement of Cash Flows		(\$11,750)
Financing cash flow components, sum of (c) from above		\$1,830
Reconciling items to GAAP cash flows from financing activities	(2)	505
Net cash provided by financing activities per GAAP Consolidated Statement of Cash Flows		\$2,335
<i>Debt maturities [(d) from above] includes "Notes payable and commercial paper" which is separately presented per GAAP Consolidated Statements of Cash Flows</i>		
Net decrease in cash and cash equivalents per forecasted GAAP Consolidated Statements of Cash Flows		(\$85)

**Notes:**

(1) The forecasted adjusted net income of \$3,870 million for 2020 is an illustrative amount based on the midpoint of Duke Energy's forecasted 2020 adjusted EPS outlook range of \$5.05-\$5.45 per share. Adjusted EPS is a non-GAAP financial measure as it represents basic and diluted EPS from continuing operations available to Duke Energy Corporation shareholders and adjusted for the per-share impact of special items. Special items represent certain charges and credits which management believes will not be recurring on a regular basis, although it is reasonably possible such charges and credits could recur. The most directly comparable GAAP measure for adjusted EPS is reported basic and diluted EPS available to Duke Energy Corporation common shareholders, which includes the impact of special items. 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.

(2) Amount consists primarily of an adjustment for operating cashflow items (principally payments for asset retirement obligations) included in the "Capital expenditures (including discretionary)", which are combined for the GAAP reconciliation in Investing activities; an adjustment for investing cash flow items (principally cost of removal expenditures, proceeds from sales and maturities of available-for-sale securities and Other) included in the "Other sources/(uses), net", which are combined for the GAAP reconciliation in Operating activities, and ; an adjustment for financing cash flow items (principally proceeds from Noncontrolling Interests initial investments, payments for interest on preferred debt/equity content securities, dividends on preferred stock, common equity forward transaction costs and Other) included in the "Adjusted net income", "Other sources/(uses), net" and "Capital expenditures (including discretionary)", which are combined for the GAAP reconciliation in Operating activities and Investing activities.



**FFO to Debt Calculation**  
**Duke Energy Corporation**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	8,209
Adjust for Working Capital		250
Coal ash ARO spend		746
Include Capitalized Interest as cost		(159)
Hybrid interest adjustment		10
Preferred stock adjustment		(21)
CR3 securitization adjustment		(54)
ACP construction loan interest adjustment		(32)
AMT refund adjustment (1)		(287)
Lease-imputed FFO adjustment (D&A)		240
<b>Funds From Operations</b>	<b>\$</b>	<b>8,903</b>
Notes payable and commercial paper	\$	3,135
Current maturities of LT debt		3,141
LT debt		54,985
Less: Purchase Accounting adjustments		(1,912)
CR3 securitization		(1,111)
Underfunded Pension		350
ACP construction loan		827
Hybrid debt adjustment		(250)
Preferred stock adjustment		1,000
Lease-imputed debt		1,640
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>61,805</b>
Working capital detail, excluding MTM		
Receivables	\$	78
Inventory		(122)
Other current assets		10
Accounts payable		(164)
Taxes accrued		(224)
Other current liabilities		172
	<b>\$</b>	<b>(250)</b>
<b>FFO / Debt</b>		<b>14.4%</b>

(1) AMT refund adjustment is an expected 2020 cash inflow from the IRS related to AMT refunds that Duke Energy will receive as a result of the 2017 Tax Act. The 2020 AMT refund is included in the 2019 GAAP cash flow statement as deferred income taxes and change in other current assets. The change in other current assets is part of working capital, which is added back to the cash from operations. Therefore, the AMT refund adjustment is required to reduce cash from operations so there is no impact in 2019 for the 2020 expected AMT Refund.

In the 2018 Funds From Operations, a similar adjustment should have been made for the \$573 million AMT refund. Had the adjustment been made, the Funds From Operations would have been reduced by \$573 million. Starting in 2019 and going forward, receipt of the AMT refund will consistently be included in Fund From Operations in the year the cash is received.

**FFO to Debt Calculation**  
**Duke Energy Carolinas**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	2,709
Adjust for Working Capital		144
ARO spend		278
Include Capitalized Interest as cost		(30)
Lease-imputed FFO adjustment (D&A)		43
<b>Funds From Operations</b>	<b>\$</b>	<b>3,144</b>
Current maturities of LT debt	\$	458
LT debt		11,142
LT debt payable to affiliates		300
Notes payable to affiliated companies		29
Lease imputed debt		129
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>12,058</b>
Working capital detail, excluding MTM		
Receivables	\$	(21)
Receivables from affiliates		68
Inventory		(48)
Other current assets		(73)
Accounts payable		(50)
Accounts payable to affiliates		(20)
Taxes accrued		(127)
Other current liabilities		127
	<b>\$</b>	<b>(144)</b>
<b>FFO / Debt</b>		<b>26.1%</b>

**FFO to Debt Calculation**  
**Duke Energy Progress**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	1,823
Adjust for Working Capital		(92)
Coal ash ARO spend		390
Include Capitalized Interest as cost		(28)
Lease-imputed FFO adjustment (D&A)		56
<b>Funds From Operations</b>	<b>\$</b>	<b>2,149</b>
Notes payable to affiliated companies	\$	66
Current maturities of LT debt		1,006
LT debt		7,902
LT debt payable to affiliates		150
Lease imputed debt		391
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>9,515</b>
Working capital detail, excluding MTM		
Receivables	\$	21
Receivables from affiliates		(29)
Inventory		20
Other current assets		101
Accounts payable		32
Accounts payable to affiliates		(75)
Taxes accrued		(46)
Other current liabilities		68
	<b>\$</b>	<b>92</b>
<b>FFO / Debt</b>		<b>22.6%</b>

**FFO to Debt Calculation**  
**Duke Energy Florida**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	1,478
Adjust for Working Capital		(178)
Coal ash ARO spend		22
Include Capitalized Interest as cost		(3)
Adjust for CR3		(54)
Lease-imputed FFO adjustment (D&A)		79
<b>Funds From Operations</b>	<b>\$</b>	<b>1,344</b>
Notes payable to affiliated companies	\$	-
Current maturities of LT debt		571
LT debt		7,416
Adjust for CR3		(1,111)
Lease imputed debt		401
Underfunded Pension		77
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>7,354</b>
Working capital detail, excluding MTM		
Receivables	\$	26
Receivables from affiliates		17
Inventory		42
Other current assets		156
Accounts payable		(36)
Accounts payable to affiliates		40
Taxes accrued		(31)
Other current liabilities		(36)
	<b>\$</b>	<b>178</b>

<b>FFO / Debt</b>	<b>18.3%</b>
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**FFO to Debt Calculation**  
**Duke Energy Indiana**  
(in millions)

	Year Ended December 31,	
	2019	
	Actual	
Cash From Operations	\$	997
Adjust for Working Capital		2
Coal ash ARO spend		48
Include Capitalized Interest as cost		(26)
Lease-imputed FFO adjustment (D&A)		18
<b>Funds From Operations</b>	<b>\$</b>	<b>1,039</b>
Notes payable to affiliated companies	\$	30
Current maturities of LT debt		503
LT debt		3,404
LT debt payable to affiliates		150
CRC		186
Lease imputed debt		58
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>4,331</b>
Working capital detail, excluding MTM		
Receivables	\$	(8)
Receivables from affiliates		41
Inventory		(95)
Other current assets		76
Accounts payable		(10)
Accounts payable to affiliates		4
Taxes accrued		(25)
Other current liabilities		15
	<b>\$</b>	<b>(2)</b>
<b>FFO / Debt</b>		<b>24.0%</b>

**FFO to Debt Calculation**  
**Duke Energy Ohio**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	526
Adjust for Working Capital		(19)
Coal Ash ARO spend		8
Include capitalized Interest as cost		(22)
Lease-imputed FFO adjustment (D&A)		10
<b>Funds From Operations</b>	<b>\$</b>	<b>503</b>
Notes payable to affiliated companies	\$	312
Current maturities of LT debt		-
LT debt		2,594
LT debt payable to affiliates		25
CRC		165
Lease imputed debt		22
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>3,118</b>
Working capital detail, excluding MTM		
Receivables	\$	20
Receivables from affiliates		22
Inventory		(9)
Other current assets		(5)
Accounts payable		(17)
Accounts payable to affiliates		(10)
Taxes accrued		17
Other current liabilities		1
	<b>\$</b>	<b>19</b>
<b>FFO / Debt</b>		<b>16.1%</b>

**FFO to Debt Calculation**  
**Piedmont Natural Gas**  
(in millions)

	Year Ended December 31, 2019 Actual	
Cash From Operations	\$	409
Adjust for Working Capital		88
Include Capitalized Interest as cost		(26)
Lease-imputed FFO adjustment (D&A)		4
<b>Funds From Operations</b>	<b>\$</b>	<b>475</b>
Notes payable to affiliated companies	\$	476
Current maturities of LT debt		-
LT debt		2,384
Lease imputed debt		27
<b>Total Balance Sheet Debt (Including ST)</b>	<b>\$</b>	<b>2,887</b>
Working capital detail, excluding MTM		
Receivables	\$	28
Receivables from affiliates		12
Inventory		(2)
Other current assets		(25)
Accounts payable		(7)
Accounts payable to affiliates		(35)
Taxes accrued		(60)
Other current liabilities		1
	<b>\$</b>	<b>(88)</b>

<b>FFO / Debt</b>	<b>16.5%</b>
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Duke Energy Carolinas, LLC  
Docket no. E-7, Sub 1276  
E1-21- Annual Reports  
For the Test Year ended December 31, 2021



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Q4 / 2020

EARNINGS REVIEW AND BUSINESS

# UPDATE

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

February 11, 2021



## Safe Harbor statement

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

## Regulation G disclosure

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

# Safe harbor statement

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

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

**\$1.72 / \$5.12**

**2020 REPORTED / ADJUSTED EPS**

**ADJUSTED EPS AT MIDPOINT  
OF NARROWED RANGE**

**\$5.00 - \$5.30**

**2021 ADJUSTED EPS  
GUIDANCE RANGE**

**5% – 7%**

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

*(1) Based on adjusted EPS*



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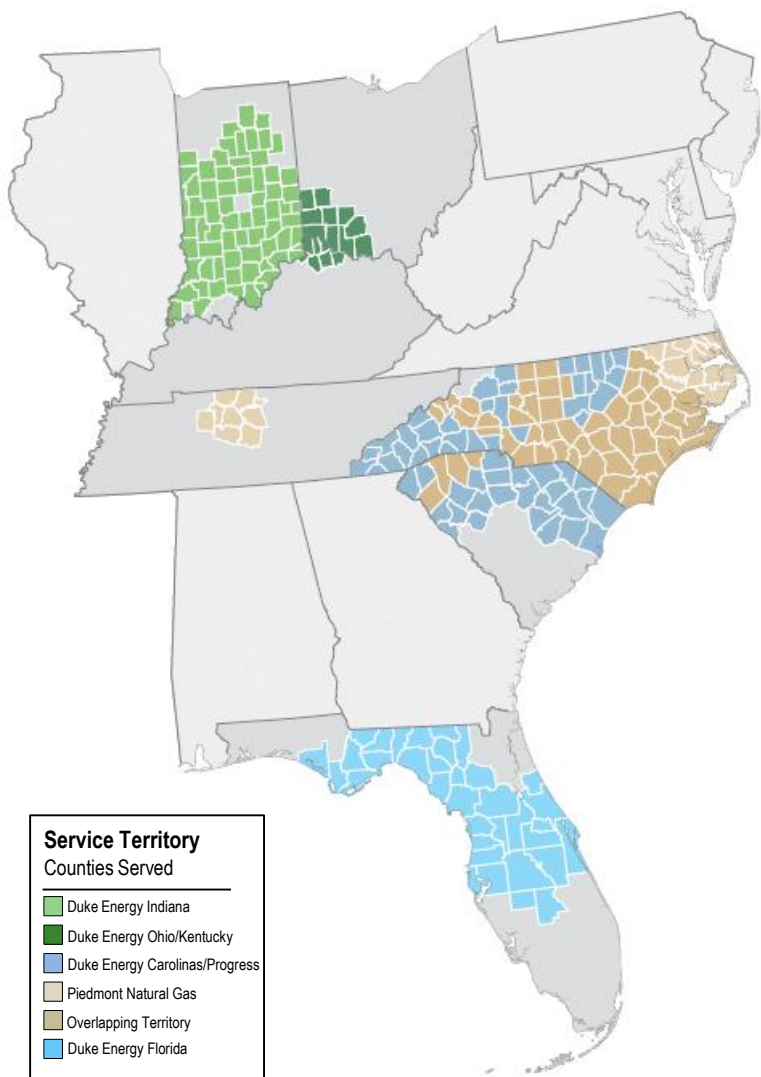
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**SWIFT RESPONSE TO 2020 HEADWINDS**

# Recent accomplishments provide clarity and momentum

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## CAROLINAS

- ✓ NC coal ash settlement with AG, Public Staff and Sierra Club
- ✓ NC rate case settlement on ROE, capital structure, grid deferral, tax reform
- ✓ Innovative IRPs outline six pathways to achieve climate goals
- ✓ EV pilots approved in NC and SC
- ✓ Settlements reached on interconnection queue and net metering

## FLORIDA

- ✓ Settlement establishes multi-year rate plan through 2024
- ✓ \$1 billion Clean Energy Connection supports 750MW solar
- ✓ 10-year, \$6 billion Storm Protection Plans

## INDIANA

- ✓ Announced sale of 19.9% minority interest for \$2.05 billion to GIC; source of efficient capital at attractive valuation
- ✓ 2020 rate case approval includes two base rate step-ups based on forward looking test year

## AND MORE

- ✓ Announced >700MW of regulated and commercial renewables
- ✓ Settlement in Piedmont TN rate case
- ✓ Moved past ACP

**SOLID FOUNDATION POSITIONS US WELL AS WE LOOK FORWARD**

# Our Clean Energy Transformation

≥50% REDUCTION IN CO<sub>2</sub> EMISSIONS AND NET-ZERO METHANE EMISSIONS BY 2030 ON THE WAY TO

## NET-ZERO CO<sub>2</sub> 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 → Move through IRP process as we engage policymakers in both states
- Indiana → 2021 IRP filing in November
- Florida → Settlement outlines clear path for renewables and EV investment through 2024
- Federal → Engaging policymakers to advance shared objectives on climate

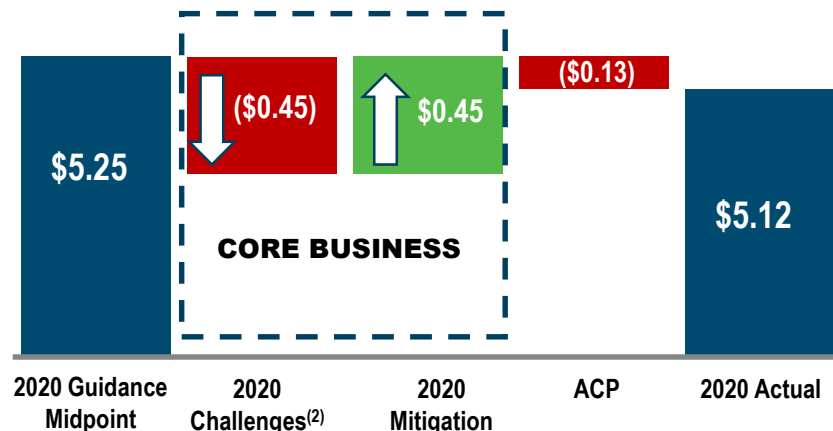
(1) Based on adjusted EPS

**5-7% GROWTH<sup>(1)</sup> DRIVEN BY AGGRESSIVE CLIMATE STRATEGY**

## KEY MESSAGES

- Delivered 2020 reported EPS of \$1.72 and adjusted EPS of \$5.12; within the original and updated guidance range
- Demonstrated clear agility in managing:
  - COVID-19 impact of (\$0.28) EPS inclusive of load, waived fees and COVID costs, net of deferrals
  - Weather and storms (\$0.11) EPS
  - Delivered significant O&M and other mitigation of \$0.45 EPS
  - ACP cancellation (\$0.13) EPS
- Achieved solid year-over-year growth from our core businesses
  - Electric Utilities and Infrastructure rate case outcomes (NC, SC, FL, IN)
  - Gas Utilities and Infrastructure NC rate case outcome and safety and integrity riders
  - Commercial renewable growth

## 2020 PLAN TO 2020 ACTUALS<sup>(1)</sup>



**\$5.00 - \$5.30**  
**2021 ADJUSTED EPS**  
**GUIDANCE RANGE**

(1) Based on adjusted EPS

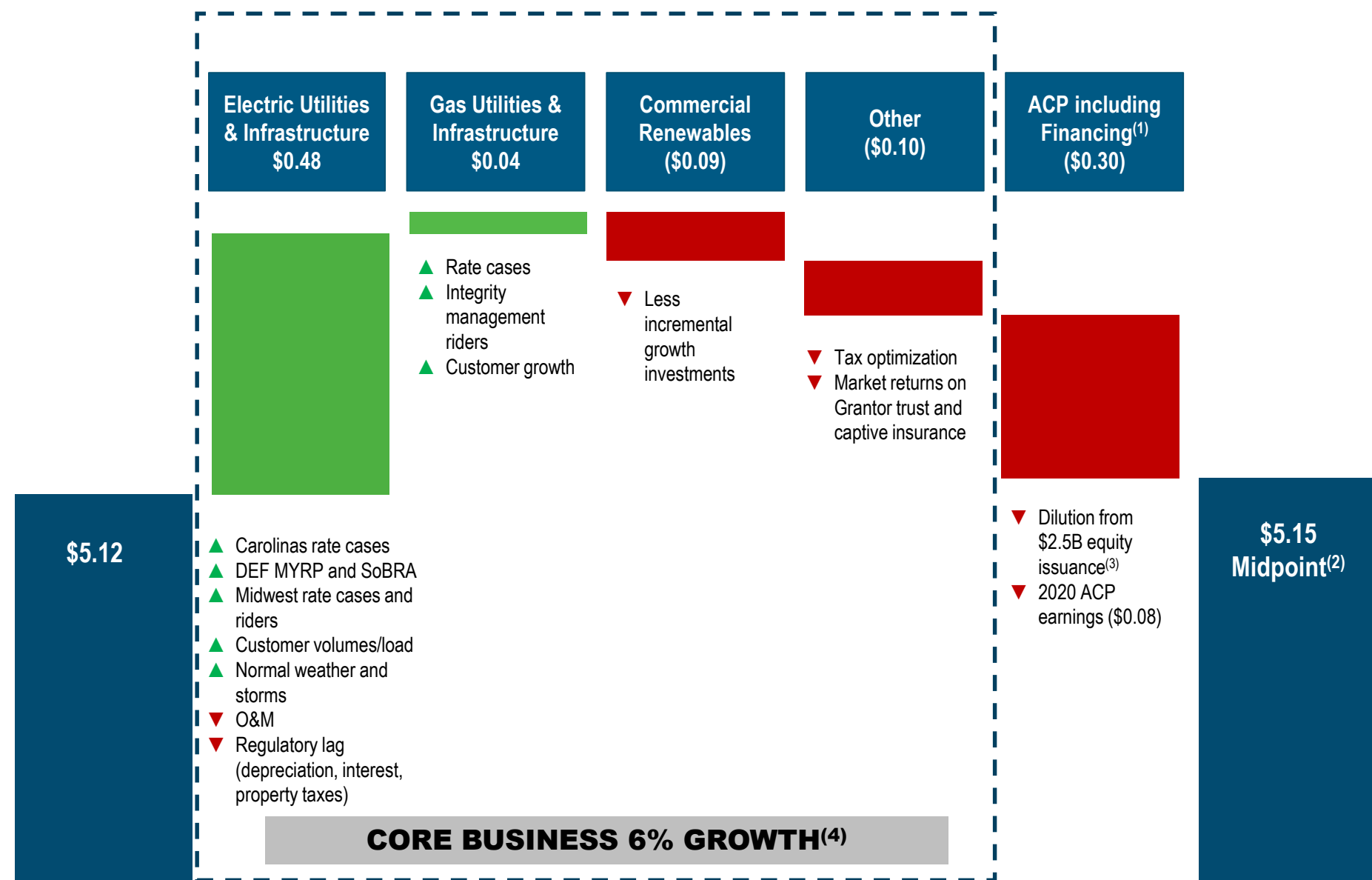
(2) 2020 Challenges include: (\$0.28) COVID load and non-deferrable incremental costs; (\$0.11) Weather and storms; and Other (\$0.06)

**COMPANY WELL POSITIONED FOR GROWTH**

# 2021 Financial outlook – adjusted EPS waterfall

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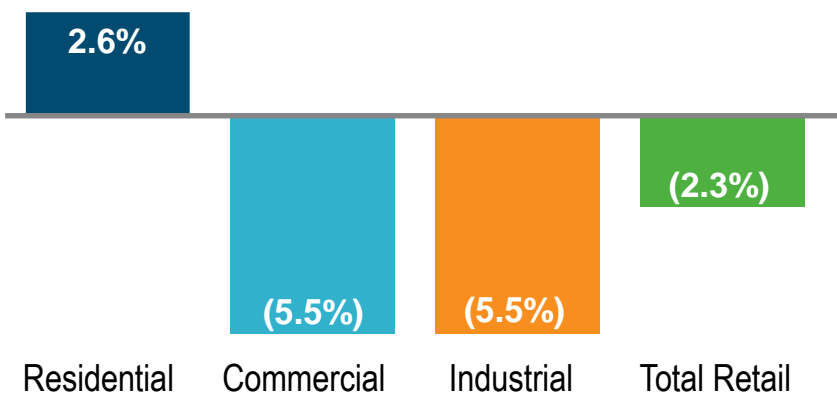
2020 Actual  
Adjusted EPS

2021 Adjusted EPS  
Guidance Range of  
\$5.00 - \$5.30

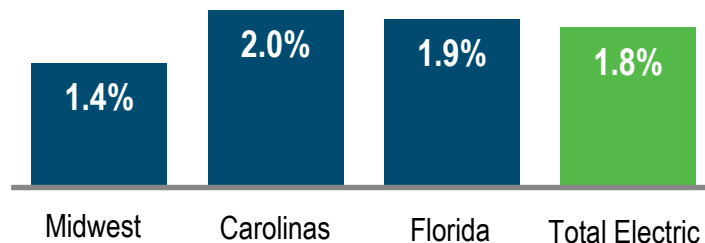
- (1) Based on weighted average basic shares outstanding, including the Dec. 2020 settlement of \$2.47 billion equity forward transaction.  
 (2) Midpoint of 2021 adjusted EPS guidance range of \$5.00 - \$5.30  
 (3) Segment EPS drivers are calculated based upon prior year share amounts  
 (4) Based on adjusted EPS

# Retail electric volumes

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



## 2020 GROWTH IN RESIDENTIAL CUSTOMERS



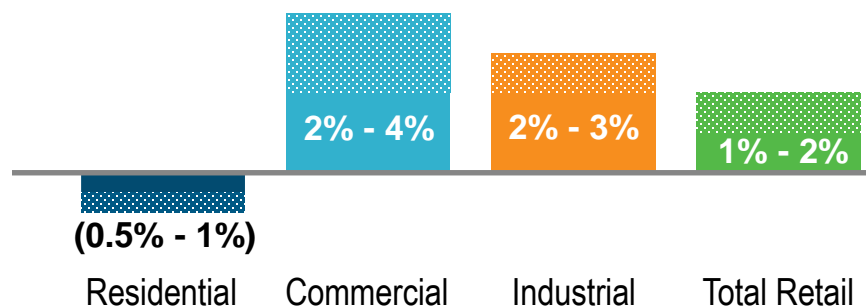
(1) Compared to 2019 actuals

(2) Compared to 2020 actuals

(3) Source: North American Moving Services

(4) Source: Business Facilities Magazine

## FORECASTED 2021 RETAIL ELECTRIC VOLUMES<sup>(2)</sup>



## KEY MESSAGES

- Expect favorable volume relative to 2020 as economic recovery continues
  - 2021 volumes not back to pre-COVID levels; expect rebound to 2019 actual levels in 2022
- Forecast supported by customer growth that continues to trend above the national average
  - Our jurisdictions represent 4 of the top 8 states for inbound moves in 2020<sup>(3)</sup>
  - North Carolina named *2020 State of the Year*<sup>(4)</sup> recognizing \$6 billion of announced corporate investment during 2020, including plans for 20,000 new jobs

**GROWING CUSTOMER BASE SUPPORTS NEED FOR INCREASED CAPITAL INVESTMENTS**



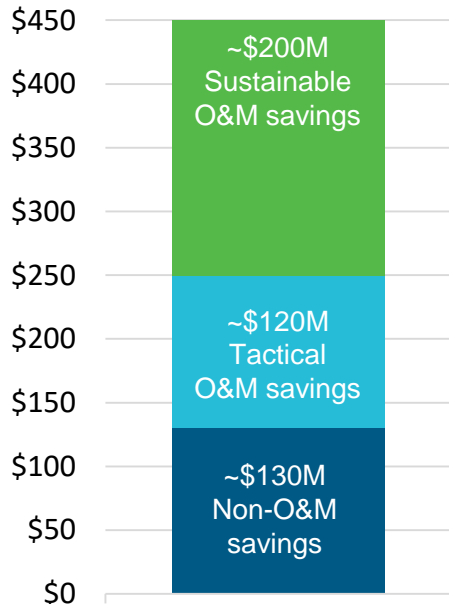
# Cost management continues to be a core competency

## 2020 HIGHLIGHTS TACTICAL AND SUSTAINABLE COST MANAGEMENT

- Activated agile business levers in 2020 to achieve \$450 million of mitigation
  - Total 2020 O&M savings of ~\$320 million, of which ~65% expected to be sustainable

### 2020 MITIGATION<sup>(1)</sup>

\$ in millions



2020 Achievement

#### Sustainable O&M savings

- Versatile workforce
- Digital capabilities
- General business expenses
- Real estate optimization

#### Tactical O&M savings

- Outage timing
- Variable compensation
- Hiring freeze

#### Non O&M savings

- Tax optimization
- Low interest rates

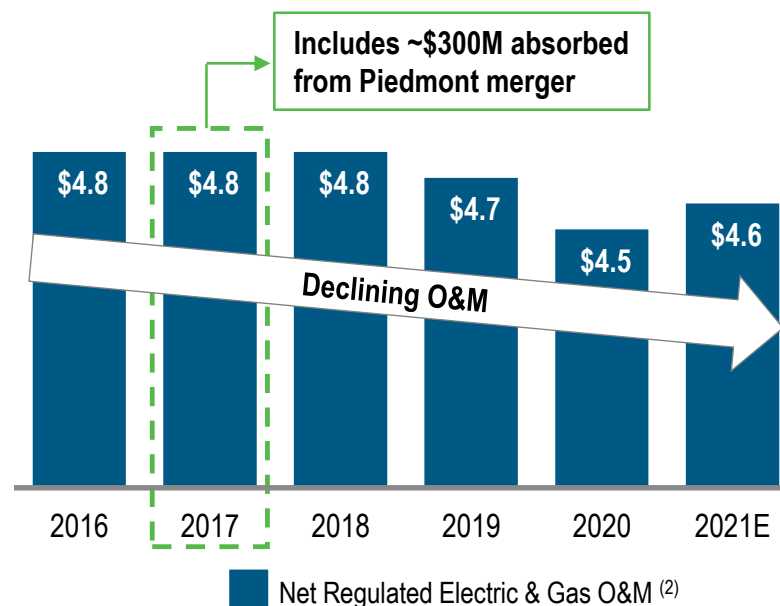


## BUSINESS TRANSFORMATION CONTINUES TO PRODUCE SUSTAINABLE SAVINGS

- Net regulated Electric & Gas O&M has decreased ~1% annually since 2016; expect this trend to continue through 2025

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

(\$ IN BILLIONS)

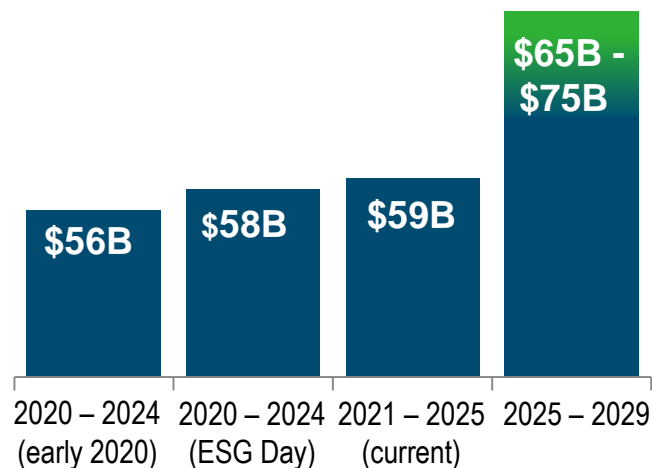


(1) Mitigation includes contract and employee labor costs including overtime and variable compensation, employee expenses, interest and tax savings and operational efficiencies

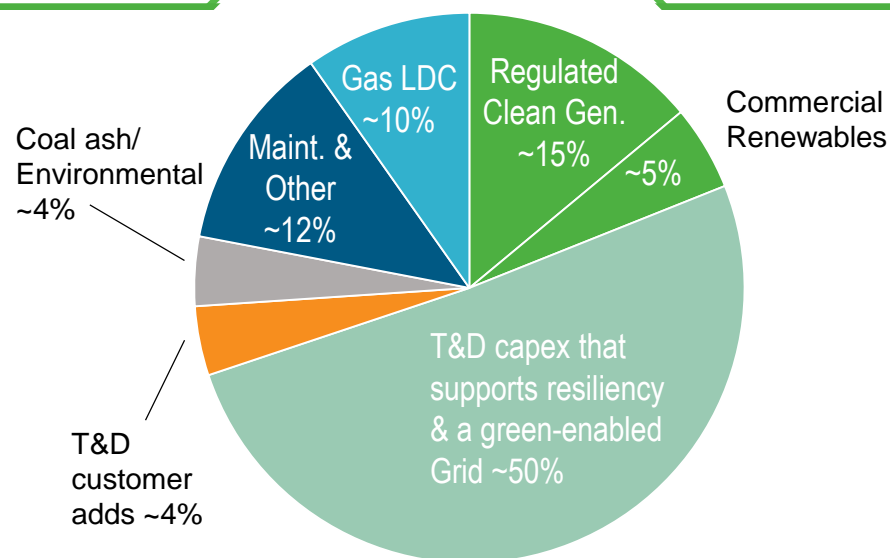
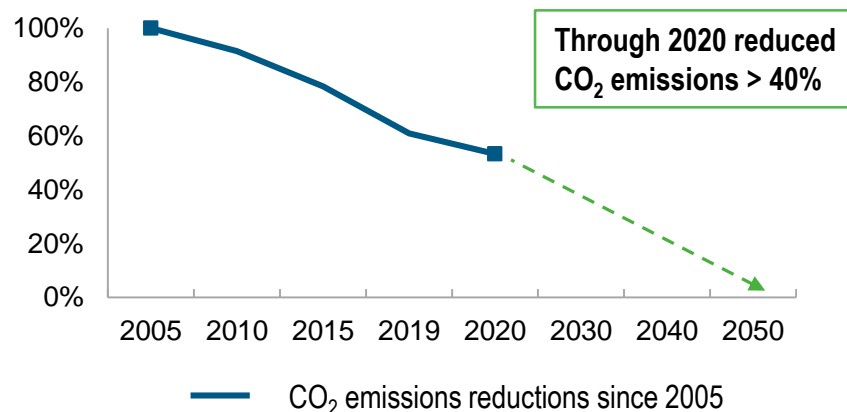
(2) Net regulated Electric and Gas O&M is a non-GAAP measure. For a description of this non-GAAP item and a reconciliation to GAAP O&M, see accompanying materials at [www.duke-energy.com/investors](http://www.duke-energy.com/investors)

# Capital plan focused on clean energy transition

## Growing 5-year capex profile...



## ...supports emission reductions as we drive toward net-zero



## \$59 BILLION CAPITAL PLAN FOCUSED ON CLEAN ENERGY TRANSITION

- Drives rate base CAGR of ~6.5% over 5-year plan
- Accelerated coal plant retirements
- Grid investments to enable renewables and energy storage, resiliency and dynamic power flows
- Clean energy – mix of solar, storage and nuclear

# Projected growth over five-year plan

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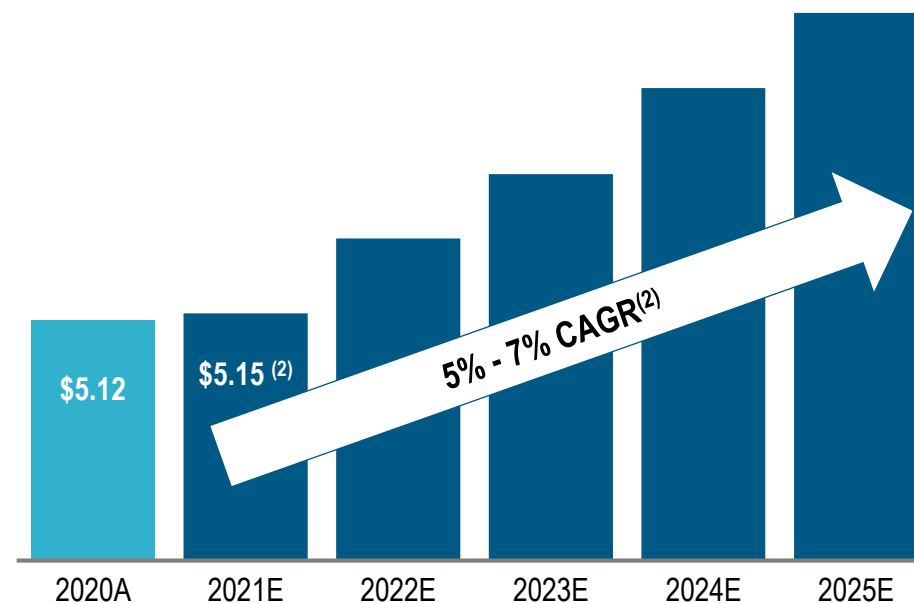
## UPSIDES TO PLAN

- Acceleration of clean energy transformation
- Sustainable cost transformation
- Federal legislation, including infrastructure
- Stronger and faster economic recovery

## ITEMS TO MONITOR

- Economic recovery from pandemic
- Weather and storms

## 5-YEAR ADJUSTED EPS GROWTH PLAN<sup>(1)</sup>



**5 – 7%**  
**GROWTH THROUGH 2025 OFF**  
**2021 MIDPOINT OF \$5.15**

(1) Based on adjusted EPS

(2) Based off the midpoint of 2021 adjusted EPS guidance range (\$5.15)

## COMMITTED TO STRONG CASH FLOWS SUPPORTIVE OF CREDIT RATINGS

- Duke Energy operates in constructive jurisdictions, with a de-risked financial plan
  - Rate case orders or settlements in Carolinas, Indiana, Florida and Tennessee
- Proven capability to drive operational efficiencies
  - Track record of cost management and capital optimization
  - Pension plan fully funded (no expected contributions in 5-year plan)
- Creative capital raising supports credit
  - Partnership with GIC to secure minority investment in DEI
  - Commercial renewables joint venture with John Hancock
  - Tax equity partnerships for Commercial Renewables
- Targeting 14% FFO/Debt throughout the 5-year plan
  - Provides adequate cushion to absorb unplanned events and maintain current credit profile

**NO COMMON EQUITY ISSUANCES IN 5-YEAR PLAN**

# Our investor value proposition

DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE

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**4.1%**

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



**~10%**

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



**5-7%**

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

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

(1) As of Feb. 9, 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



## CLARITY ON NC COAL ASH COST RECOVERY

- Settlement reached with NC AG, NC Public Staff and Sierra Club
- Resolves 2017 cases on remand and pending 2019 rate cases
- Provides greater clarity on recovery through early 2030
- Preserves equity return at a reduced ROE (- 150 bps)
- \$1.1B one-time charge
- Accelerates customer savings during pandemic
- Subject to NCUC approval
- Expect DEC rate case order in the coming weeks



## DUKE ENERGY FLORIDA SETTLEMENT

- 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
- FPSC approval expected Q2



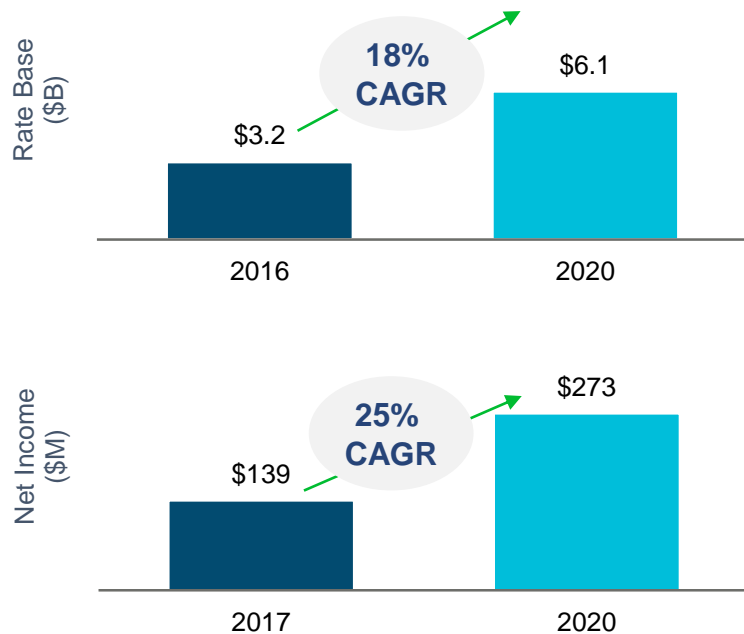
## DUKE ENERGY INDIANA MINORITY INTEREST SALE

- Selling 19.9% interest in DEI for \$2.05B to GIC
- Source of efficient capital at attractive valuation
- Proceeds to support increased growth investments
- Customized dual tranche closing aligns with capital needs
- Addresses common equity needs through 2025
- Subject to FERC approval and Committee on Foreign Investment in the United States (CFIUS) clearance

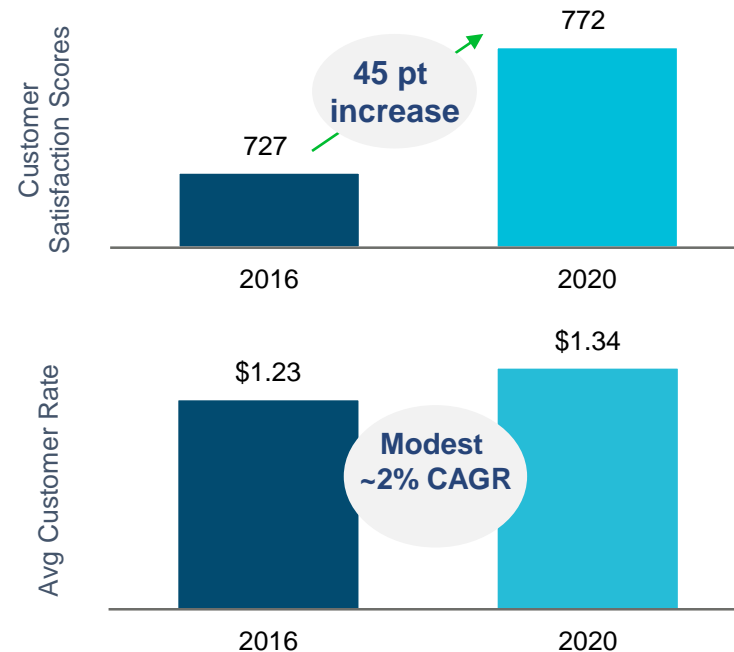
## LANDMARK AGREEMENTS PROVIDE EARNINGS VISIBILITY

# 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**

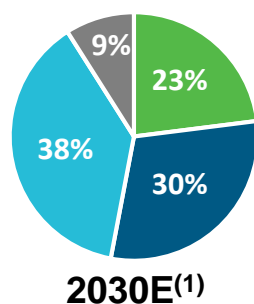
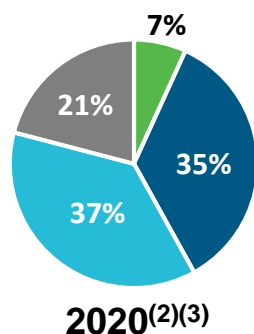
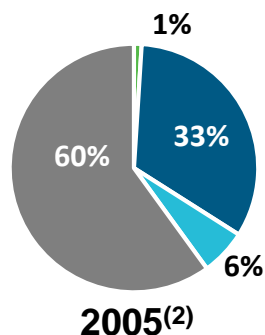




# Sustainability / Environmental Social and Governance (ESG)

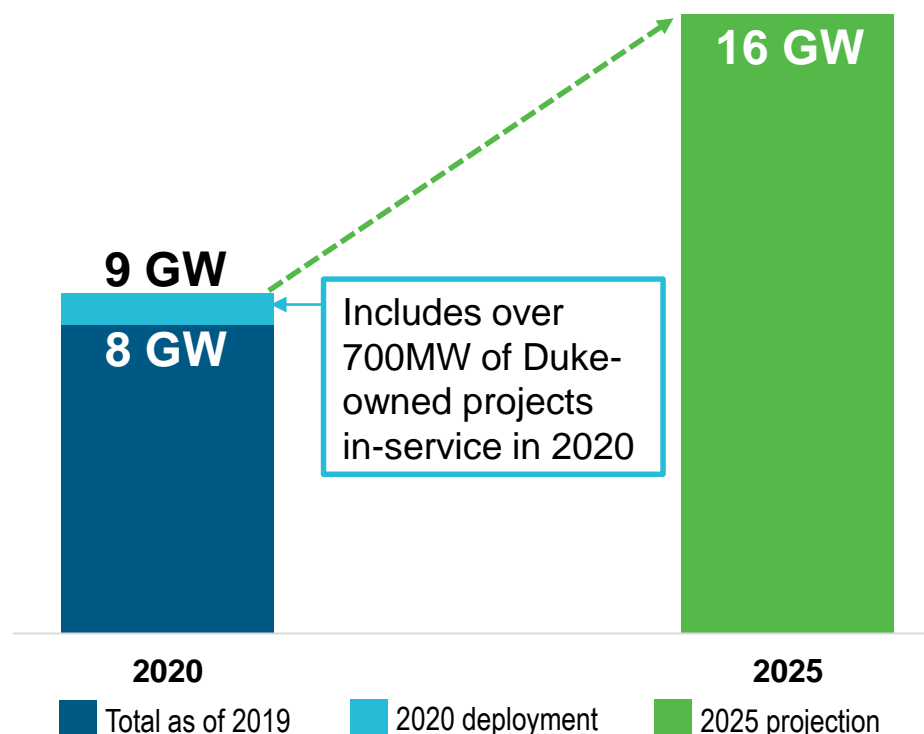
# Clean energy transformation

## FUEL DIVERSITY (MWh OUTPUT)



## KEY MESSAGES

- Since 2005, decreased CO<sub>2</sub> emissions over 40%, sulfur dioxide emissions by over 95% and nitrogen oxides emissions by over 80%<sup>(1)</sup>
- Renewables deployment expected to accelerate through 2025 to reach 16 GW goal<sup>(4)</sup>
- By 2050, renewables projected to be Duke Energy's largest source of energy, making up over 40% of our generation capacity



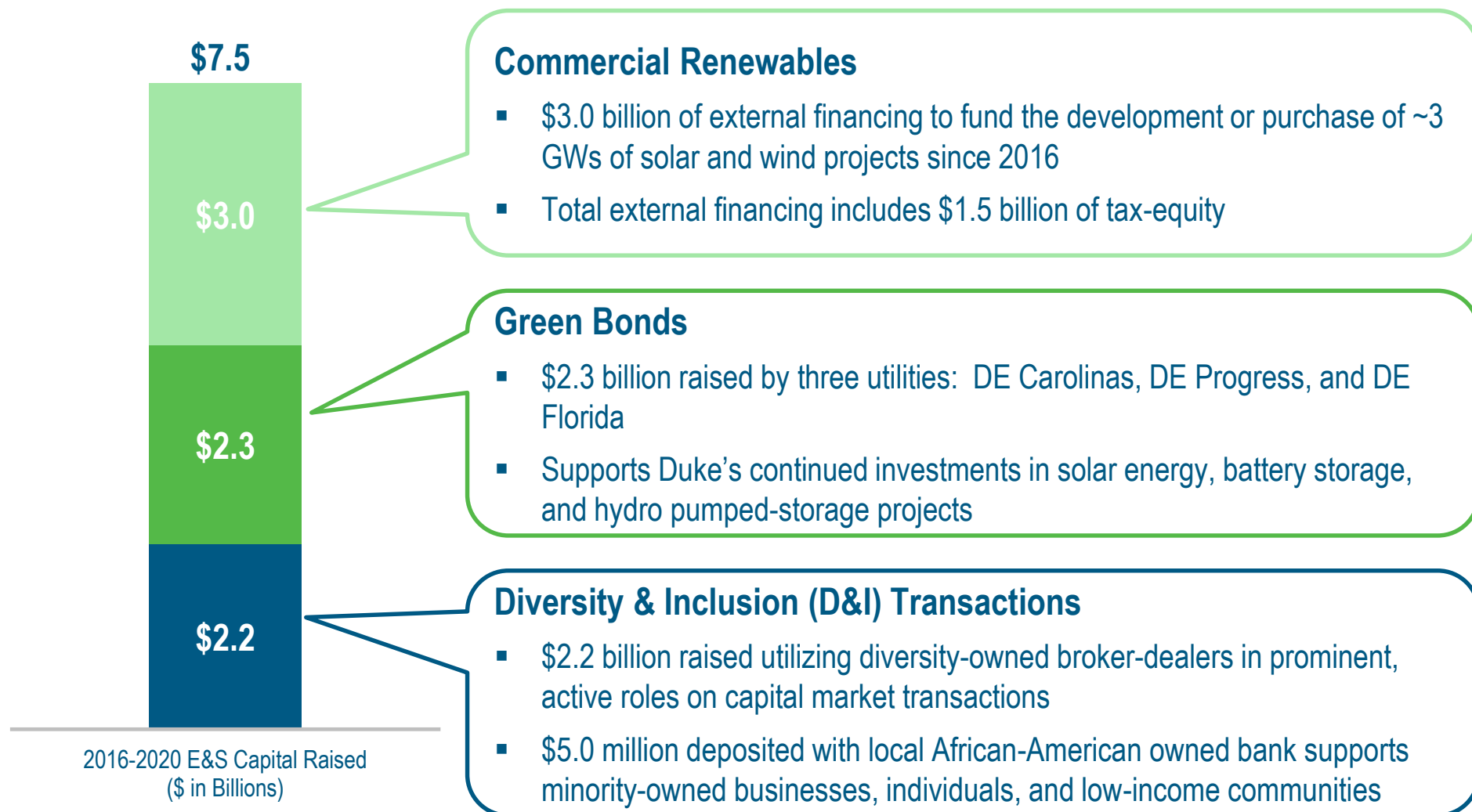
(1) From 2005 levels. 2030 estimate and year to year reductions will be influenced by customer demand for electricity, weather, fuel and purchased power prices, and other factors

(2) 2005 and 2020 data based on Duke's ownership share of U.S. generation assets as of Dec. 31, 2020

(3) 2020 data excludes 9,300 GWh of purchased renewables, equivalent to ~4% of Duke's output

(4) Includes renewables owned, operated and under contract.

## \$7.5 BILLION OF CAPITAL RAISED TO SUPPORT ENVIRONMENTAL & SOCIAL (E&S) INITIATIVES OVER THE LAST 5 YEARS



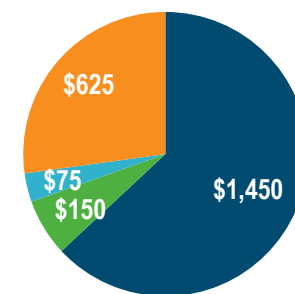


## 2020 performance and 2021 guidance supplemental information

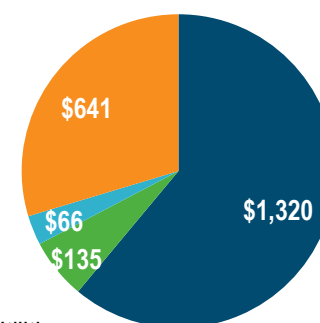
# Key 2021 adjusted earnings guidance assumptions

(\$ in millions)	Original 2020 Assumptions	2020 Actual	2021 Assumptions
<b>Adjusted segment income/ (expense)</b> (1):			
Electric Utilities & Infrastructure	\$3,640	\$3,545	\$3,900
Gas Utilities & Infrastructure	\$530	\$441	\$415
Commercial Renewables	\$240	\$286	\$220
Other	(\$540)	(\$501)	(\$575)
Duke Energy Consolidated	\$3,870	\$3,771	\$3,960
<b>Additional consolidated information:</b>			
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	11-13%	9.7%	6-8%
AFUDC equity	\$138	\$154	\$185
Capital expenditures (2)(3)	\$11,825	\$10,481	\$10,475
Weighted-average shares outstanding – basic	~737 million	737 million	~769 million

**2021 Interest Expense Assumption**  
(Consolidated Total \$2,300)



**2020 Interest Expense**  
(Consolidated Total \$2,162)



■ Electric Utilities  
■ Gas Utilities  
■ Commercial Renewables  
■ Other

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

(2) Includes debt AFUDC and capitalized interest

(3) 2020 actual includes coal ash closure spend of ~\$530 million that was included in operating cash flows and excludes tax equity funding of Commercial Renewables projects of ~\$430 million. 2021 Assumptions include ~\$550 million of projected coal ash closure spend.

# Electric utilities quarterly weather impacts

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Weather segment income to normal:	2020			2019						
	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)				
First Quarter	(\$110)	734	(\$0.11)	(\$55)	727	(\$0.06)				
Second Quarter	(\$8)	735	(\$0.01)	\$80	728	\$0.08				
Third Quarter	\$67	735	\$0.07	\$145	729	\$0.15				
Fourth Quarter	\$2	742	--	\$30	731	\$0.03				
Year-to-Date <sup>(1)</sup>	(\$48)	737	(\$0.05)	\$200	729	\$0.20				
4Q 2020	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,098	(12.1%)	933	(17.1%)	207	1.8%	1,822	(7.6%)	1,671	(9%)
Cooling degree days / Variance from normal	51	25.7%	91	50%	624	41%	19	9.1%	21	(4%)
4Q 2019	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,143	(8.9%)	1,000	(11.6%)	105	(46.8%)	1,991	1%	1,766	(4.1%)
Cooling degree days / Variance from normal	94	161.5%	118	109.7%	674	43%	37	135.9%	49	172.2%

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

# Key 2021 earnings sensitivities

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

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

- (1) Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins  
 (2) Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted.  
 (3) Based on average variable-rate debt outstanding throughout the year. There was \$7.6 billion in floating rate debt as of December 31, 2020.

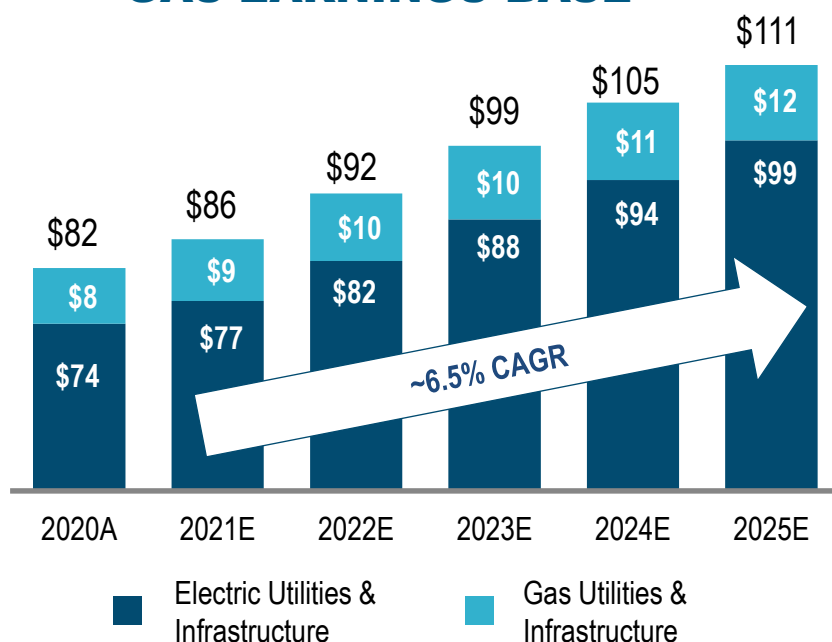


# Earnings base growth

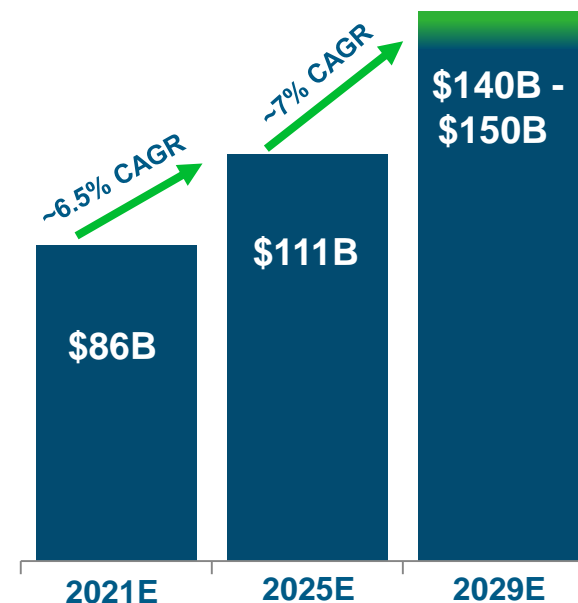
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## 2021-2025 REGULATED ELECTRIC AND GAS EARNINGS BASE<sup>(1)(2)</sup>



## REGULATED ELECTRIC AND GAS EARNINGS BASE<sup>(1)(2)</sup>



■ Base capital plan

■ Range of estimated capital deployment needed to effectuate clean energy transition across all our jurisdictions

(1) In billions. Illustrative earnings base for presentation purposes only and includes retail and wholesale; Amounts as of the end of each year shown; Projected earnings base = prior period earnings base + capex – D&A – deferred taxes. Totals may not foot due to rounding

(2) Amounts presented gross of GIC 19.9% minority investment and earnings base is presented net of coal ash settlement.



# Regulated utilities end of year earnings base<sup>(1)</sup>

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## Electric Utilities Earnings Base

(\$ in billions)	2020A	2021E	2022E	2023E	2024E	2025E
Duke Energy Carolinas <sup>(2)</sup>	\$26.4	\$27.9	\$30.7	\$33.3	\$35.0	\$37.2
Duke Energy Progress <sup>(2)</sup>	18.2	18.1	19.1	20.5	21.9	23.2
Duke Energy Florida	15.5	16.7	18.1	19.5	21.1	22.4
Duke Indiana	9.1	9.4	9.7	9.9	10.5	11.0
Duke Ohio – Electric	3.3	3.5	3.7	3.8	4.0	4.2
Duke Kentucky – Electric	1.1	1.2	1.3	1.3	1.4	1.4
<b>Electric Utilities Total<sup>(3)(4)</sup></b>	<b>\$73.6</b>	<b>\$76.8</b>	<b>\$82.5</b>	<b>\$88.3</b>	<b>\$93.9</b>	<b>\$99.5</b>

## Gas Utilities Earnings Base

(\$ in billions)	2020A	2021E	2022E	2023E	2024E	2025E
Piedmont	\$5.8	\$6.4	\$7.1	\$7.7	\$8.1	\$8.6
Duke Energy Ohio – Gas	1.6	1.8	1.9	2.1	2.2	2.2
Duke Energy Kentucky - Gas	0.5	0.5	0.6	0.6	0.7	0.7
<b>Gas Utilities Total<sup>(3)</sup></b>	<b>\$7.9</b>	<b>\$8.7</b>	<b>\$9.6</b>	<b>\$10.4</b>	<b>\$11.0</b>	<b>\$11.5</b>

(\$ in billions)	2020A	2021E	2022E	2023E	2024E	2025E
<b>Total Company<sup>(3)(4)</sup></b>	<b>\$81.5</b>	<b>\$85.5</b>	<b>\$92.0</b>	<b>\$98.7</b>	<b>\$104.8</b>	<b>\$111.0</b>

(1) Illustrative earnings base for presentation purposes only and includes retail and wholesale; Amounts as of the end of each year shown; Projected earnings base = prior period earnings base + capex – D&A – deferred taxes

(2) Amounts presented are net of 2021 North Carolina coal ash settlement

(3) Totals may not foot due to rounding

(4) Amounts presented gross of GIC 19.9% minority investment (~11% as of Q2 2021; 19.9% as of Jan. 2023)

# Capital expenditures profile<sup>(1)</sup>

(\$ in millions)

Capital Expenditures	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation <sup>(2)</sup>	1,254	1,425	1,400	1,425	1,675	2,025	7,950
Electric Transmission	908	1,325	1,425	1,400	1,275	1,275	6,700
Electric Distribution	2,365	2,700	4,150	4,000	3,975	4,175	19,000
Environmental & Other <sup>(3)</sup>	693	800	825	600	450	400	3,075
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 5,220</b>	<b>\$ 6,250</b>	<b>\$ 7,800</b>	<b>\$ 7,425</b>	<b>\$ 7,375</b>	<b>\$ 7,875</b>	<b>\$ 36,725</b>
Maintenance	2,936	2,200	2,650	2,750	2,700	2,475	12,775
<b>Total Electric Utilities &amp; Infrastructure Capital<sup>(4)</sup></b>	<b>\$ 8,156</b>	<b>\$ 8,450</b>	<b>\$ 10,450</b>	<b>\$ 10,175</b>	<b>\$ 10,075</b>	<b>\$ 10,350</b>	<b>\$ 49,500</b>
Commercial Renewables <sup>(5)</sup>	759	425	800	475	400	400	2,500
<b>Total Commercial Renewables Capital</b>	<b>\$ 759</b>	<b>\$ 425</b>	<b>\$ 800</b>	<b>\$ 475</b>	<b>\$ 400</b>	<b>\$ 400</b>	<b>\$ 2,500</b>
Renewable Natural Gas	-	100	-	-	-	-	100
LDC - Non-Rider	253	425	425	475	375	325	2,025
LDC - Rider	270	375	500	400	350	375	2,000
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 523</b>	<b>\$ 900</b>	<b>\$ 925</b>	<b>\$ 875</b>	<b>\$ 725</b>	<b>\$ 700</b>	<b>\$ 4,125</b>
Maintenance	781	350	350	275	275	300	1,550
<b>Total Gas Utilities &amp; Infrastructure Capital</b>	<b>\$ 1,304</b>	<b>\$ 1,250</b>	<b>\$ 1,275</b>	<b>\$ 1,150</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>\$ 5,675</b>
Other <sup>(6)</sup>	263	350	275	275	275	200	1,375
<b>Total Duke Energy</b>	<b>\$ 10,481</b>	<b>\$ 10,475</b>	<b>\$ 12,800</b>	<b>\$ 12,075</b>	<b>\$ 11,750</b>	<b>\$ 11,950</b>	<b>\$ 59,050</b>

(1) Amounts include AFUDC debt or capitalized interest. Totals may not foot due to rounding

(2) Includes nuclear fuel of ~\$2.1B from 2021-2025

(3) 2020 actual amounts include ~\$530 million in coal ash closure spending that was included in operating cash flows

(4) Capex amounts are presented gross of GIC minority investment (~11% as of Q2 2021; 19.9% as of Jan. 2023)

(5) Amounts are net of assumed tax equity financings

(6) Primarily IT and real estate related costs

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy Carolinas	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	612	500	550	575	575	725	2,925
Electric Transmission	99	300	400	475	225	150	1,550
Electric Distribution	762	1,050	1,850	1,700	1,400	1,550	7,550
Environmental & Other <sup>(2)</sup>	276	425	450	275	225	200	1,570
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 1,749</b>	<b>\$ 2,275</b>	<b>\$ 3,250</b>	<b>\$ 3,025</b>	<b>\$ 2,425</b>	<b>\$ 2,625</b>	<b>\$ 13,600</b>
Maintenance	1,083	650	875	900	825	1,000	4,250
<b>Total Duke Energy Carolinas</b>	<b>\$ 2,831</b>	<b>\$ 2,925</b>	<b>\$ 4,125</b>	<b>\$ 3,925</b>	<b>\$ 3,250</b>	<b>\$ 3,625</b>	<b>\$ 17,850</b>

Duke Energy Progress	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	207	250	300	300	525	725	2,100
Electric Transmission	53	125	150	150	225	325	975
Electric Distribution	559	650	1,075	950	950	1,025	4,650
Environmental & Other <sup>(3)</sup>	319	200	225	200	150	150	925
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 1,138</b>	<b>\$ 1,225</b>	<b>\$ 1,750</b>	<b>\$ 1,600</b>	<b>\$ 1,850</b>	<b>\$ 2,225</b>	<b>\$ 8,650</b>
Maintenance	744	650	825	850	700	450	3,475
<b>Total Duke Energy Progress</b>	<b>\$ 1,882</b>	<b>\$ 1,875</b>	<b>\$ 2,575</b>	<b>\$ 2,450</b>	<b>\$ 2,550</b>	<b>\$ 2,675</b>	<b>\$ 12,125</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2020 actual amounts include ~\$162 million in coal ash closure spending that was included in operating cash flows

(3) 2020 actual amounts include ~\$301 million in coal ash closure spending that was included in operating cash flows

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy Florida	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	324	600	450	400	300	275	2,025
Electric Transmission	465	550	600	550	500	475	2,675
Electric Distribution	497	525	700	800	1,025	950	4,000
Environmental & Other <sup>(2)</sup>	4	-	-	-	-	-	-
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 1,289</b>	<b>\$ 1,675</b>	<b>\$ 1,750</b>	<b>\$ 1,750</b>	<b>\$ 1,825</b>	<b>\$ 1,700</b>	<b>\$ 8,700</b>
Maintenance	619	475	500	575	750	600	2,900
<b>Total Duke Energy Florida</b>	<b>\$ 1,908</b>	<b>\$ 2,150</b>	<b>\$ 2,250</b>	<b>\$ 2,325</b>	<b>\$ 2,575</b>	<b>\$ 2,300</b>	<b>\$ 11,600</b>

Duke Energy Indiana	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	111	75	25	150	300	300	850
Electric Transmission	119	200	150	100	175	175	800
Electric Distribution	239	250	225	250	275	300	1,300
Environmental & Other <sup>(3)</sup>	91	150	150	100	75	75	550
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 560</b>	<b>\$ 675</b>	<b>\$ 550</b>	<b>\$ 600</b>	<b>\$ 825</b>	<b>\$ 850</b>	<b>\$ 3,500</b>
Maintenance	389	325	350	325	325	300	1,625
<b>Total Duke Energy Indiana<sup>(4)</sup></b>	<b>\$ 949</b>	<b>\$ 1,000</b>	<b>\$ 900</b>	<b>\$ 925</b>	<b>\$ 1,150</b>	<b>\$ 1,150</b>	<b>\$ 5,125</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2020 actual amounts include ~\$1 million in coal ash closure spending that was included in operating cash flows

(3) 2020 actual amounts include ~\$61 million in coal ash closure spending that was included in operating cash flows

(4) DEI capex presented gross of GIC minority investment (~11% as of Q2 2021; 19.9% as of Jan. 2023)

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy OH/KY Electric	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	0	25	75	-	-	-	100
Electric Transmission	172	125	125	150	150	150	700
Electric Distribution	272	250	250	225	250	250	1,225
Environmental & Other <sup>(2)</sup>	4	-	-	-	-	-	-
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 448</b>	<b>\$ 400</b>	<b>\$ 450</b>	<b>\$ 375</b>	<b>\$ 400</b>	<b>\$ 400</b>	<b>\$ 2,025</b>
Maintenance	102	100	100	100	100	125	525
<b>Total DEO/DEK Electric</b>	<b>\$ 550</b>	<b>\$ 500</b>	<b>\$ 550</b>	<b>\$ 475</b>	<b>\$ 500</b>	<b>\$ 525</b>	<b>\$ 2,550</b>

Duke Energy OH/KY Gas	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
LDC - Non-Rider	56	150	100	125	125	125	625
LDC - Rider	-	25	-	-	-	-	25
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 56</b>	<b>\$ 175</b>	<b>\$ 100</b>	<b>\$ 125</b>	<b>\$ 125</b>	<b>\$ 125</b>	<b>\$ 650</b>
Maintenance	230	175	200	175	150	100	800
<b>Total DEO/DEK Gas</b>	<b>\$ 286</b>	<b>\$ 350</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 275</b>	<b>\$ 225</b>	<b>\$ 1,450</b>

Piedmont	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
LDC - Non-Rider	197	275	325	350	250	200	1,400
LDC - Rider	270	350	500	400	350	375	1,975
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 467</b>	<b>\$ 625</b>	<b>\$ 825</b>	<b>\$ 750</b>	<b>\$ 600</b>	<b>\$ 575</b>	<b>\$ 3,375</b>
Maintenance	433	175	150	100	125	200	750
<b>Total Piedmont Gas</b>	<b>\$ 900</b>	<b>\$ 800</b>	<b>\$ 975</b>	<b>\$ 850</b>	<b>\$ 725</b>	<b>\$ 775</b>	<b>\$ 4,125</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2020 actual amounts include ~\$2 million in coal ash closure spending that was included in operating cash flows

# Carolinas coal ash costs

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DEC and DEP system-wide estimated coal ash closure costs:

	Total Project Costs	Spend To Date (through 12/31/20)	2021 – 2025 Expected Spend	2026 – 2030 Expected Spend	Reg Asset Balance 12/31/2020
Duke Energy Carolinas	\$4,365	\$1,396	\$1,060	\$850	\$570
Duke Energy Progress	\$3,520	\$1,391	\$915	\$530	\$300
<b>Total</b>	<b>\$7,885</b>	<b>\$2,787</b>	<b>\$1,975</b>	<b>\$1,380</b>	<b>\$870</b>

*Note: estimated spend post-2030 expected to be ~\$200M per year and declining over multiple decades*

Summary of NC retail amortization period, allowed return, and revenue requirements per 2021 NC Coal Ash Settlement:

			Annualized revenue requirement/ (rates effective)	
	Amortization period	Allowed return during amortization period	DEC - NC	DEP - NC
2017 rate case costs	5 years	full WACC	\$120M (8/1/2018)	\$50M (3/15/2018)
2019 rate case costs	5 years	debt return + reduced ROE (-150 bps)	\$40M adjusted request <sup>(1)</sup>	\$47M adjusted request <sup>(1)</sup>
Future costs through 2030	to be determined by NCUC in future rate case proceedings	debt return + reduced ROE (-150 bps)	TBD	TBD

*Note: Revenue requirements in chart above reflect NC retail only. Excludes ~\$20M annualized collections from SC retail customers (effective 6/1/2019) and annual wholesale recoveries that average ~\$150M 2018-2020<sup>(2)</sup>.*

(1) Revenue requirement requests as adjusted for 2021 NC Coal Ash Settlement.

(2) 2021 wholesale collections expected to be lower due to decreasing spend as well as refund of prior collections resulting from 2021 Coal Ash Settlement

# Environmental compliance expenditures

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(\$ in millions)

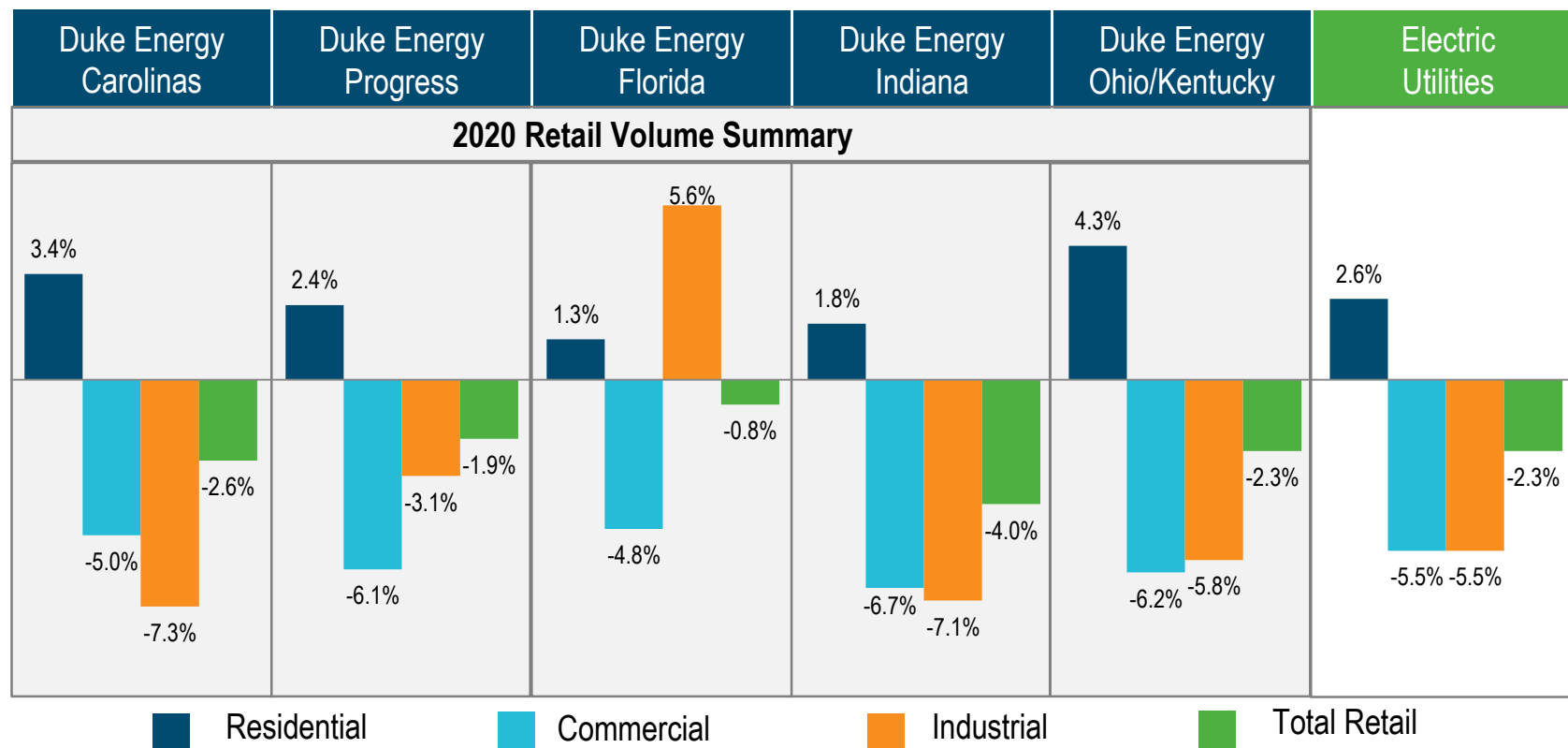
Coal Ash Closure Costs	Total Project Costs	Spend To Date <sup>(1)</sup>	2021-2025 Plan
Duke Energy Carolinas	\$4,365	\$1,396	\$1,060
Duke Energy Progress	\$3,520	\$1,391	\$915
Duke Energy Indiana	\$1,350	\$334	\$530
Duke Energy Florida	\$40	\$5	\$ --
Duke Energy Kentucky	\$115	\$28	\$20
<b>Total</b>	<b>\$9,390</b>	<b>\$3,154</b>	<b>\$2,525</b>

(1) As of Dec. 31, 2020

# Weather normalized volume trends, by electric jurisdiction

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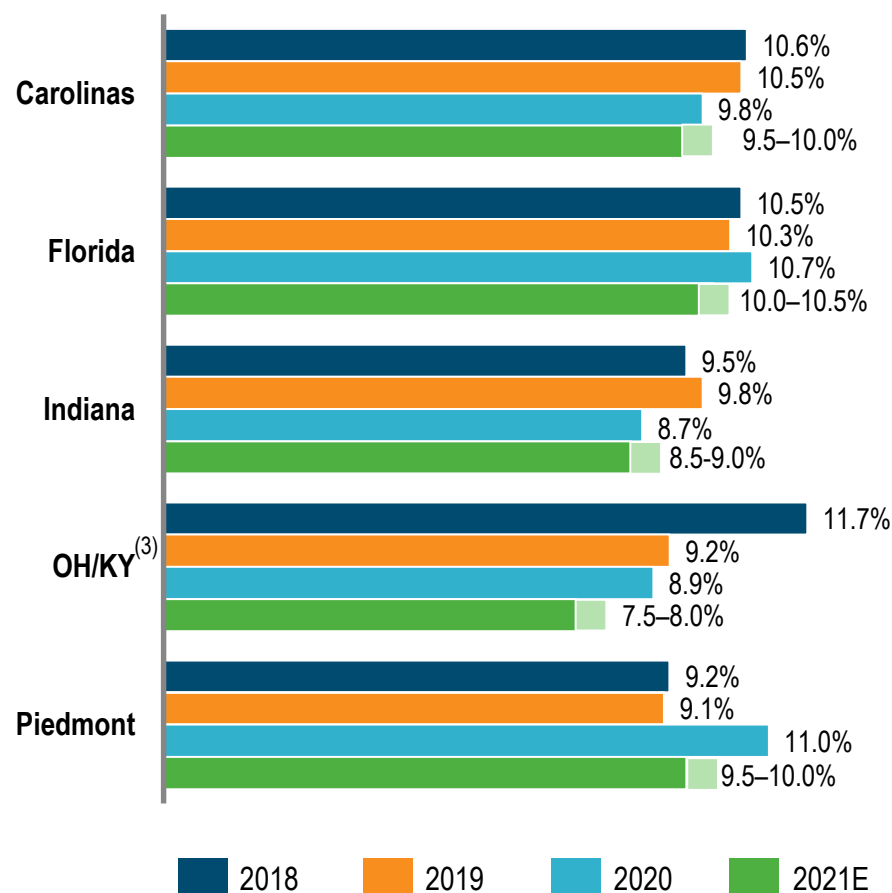




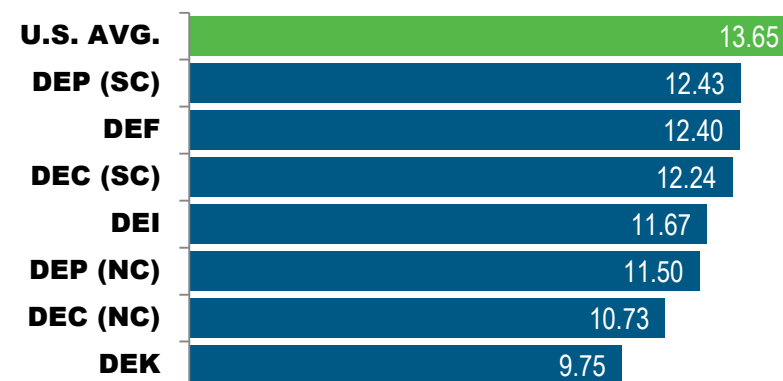
# Managing regulatory lag and customer rate impacts

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## ADJUSTED BOOK ROEs<sup>(1)</sup>



## COMPETITIVE CUSTOMER RATES<sup>(2)</sup>



**DELIVERING COMPETITIVE RETURNS FOR INVESTORS WHILE KEEPING RATES WELL BELOW THE NATIONAL AVERAGE FOR CUSTOMERS**

(1) Adjusted book ROEs exclude special items and are based on average book equity less Goodwill. Adjusted ROEs also include wholesale and are not adjusted for the impacts of weather. Regulatory ROEs will differ from Adjusted Book ROEs

(2) Residential customer rates. Typical bill rates (¢/kWh) in effect as of January 1, 2020. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2020

(3) Combined electric and gas utilities



## Financing plan update and current liquidity

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

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Issuer	Estimated / Actual Amount (\$ in millions)	Security	Completed (\$ in millions)	Date Issued	Term	Rate	2021 Maturities <sup>(2)</sup>
Holding Company	\$2,750 – \$3,250	-	-	-	-	-	\$1,750 (May & Sept)
DE Carolinas	\$900 - \$1,100	-	-	-	-	-	\$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	-	-	-	-	-	\$160 (June)
DE Kentucky	\$50 - \$100	-	-	-	-	-	-
<b>Total</b>	<b>\$6,400 - \$7,750</b>	-	-	-	-	-	<b>\$4,210</b>

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

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

# Liquidity summary (as of December 31, 2020)

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(\$ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility <sup>(1)</sup>	\$ 2,650	\$ 1,475	\$ 1,250	\$ 800	\$ 600	\$ 450	\$ 175	\$ 600	\$ 8,000
Less: Notes payable and commercial paper <sup>(2)</sup>	212	(806)	(445)	(196)	(281)	(93)	(100)	(530)	(2,239)
Outstanding letters of credit (LOCs)	(34)	(4)	(2)	-	-	-	-	-	(40)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 2,828	\$ 665	\$ 803	\$ 604	\$ 238	\$ 357	\$ 75	\$ 70	\$ 5,640
Funded Revolver and Term Loan <sup>(3)</sup>	\$ 1,000								\$ 1,000
Less: Borrowings Under Credit Facilities	(500)								(500)
Available capacity	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Cash & short-term investments									208
<b>Total available liquidity</b>									<b>\$ 6,348</b>

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

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

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

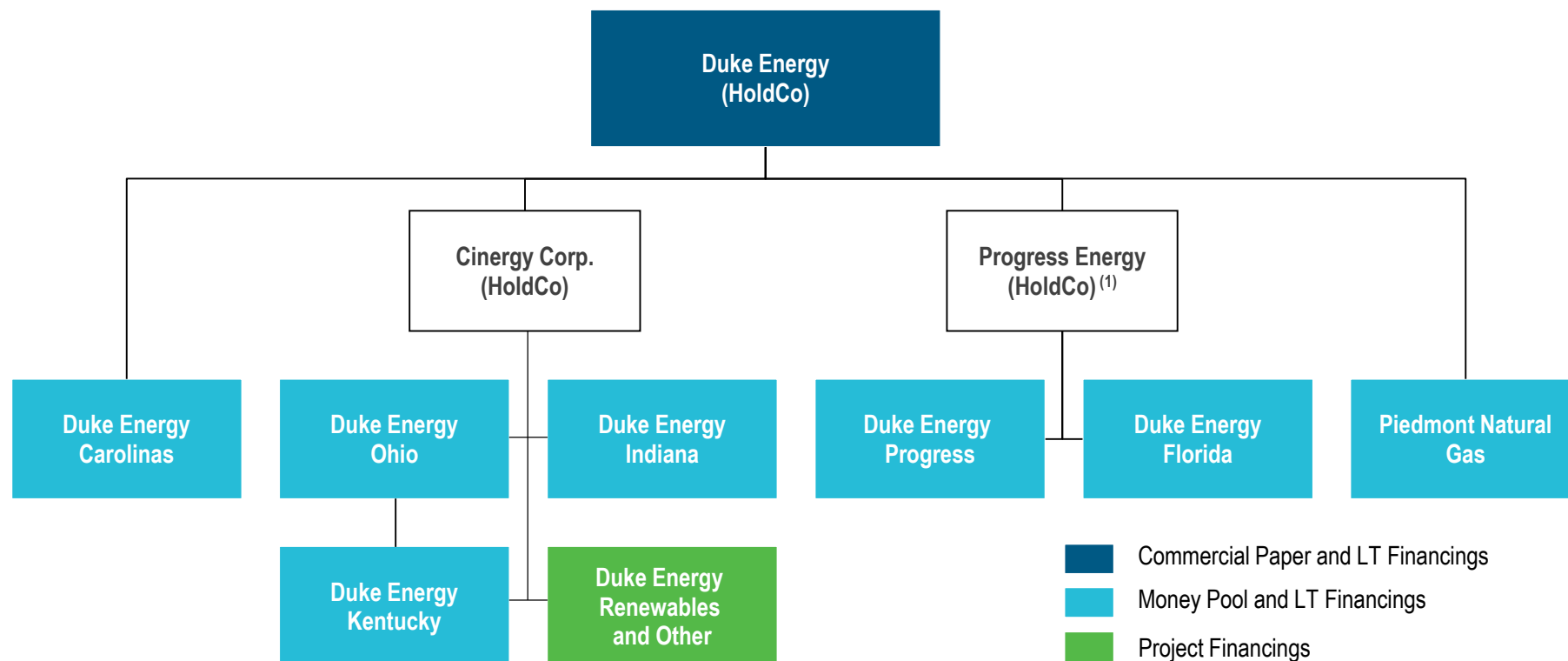
# 2021 Pension funding and costs

- On a consolidated basis, Duke Energy pension plans are fully funded as of 12/31/2020 on a PBO basis
- Duke Energy's pension funding policy:
  - Duke Energy's policy is to fund amounts on an actuarial basis to provide assets sufficient to meet benefit payments to be paid to plan participants
  - Duke plans have a targeted allocation of 58% fixed-income assets and 42% return-seeking assets

Pension Contributions (\$ in millions)	2019A	2020A	2021E – 2025E
All plans	\$77	\$0	\$0

- Key 2021 assumptions:
  - Discount rate: 2.6% for 2021 (vs. 3.3% for 2020)
  - Expected long-term return of 6.50% on plan assets (decrease from 2020's 6.85% assumption)
  - Pension plan fully funded (no expected contributions in 5-year plan)

# Simplified financing structure



(1) Progress Energy HoldCo has long-term debt outstanding, but no future common equity issuance is planned at this financing entity

# Credit ratings (as of February 11, 2021) and 2020 cash flow metrics<sup>(1)</sup>

Current Ratings	Moody's	S&P
<b>DUKE ENERGY CORPORATION</b>	Negative	Stable
Senior Unsecured Debt	Baa1	BBB
Commercial Paper	P-2	A-2
<b>PROGRESS ENERGY, INC</b>	Stable	Stable
Senior Unsecured Debt	Baa1	BBB
<b>DUKE ENERGY CAROLINAS</b>	Negative	Stable
Senior Secured Debt	Aa2	A
Senior Unsecured Debt	A1	BBB+
<b>DUKE ENERGY PROGRESS</b>	Negative	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	BBB+
<b>DUKE ENERGY FLORIDA</b>	Stable	Stable
Senior Secured Debt	A1	A
Senior Unsecured Debt	A3	BBB+
<b>DUKE ENERGY INDIANA</b>	Stable	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	BBB+
<b>DUKE ENERGY OHIO</b>	Stable	Stable
Senior Secured Debt	A2	A
Senior Unsecured Debt	Baa1	BBB+
<b>DUKE ENERGY KENTUCKY</b>	Stable	Stable
Senior Unsecured Debt	Baa1	BBB+
<b>PIEDMONT NATURAL GAS</b>	Stable	Stable
Senior Unsecured Debt	A3	BBB+

Duke Energy Corporation			
Holdco Debt/Total Debt		33%	
FFO/Debt <sup>(2)(3)</sup>		15%	
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida
FFO/Debt <sup>(2)(3)</sup>	21%	18%	23%
	Duke Energy Indiana	Duke Energy Ohio Cons.	Piedmont
FFO/Debt <sup>(2)(3)</sup>	21%	15%	13%

Simplified 2021 Cash Flows	
Adjusted net income <sup>(4)</sup>	\$ 3,960
Depreciation & amortization	5,655
Deferred and accrued taxes	325
Other sources / (uses), net <sup>(5)</sup>	600
<b>Primary sources</b>	<b>10,540</b>
Capital expenditures	(10,475)
Dividends (subject to Board of Directors discretion)	(3,000)
<b>Primary uses</b>	<b>(13,475)</b>
Uses in excess of sources	(2,935)
Net Change in debt	2,940
<b>Net Change in Cash</b>	<b>\$ 5</b>

(1) Amounts do not include all adjustments that may be made by the rating agencies

(2) Key adjustments within the computation include the removal of coal ash remediation spending from FFO, and the adjusted debt balance excludes purchase accounting adjustments

(3) Assumes securitization treated as off credit

(4) Based upon the midpoint of the 2021 guidance range

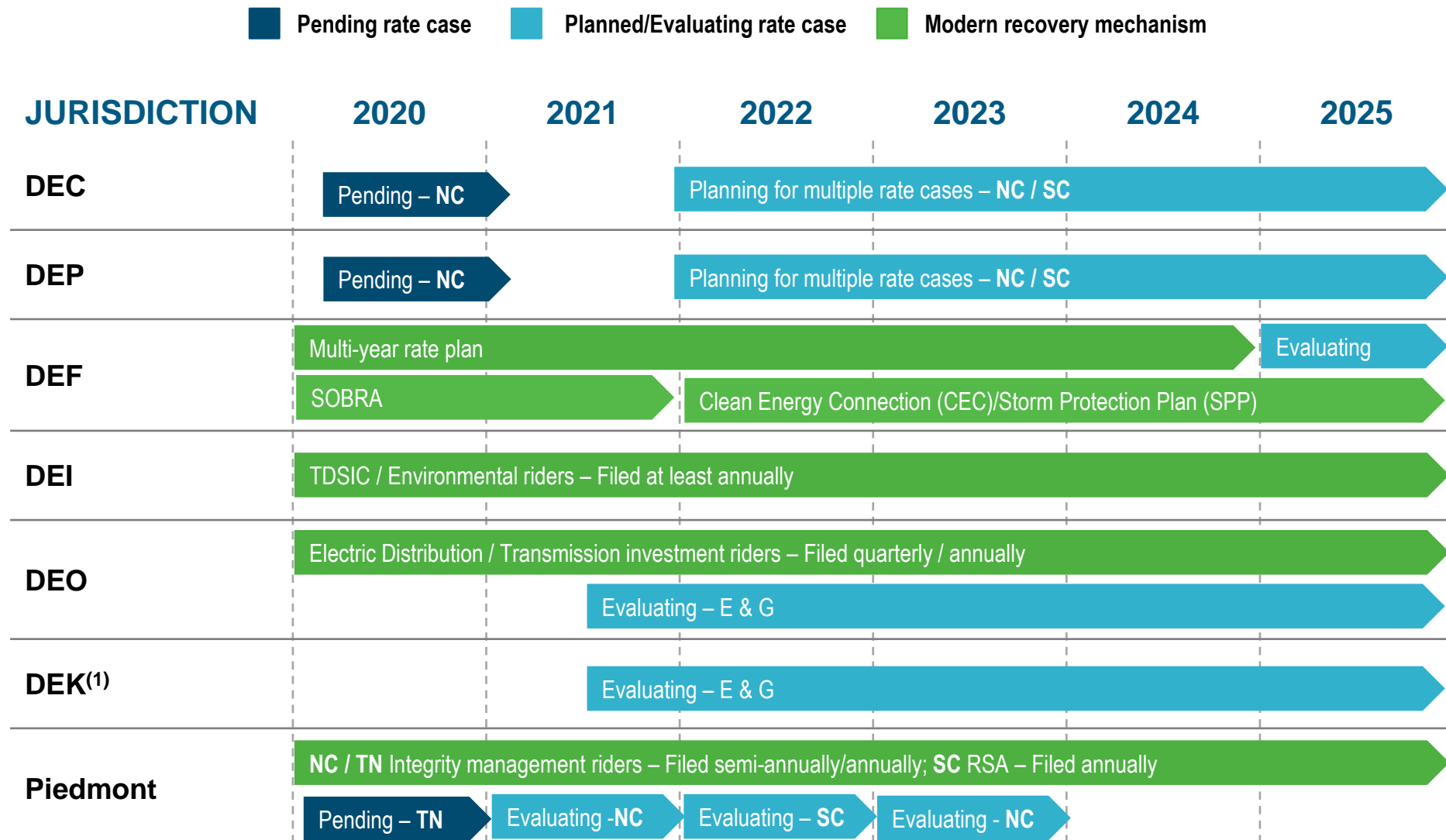
(5) Includes ~\$1B of proceeds from the first closing of the Duke Energy Indiana minority stake sale as well as changes in working capital and AFUDC equity



## Regulatory overview



# Regulatory calendar



(1) "E" denotes Electric, "G" denotes Gas

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# Overview of state commissions by jurisdiction

	North Carolina	South Carolina	Florida	Indiana	Ohio	Kentucky	Tennessee
Number of Commissioners	7	7	5	5	5	3	5
Term (years)	6	4	4	4	5	4	6
Appointed/Elected	Appointed by Governor	Elected by the General Assembly	Appointed by Governor	Appointed by Governor	Appointed by Governor	Appointed by Governor	Appointed by Governor and Legislature
Chair (Term Exp.)	Charlotte Mitchell (June 2023)	Justin Williams (June 2022)	Gary Clark (January 2023)	Jim Huston (March 2021)	[OPEN]	Michael Schmitt (June 2023)	Robin Morrison (June 2026) <sup>(1)</sup>
Other Commissioners (Term Exp.)	<ul style="list-style-type: none"> <li>Lyons Gray (June 2021)</li> <li>ToNola Brown-Bland (June 2023)</li> <li>Dan Clodfelter (June 2023)</li> <li>Floyd McKissick (June 2025)</li> <li>Kimberly Duffley (June 2025)</li> <li>Jeff Hughes (June 2025)</li> </ul>	<ul style="list-style-type: none"> <li>Tom Ervin (June 2022)</li> <li>Florence Belser (February 2023)</li> <li>Mike Caston (June 2024)</li> <li>Headen Thomas (June 2024)</li> <li>Carolee Williams (June 2024)</li> <li>Delton Powers (June 2024)</li> </ul>	<ul style="list-style-type: none"> <li>Art Graham (January 2022)</li> <li>Andrew Fay (January 2022)</li> <li>Julie Brown (January 2023)</li> <li>Mike La Rosa (January 2025)</li> </ul>	<ul style="list-style-type: none"> <li>Sarah Freeman (January 2022)</li> <li>Stefanie Krevda (April 2022)</li> <li>David Ziegner (April 2023)</li> <li>David Ober (January 2024)</li> </ul>	<ul style="list-style-type: none"> <li>Lawrence Friedeman (April 2020)</li> <li>Dennis Deters (April 2021)</li> <li>Daniel Conway (April 2022)</li> <li>Beth Trombold – acting chair (April 2023)</li> </ul>	<ul style="list-style-type: none"> <li>Kent Chandler (June 2024) – senate confirmation pending</li> <li>Talina Mathews (June 2021)</li> </ul>	<ul style="list-style-type: none"> <li>Kenneth Hill (June 2026)<sup>(1)</sup></li> <li>Herbert Hilliard (June 2023)</li> <li>John Hie (June 2024)</li> <li>David Jones (June 2024)</li> </ul>

(1) Pending confirmation by the Tennessee Legislature

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# Current electric rate information by jurisdiction

	North Carolina	South <sup>(1)</sup> Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Retail Rate Base	\$16.9 B <sup>(2)</sup> (DEC) \$10.6 B <sup>(2)</sup> (DEP)	\$5.4 B (DEC) \$1.5 B (DEP)	\$14.7 B <sup>(3)</sup>	\$9.9 B	\$1.3 B (dist. only)	\$881 M
Wholesale Rate Base	\$2.1 B (DEC) 3Q 2020 \$3.6 B (DEP) 3Q 2020		\$2.1 B <sup>(3)</sup>	\$579 M	\$0.7 B (trans. only)	\$0
Allowed ROE	9.6% (DEC & DEP)	9.5% (DEC & DEP)	10.50% <sup>(4)</sup>	9.7%	9.84% - Dist 11.38% - Trans	9.25%
Allowed Equity	52.0% (DEC & DEP)	53.0% (DEC & DEP)	42.03% <sup>(5)</sup>	41.05% <sup>(6)</sup>	50.8%	48.2%
Effective Date of Most Recent Rates	Interim Rates 8/24/20 (DEC) 9/1/20 (DEP)	6/1/19 (DEC & DEP)	1/1/21	7/30/20	Distr: 1/2/19 Trans 6/1/20 ESP: 1/2/19	5/1/20
Fuel Clause Updated	Annually (DEC & DEP)	Annually (DEC & DEP)	Annually	Quarterly	Annually for Non-Shoppers	Monthly
Environmental Clause Updated	N/A	N/A	Annually	Semi-Annually	Quarterly	Monthly

- (1) DEC SC and DEP SC rate base and allowed ROE as of June 2019. The Public Service Commission of South Carolina issued orders in the DEC SC and DEP SC rate cases on May 21, 2019. DEC and DEP filed notices of appeal on November 15, 2019.
- (2) DEC NC's rate base included in interim rates as of August 24, 2020. DEP NC's rate base included in interim rates as of September 1, 2020. Final rates will be implemented after the NCUC orders are issued in Q1 2021.
- (3) Florida's thirteen-month average as of November 2020. Retail rate base includes amounts recovered in base rates of \$14.2B and amounts recovered in trackers of \$0.5B.
- (4) Represents the mid-point of an authorized range from 9.5% to 11.5%.
- (5) Florida's capital structure includes accumulated deferred income taxes (ADIT), customer deposits and investment tax credits (ITC) and is as of Nov. 30, 2020. Excluding these items, the capital structure approximates 51% equity.
- (6) Indiana's capital structure includes ADIT. When ADIT is excluded, the capital structure approximates 53% equity as of September 30, 2020.

# Current electric rate information by jurisdiction (continued)

## General Rate Case Provisions

	North Carolina	South Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Notice of Intent Required?	Yes	Yes	Yes	Yes <sup>(1)</sup>	Yes	Yes
Notice Period	30 Days	30 Days	60 Days	30 Days <sup>(2)</sup>	30 Days	30 Days
Test Year	Historical Adjusted for Known and Measureable Changes	Historical Adjusted for Known and Measureable Changes	Projected	Optional <sup>(3)</sup>	Partially Projected	Forecast Optional
Time Limitation Between Cases	No	12 months	No	15 Months	No	No
Rates Effective Subject to Refund	9 Months After Filing	6 Months After Filing <sup>(4)</sup>	8 Months After Filing	10 Months After Filing <sup>(5)</sup>	9 Months After Filing	6 Months After Filing <sup>(6)</sup>

(1) IURC recommended procedure. Not a statutory requirement

(2) As least 30 days to avoid ex parte issues

(3) Utilities may elect to a historical test period, a forward-looking test period, or a hybrid test year in the context of a general rate case

(4) If the South Carolina Commission fails to rule on a rate case filing within 6 months, the new rates can be implemented and are not subject to refund. There is a grace period here. The Company would have to notify the Commission that it planned to put rates in and the Commission would then have 10 additional days to issue an order

(5) The utility may implement interim rates, subject to refund, if the IURC has not rendered a decision within 10 months of filing (can be extended 60 days by IURC). The interim rates are not to exceed 50% of the original request

(6) The effective date is 7 months after filing for a forecasted test year

# Current gas rate information by jurisdiction

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	North Carolina	South Carolina	Tennessee <sup>(1)</sup>	Ohio (Gas)	Kentucky (Gas)
Rate Base (\$M)	\$3.5 billion	\$366 million	\$897 million	\$900 million <sup>(2)</sup>	\$313 million
Allowed ROE	9.7%	9.8%	9.8%	9.84%	9.7%
Allowed Equity	52%	52.31%	50.5%	53.3%	50.8%
Effective Date of Most Recent Rates	11/1/19	11/1/20 <sup>(3)</sup>	1/2/21	12/1/13	4/1/19
Significant Rider Mechanisms	Margin Decoupling Rider Integrity Management Rider Fuel Clause	Rate Stabilization Adj. Weather Normalization Adj. Fuel Clause	Weather Normalization Adj. Integrity Management Rider Fuel Clause	AMRP SmartGrid <sup>(4)</sup> Fuel Clause Capital Expenditure <sup>(5)</sup>	Weather Normalization Adj. Fuel Clause

(1) Reflects terms of settlement agreement with Tennessee Consumer Advocate. Currently pending commission approval.

(2) Excludes all rate base related to capital recovery that is being tracked (e.g., AMRP and AU after 3/31/2012)

(3) Rates refreshed annually under the South Carolina Rate Stabilization Act (RSA)

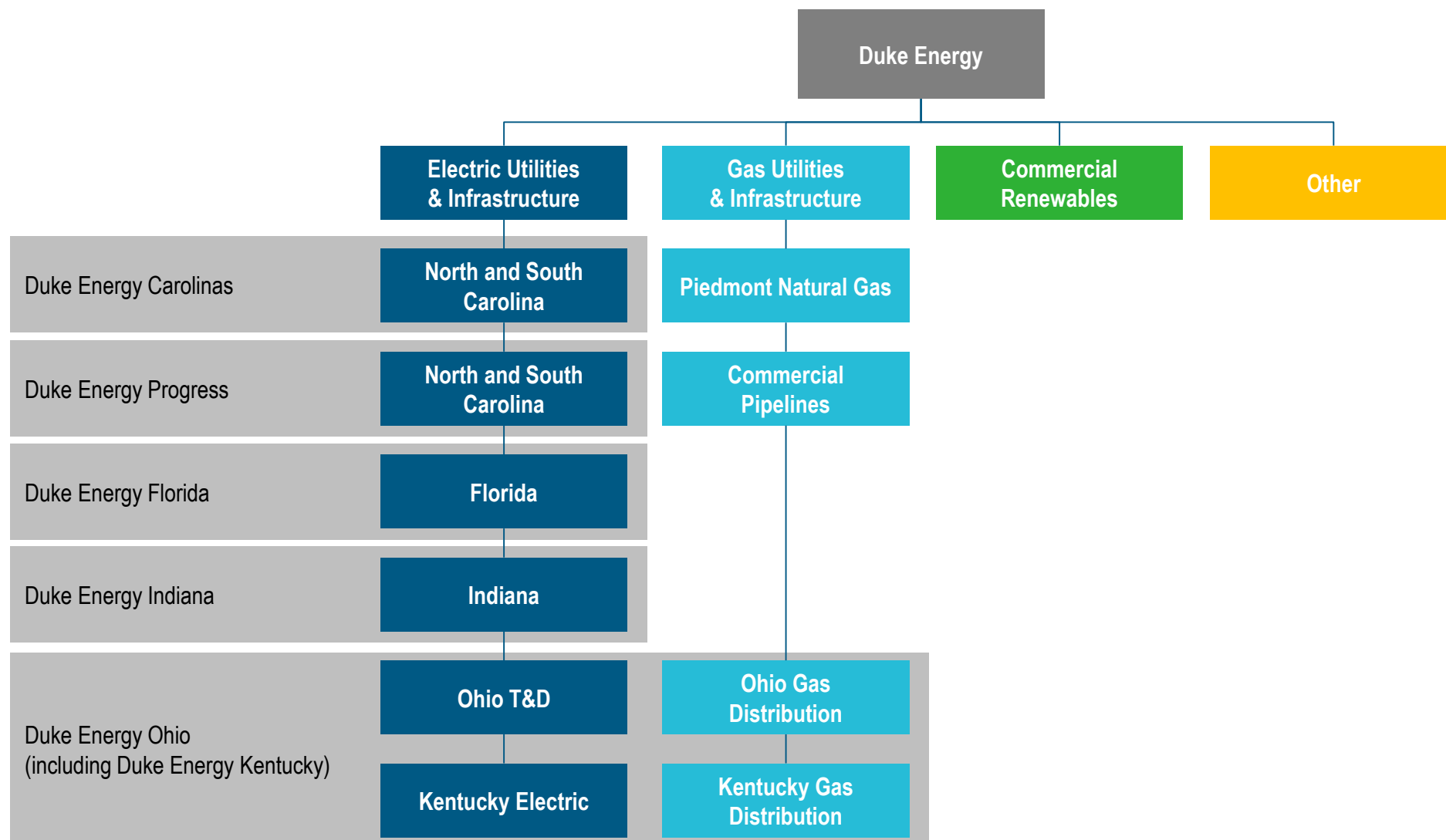
(4) The Ohio Commission temporarily suspended DEO's Gas SmartGrid Rider pending an audit.

(5) The Company has a pending application to implement a capital expenditure rider (Rider CEP) that will recover certain capital-related costs for incremental investment in most gas utility plant since the most recent base rate case approved in 2012.



## Segment overviews

# Duke Energy business segment structure



# Duke Energy – a large scale, highly regulated energy infrastructure company

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Jan 19 2023

**HEADQUARTERED IN  
CHARLOTTE, NC**

**DUK**  
LISTED  
**NYSE**

**A FORTUNE 150 COMPANY**

**\$69 B**

**MARKET CAP**  
(AS OF 2/9/2021)

**\$162 B**

**TOTAL ASSETS**  
(AS OF 12/31/2020)

**28 K**

**EMPLOYEES**  
(AS OF 12/31/2020)

**54 GWs**

**TOTAL GENERATING  
CAPACITY** (AS OF 12/31/2020)

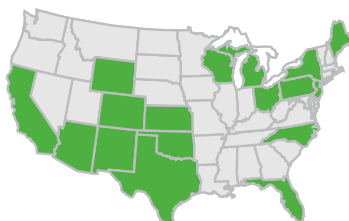
## **ELECTRIC UTILITIES & INFRASTRUCTURE**



## **GAS UTILITIES & INFRASTRUCTURE**



## **COMMERCIAL RENEWABLES**



- Operating in six constructive jurisdictions, with attractive allowed ROEs, serving 7.9 million retail customers
- Customer rates below the national average<sup>(1)</sup>
- Balanced generation portfolio that has reduced its carbon emissions by over 40% since 2005<sup>(2)</sup>
- Industry-leading safety performance, as recognized by E
- Five state LDCs serving 1.6 million customers
- Strong earnings trajectory driven by customer growth, system integrity improvements, and continued expansion of natural gas infrastructure
- Efficient recovery mechanisms allow for timely recovery of investments
- Approximately 4 GWs of wind and solar in operation
- Long-term Power Purchase Agreements with creditworthy counterparties

(1) Typical bill rates (¢/kWh) in effect as of January 1, 2020. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2020

(2) Year to year reductions will be influenced by customer demand for electricity, weather, fuel and purchased power costs and other factors.



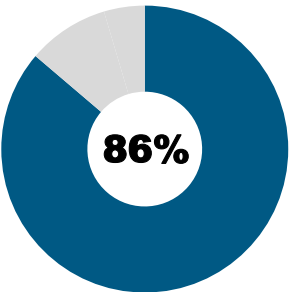
# Complementary businesses with strong growth opportunities

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## ELECTRIC UTILITIES & INFRASTRUCTURE



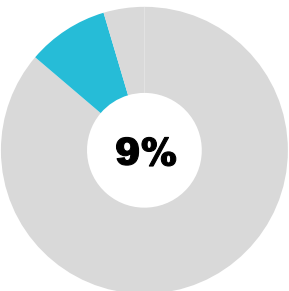
## 2021 ADJUSTED EPS CONTRIBUTION<sup>(1)</sup>



## 2021-2025 CAPEX

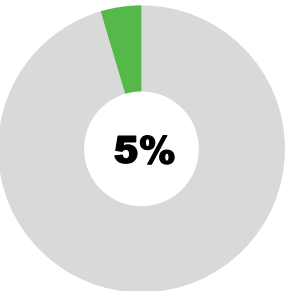
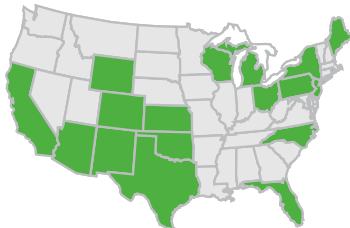
**\$49.5 B**

## GAS UTILITIES & INFRASTRUCTURE



**\$5.7 B**

## COMMERCIAL RENEWABLES



**\$2.5 B<sup>(3)</sup>**

## 2021 – 2025 ADJUSTED EPS CAGR

**Consolidated  
5-7%**

8-10%

5-7%

- Electric Utilities & Infrastructure
- Gas Utilities & Infrastructure

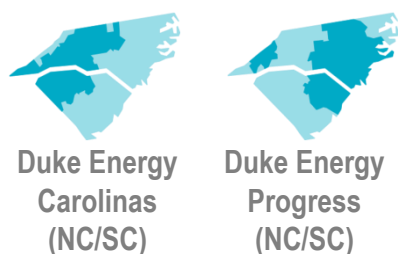
(1) Based upon the midpoint of the 2021 adjusted EPS guidance range of \$5.00-\$5.30 per share; excludes the impact of Other

(2) CAGR off of the components of the midpoint of the 2021 EPS guidance range of \$5.00-\$5.30 per share; consolidated growth rate includes the impact of Commercial Renewables (approximately flat growth) and Other

(3) Net of tax equity financing

## EIGHT UTILITIES IN HIGH-QUALITY REGIONS OF THE U.S.

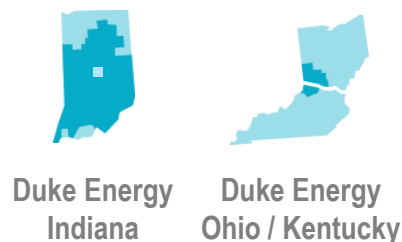
### CAROLINAS



### FLORIDA



### MIDWEST



## COMPETITIVE CUSTOMER RATES<sup>(1)</sup>

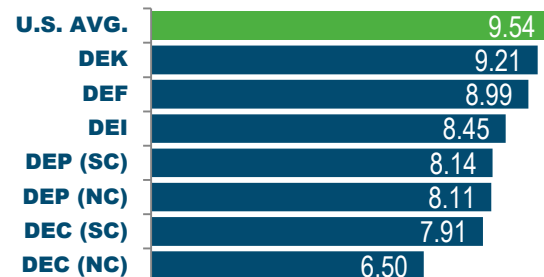
### RESIDENTIAL



### COMMERCIAL

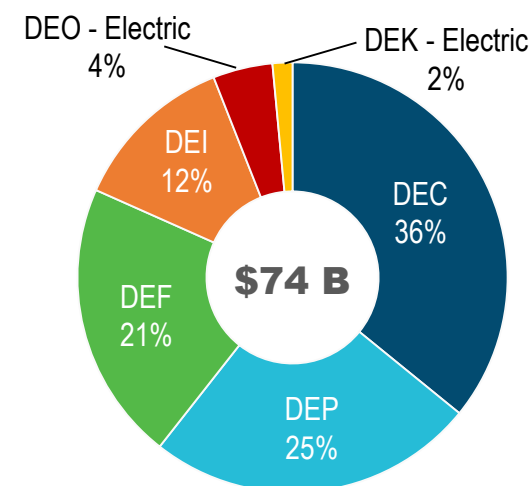


### INDUSTRIAL

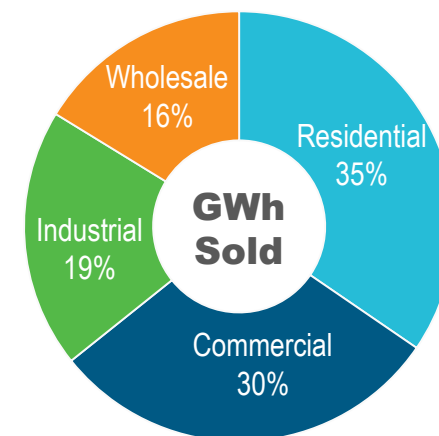


(1) Typical bill rates (\$/kWh) in effect as of January 1, 2020. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2020. Certain adjustments made due to computation errors.

## REGULATED ELECTRIC 2020 EARNINGS BASE



## BALANCED CUSTOMER MIX

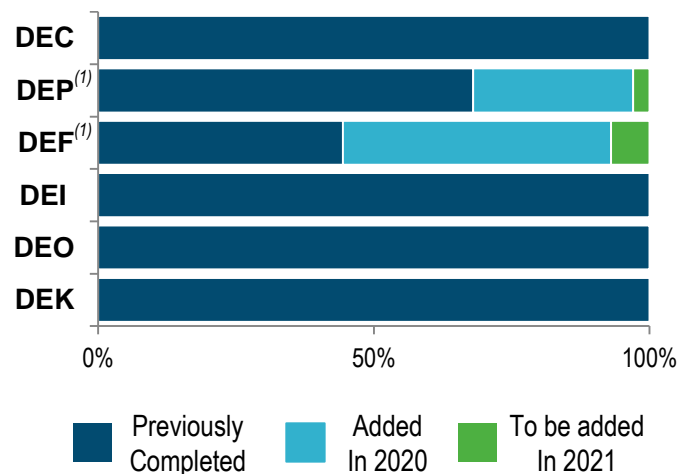


# Grid improvement programs overview

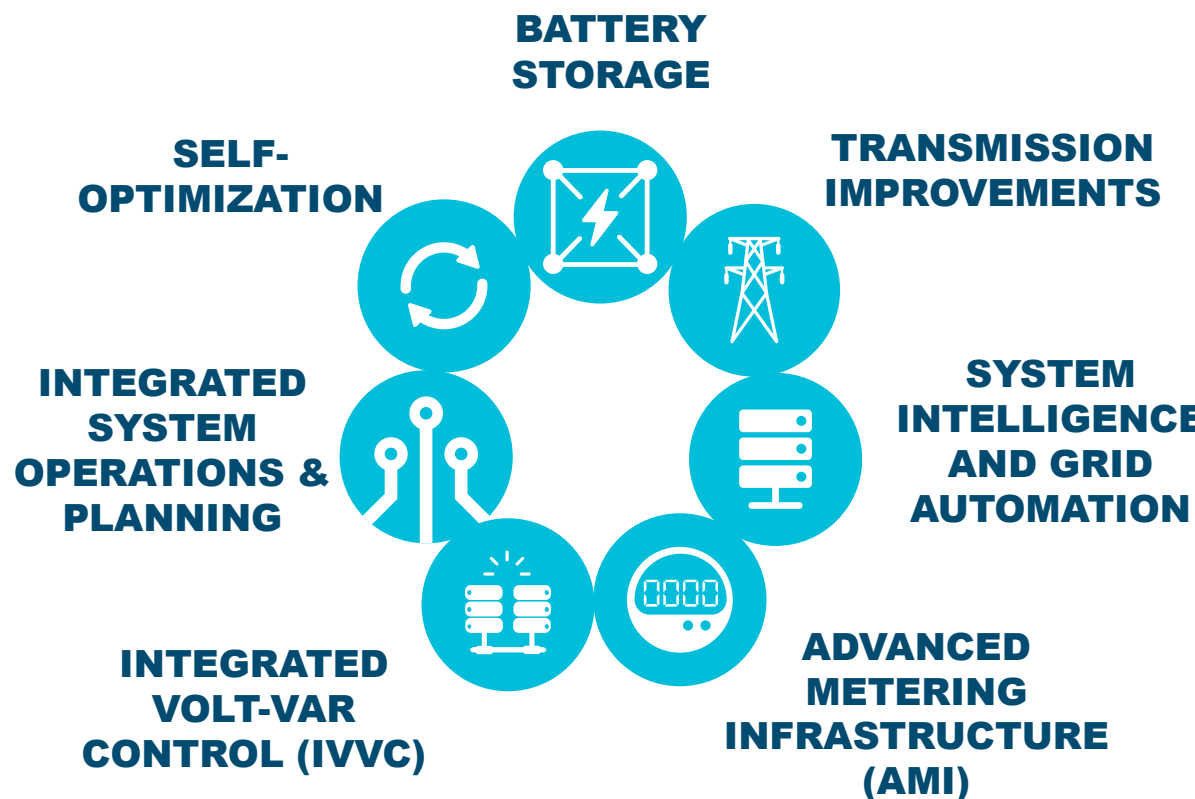
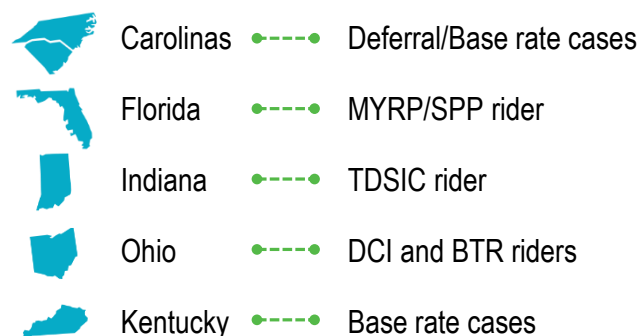
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## AMI DEPLOYMENT



## PRIMARY RECOVERY MECHANISMS



## CUSTOMER BENEFITS

Improved resiliency

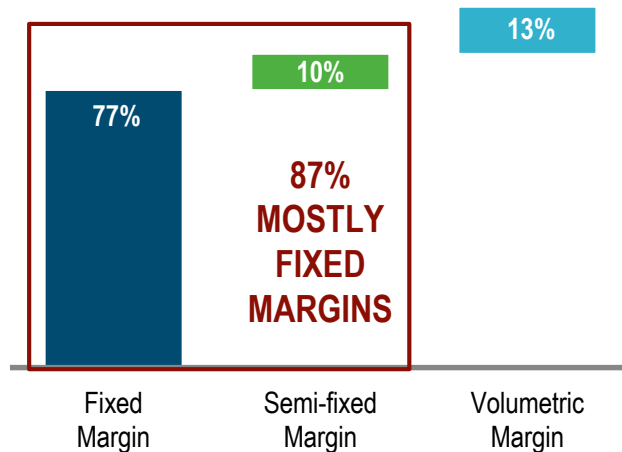
Enable EV charging and battery systems

Support innovative customer programs

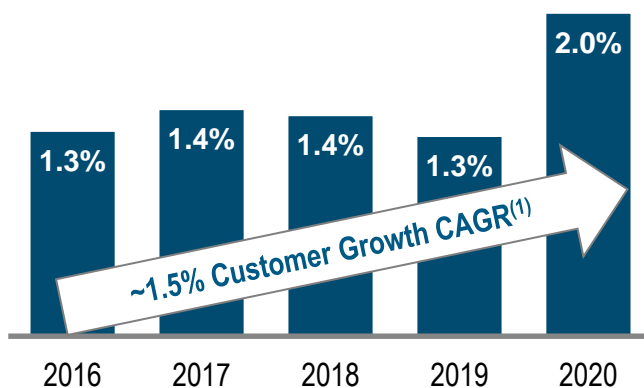
Localized intelligent control systems

(1) Remaining amounts expected to be completed in Q2 2021

## GAS UTILITIES WITH LOW VOLUMETRIC EXPOSURE DUE TO MOSTLY FIXED MARGINS...



## ...WITH EARNINGS DRIVEN BY INVESTMENT AND STRONG RESIDENTIAL CUSTOMER GROWTH



(1) Piedmont CAGR: 1.8%, Midwest LDC CAGR 0.9%

## MARGIN STABILIZING MECHANISMS

1. Purchased Gas Adjustment	All States
2. Uncollectible Recovery	All States
3. Integrity Management Rider ("IMR")	North Carolina and Tennessee
4. Margin Decoupling	North Carolina
5. Weather Normalization	South Carolina, Tennessee and Kentucky
6. Rate Stabilization Act	South Carolina
7. Accelerated Main Replacement Program Rider	Ohio
8. Advanced Utility Rider	Ohio
9. Manufactured Gas Rider	Ohio
10. Fixed Customer Charge	All States

# Commercial Renewables asset locations

A full list of generation facilities can be found at:

[https://www.duke-energy.com/\\_/media/pdfs/our-company/investors/duke-energy-generation-portfolio.pdf](https://www.duke-energy.com/_/media/pdfs/our-company/investors/duke-energy-generation-portfolio.pdf)

## Duke Energy Renewables



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## Upcoming events

Event	Date
1Q 2021 earnings call (tentative)	May 10, 2021
2Q 2021 earnings call (tentative)	August 5, 2021
3Q 2021 earnings call (tentative)	November 4, 2021

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



**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Fourth Quarter Earnings Review & Business Update**  
**February 11, 2021**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of adjusted EPS for the year-to-date periods ended December 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, 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 year-to-date periods ended December 31, 2020 and 2019, to the most directly comparable GAAP measure are included herein.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit costs related to Constitution.
- Regulatory Settlements represents charges related to Duke Energy Carolinas and Duke Energy Progress coal ash settlement and the partial settlements in the 2019 North Carolina rate cases.
- Severance represents the reversal of 2018 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.
- Impairment Charges represents a reduction of a prior year impairment at Citrus County CC and an other-than-temporary impairment on the remaining investment in Constitution.

**Adjusted EPS Guidance**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a reference to forecasted 2021 adjusted EPS guidance range of \$5.00 to \$5.30 per share. In addition, the materials reference a preliminary estimate of the 2021 adjusted EPS midpoint of approximately \$5.15. The materials also include a reference to the midpoint of the original forecasted 2020 adjusted EPS guidance range of \$5.25. In addition, the materials 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 materials also reference the expected five-year EPS growth in the natural gas segment of 8-10% (on a compound annual growth rate (CAGR) basis). 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 Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the year-to-date period ended December 31, 2020 and a discussion of 2020 and 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 year-to-date period ended December 31, 2020, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

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

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended December 31, 2020. The materials also include a discussion of the 2020 and 2021 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended December 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.

### **Adjusted Book Return on Equity (ROE)**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021 include a reference to the historical and projected adjusted book return on equity (ROE) ratio. This ratio is a non-GAAP financial measure. The numerator represents Net Income, adjusted for the impact of special items (as discussed above under Adjusted EPS). The denominator is average Total Common Stockholder's Equity, reduced for Goodwill. A reconciliation of the components of adjusted ROE to the most directly comparable GAAP measures is 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.

### **Available Liquidity**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 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 December 31, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of December 31, 2020, to the most directly comparable GAAP measure is included herein.

### **Holdco Debt Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021 include a reference to a historical and projected Holdco debt percentage. This percentage reflects a non-GAAP financial measure. The numerator of the Holdco debt percentage is the balance of Duke Energy Corporate debt, Progress Energy, Inc. debt, PremierNotes and the Commercial Paper attributed to the Holding Company. The denominator for the percentage is 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 and commercial paper outstanding.

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

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021 include a reference to the historical and expected FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, imputed operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

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

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of Duke Energy's net regulated Electric and Gas operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2020, 2019, 2018, 2017 and 2016, as well as the forecasted year-to-date period ended December 31, 2021.

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

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

## **Business Mix Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, reference each segment's 2021 projected adjusted segment income as a percentage of the total projected 2021 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's segments are comprised of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2020  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements			
<b>SEGMENT INCOME (LOSS)</b>							
Electric Utilities and Infrastructure	\$ 2,669	\$ 4	A \$ —	\$ 872	D \$ —	\$ 876	\$ 3,545
Gas Utilities and Infrastructure	(1,266)	1,707	B —	—	—	1,707	441
Commercial Renewables	286	—	—	—	—	—	286
<b>Total Reportable Segment Income</b>	<b>1,689</b>	<b>1,711</b>	<b>—</b>	<b>872</b>	<b>—</b>	<b>2,583</b>	<b>4,272</b>
Other	(426)	—	(75) C	—	—	(75)	(501)
Discontinued Operations	7	—	—	—	(7) E	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,270</b>	<b>\$ 1,711</b>	<b>\$ (75)</b>	<b>\$ 872</b>	<b>\$ (7)</b>	<b>\$ 2,501</b>	<b>\$ 3,771</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.72</b>	<b>\$ 2.32</b>	<b>\$ (0.10)</b>	<b>\$ 1.19</b>	<b>\$ (0.01)</b>	<b>\$ 3.40</b>	<b>\$ 5.12</b>

**A** - Net of \$1 million tax benefit. \$5 million included within Impairment charges related to gas pipeline interconnections on the Duke Energy Progress' Consolidated Statements of Operations.

**B** - Net of \$398 million tax benefit.

- \$2,098 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Consolidated Statements of Operations.

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

**D** - Net of \$123 million tax benefit at Duke Energy Carolinas and \$140 million tax benefit at Duke Energy Progress.

- \$454 million included within Impairment charges and reversal of \$50 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$494 million included within Impairment charges and reversal of \$102 million included in Regulated electric operating revenues related to the coal ash settlement filed with NCUC on the Duke Energy Progress' Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Consolidated Statements of Operations.

**E** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 737 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2019  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items Impairment Charges	Discontinued Operations	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 3,536	\$ (27) <b>A</b>	\$ —	\$ (27)	\$ 3,509
Gas Utilities and Infrastructure	432	19 <b>B</b>	—	19	451
Commercial Renewables	198	—	—	—	198
<b>Total Reportable Segment Income</b>	<b>4,166</b>	<b>(8)</b>	<b>—</b>	<b>(8)</b>	<b>4,158</b>
Other	(452)	—	—	—	(452)
Discontinued Operations	(7)	—	7 <b>C</b>	7	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,707</b>	<b>\$ (8)</b>	<b>\$ 7</b>	<b>\$ (1)</b>	<b>\$ 3,706</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 5.06</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ —</b>	<b>\$ 5.06</b>

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

**A** – Net of \$9 million tax expense. \$36 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Consolidated Statements of Operations.

**B** – Net of \$6 million tax benefit. \$25 million included within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company, LLC.

**C** – Recorded in Income (Loss) from Discontinued Operations, net of tax, on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 729 million**

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

	Three Months Ended		Year Ended	
	December 31, 2020		December 31, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported (Loss) Income Before Income Taxes From Continuing Operations Before Income Taxes</b>	\$ (319)		\$ 839	
Regulatory Settlements	1,100		1,135	
Gas Pipeline Investments	20		2,110	
Severance	—		(98)	
Noncontrolling Interests	87		295	
Preferred Dividends	(14)		(107)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 874</b>		<b>\$ 4,174</b>	
<b>Reported Income Tax Benefit From Continuing Operations</b>	\$ (162)	50.8 %	\$ (236)	(28.1)%
Regulatory Settlements	255		263	
Gas Pipeline Investments	4		399	
Severance	—		(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 97</b>	<b>11.1%</b>	<b>\$ 403</b>	<b>9.7 %</b>

	Three Months Ended		Year Ended	
	December 31, 2019		December 31, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 709		\$ 4,097	
Impairment Charges	14		(11)	
Noncontrolling Interests	67		177	
Preferred Dividends	(14)		(41)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 776</b>		<b>\$ 4,222</b>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 95	13.4 %	\$ 519	12.7 %
Impairment Charges	3		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 98</b>	<b>12.6%</b>	<b>\$ 516</b>	<b>12.2 %</b>

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of December 31, 2020**  
**(In millions)**

Cash and Cash Equivalents	\$ 259	
Less: Certain Amounts Held in Foreign Jurisdictions	(3)	
Less: Unavailable Domestic Cash	<u>(48)</u>	
	208	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>6,140</u>	
Total Available Liquidity (a), December 31, 2020	<u>\$ 6,348</u>	approximately 6.3 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 December 31, 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)

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$6,223</b>	<b>\$5,944</b>	<b>\$6,463</b>	<b>\$6,066</b>	<b>\$5,788</b>	<b>\$6,072</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(238)	(94)	(83)	—	—	—
Severance <sup>(b)</sup>	(92)	—	(187)	—	98	—
Regulatory settlement <sup>(b)</sup>	—	(5)	(40)	—	(16)	—
Reagents Recoverable <sup>(d)</sup>	(63)	(60)	(78)	(71)	(53)	(58)
Energy Efficiency Recoverable <sup>(c)</sup>	(417)	(485)	(446)	(415)	(350)	(403)
Other Deferrals <sup>(e)</sup> and Recoverable <sup>(d)</sup>	(78)	(92)	(323)	(282)	(457)	(282)
Margin based O&M for Commercial Businesses	(185)	(94)	(113)	(95)	(67)	(208)
Short-term incentive payments (over)/under budget	(90)	(22)	(30)	(112)	33	—
Non-Margin based O&M for Commercial Businesses <sup>(f)</sup>	(166)	(173)	(191)	(203)	(218)	(269)
Non-regulated Electric Products and Services <sup>(g)</sup>	(83)	(140)	(138)	(175)	(210)	(223)
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$ 4,811</b>	<b>\$ 4,779</b>	<b>\$ 4,835</b>	<b>\$ 4,714</b>	<b>\$ 4,548</b>	<b>\$ 4,630</b>

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

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

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

(d) The Duke Energy Indiana Rate Case was effective in mid-year 2020. This Rate Case permitted recovery within base rates of certain costs that had previously been recovered through riders. Accordingly, all prior periods have been recast as if these costs were always included within base rates.

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

(f) Primarily represents the operations, maintenance and other expense of the Commercial Renewables segment excluding REC Solar.

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

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2020  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2020	\$ 956	\$ 415	\$ 1,371	\$ 771	\$ 408	\$ 258 (2)	\$ 264 (3)
Special Items (1)	358	443	801	-	-	-	7
Adjusted Net Income 2020	1,314	858	2,172	771	408	258	271
2020							
Equity	13,154	9,260	22,414	7,558	4,783	3,935	2,647 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	13,154	9,260	22,414	7,558	4,783	3,015	2,598
2019							
Equity	12,811	9,246	22,057	6,788	4,575	3,687	2,381 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
Average Equity less Goodwill			22,236	7,173	4,679	2,891	2,465
Adjusted Book ROEs			9.8%	10.7%	8.7%	8.9%	11.0%

(1) Impacts of Regulatory settlement for coal ash, net of tax; Impairment charges for interconnection with ACP, net of tax; Impairment charges and shareholder contributions related to Clemson CHP, net of tax; Severance, net of tax

(2) Net Income for 2020 equals Duke Energy Ohio reportable segments segment income

(3) Piedmont Natural Gas Net Income excludes \$9 million of income related to Investments in Gas Transmission Infrastructure.

2020
273
(9)
264

(4) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2020	2019
Reported Equity for Piedmont Natural Gas	2,715	2,443
Less: Investments in Gas Transmission Infrastructure	68	62
Piedmont Natural Gas Adjusted Equity	2,647	2,381

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2019  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2019	\$ 1,403	\$ 805	\$ 2,208	\$ 693	\$ 436	\$ 244 (2)	\$ 196 (4)
Special Items (1)	-	-	-	(27)	-	-	-
Adjusted Net Income 2019	1,403	805	2,208	666	436	244	196
2019							
Equity	12,811	9,246	22,057	6,788	4,575	3,687 (3)	2,381 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
2018							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
Average Equity less Goodwill			21,091	6,442	4,457	2,648	2,165
Adjusted Book ROEs			10.5%	10.3%	9.8%	9.2%	9.1%

(1) Impacts of Citrus County CC, Net of Tax

(2) Net Income for 2019 equals Duke Energy Ohio reportable segments segment income

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2019	2018
Reported Equity for Duke Energy Ohio	3,683	3,445
Less: Non-Reg & Other	(4)	(4)
Duke Energy Ohio Reportable Segments Equity	3,687	3,449

(4) Piedmont Natural Gas Net Income excludes \$6 million of income related to Investments in Gas Transmission Infrastructure.

2019
202
(6)
196

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2019	2018
Reported Equity for Piedmont Natural Gas	2,443	2,091
Less: Investments in Gas Transmission Infrastructure	62	44
Piedmont Natural Gas Adjusted Equity	2,381	2,047

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2018  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2018	\$ 1,071	\$ 667	\$ 1,738	\$ 553	\$ 393	\$ 279 (2)	\$ 124 (4)
Special Items (1)	234	118	352	63	8	-	40
Adjusted Net Income 2018	1,305	785	2,090	616	401	279	164
2018							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
2017							
Equity	11,361	7,949	19,310	5,618	4,121	3,166 (3)	1,616 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,361	7,949	19,310	5,618	4,121	2,246	1,567
Average Equity less Goodwill			19,717	5,857	4,230	2,388	1,783
Adjusted Book ROEs			10.6%	10.5%	9.5%	11.7%	9.2%

(1) Costs to Achieve (CTA) Mergers net of tax, Severance, Regulatory and Legislative Impacts and Tax Reform.

(2) Net Income for 2018 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA and cost savings initiatives, Severance and Sale of Retired Plant.

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2018	2017
Reported Equity for Duke Energy Ohio	3,445	3,163
Less: Non-Reg & Other	(4)	(3)
Duke Energy Ohio Reportable Segments Equity	3,449	3,166

(4) Piedmont Natural Gas Net Income excludes \$5 million of income related to Investments in Gas Transmission Infrastructure.

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2018	2017
Reported Equity for Piedmont Natural Gas	2,091	1,662
Less: Investments in Gas Transmission Infrastructure	44	46
Piedmont Natural Gas Adjusted Equity	2,047	1,616

Duke Energy Corporation  
2021 Forecasted Cash Flow Reconciliation, Required by SEC Regulation G  
February 11, 2021  
(\$ in millions)

		Forecast 2021
<b>Primary Sources:</b>		
Adjusted net income (1)	(a)	\$3,960
Depreciation & amortization	(a)	5,655
Deferred and accrued taxes	(a)	325
Other sources / (uses), net	(a)	600
Total Sources		10,540
<b>Primary Uses:</b>		
Capital expenditures (including discretionary)	(b)	(10,475)
Dividends	(c)	(3,000)
Total Uses		(13,475)
<b>Uses in Excess of Sources</b>		(2,935)
<b>Net Change in Financing</b>		
Debt issuances	(c, d)	8,275
Debt maturities	(c)	(5,335)
Net Change in Debt		2,940
Preferred stock issuances		
Common stock issuances	(c)	
Net Change in Cash		\$5
<b>Reconciliations to forecasted U.S. GAAP reporting amounts:</b>		
Operating cash flow components, sum of (a) from above		\$10,540
Reconciling items to GAAP cash flows from operating activities	(2)	(2,135)
Net cash provided by operating activities per GAAP Consolidated Statement of Cash Flows		\$8,405
Investing cash flow components, (b) from above		(\$10,475)
Reconciling items to GAAP cash flows from investing activities	(2)	(595)
Net cash used in investing activities per GAAP Consolidated Statement of Cash Flows		(\$11,070)
Financing cash flow components, sum of (c) from above		(\$60)
Reconciling items to GAAP cash flows from financing activities	(2)	2,730
Net cash provided by financing activities per GAAP Consolidated Statement of Cash Flows		\$2,670
<i>Debt Issuances [(d) from above] includes "Notes payable and commercial paper" which is separately presented per GAAP Consolidated Statements of Cash Flows</i>		
<b>Net increase in cash and cash equivalents per forecasted GAAP Consolidated Statements of Cash Flows</b>		<b>\$5</b>

**Notes:**

(1) The forecasted adjusted net income of \$3,960 million for 2021 is an illustrative amount based on the midpoint of Duke Energy's adjusted basic EPS outlook range of \$5.00-\$5.30 per share. Adjusted basic EPS is a non-GAAP financial measure as it represents basic EPS from continuing operations attributable to Duke Energy Corporation shareholders and adjusted for the per-share impact of special items. Special items represent certain charges and credits which management believes will not be recurring on a regular basis, although it is reasonably possible such charges and credits could recur. The most directly comparable GAAP measure for adjusted basic EPS is reported basic EPS from continuing operations attributable to Duke Energy Corporation common shareholders, which includes the impact of special items. 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.

(2) Amount consists primarily of an adjustment for operating cashflow items (principally payments for asset retirement obligations and payment for an accrued liability) included in the "Capital expenditures (including discretionary)" and "Debt maturities", which are combined for the GAAP reconciliation in Investing activities and Financing activities, and; an adjustment for investing cash flow items (principally cost of removal expenditures, proceeds from sales and maturities of available-for-sale securities and Other) included in the "Other sources/(uses), net", which are combined for the GAAP reconciliation in Operating activities, and; an adjustment for financing cash flow items (principally proceeds from Noncontrolling Interests initial investments, payments for interest on preferred debt/equity content securities, and Other) included in the "Other sources/(uses), net" and "Capital expenditures (including discretionary)", which are combined for the GAAP reconciliation in Operating activities and Investing activities.

**FFO to Debt Calculation**  
**Duke Energy Corporation**  
(in millions)

	Year Ended December 31, 2020 Actual
Cash From Operations	8,856
Adjust for Working Capital (1)	(246)
Coal ash ARO spend	610
Include Capitalized Interest as cost	(112)
Hybrid interest adjustment	10
Preferred stock adjustment	(54)
CR3 securitization adjustment	(55)
ACP construction loan interest adjustment	(22)
Lease-imputed FFO adjustment (D&A)	260
<b>Funds From Operations</b>	<b>9,247</b>
Notes payable and commercial paper	2,873
Current maturities of LT debt	4,238
LT debt	55,625
Less: Purchase Accounting adjustments	(1,711)
CR3 securitization	(1,057)
Underfunded Pension	397
ACP construction loan	860
Hybrid debt adjustment	(250)
Preferred stock adjustment	1,000
Lease-imputed debt	1,517
<b>Total Balance Sheet Debt (Including ST)</b>	<b>63,492</b>
(1) Working capital detail, excluding MTM	
Receivables	(56)
Inventory	66
Other current assets	205
Accounts payable	(21)
Taxes accrued	117
Other current liabilities	(65)
	<b>246</b>

<b>FFO / Debt</b>	<b>15%</b>
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**FFO to Debt Calculation**  
**Duke Energy Carolinas**  
(in millions)

Year Ended December 31,  
2020  
Actual

Cash From Operations	2,776
Adjust for Working Capital (1)	(255)
ARO spend	162
Include Capitalized Interest as cost	(28)
Lease-imputed FFO adjustment (D&A)	43
<b>Funds From Operations</b>	<b>2,698</b>
Current maturities of LT debt	506
LT debt	11,412
LT debt payable to affiliates	300
Notes payable to affiliated companies	506
Underfunded Pension	13
Lease imputed debt	117
<b>Total Balance Sheet Debt (Including ST)</b>	<b>12,854</b>
(1) Working capital detail, excluding MTM	
Receivables	52
Receivables from affiliates	(10)
Inventory	(14)
Other current assets	209
Accounts payable	55
Accounts payable to affiliates	(11)
Taxes accrued	30
Other current liabilities	(56)
	<b>255</b>

**FFO / Debt** **21%**

**FFO to Debt Calculation****Duke Energy Progress**

(in millions)

	Year Ended December 31, 2020 Actual
Cash From Operations	1,666
Adjust for Working Capital (1)	(229)
Coal ash ARO spend	304
Include Capitalized Interest as cost	(12)
Lease-imputed FFO adjustment (D&A)	60
<b>Funds From Operations</b>	<b>1,789</b>
Notes payable to affiliated companies	295
Current maturities of LT debt	603
LT debt	8,505
LT debt payable to affiliates	150
Underfunded Pension	33
Lease imputed debt	354
<b>Total Balance Sheet Debt (Including ST)</b>	<b>9,940</b>
(1) Working capital detail, excluding MTM	
Receivables	(4)
Receivables from affiliates	2
Inventory	23
Other current assets	98
Accounts payable	(127)
Accounts payable to affiliates	12
Taxes accrued	68
Other current liabilities	157
	<b>229</b>

<b>FFO / Debt</b>	<b>18%</b>
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**FFO to Debt Calculation****Duke Energy Florida**

(in millions)

	Year Ended December 31, 2020 Actual
Cash From Operations	1,661
Adjust for Working Capital (1)	(51)
Coal ash ARO spend	80
Include Capitalized Interest as cost	(5)
Adjust for CR3	(55)
Lease-imputed FFO adjustment (D&A)	99
<b>Funds From Operations</b>	<b>1,729</b>
Notes payable to affiliated companies	196
Current maturities of LT debt	823
LT debt	7,092
Adjust for CR3	(1,057)
Lease imputed debt	342
Underfunded Pension	123
<b>Total Balance Sheet Debt (Including ST)</b>	<b>7,519</b>
(1) Working capital detail, excluding MTM	
Receivables	(64)
Receivables from affiliates	(3)
Inventory	26
Other current assets	40
Accounts payable	66
Accounts payable to affiliates	(46)
Taxes accrued	39
Other current liabilities	(7)
	<b>51</b>

<b>FFO / Debt</b>	<b>23%</b>
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**FFO to Debt Calculation****Duke Energy Indiana**

(in millions)

	Year Ended December 31, 2020 Actual
Cash From Operations	938
Adjust for Working Capital (1)	(57)
Coal ash ARO spend	63
Include Capitalized Interest as cost	(10)
Lease-imputed FFO adjustment (D&A)	16
<b>Funds From Operations</b>	<b>950</b>
Notes payable to affiliated companies	131
Current maturities of LT debt	70
LT debt	3,871
LT debt payable to affiliates	150
CRC	186
Underfunded pension	112
Lease imputed debt	56
<b>Total Balance Sheet Debt (Including ST)</b>	<b>4,576</b>
(1) Working capital detail, excluding MTM	
Receivables	8
Inventory	44
Other current assets	(3)
Accounts payable	(12)
Accounts payable to affiliates	1
Taxes accrued	13
Other current liabilities	6
	<b>57</b>

<b>FFO / Debt</b>	<b>21%</b>
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**FFO to Debt Calculation****Duke Energy Ohio**

(in millions)

	Year Ended December 31, 2020 Actual
Cash From Operations	575
Adjust for Working Capital (1)	(38)
Coal Ash ARO spend	2
Include capitalized Interest as cost	(26)
Lease-imputed FFO adjustment (D&A)	10
<b>Funds From Operations</b>	<b>523</b>
Notes payable to affiliated companies	169
Current maturities of LT debt	50
LT debt	3,014
LT debt payable to affiliates	25
CRC	138
Underfunded pension	92
Lease imputed debt	21
<b>Total Balance Sheet Debt (Including ST)</b>	<b>3,509</b>
(1) Working capital detail, excluding MTM	
Receivables	(13)
Receivables from affiliates	9
Inventory	25
Other current assets	(18)
Accounts payable	2
Taxes accrued	30
Other current liabilities	3
	<b>38</b>
<b>FFO / Debt</b>	<b>15%</b>

**FFO to Debt Calculation****Piedmont Natural Gas**

(in millions)

	Year Ended December 31, 2020 Actual
Cash From Operations	481
Adjust for Working Capital (1)	(31)
Include Capitalized Interest as cost	(8)
Lease-imputed FFO adjustment (D&A)	4
<b>Funds From Operations</b>	<b>446</b>
Notes payable to affiliated companies	530
Current maturities of LT debt	160
LT debt	2,620
Underfunded pension	4
Lease imputed debt	23
<b>Total Balance Sheet Debt (Including ST)</b>	<b>3,337</b>
(1) Working capital detail, excluding MTM	
Receivables	10
Inventory	3
Other current assets	(66)
Accounts payable	16
Accounts payable to affiliates	76
Taxes accrued	3
Other current liabilities	(11)
	<b>31</b>

<b>FFO / Debt</b>	<b>13%</b>
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## News Release



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Feb. 11, 2021

### Duke Energy reports fourth quarter and full-year 2020 financial results

- **2020 reported EPS of \$1.72 and adjusted EPS of \$5.12, closing year at midpoint of updated guidance range**
- **Constructive regulatory settlements in North Carolina and Florida provide clarity as clean energy transformation accelerates**
- **\$2.05 billion minority investment in Duke Energy Indiana by GIC displaces all common equity needs in five-year plan and supports investment plan to achieve net-zero carbon by 2050**
- **Affirmed 2021 adjusted EPS guidance range of \$5.00 to \$5.30 with \$5.15 midpoint and long-term adjusted EPS growth rate of 5% to 7% through 2025, off 2021 midpoint**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced 2020 full-year reported EPS of \$1.72, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of \$5.12. This is compared to reported and adjusted EPS of \$5.06, for the full-year 2019.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. The difference between full-year 2020 reported and adjusted EPS was primarily due to charges resulting from the cancellation of ACP and the coal ash settlement in North Carolina for Duke Energy Carolinas and Duke Energy Progress.

Adjusted results for 2020 were higher primarily driven by rate case contributions in the Electric Utilities and Infrastructure and Gas Utilities and Infrastructure segments, complemented by growth from new renewables projects in the Commercial Renewables segment. Further, Duke Energy incurred lower O&M driven through substantial cost control efforts. These items were partially offset by impacts of the pandemic, including lower volumes and incremental expenses, mild weather, higher storm costs, the loss of ACP earnings and higher depreciation, amortization and property taxes on a growing asset base.

“I am very proud of our 2020 results — Duke Energy delivered for investors, customers and communities and these results reflect the strong commitment of our employees to work through challenges and serve our customers with excellence,” said Lynn Good, Duke Energy’s chair, president and chief executive officer. “Our strategy is clear — creating a clean energy future for our customers and communities. Underpinned by our robust \$59 billion capital plan, as well as the significant progress on regulatory matters and strategic transactions during 2020

and early 2021, we are confidently affirming our growth rate of 5 to 7% based off of the 2021 adjusted EPS midpoint of \$5.15.”

### Quarterly results

Duke Energy's fourth quarter 2020 reported loss per share was \$(0.12), primarily reflecting the impact of the coal ash settlement in North Carolina for Duke Energy Carolinas and Duke Energy Progress. This compared to reported EPS of \$0.88 for the fourth quarter of 2019. Duke Energy's fourth quarter 2020 adjusted EPS was \$1.03, compared to \$0.91 for the fourth quarter of 2019. Higher adjusted results for the quarter compared to last year were driven by similar items as the year-to-date variance described in the preceding section.

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

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

### Electric Utilities and Infrastructure

On a reported basis, Electric Utilities and Infrastructure recognized fourth quarter 2020 segment loss of \$(170) million, compared to segment income of \$592 million in the fourth quarter of 2019. Fourth quarter 2020 reported results included impacts of the coal ash settlement in North Carolina for Duke Energy Carolinas and Duke Energy Progress.

On an adjusted basis, Electric Utilities and Infrastructure recognized fourth quarter 2020 segment income of \$675 million, compared to \$584 million in the fourth quarter of 2019, an increase of \$0.12 per share, excluding share dilution of \$0.01 per share. Higher quarterly results were primarily driven by contributions from rate cases (+\$0.12 per share) and lower O&M (+\$0.09 per share). Lower O&M is driven by lower employee-related expenses, operational efficiencies and other cost control efforts, partially offset by higher storm costs and pandemic related costs, net of deferrals.

These results were partially offset by lower rider results primarily due to the absence of a prior year favorable energy efficiency order (-\$0.05 per share) and higher depreciation, amortization and property taxes on a growing asset base (-\$0.05 per share).

### Gas Utilities and Infrastructure

On a reported basis, Gas Utilities and Infrastructure recognized fourth quarter 2020 segment income of \$134 million, compared to \$140 million in the fourth quarter of 2019. In addition to the drivers outlined below, lower fourth quarter 2020 results were due to costs related to the cancellation of ACP. These charges were treated as special items and excluded from adjusted earnings.

On an adjusted basis, Gas Utilities and Infrastructure recognized fourth quarter 2020 segment income of \$150 million, compared to \$159 million in the fourth quarter of 2019, a decrease of \$0.01 per share. Lower quarterly results were driven by the loss of ACP earnings (-\$0.05 per share), partially offset by contributions from the Piedmont North Carolina rate case (+\$0.03 per share) and other retail margin (+\$0.01 per share).

### **Commercial Renewables**

On a reported and adjusted basis, Commercial Renewables recognized fourth quarter 2020 segment income of \$79 million, compared to \$59 million in the fourth quarter of 2019. This represents an increase of \$0.03 per share. Higher quarterly results were primarily driven by new renewable projects (+\$0.03 per share).

### **Other**

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

On a reported and adjusted basis, Other recognized a fourth quarter 2020 net loss of \$127 million, compared to a net loss of \$124 million in the fourth quarter of 2019, a decrease of \$0.01 per share.

### **Effective tax rate**

Duke Energy's consolidated reported effective tax rate for the fourth quarter of 2020 was 50.8% compared to 13.4% in the fourth quarter of 2019. The increase in the effective tax rate was primarily due to charges as part of the coal ash settlement in North Carolina for Duke Energy Carolinas and Duke Energy Progress and an increase in the amortization of excess deferred taxes.

The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the fourth quarter of 2020 was 11.1% compared to the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items of 12.6% in the fourth quarter of 2019. 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 fourth quarter 2020 financial results. The conference call will be hosted by Lynn Good, chair, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](http://duke-energy.com/investors)) of Duke Energy's website or by dialing 888.458.4121 in the United States or 323.794.2093 outside the United States. The confirmation code is 2307195. 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, Feb. 21, 2021, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 2307195. 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 (loss) earnings per share for fourth quarter and full-year 2020 and 2019 financial results:

(In millions, except per share amounts)	After-Tax Amount	4Q 2020 EPS	4Q 2019 EPS
EPS, as reported		\$ (0.12)	\$ 0.88
Adjustments to reported EPS:			
<b>Fourth Quarter 2020</b>			
Gas pipeline investments	\$ 16	0.02	
Regulatory settlements	845	1.14	
Discontinued operations	(7)	(0.01)	
<b>Fourth Quarter 2019</b>			
Impairment charges, net <sup>(a)</sup>	\$ 11		0.02
Discontinued operations	7		0.01
Total adjustments		\$ 1.15	\$ 0.03
EPS, adjusted		\$ 1.03	\$ 0.91

(In millions, except per share amounts)	After-Tax Amount	Full-Year 2020 EPS	Full-Year 2019 EPS
EPS, as reported		\$ 1.72	\$ 5.06
Adjustments to reported EPS:			
<b>Full-Year 2020</b>			
Gas pipeline investments	\$ 1,711	\$ 2.32	
Regulatory settlements	872	1.19	
Severance	(75)	(0.10)	
Discontinued operations	(7)	(0.01)	
<b>Full-Year 2019</b>			
Impairment charges, net <sup>(a)</sup>	\$ (8)		(0.01)
Discontinued operations	7		0.01
Total adjustments		\$ 3.40	\$ —
EPS, adjusted		\$ 5.12	\$ 5.06

- (a) Refer to the Non-GAAP financial measures section for a description of Impairment charges, net excluded from 2019 adjusted diluted EPS.



## Non-GAAP financial measures

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

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

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit costs related to Constitution.
- Regulatory Settlements represents charges related to Duke Energy Carolinas and Duke Energy Progress coal ash settlement and the partial settlements in the 2019 North Carolina rate cases.
- 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.
- Impairment Charges in 2019 represents a reduction of a prior year impairment at Citrus County CC and an other-than-temporary impairment of the remaining investment in Constitution.

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

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

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

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

## Duke Energy

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of the largest energy holding companies in the U.S. It employs 28,000 people and has an electric generating capacity of 51,000 megawatts through its regulated utilities and 2,800 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 7.9 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](https://www.duke-energy.com). The [Duke Energy News Center](#) contains news releases, fact sheets, photos, videos and other materials. Duke Energy's [illumination](#) features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on [Twitter](#), [LinkedIn](#), [Instagram](#) and [Facebook](#).

## Forward-Looking Information

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

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended December 31, 2020**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Regulatory Settlements			
<b>SEGMENT INCOME (LOSS)</b>						
Electric Utilities and Infrastructure	\$ (170)	\$ —	\$ 845	B \$ —	\$ 845	\$ 675
Gas Utilities and Infrastructure	134	16 A	—	—	16	150
Commercial Renewables	79	—	—	—	—	79
<b>Total Reportable Segment Income</b>	<b>43</b>	<b>16</b>	<b>845</b>	<b>—</b>	<b>861</b>	<b>904</b>
Other	(127)	—	—	—	—	(127)
Discontinued Operations	7	—	—	(7) C	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ (77)</b>	<b>\$ 16</b>	<b>\$ 845</b>	<b>\$ (7)</b>	<b>\$ 854</b>	<b>\$ 777</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ (0.12)</b>	<b>\$ 0.02</b>	<b>\$ 1.14</b>	<b>\$ (0.01)</b>	<b>\$ 1.15</b>	<b>\$ 1.03</b>

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

**A** - Net of \$4 million tax benefit. \$20 million recorded within Equity in (losses) earnings of unconsolidated affiliates on the Consolidated Statements of Operations.

**B** - Net of \$117 million tax benefit at Duke Energy Carolinas and \$138 million tax benefit at Duke Energy Progress.

- \$454 million included within Impairment charges and reversal of \$50 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$494 million included within Impairment charges and reversal of \$102 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Progress' Consolidated Statements of Operations.

**C** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 742 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2020  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements			
<b>SEGMENT INCOME (LOSS)</b>							
Electric Utilities and Infrastructure	\$ 2,669	\$ 4 A	\$ —	\$ 872 D	\$ —	\$ 876	\$ 3,545
Gas Utilities and Infrastructure	(1,266)	1,707 B	—	—	—	1,707	441
Commercial Renewables	286	—	—	—	—	—	286
<b>Total Reportable Segment Income</b>	<b>1,689</b>	<b>1,711</b>	<b>—</b>	<b>872</b>	<b>—</b>	<b>2,583</b>	<b>4,272</b>
Other	(426)	—	(75) C	—	—	(75)	(501)
Discontinued Operations	7	—	—	—	(7) E	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,270</b>	<b>\$ 1,711</b>	<b>\$ (75)</b>	<b>\$ 872</b>	<b>\$ (7)</b>	<b>\$ 2,501</b>	<b>\$ 3,771</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.72</b>	<b>\$ 2.32</b>	<b>\$ (0.10)</b>	<b>\$ 1.19</b>	<b>\$ (0.01)</b>	<b>\$ 3.40</b>	<b>\$ 5.12</b>

**A** - Net of \$1 million tax benefit. \$5 million included within Impairment charges related to gas pipeline interconnections on the Duke Energy Progress' Consolidated Statements of Operations.

**B** - Net of \$398 million tax benefit.

- \$2,098 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Consolidated Statements of Operations.

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

**D** - Net of \$123 million tax benefit at Duke Energy Carolinas and \$140 million tax benefit at Duke Energy Progress.

- \$454 million included within Impairment charges and reversal of \$50 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$494 million included within Impairment charges and reversal of \$102 million included in Regulated electric operating revenues related to the coal ash settlement filed with NCUC on the Duke Energy Progress' Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Consolidated Statements of Operations.

**E** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 737 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended December 31, 2019**  
(Dollars in millions, except per share amounts)

		Special Items			
	Reported Earnings	Impairment Charges	Discontinued Operations	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 592	\$ (8) <b>A</b>	\$ —	\$ (8)	\$ 584
Gas Utilities and Infrastructure	140	19 <b>B</b>	—	19	159
Commercial Renewables	59	—	—	—	59
<b>Total Reportable Segment Income</b>	<b>791</b>	<b>11</b>	<b>—</b>	<b>11</b>	<b>802</b>
Other	(124)	—	—	—	(124)
Discontinued Operations	(7)	—	7 <b>C</b>	7	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 660</b>	<b>\$ 11</b>	<b>\$ 7</b>	<b>\$ 18</b>	<b>\$ 678</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.88</b>	<b>\$ 0.02</b>	<b>\$ 0.01</b>	<b>\$ 0.03</b>	<b>\$ 0.91</b>

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

**A** – Net of \$3 million tax benefit. \$11 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Consolidated Statements of Operations.

**B** – Net of \$6 million tax benefit. \$25 million included within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company, LLC.

**C** – Recorded in Income (Loss) from Discontinued Operations, net of tax, on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 731 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2019  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items Impairment Charges	Discontinued Operations	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 3,536	\$ (27) <b>A</b>	\$ —	\$ (27)	\$ 3,509
Gas Utilities and Infrastructure	432	19 <b>B</b>	—	19	451
Commercial Renewables	198	—	—	—	198
<b>Total Reportable Segment Income</b>	<b>4,166</b>	<b>(8)</b>	<b>—</b>	<b>(8)</b>	<b>4,158</b>
Other	(452)	—	—	—	(452)
Discontinued Operations	(7)	—	7 <b>C</b>	7	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,707</b>	<b>\$ (8)</b>	<b>\$ 7</b>	<b>\$ (1)</b>	<b>\$ 3,706</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 5.06</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ —</b>	<b>\$ 5.06</b>

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

**A** – Net of \$9 million tax expense. \$36 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Consolidated Statements of Operations.

**B** – Net of \$6 million tax benefit. \$25 million included within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company, LLC.

**C** – Recorded in Income (Loss) from Discontinued Operations, net of tax, on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 729 million**

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

	Three Months Ended		Year Ended	
	December 31, 2020		December 31, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported (Loss) Income Before Income Taxes From Continuing Operations Before Income Taxes</b>	\$ (319)		\$ 839	
Regulatory Settlements	1,100		1,135	
Gas Pipeline Investments	20		2,110	
Severance	—		(98)	
Noncontrolling Interests	87		295	
Preferred Dividends	(14)		(107)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 874</b>		<b>\$ 4,174</b>	
<b>Reported Income Tax Benefit From Continuing Operations</b>	\$ (162)	50.8 %	\$ (236)	(28.1)%
Regulatory Settlements	255		263	
Gas Pipeline Investments	4		399	
Severance	—		(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 97</b>	<b>11.1%</b>	<b>\$ 403</b>	<b>9.7 %</b>

	Three Months Ended		Year Ended	
	December 31, 2019		December 31, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 709		\$ 4,097	
Impairment Charges	14		(11)	
Noncontrolling Interests	67		177	
Preferred Dividends	(14)		(41)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 776</b>		<b>\$ 4,222</b>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 95	13.4 %	\$ 519	12.7 %
Impairment Charges	3		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 98</b>	<b>12.6%</b>	<b>\$ 516</b>	<b>12.2 %</b>

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

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Discontinued Operations	Consolidated
<b>2019 QTD Reported Earnings Per Share</b>	<b>\$ 0.81</b>	<b>\$ 0.20</b>	<b>\$ 0.08</b>	<b>\$ (0.20)</b>	<b>\$ (0.01)</b>	<b>\$ 0.88</b>
Impairment Charges	(0.01)	0.03	—	—	—	0.02
Discontinued Operations	—	—	—	—	0.01	0.01
<b>2019 QTD Adjusted Earnings Per Share</b>	<b>\$ 0.80</b>	<b>\$ 0.23</b>	<b>\$ 0.08</b>	<b>\$ (0.20)</b>	<b>\$ —</b>	<b>\$ 0.91</b>
Weather	(0.01)	—	—	—	—	(0.01)
Volume	0.01	—	—	—	—	0.01
Riders and Other Retail Margin <sup>(a)</sup>	(0.04)	0.01	—	—	—	(0.03)
Rate case impacts, net <sup>(b)</sup>	0.12	0.03	—	—	—	0.15
Wholesale	0.01	—	—	—	—	0.01
Operations and maintenance, net of recoverables <sup>(c)</sup>	0.09	—	—	—	—	0.09
Midstream Gas Pipelines <sup>(d)</sup>	—	(0.05)	—	—	—	(0.05)
Duke Energy Renewables <sup>(e)</sup>	—	—	0.03	—	—	0.03
Interest Expense	0.01	—	—	—	—	0.01
Depreciation and amortization <sup>(f)</sup>	(0.03)	—	—	—	—	(0.03)
Other <sup>(g)</sup>	(0.04)	—	—	(0.01)	—	(0.05)
Total variance before share count	\$ 0.12	\$ (0.01)	\$ 0.03	\$ (0.01)	\$ —	\$ 0.13
Change in share count	(0.01)	—	—	—	—	(0.01)
<b>2020 QTD Adjusted Earnings Per Share</b>	<b>\$ 0.91</b>	<b>\$ 0.22</b>	<b>\$ 0.11</b>	<b>\$ (0.21)</b>	<b>\$ —</b>	<b>\$ 1.03</b>
Gas Pipeline Investments	—	(0.02)	—	—	—	(0.02)
Regulatory Settlements	(1.14)	—	—	—	—	(1.14)
Discontinued Operations	—	—	—	—	0.01	0.01
<b>2020 QTD Reported Earnings Per Share</b>	<b>\$ (0.23)</b>	<b>\$ 0.20</b>	<b>\$ 0.11</b>	<b>\$ (0.21)</b>	<b>\$ 0.01</b>	<b>\$ (0.12)</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 731 million shares to 742 million.

- (a) Driven by lower riders, primarily energy efficiency programs in DEC and DEP (-\$0.05), partially offset by higher transmission revenues (+\$0.01).
- (b) Electric Utilities and Infrastructure includes the net impact of the DEC and DEP North Carolina interim rates, effective August and September 2020 (+\$0.08), respectively, DEI base rate increases, effective August 2020 (+\$0.02), the DEF SBRA and multi-year rate plan (+0.01) and DEK base rate increases (+0.01). Gas Utilities and Infrastructure includes the net impact of the Piedmont North Carolina rate case, effective November 2019.
- (c) Primarily due to lower employee related expenses, operational efficiencies and other savings, partially offset by higher storm costs and COVID-19 related expenses in excess of deferrals.
- (d) Primarily the loss of ACP earnings.
- (e) Primarily due to new renewable projects.
- (f) Excludes rate case impacts.
- (g) Electric Utilities and Infrastructure includes higher property taxes on a growing asset base.

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

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Discontinued Operations	Consolidated
<b>2019 YTD Reported Earnings Per Share</b>	<b>\$ 4.85</b>	<b>\$ 0.60</b>	<b>\$ 0.27</b>	<b>\$ (0.65)</b>	<b>\$ (0.01)</b>	<b>\$ 5.06</b>
Impairment Charges	(0.04)	0.03	—	—	—	(0.01)
Discontinued Operations	—	—	—	—	0.01	0.01
<b>2019 YTD Adjusted Earnings Per Share</b>	<b>\$ 4.81</b>	<b>\$ 0.63</b>	<b>\$ 0.27</b>	<b>\$ (0.65)</b>	<b>\$ —</b>	<b>\$ 5.06</b>
Weather	(0.21)	—	—	—	—	(0.21)
Volume	(0.02)	—	—	—	—	(0.02)
Riders and Other Retail Margin <sup>(a)</sup>	(0.05)	0.03	—	—	—	(0.02)
Rate case impacts, net <sup>(b)</sup>	0.23	0.09	—	—	—	0.32
Wholesale	0.05	—	—	—	—	0.05
Operations and maintenance, net of recoverables <sup>(c)</sup>	0.25	0.01	—	—	—	0.26
Midstream Gas Pipelines <sup>(d)</sup>	—	(0.12)	—	—	—	(0.12)
Duke Energy Renewables <sup>(e)</sup>	—	—	0.12	—	—	0.12
Interest Expense	0.01	—	—	0.05	—	0.06
Depreciation and amortization <sup>(f)</sup>	(0.20)	(0.02)	—	—	—	(0.22)
Preferred Dividends	—	—	—	(0.07)	—	(0.07)
Other <sup>(g)</sup>	(0.01)	—	—	(0.03)	—	(0.04)
Total variance before share count	\$ 0.05	\$ (0.01)	\$ 0.12	\$ (0.05)	\$ —	\$ 0.11
Change in share count	(0.05)	—	—	—	—	(0.05)
<b>2020 YTD Adjusted Earnings Per Share</b>	<b>\$ 4.81</b>	<b>\$ 0.62</b>	<b>\$ 0.39</b>	<b>\$ (0.70)</b>	<b>\$ —</b>	<b>\$ 5.12</b>
Gas Pipeline Investments	—	(2.32)	—	—	—	(2.32)
Severance	—	—	—	0.10	—	0.10
Regulatory Settlements	(1.19)	—	—	—	—	(1.19)
Discontinued Operations	—	—	—	—	0.01	0.01
<b>2020 YTD Reported Earnings Per Share</b>	<b>\$ 3.62</b>	<b>\$ (1.70)</b>	<b>\$ 0.39</b>	<b>\$ (0.60)</b>	<b>\$ 0.01</b>	<b>\$ 1.72</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 729 million shares to 737 million.

- (a) Primarily driven by lower retail margin due to lower late payment fee revenue, net of deferrals (-\$0.04), a prior year favorable true-up of purchased power (-\$0.03) and lower energy efficiency rider revenues (-\$0.02), partially offset by grid modernization rider programs (+\$0.03).
- (b) Electric Utilities and Infrastructure includes the net impact of DEC and DEP North Carolina interim rates effective August and September 2020, respectively (+0.11), and the DEC and DEP South Carolina rate cases effective June 2019 (+0.03), the DEF SBRA and multi-year rate plan (+0.04), DEI base rate increases, effective August 2020 (+0.03) and DEK base rate increases (+0.02). Gas Utilities and Infrastructure includes the net impact of the Piedmont North Carolina rate case, effective November 2019.
- (c) Primarily due to lower employee-related expenses, outage costs, customer delivery charges and other savings, partially offset by increased COVID-19 expenses, net of deferrals, and higher storm costs. For the year ended December 31, 2020, the Duke Energy Registrants incurred -\$0.12 of incremental COVID-19 O&M costs, the company has deferred +\$0.07 of these incremental costs.
- (d) Primarily related the loss of ACP earnings and a prior year favorable income tax adjustment for equity method investments.
- (e) Primarily due to new renewable projects.
- (f) Excludes rate case impacts.
- (g) Other includes income tax true-ups, lower interest income and lower results from investments, partially offset by tax optimization and prior year contributions to the Duke Energy Foundation.

**Year Ended December 2020**  
**QUARTERLY HIGHLIGHTS**  
(Unaudited)

	Three Months Ended December 31,		Years Ended December 31,	
	2020	2019	2020	2019
<i>(In millions, except per share amounts and where noted)</i>				
<b>Earnings Per Share – Basic and Diluted</b>				
(Loss) Income from continuing operations available to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ (0.13)	\$ 0.89	\$ 1.71	\$ 5.07
Income (Loss) from discontinued operations attributable to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ 0.01	\$ (0.01)	\$ 0.01	\$ (0.01)
Net (loss) income available to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ (0.12)	\$ 0.88	\$ 1.72	\$ 5.06
Weighted average shares outstanding				
Basic	742	730	737	729
Diluted	742	731	738	729
<b>INCOME (LOSS) BY BUSINESS SEGMENT</b>				
Electric Utilities and Infrastructure <sup>(a)</sup>	\$ (170)	\$ 592	\$ 2,669	\$ 3,536
Gas Utilities and Infrastructure <sup>(b)</sup>	134	140	(1,266)	432
Commercial Renewables	79	59	286	198
Total Reportable Segment Income	43	791	1,689	4,166
Other <sup>(c)</sup>	(127)	(124)	(426)	(452)
Income (Loss) from Discontinued Operations	7	(7)	7	(7)
Net (Loss) Income Available to Duke Energy Corporation common stockholders	\$ (77)	\$ 660	\$ 1,270	\$ 3,707
<b>CAPITALIZATION</b>				
Total Common Equity (%)			44 %	44 %
Total Debt (%)			56 %	56 %
Total Debt			\$ 62,736	\$ 61,261
Book Value Per Share			\$ 63.96	\$ 65.42
Actual Shares Outstanding			769	733
<b>CAPITAL AND INVESTMENT EXPENDITURES</b>				
Electric Utilities and Infrastructure	\$ 1,992	\$ 2,171	\$ 7,629	\$ 8,263
Gas Utilities and Infrastructure	376	410	1,309	1,539
Commercial Renewables	325	491	1,219	1,423
Other	44	19	264	221
Total Capital and Investment Expenditures	\$ 2,737	\$ 3,091	\$ 10,421	\$ 11,446

- (a) Includes costs related to regulatory settlements for Duke Energy Carolinas and Duke Energy Progress of \$1.1 billion (after tax of \$845 million) for the three months ended December 31, 2020, and \$1.1 billion (after tax \$872 million) for the year ended December 31, 2020, and a \$5 million (after tax \$4 million) impairment charge related to gas pipeline interconnections for the year ended December 31, 2020. Additionally, EUI includes a reduction of a prior year impairment at Citrus County CC of \$11 million (after tax \$8 million) for the three months ended December 31, 2019, and \$36 million (after tax \$27 million) for the year ended December 31, 2019.
- (b) Includes costs related to exit obligations for gas pipeline investments of \$20 million (after tax \$16 million) for the three months ended December 31, 2020, and \$2.1 billion (after tax \$1.7 billion) for the year ended December 31, 2020. Additionally, GUI includes \$25 million (after tax \$19 million) of costs related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company for the three months and year ended December 31, 2019.
- (c) Includes a \$98 million (after tax \$75 million) reversal of 2018 severance costs due to the partial settlement of the Duke Energy Carolinas and Duke Energy Progress 2019 North Carolina rate cases for the year ended December 31, 2020.

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

	Years Ended December 31,		
	2020	2019	2018
<b>Operating Revenues</b>			
Regulated electric	\$ 21,461	\$ 22,615	\$ 22,097
Regulated natural gas	1,642	1,759	1,773
Nonregulated electric and other	765	705	651
Total operating revenues	23,868	25,079	24,521
<b>Operating Expenses</b>			
Fuel used in electric generation and purchased power	6,051	6,826	6,831
Cost of natural gas	460	627	697
Operation, maintenance and other	5,788	6,066	6,463
Depreciation and amortization	4,705	4,548	4,074
Property and other taxes	1,337	1,307	1,280
Impairment charges	984	(8)	402
Total operating expenses	19,325	19,366	19,747
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	10	(4)	(89)
<b>Operating Income</b>	4,553	5,709	4,685
<b>Other Income and Expenses</b>			
Equity in (losses) earnings of unconsolidated affiliates	(2,005)	162	83
Other income and expenses, net	453	430	399
Total other income and expenses	(1,552)	592	482
<b>Interest Expense</b>	2,162	2,204	2,094
<b>Income Before Income Taxes</b>	839	4,097	3,073
<b>Income Tax (Benefit) Expense</b>	(236)	519	448
<b>Income From Continuing Operations</b>	1,075	3,578	2,625
<b>Income (Loss) From Discontinued Operations, net of tax</b>	7	(7)	19
<b>Net Income</b>	1,082	3,571	2,644
<b>Add: Net Loss Attributable to Noncontrolling Interests</b>	295	177	(22)
<b>Net Income Attributable to Duke Energy Corporation</b>	1,377	3,748	\$ 2,666
<b>Less: Preferred Dividends</b>	107	41	\$ —
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 1,270	\$ 3,707	\$ 2,666
<b>Earnings Per Share – Basic and Diluted</b>			
Income from continuing operations available to Duke Energy Corporation common stockholders			
Basic and Diluted	\$ 1.71	\$ 5.07	\$ 3.73
Income (Loss) from discontinued operations attributable to Duke Energy Corporation common stockholders			
Basic and Diluted	\$ 0.01	\$ (0.01)	\$ 0.03
Net income available to Duke Energy Corporation common stockholders			
Basic and Diluted	\$ 1.72	\$ 5.06	\$ 3.76
<b>Weighted average shares outstanding</b>			
Basic	737	729	708
Diluted	738	729	708

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Jan 19 2023

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

(In millions)	December 31, 2020	December 31, 2019
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 259	\$ 311
Receivables (net of allowance for doubtful accounts of \$29 at 2020 and \$22 at 2019)	1,009	1,066
Receivables of VIEs (net of allowance for doubtful accounts of \$117 at 2020 and \$54 at 2019)	2,144	1,994
Inventory	3,167	3,232
Regulatory assets (includes \$53 at 2020 and \$52 at 2019 related to VIEs)	1,641	1,796
Other (includes \$296 at 2020 and \$242 at 2019 related to VIEs)	462	764
Total current assets	8,682	9,163
<b>Property, Plant and Equipment</b>		
Cost	155,580	147,654
Accumulated depreciation and amortization	(48,827)	(45,773)
Generation facilities to be retired, net	29	246
Net property, plant and equipment	106,782	102,127
<b>Other Noncurrent Assets</b>		
Goodwill	19,303	19,303
Regulatory assets (includes \$937 at 2020 and \$989 at 2019 related to VIEs)	12,421	13,222
Nuclear decommissioning trust funds	9,114	8,140
Operating lease right-of-use assets, net	1,524	1,658
Investments in equity method unconsolidated affiliates	961	1,936
Other (includes \$81 at 2020 and \$110 at 2019 related to VIEs)	3,601	3,289
Total other noncurrent assets	46,924	47,548
<b>Total Assets</b>	<b>\$ 162,388</b>	<b>\$ 158,838</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 3,144	\$ 3,487
Notes payable and commercial paper	2,873	3,135
Taxes accrued	482	392
Interest accrued	537	565
Current maturities of long-term debt (includes \$472 at 2020 and \$216 at 2019 related to VIEs)	4,238	3,141
Asset retirement obligations	718	881
Regulatory liabilities	1,377	784
Other	2,936	2,367
Total current liabilities	16,305	14,752
<b>Long-Term Debt (includes \$3,535 at 2020 and \$3,997 at 2019 related to VIEs)</b>	<b>55,625</b>	<b>54,985</b>
<b>Other Noncurrent Liabilities</b>		
Deferred income taxes	9,244	8,878
Asset retirement obligations	12,286	12,437
Regulatory liabilities	15,029	15,264
Operating lease liabilities	1,340	1,432
Accrued pension and other post-retirement benefit costs	969	934
Investment tax credits	687	624
Other (includes \$316 at 2020 and \$228 at 2019 related to VIEs)	1,719	1,581
Total other noncurrent liabilities	41,274	41,150
<b>Commitments and Contingencies</b>		
<b>Equity</b>		
Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2020 and 2019	973	973
Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2020 and 2019	989	989
Common stock, \$0.001 par value, 2 billion shares authorized; 769 million shares outstanding at 2020 and 733 million shares outstanding at 2019	1	1
Additional paid-in capital	43,767	40,881
Retained earnings	2,471	4,108
Accumulated other comprehensive loss	(237)	(130)
Total Duke Energy Corporation stockholders' equity	47,964	46,822
Noncontrolling interests	1,220	1,129
Total equity	49,184	47,951
<b>Total Liabilities and Equity</b>	<b>\$ 162,388</b>	<b>\$ 158,838</b>

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

	Years Ended December 31,		
	2020	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Income	\$ 1,082	\$ 3,571	\$ 2,644
Adjustments to reconcile net income to net cash provided by operating activities	7,774	4,638	4,542
Net cash provided by operating activities	8,856	8,209	7,186
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net cash used in investing activities	(10,604)	(11,957)	(10,060)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash provided by financing activities	1,731	3,730	2,960
Net (decrease) increase in cash, cash equivalents and restricted cash	(17)	(18)	86
Cash, cash equivalents and restricted cash at beginning of period	573	591	505
Cash, cash equivalents and restricted cash at end of period	\$ 556	\$ 573	\$ 591

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Jan 19 2023

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

(In millions)	Three Months Ended December 31, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,124	\$ —	\$ —	\$ —	(65)	\$ 5,059
Regulated natural gas	—	551	—	—	(24)	527
Nonregulated electric and other	—	3	124	24	40	191
Total operating revenues	5,124	554	124	24	(49)	5,777
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,425	—	—	—	(19)	1,406
Cost of natural gas	—	160	—	—	1	161
Operation, maintenance and other	1,500	118	81	(27)	(26)	1,646
Depreciation and amortization	1,045	65	51	55	(8)	1,208
Property and other taxes	303	30	3	(1)	(1)	334
Impairment charges	948	—	—	—	—	948
Total operating expenses	5,221	373	135	27	(53)	5,703
<b>Losses on Sales of Other Assets and Other, net</b>	—	—	(1)	—	1	—
<b>Operating (Loss) Income</b>	(97)	181	(12)	(3)	5	74
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	2	(13)	5	4	1	(1)
Other income and expenses, net	101	14	2	33	(7)	143
Total Other Income and Expenses	103	1	7	37	(6)	142
<b>Interest Expense</b>	329	32	17	159	(2)	535
<b>(Loss) Income from Continuing Operations Before Income Taxes</b>	(323)	150	(22)	(125)	1	(319)
<b>Income Tax (Benefit) Expense from Continuing Operations</b>	(153)	16	(13)	(13)	1	(162)
<b>(Loss) Income from Continuing Operations</b>	(170)	134	(9)	(112)	—	(157)
<b>Add: Net Loss (Income) Attributable to Noncontrolling Interest</b>	—	—	88	(1)	—	87
<b>(Loss) Income from Continuing Operations Attributable to Duke Energy Corporation</b>	(170)	134	79	(113)	—	(70)
<b>Less: Preferred Dividends</b>	—	—	—	14	—	14
<b>Segment (Loss) Income</b>	\$ (170)	\$ 134	\$ 79	\$ (127)	\$ —	\$ (84)
<b>Income from Discontinued Operations, net of tax</b>						7
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ (77)
<b>Segment (Loss) Income</b>	\$ (170)	\$ 134	\$ 79	\$ (127)	\$ —	\$ (84)
<b>Special Items</b>	845	16	—	—	—	861
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 675	\$ 150	\$ 79	\$ (127)	\$ —	\$ 777

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



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

(In millions)	Year Ended December 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 21,720	\$ —	\$ —	\$ —	(259)	\$ 21,461
Regulated natural gas	—	1,737	—	—	(95)	1,642
Nonregulated electric and other	—	11	502	97	155	765
Total operating revenues	21,720	1,748	502	97	(199)	23,868
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	6,128	—	—	—	(77)	6,051
Cost of natural gas	—	460	—	—	—	460
Operation, maintenance and other	5,391	430	285	(208)	(110)	5,788
Depreciation and amortization	4,068	258	199	209	(29)	4,705
Property and other taxes	1,188	112	27	11	(1)	1,337
Impairment charges	971	7	6	—	—	984
Total operating expenses	17,746	1,267	517	12	(217)	19,325
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	11	—	(1)	—	—	10
<b>Operating Income (Loss)</b>	3,985	481	(16)	85	18	4,553
<b>Other Income and Expenses</b>						
Equity in (losses) earnings of unconsolidated affiliates	(1)	(2,017)	—	13	—	(2,005)
Other income and expenses, net	345	56	7	79	(34)	453
Total Other Income and Expenses	344	(1,961)	7	92	(34)	(1,552)
<b>Interest Expense</b>	1,320	135	66	657	(16)	2,162
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	3,009	(1,615)	(75)	(480)	—	839
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	340	(349)	(65)	(162)	—	(236)
<b>Income (Loss) from Continuing Operations</b>	2,669	(1,266)	(10)	(318)	—	1,075
<b>Add: Net Loss (Income) Attributable to Noncontrolling Interest</b>	—	—	296	(1)	—	295
<b>Income (Loss) from Continuing Operations Attributable to Duke Energy Corporation</b>	2,669	(1,266)	286	(319)	—	1,370
<b>Less: Preferred Dividends</b>	—	—	—	107	—	107
<b>Segment Income (Loss)</b>	\$ 2,669	\$ (1,266)	\$ 286	\$ (426)	\$ —	\$ 1,263
<b>Income from Discontinued Operations, net of tax</b>						7
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ 1,270
<b>Segment Income (Loss)</b>	\$ 2,669	\$ (1,266)	\$ 286	\$ (426)	\$ —	\$ 1,263
<b>Special Items</b>	876	1,707	—	(75)	—	2,508
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 3,545	\$ 441	\$ 286	\$ (501)	\$ —	\$ 3,771

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

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

(In millions)	Three Months Ended December 31, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,450	\$ —	\$ —	\$ —	(58)	\$ 5,392
Regulated natural gas	—	552	—	—	(24)	528
Nonregulated electric and other	—	3	125	24	31	183
Total operating revenues	5,450	555	125	24	(51)	6,103
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,618	—	—	—	(20)	1,598
Cost of natural gas	—	176	—	—	—	176
Operation, maintenance and other	1,540	121	86	4	(22)	1,729
Depreciation and amortization	1,027	64	45	53	(5)	1,184
Property and other taxes	276	22	5	(6)	(2)	295
Impairment charges	8	—	—	—	—	8
Total operating expenses	4,469	383	136	51	(49)	4,990
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	1	—	(3)	(2)	—	(4)
<b>Operating Income (Loss)</b>	982	172	(14)	(29)	(2)	1,109
<b>Other Income and Expenses</b>						
Equity in (losses) earnings of unconsolidated affiliates	(2)	13	—	15	(1)	25
Other income and expenses, net	88	8	2	32	(8)	122
Total Other Income and Expenses	86	21	2	47	(9)	147
<b>Interest Expense</b>	341	31	17	169	(11)	547
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	727	162	(29)	(151)	—	709
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	135	22	(21)	(41)	—	95
<b>Income (Loss) from Continuing Operations</b>	592	140	(8)	(110)	—	614
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>	—	—	67	—	—	67
<b>Income (Loss) from Continuing Operations Attributable to Duke Energy Corporation</b>	592	140	59	(110)	—	681
<b>Less: Preferred Dividends</b>	—	—	—	14	—	14
<b>Segment Income/Other Net Loss</b>	\$ 592	\$ 140	\$ 59	\$ (124)	\$ —	\$ 667
<b>Loss from Discontinued Operations, net of tax</b>						(7)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ 660
<b>Segment Income/Other Net Loss</b>	\$ 592	\$ 140	\$ 59	\$ (124)	\$ —	\$ 667
<b>Special Items</b>	(8)	19	—	—	—	11
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 584	\$ 159	\$ 59	\$ (124)	\$ —	\$ 678

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

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

(In millions)	Year Ended December 31, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 22,831	\$ —	\$ —	\$ —	(216)	\$ 22,615
Regulated natural gas	—	1,854	—	—	(95)	1,759
Nonregulated electric and other	—	12	487	95	111	705
Total operating revenues	22,831	1,866	487	95	(200)	25,079
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	6,904	—	—	—	(78)	6,826
Cost of natural gas	—	627	—	—	—	627
Operation, maintenance and other	5,497	446	297	(65)	(109)	6,066
Depreciation and amortization	3,951	256	168	178	(5)	4,548
Property and other taxes	1,175	106	23	4	(1)	1,307
Impairment charges	(8)	—	—	—	—	(8)
Total operating expenses	17,519	1,435	488	117	(193)	19,366
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	1	—	(3)	(2)	—	(4)
<b>Operating Income (Loss)</b>	5,313	431	(4)	(24)	(7)	5,709
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	9	114	(4)	43	—	162
Other income and expenses, net	344	26	9	102	(51)	430
Total Other Income and Expenses	353	140	5	145	(51)	592
<b>Interest Expense</b>	1,345	117	95	705	(58)	2,204
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	4,321	454	(94)	(584)	—	4,097
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	785	22	(115)	(173)	—	519
<b>Income (Loss) from Continuing Operations</b>	3,536	432	21	(411)	—	3,578
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>	—	—	177	—	—	177
<b>Income (Loss) from Continuing Operations Attributable to Duke Energy Corporation</b>	3,536	432	198	(411)	—	3,755
<b>Less: Preferred Dividends</b>	—	—	—	41	—	41
<b>Segment Income/Other Net Loss</b>	\$ 3,536	\$ 432	\$ 198	\$ (452)	\$ —	\$ 3,714
<b>Loss from Discontinued Operations, net of tax</b>						(7)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ 3,707
<b>Segment Income/Other Net Loss</b>	\$ 3,536	\$ 432	\$ 198	\$ (452)	\$ —	\$ 3,714
<b>Special Items</b>	(27)	19	—	—	—	(8)
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 3,509	\$ 451	\$ 198	\$ (452)	\$ —	\$ 3,706

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

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

(In millions)	December 31, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Assets</b>						
Cash and cash equivalents	\$ 87	\$ 3	\$ 5	\$ 163	\$ 1	\$ 259
Receivables, net	617	259	114	20	(1)	1,009
Receivables of variable interest entities, net	2,144	—	—	—	—	2,144
Receivables from affiliated companies	78	341	655	1,286	(2,360)	—
Notes receivable from affiliated companies	—	—	—	1,876	(1,876)	—
Inventory	2,954	82	98	33	—	3,167
Regulatory assets	1,389	154	—	99	(1)	1,641
Other	153	41	186	81	1	462
Total current assets	7,422	880	1,058	3,558	(4,236)	8,682
<b>Property, Plant and Equipment</b>						
Cost	133,709	12,759	6,760	2,453	(101)	155,580
Accumulated depreciation and amortization	(43,594)	(2,657)	(1,218)	(1,359)	1	(48,827)
Generation facilities to be retired, net	29	—	—	—	—	29
Net property, plant and equipment	90,144	10,102	5,542	1,094	(100)	106,782
<b>Other Noncurrent Assets</b>						
Goodwill	17,379	1,924	—	—	—	19,303
Regulatory assets	11,201	702	—	518	—	12,421
Nuclear decommissioning trust funds	9,114	—	—	—	—	9,114
Operating lease right-of-use assets, net	1,104	20	122	277	1	1,524
Investments in equity method unconsolidated affiliates	105	215	534	107	—	961
Investment in consolidated subsidiaries	566	4	1	63,159	(63,730)	—
Other	1,979	302	115	1,840	(635)	3,601
Total other noncurrent assets	41,448	3,167	772	65,901	(64,364)	46,924
<b>Total Assets</b>	<b>139,014</b>	<b>14,149</b>	<b>7,372</b>	<b>70,553</b>	<b>(68,700)</b>	<b>162,388</b>
Segment reclassifications, intercompany balances and other	(789)	(300)	(656)	(66,955)	68,700	—
<b>Segment Assets</b>	<b>\$ 138,225</b>	<b>\$ 13,849</b>	<b>\$ 6,716</b>	<b>\$ 3,598</b>	<b>\$ —</b>	<b>\$ 162,388</b>

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

(In millions)	December 31, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Liabilities</b>						
Accounts payable	\$ 2,333	\$ 283	\$ 87	\$ 441	\$ —	\$ 3,144
Accounts payable to affiliated companies	559	39	757	938	(2,293)	—
Notes payable to affiliated companies	1,262	585	—	—	(1,847)	—
Notes payable and commercial paper	—	—	91	2,782	—	2,873
Taxes accrued	506	10	(130)	96	—	482
Interest accrued	360	42	2	133	—	537
Current maturities of long-term debt	2,138	188	167	1,749	(4)	4,238
Asset retirement obligations	718	—	—	—	—	718
Regulatory liabilities	1,262	115	—	1	(1)	1,377
Other	1,493	1,002	64	422	(45)	2,936
Total current liabilities	10,631	2,264	1,038	6,562	(4,190)	16,305
<b>Long-Term Debt</b>	34,509	3,305	1,569	16,337	(95)	55,625
<b>Long-Term Debt Payable to Affiliated Companies</b>	618	7	59	—	(684)	—
<b>Other Noncurrent Liabilities</b>						
Deferred income taxes	10,349	1,127	(560)	(1,671)	(1)	9,244
Asset retirement obligations	12,074	62	150	—	—	12,286
Regulatory liabilities	13,555	1,451	—	24	(1)	15,029
Operating lease liabilities	1,012	19	127	182	—	1,340
Accrued pension and other post-retirement benefit costs	414	37	(27)	545	—	969
Investment tax credits	685	2	—	—	—	687
Other	837	193	344	532	(187)	1,719
Total other noncurrent liabilities	38,926	2,891	34	(388)	(189)	41,274
<b>Equity</b>						
Total Duke Energy Corporation stockholders' equity	54,330	5,682	3,456	48,038	(63,542)	47,964
Noncontrolling interests	—	—	1,216	4	—	1,220
Total equity	54,330	5,682	4,672	48,042	(63,542)	49,184
<b>Total Liabilities and Equity</b>	139,014	14,149	7,372	70,553	(68,700)	162,388
Segment reclassifications, intercompany balances and other	(789)	(300)	(656)	(66,955)	68,700	—
<b>Segment Liabilities and Equity</b>	\$ 138,225	\$ 13,849	\$ 6,716	\$ 3,598	\$ —	\$ 162,388

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

(In millions)	Three Months Ended December 31, 2020						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 1,599	\$ 1,215	\$ 1,291	\$ 335	\$ 725	\$ (41)	\$ 5,124
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	356	406	446	81	190	(54)	1,425
Operation, maintenance and other	515	358	321	96	196	14	1,500
Depreciation and amortization	372	283	179	51	154	6	1,045
Property and other taxes	86	38	91	66	24	(2)	303
Impairment charges	454	494	—	—	—	—	948
Total operating expenses	1,783	1,579	1,037	294	564	(36)	5,221
<b>Gains on Sales of Other Assets and Other, net</b>	—	—	1	—	—	(1)	—
<b>Operating (Loss) Income</b>	(184)	(364)	255	41	161	(6)	(97)
<b>Other Income and Expenses, net<sup>(b)</sup></b>	49	23	17	4	9	1	103
<b>Interest Expense</b>	117	66	81	23	47	(5)	329
<b>(Loss) Income Before Income Taxes</b>	(252)	(407)	191	22	123	—	(323)
<b>Income Tax (Benefit) Expense</b>	(87)	(113)	40	(3)	12	(2)	(153)
<b>Segment Loss</b>	\$ (165)	\$ (294)	\$ 151	\$ 25	\$ 111	\$ 2	\$ (170)

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

(b) Includes an equity component of allowance for funds used during construction of \$16 million for Duke Energy Carolinas, \$7 million for Duke Energy Progress, \$4 million for Duke Energy Florida, \$2 million for Duke Energy Ohio and \$5 million for Duke Energy Indiana.

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

(In millions)	Year Ended December 2020						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 7,015	\$ 5,422	\$ 5,188	\$ 1,405	\$ 2,795	\$ (105)	\$ 21,720
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	1,682	1,743	1,737	339	767	(140)	6,128
Operation, maintenance and other	1,781	1,350	1,120	346	755	39	5,391
Depreciation and amortization	1,462	1,116	702	200	569	19	4,068
Property and other taxes	299	167	381	265	81	(5)	1,188
Impairment charges	476	499	(4)	—	—	—	971
Total operating expenses	5,700	4,875	3,936	1,150	2,172	(87)	17,746
<b>Gains on Sales of Other Assets and Other, net</b>	1	8	1	—	—	1	11
<b>Operating Income</b>	1,316	555	1,253	255	623	(17)	3,985
<b>Other Income and Expenses, net<sup>(b)</sup></b>	177	75	53	11	37	(9)	344
<b>Interest Expense</b>	487	269	326	85	161	(8)	1,320
<b>Income Before Income Taxes</b>	1,006	361	980	181	499	(18)	3,009
<b>Income Tax Expense (Benefit)</b>	80	(40)	201	19	85	(5)	340
<b>Segment Income</b>	\$ 926	\$ 401	\$ 779	\$ 162	\$ 414	\$ (13)	\$ 2,669

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

(b) Includes an equity component of allowance for funds used during construction of \$62 million for Duke Energy Carolinas, \$29 million for Duke Energy Progress, \$12 million for Duke Energy Florida, \$5 million for Duke Energy Ohio and \$23 million for Duke Energy Indiana.

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

(In millions)	December 31, 2020						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Assets</b>							
Cash and cash equivalents	\$ 21	\$ 39	\$ 11	\$ 10	\$ 7	(1)	\$ 87
Receivables, net	247	132	94	88	55	1	617
Receivables of variable interest entities, net	696	500	401	—	—	547	2,144
Receivables from affiliated companies	124	50	3	87	112	(298)	78
Inventory	1,010	911	464	96	473	—	2,954
Regulatory assets	473	492	265	24	125	10	1,389
Other	19	60	41	(4)	37	—	153
Total current assets	2,590	2,184	1,279	301	809	259	7,422
<b>Property, Plant and Equipment</b>							
Cost	50,640	35,759	22,123	7,395	17,382	410	133,709
Accumulated depreciation and amortization	(17,453)	(12,801)	(5,560)	(2,105)	(5,661)	(14)	(43,594)
Generation facilities to be retired, net	—	29	—	—	—	—	29
Net property, plant and equipment	33,187	22,987	16,563	5,290	11,721	396	90,144
<b>Other Noncurrent Assets</b>							
Goodwill	—	—	—	596	—	16,783	17,379
Regulatory assets	2,996	3,976	1,799	357	1,203	870	11,201
Nuclear decommissioning trust funds	4,977	3,500	637	—	—	—	9,114
Operating lease right-of-use assets, net	110	346	344	20	55	229	1,104
Investments in equity method unconsolidated affiliates	—	—	1	—	—	104	105
Investment in consolidated subsidiaries	50	15	2	222	1	276	566
Other	1,188	740	334	54	253	(590)	1,979
Total other noncurrent assets	9,321	8,577	3,117	1,249	1,512	17,672	41,448
<b>Total Assets</b>	45,098	33,748	20,959	6,840	14,042	18,327	139,014
Segment reclassifications, intercompany balances and other	(303)	(114)	(76)	(225)	(86)	15	(789)
<b>Reportable Segment Assets</b>	\$ 44,795	\$ 33,634	\$ 20,883	\$ 6,615	\$ 13,956	\$ 18,342	\$ 138,225

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

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



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

(In millions)	December 31, 2020						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Liabilities</b>							
Accounts payable	\$ 1,000	\$ 454	\$ 465	\$ 225	\$ 188	\$ 1	\$ 2,333
Accounts payable to affiliated companies	200	217	85	21	88	(52)	559
Notes payable to affiliated companies	506	295	196	114	131	20	1,262
Taxes accrued	78	86	82	207	63	(10)	506
Interest accrued	117	99	69	23	51	1	360
Current maturities of long-term debt	506	603	823	24	70	112	2,138
Asset retirement obligations	264	283	—	3	168	—	718
Regulatory liabilities	473	530	110	37	111	1	1,262
Other	546	411	375	66	82	13	1,493
Total current liabilities	3,690	2,978	2,205	720	952	86	10,631
<b>Long-Term Debt</b>	11,412	8,505	7,092	2,445	3,871	1,184	34,509
<b>Long-Term Debt Payable to Affiliated Companies</b>	300	150	—	18	150	—	618
<b>Other Noncurrent Liabilities</b>							
Deferred income taxes	3,889	2,310	2,192	698	1,228	32	10,349
Asset retirement obligations	5,086	5,352	514	65	1,008	49	12,074
Regulatory liabilities	6,535	4,394	658	357	1,628	(17)	13,555
Operating lease liabilities	97	323	300	20	53	219	1,012
Accrued pension and other post-retirement benefit costs	73	242	231	84	171	(387)	414
Investment tax credits	236	132	146	3	168	—	685
Other	626	102	63	63	29	(46)	837
Total other noncurrent liabilities	16,542	12,855	4,104	1,290	4,285	(150)	38,926
<b>Equity</b>	13,154	9,260	7,558	2,367	4,784	17,207	54,330
<b>Total Liabilities and Equity</b>	45,098	33,748	20,959	6,840	14,042	18,327	139,014
Segment reclassifications, intercompany balances and other	(303)	(114)	(76)	(225)	(86)	15	(789)
<b>Reportable Segment Liabilities and Equity</b>	\$ 44,795	\$ 33,634	\$ 20,883	\$ 6,615	\$ 13,956	\$ 18,342	\$ 138,225

(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 December 31, 2020				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 129	\$ 426	\$ —	\$ (1)	\$ 554
<b>Operating Expenses</b>					
Cost of natural gas	27	132	—	1	160
Operation, maintenance and other	33	87	1	(3)	118
Depreciation and amortization	18	47	—	—	65
Property and other taxes	14	16	—	—	30
Total operating expenses	92	282	1	(2)	373
<b>Operating Income (Loss)</b>	37	144	(1)	1	181
<b>Other Income and Expenses</b>					
Equity in losses of unconsolidated affiliates	—	—	(13)	—	(13)
Other income and expenses, net	2	14	—	(2)	14
Total other income and expenses	2	14	(13)	(2)	1
<b>Interest Expense</b>	4	29	—	(1)	32
<b>Income (Loss) Before Income Taxes</b>	35	129	(14)	—	150
<b>Income Tax Expense (Benefit)</b>	7	14	(6)	1	16
<b>Segment Income</b>	\$ 28	\$ 115	\$ (8)	\$ (1)	\$ 134

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

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

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

(In millions)	Year Ended December 2020				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 453	\$ 1,297	\$ —	\$ (2)	\$ 1,748
<b>Operating Expenses</b>					
Cost of natural gas	73	386	—	1	460
Operation, maintenance and other	110	318	5	(3)	430
Depreciation and amortization	78	180	—	—	258
Property and other taxes	59	53	—	—	112
Impairment charges	—	7	—	—	7
Total operating expenses	320	944	5	(2)	1,267
<b>Operating Income (Loss)</b>	133	353	(5)	—	481
<b>Other Income and Expenses</b>					
Equity in losses of unconsolidated affiliates	—	—	(2,017)	—	(2,017)
Other income and expenses, net	6	51	—	(1)	56
Total other income and expenses	6	51	(2,017)	(1)	(1,961)
<b>Interest Expense</b>	17	118	—	—	135
<b>Income (Loss) Before Income Taxes</b>	122	286	(2,022)	(1)	(1,615)
<b>Income Tax Expense (Benefit)</b>	26	19	(394)	—	(349)
<b>Segment Loss</b>	\$ 96	\$ 267	\$ (1,628)	\$ (1)	\$ (1,266)

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

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

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

(In millions)	December 31, 2020				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Assets</b>					
Cash and cash equivalents	\$ 3	\$ —	\$ —	\$ —	\$ 3
Receivables, net	9	250	—	—	259
Receivables from affiliated companies	5	61	356	(81)	341
Inventory	14	68	—	—	82
Regulatory assets	1	153	—	—	154
Other	21	19	1	—	41
Total current assets	53	551	357	(81)	880
<b>Property, Plant and Equipment</b>					
Cost	3,627	9,131	—	1	12,759
Accumulated depreciation and amortization	(908)	(1,748)	—	(1)	(2,657)
Net property, plant and equipment	2,719	7,383	—	—	10,102
<b>Other Noncurrent Assets</b>					
Goodwill	324	49	—	1,551	1,924
Regulatory assets	268	302	—	132	702
Operating lease right-of-use assets, net	—	20	—	—	20
Investments in equity method unconsolidated affiliates	—	—	210	5	215
Investment in consolidated subsidiaries	—	—	—	4	4
Other	16	270	16	—	302
Total other noncurrent assets	608	641	226	1,692	3,167
<b>Total Assets</b>	<b>3,380</b>	<b>8,575</b>	<b>583</b>	<b>1,611</b>	<b>14,149</b>
Segment reclassifications, intercompany balances and other	—	(57)	5	(248)	(300)
<b>Reportable Segment Assets</b>	<b>\$ 3,380</b>	<b>\$ 8,518</b>	<b>\$ 588</b>	<b>\$ 1,363</b>	<b>\$ 13,849</b>

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

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

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

(In millions)	December 31, 2020				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Liabilities</b>					
Accounts payable	\$ 53	\$ 230	\$ —	\$ —	\$ 283
Accounts payable to affiliated companies	2	62	63	(88)	39
Notes payable to affiliated companies	55	530	—	—	585
Taxes accrued	30	22	(42)	—	10
Interest accrued	8	34	—	—	42
Current maturities of long-term debt	26	160	—	2	188
Regulatory liabilities	26	88	—	1	115
Other	5	69	928	—	1,002
Total current liabilities	205	1,195	949	(85)	2,264
<b>Long-Term Debt</b>	570	2,620	—	115	3,305
<b>Long-Term Debt Payable to Affiliated Companies</b>	7	—	—	—	7
<b>Other Noncurrent Liabilities</b>					
Deferred income taxes	292	805	28	2	1,127
Asset retirement obligations	42	20	—	—	62
Regulatory liabilities	393	1,044	—	14	1,451
Operating lease liabilities	—	19	—	—	19
Accrued pension and other post-retirement benefit costs	29	8	—	—	37
Investment tax credits	2	—	—	—	2
Other	31	154	8	—	193
Total other noncurrent liabilities	789	2,050	36	16	2,891
<b>Equity</b>	1,809	2,710	(402)	1,565	5,682
<b>Total Liabilities and Equity</b>	3,380	8,575	583	1,611	14,149
Segment reclassifications, intercompany balances and other	—	(57)	5	(248)	(300)
<b>Reportable Segment Liabilities and Equity</b>	\$ 3,380	\$ 8,518	\$ 588	\$ 1,363	\$ 13,849

(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**  
**Year Ended December 2020**

	Three Months Ended December 31,				Years Ended December 31,			
	2020	2019	% Inc.(Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>								
Residential	19,050	19,743	(3.5%)	2.1%	84,867	86,088	(1.4%)	2.6%
General Service	17,673	18,864	(6.3%)	(4.1%)	72,936	78,192	(6.7%)	(5.5%)
Industrial	12,182	12,384	(1.6%)	0.9%	47,765	50,864	(6.1%)	(5.5%)
Other Energy Sales	149	144	3.5%	n/a	570	580	(1.7%)	n/a
Unbilled Sales	949	(766)	223.9%	n/a	730	(455)	260.4%	n/a
Total Retail Sales	50,003	50,369	(0.7%)	(0.5)%	206,868	215,269	(3.9%)	(2.3%)
Wholesale and Other	9,761	9,996	(2.4%)		39,448	41,795	(5.6%)	
Total Consolidated Electric Sales – Electric Utilities and Infrastructure	59,764	60,365	(1.0%)		246,316	257,064	(4.2%)	
<b>Average Number of Customers (Electric)</b>								
Residential	6,909,529	6,779,122	1.9%		6,863,679	6,740,566	1.8%	
General Service	1,007,851	995,165	1.3%		1,002,533	991,955	1.1%	
Industrial	17,242	17,315	(0.4%)		17,281	17,335	(0.3%)	
Other Energy Sales	31,312	30,788	1.7%		31,111	29,656	4.9%	
Total Retail Customers	7,965,934	7,822,390	1.8%		7,914,604	7,779,512	1.7%	
Wholesale and Other	40	43	(7.0%)		44	48	(8.3%)	
Total Average Number of Customers – Electric Utilities and Infrastructure	7,965,974	7,822,433	1.8%		7,914,648	7,779,560	1.7%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	11,856	12,187	(2.7%)		45,057	55,900	(19.4%)	
Nuclear	17,831	18,250	(2.3%)		73,721	73,948	(0.3%)	
Hydro	1,052	479	119.6%		3,596	2,551	41.0%	
Natural Gas and Oil	18,298	17,132	6.8%		77,883	75,398	3.3%	
Renewable Energy	260	135	92.6%		1,154	654	76.5%	
Total Generation <sup>(d)</sup>	49,297	48,183	2.3%		201,411	208,451	(3.4%)	
Purchased Power and Net Interchange <sup>(e)</sup>	14,088	15,691	(10.2%)		58,529	61,976	(5.6%)	
Total Sources of Energy	63,385	63,874	(0.8%)		259,940	270,427	(3.9%)	
Less: Line Loss and Other	3,621	3,509	3.2%		13,624	13,363	2.0%	
Total GWh Sources	59,764	60,365	(1.0%)		246,316	257,064	(4.2%)	
<b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>								
Summer					50,807	51,144		
Winter					54,248	54,853		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					94	95		

- (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**  
**Year Ended December 2020**

	Three Months Ended December 31,				Years Ended December 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	6,084	6,486	(6.2%)		27,963	28,861	(3.1%)	
General Service	6,560	7,089	(7.5%)		27,637	29,628	(6.7%)	
Industrial	4,981	5,174	(3.7%)		19,593	21,300	(8.0%)	
Other Energy Sales	85	79	7.6%		314	320	(1.9%)	
Unbilled Sales	628	(46)	1,465.2%		210	(215)	197.7%	
Total Retail Sales	18,338	18,782	(2.4%)	(1.4%)	75,717	79,894	(5.2%)	(2.6%)
Wholesale and Other	2,191	2,119	3.4%		8,857	10,026	(11.7%)	
Total Consolidated Electric Sales – Duke Energy Carolinas	20,529	20,901	(1.8%)		84,574	89,920	(5.9%)	
<b>Average Number of Customers</b>								
Residential	2,324,382	2,275,136	2.2%		2,306,162	2,260,939	2.0%	
General Service	369,593	363,479	1.7%		366,952	362,174	1.3%	
Industrial	6,088	6,120	(0.5%)		6,099	6,123	(0.4%)	
Other Energy Sales	23,115	22,668	2.0%		22,939	21,581	6.3%	
Total Retail Customers	2,723,178	2,667,403	2.1%		2,702,152	2,650,817	1.9%	
Wholesale and Other	17	19	(10.5%)		21	19	10.5%	
Total Average Number of Customers – Duke Energy Carolinas	2,723,195	2,667,422	2.1%		2,702,173	2,650,836	1.9%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	3,152	4,511	(30.1%)		14,739	20,927	(29.6%)	
Nuclear	10,673	11,097	(3.8%)		44,315	45,244	(2.1%)	
Hydro	728	291	150.2%		2,511	1,714	46.5%	
Natural Gas and Oil	3,842	3,109	23.6%		16,817	15,694	7.2%	
Renewable Energy	42	35	20.0%		174	158	10.1%	
Total Generation <sup>(d)</sup>	18,437	19,043	(3.2%)		78,556	83,737	(6.2%)	
Purchased Power and Net Interchange <sup>(e)</sup>	3,109	3,058	1.7%		10,630	11,088	(4.1%)	
Total Sources of Energy	21,546	22,101	(2.5%)		89,186	94,825	(5.9%)	
Less: Line Loss and Other	1,017	1,200	(15.3%)		4,612	4,905	(6.0%)	
Total GWh Sources	20,529	20,901	(1.8%)		84,574	89,920	(5.9%)	
<b>Owned MW Capacity<sup>(e)</sup></b>								
Summer					20,280	20,192		
Winter					21,127	21,127		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					95	97		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	1,098	1,143	(3.9%)		2,833	2,873	(1.4%)	
Cooling Degree Days	51	94	(45.7%)		1,525	1,935	(21.2%)	
<b>Variance from Normal</b>								
Heating Degree Days	(12.1%)	(8.9%)			(11.7%)	(10.5%)		
Cooling Degree Days	25.7%	161.5%			(1.2%)	27.1%		

- (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.

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Jan 19 2023

**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2020**

	Three Months Ended December 31,				Years Ended December 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	3,882	4,070	(4.6%)		17,587	18,177	(3.2%)	
General Service	3,411	3,644	(6.4%)		14,312	15,452	(7.4%)	
Industrial	2,534	2,516	0.7%		10,122	10,534	(3.9%)	
Other Energy Sales	19	19	—%		77	77	—%	
Unbilled Sales	302	(60)	603.3%		155	(50)	410%	
Total Retail Sales	10,148	10,189	(0.4%)	(0.2%)	42,253	44,190	(4.4%)	(1.9%)
Wholesale and Other	5,580	6,095	(8.4%)		22,987	24,166	(4.9%)	
Total Consolidated Electric Sales – Duke Energy Progress	15,728	16,284	(3.4%)		65,240	68,356	(4.6%)	
<b>Average Number of Customers</b>								
Residential	1,385,743	1,356,540	2.2%		1,375,190	1,348,989	1.9%	
General Service	240,429	237,210	1.4%		239,099	236,549	1.1%	
Industrial	3,998	4,011	(0.3%)		4,000	4,026	(0.6%)	
Other Energy Sales	1,415	1,417	(0.1%)		1,415	1,416	(0.1%)	
Total Retail Customers	1,631,585	1,599,178	2.0%		1,619,704	1,590,980	1.8%	
Wholesale and Other	9	9	—%		9	12	(25.0%)	
Total Average Number of Customers – Duke Energy Progress	1,631,594	1,599,187	2.0%		1,619,713	1,590,992	1.8%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	1,332	2,070	(35.7%)		5,934	9,554	(37.9%)	
Nuclear	7,158	7,153	0.1%		29,406	28,704	2.4%	
Hydro	256	130	96.9%		880	673	30.8%	
Natural Gas and Oil	5,407	5,524	(2.1%)		21,642	21,349	1.4%	
Renewable Energy	54	51	5.9%		247	253	(2.4%)	
Total Generation <sup>(d)</sup>	14,207	14,928	(4.8%)		58,109	60,533	(4.0%)	
Purchased Power and Net Interchange <sup>(e)</sup>	2,066	1,995	3.6%		9,289	9,973	(6.9%)	
Total Sources of Energy	16,273	16,923	(3.8%)		67,398	70,506	(4.4%)	
Less: Line Loss and Other	545	639	(14.7%)		2,158	2,150	0.4%	
Total GWh Sources	15,728	16,284	(3.4%)		65,240	68,356	(4.6%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					12,533	12,994		
Winter					13,594	14,175		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>								
					93	92		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	933	1,000	(6.7%)		2,366	2,600	(9.0%)	
Cooling Degree Days	91	118	(22.9%)		1,761	2,072	(15.0%)	
<b>Variance from Normal</b>								
Heating Degree Days	(17.1%)	(11.6%)			(18.8%)	(11.3%)		
Cooling Degree Days	50.0%	109.7%			4.3%	24.4%		

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

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**Duke Energy Florida**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2020**

	Three Months Ended December 31,				Years Ended December 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	5,170	4,943	4.6%		21,459	20,775	3.3%	
General Service	3,706	3,835	(3.4%)		14,601	15,425	(5.3%)	
Industrial	791	760	4.1%		3,147	2,963	6.2%	
Other Energy Sales	6	6	—%		23	24	(4.2%)	
Unbilled Sales	(303)	(452)	33.0%		241	(84)	386.9%	
Total Retail Sales	9,370	9,092	3.1%	0.4%	39,471	39,103	0.9%	(0.8%)
Wholesale and Other	730	613	19.1%		3,019	3,070	(1.7%)	
Total Electric Sales – Duke Energy Florida	10,100	9,705	4.1%		42,490	42,173	0.8%	
<b>Average Number of Customers</b>								
Residential	1,667,816	1,633,362	2.1%		1,654,976	1,624,629	1.9%	
General Service	205,840	203,626	1.1%		204,902	203,104	0.9%	
Industrial	1,988	2,013	(1.2%)		2,000	2,025	(1.2%)	
Other Energy Sales	1,495	1,492	0.2%		1,494	1,499	(0.3%)	
Total Retail Customers	1,877,139	1,840,493	2.0%		1,863,372	1,831,257	1.8%	
Wholesale and Other	9	10	(10.0%)		9	12	(25.0%)	
Total Average Number of Customers – Duke Energy Florida	1,877,148	1,840,503	2.0%		1,863,381	1,831,269	1.8%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	867	1,249	(30.6%)		3,287	4,300	(23.6%)	
Natural Gas and Oil	8,472	7,570	11.9%		36,361	35,218	3.2%	
Renewable Energy	160	44	263.6%		706	215	228.4%	
Total Generation <sup>(d)</sup>	9,499	8,863	7.2%		40,354	39,733	1.6%	
Purchased Power and Net Interchange <sup>(e)</sup>	930	1,171	(20.6%)		4,234	4,833	(12.4%)	
Total Sources of Energy	10,429	10,034	3.9%		44,588	44,566	—%	
Less: Line Loss and Other	329	329	—%		2,098	2,393	(12.3%)	
Total GWh Sources	10,100	9,705	4.1%		42,490	42,173	0.8%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					10,287	10,259		
Winter					11,301	11,347		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	207	105	97.1%		427	376	13.6%	
Cooling Degree Days	624	674	(7.4%)		3,853	3,622	6.4%	
<b>Variance from Normal</b>								
Heating Degree Days	1.8%	(46.8%)			(5.1%)	(34.8%)		
Cooling Degree Days	41.0%	43.0%			20.7%	13.5%		

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

**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2020**

	Three Months Ended December 31,				Years Ended December 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	1,927	2,084	(7.5%)		8,838	9,005	(1.9%)	
General Service	2,143	2,308	(7.1%)		8,736	9,461	(7.7%)	
Industrial	1,364	1,403	(2.8%)		5,342	5,721	(6.6%)	
Other Energy Sales	26	27	(3.7%)		105	108	(2.8%)	
Unbilled Sales	137	(127)	207.9%		83	(49)	269.4%	
Total Retail Sales	5,597	5,695	(1.7%)	(0.2%)	23,104	24,246	(4.7%)	(2.3%)
Wholesale and Other	124	75	65.3%		380	483	(21.3%)	
Total Electric Sales – Duke Energy Ohio	5,721	5,770	(0.8%)		23,484	24,729	(5.0%)	
<b>Average Number of Customers</b>								
Residential	783,494	775,532	1.0%		782,324	772,065	1.3%	
General Service	89,403	88,872	0.6%		89,122	88,409	0.8%	
Industrial	2,474	2,480	(0.2%)		2,485	2,469	0.6%	
Other Energy Sales	3,445	3,420	0.7%		3,441	3,399	1.2%	
Total Retail Customers	878,816	870,304	1.0%		877,372	866,342	1.3%	
Wholesale and Other	1	1	—%		1	1	—%	
Total Average Number of Customers – Duke Energy Ohio	878,817	870,305	1.0%		877,373	866,343	1.3%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	436	398	9.5%		2,269	3,166	(28.3%)	
Natural Gas and Oil	15	5	200.0%		55	138	(60.1%)	
Total Generation <sup>(d)</sup>	451	403	11.9%		2,324	3,304	(29.7%)	
Purchased Power and Net Interchange <sup>(e)</sup>	5,686	6,401	(11.2%)		23,379	24,141	(3.2%)	
Total Sources of Energy	6,137	6,804	(9.8%)		25,703	27,445	(6.3%)	
Less: Line Loss and Other	416	1,034	(59.8%)		2,219	2,716	(18.3%)	
Total GWh Sources	5,721	5,770	(0.8%)		23,484	24,729	(5.0%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					1,076	1,076		
Winter					1,164	1,164		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	1,671	1,766	(5.4%)		4,497	4,684	(4.0%)	
Cooling Degree Days	21	49	(57.1%)		1,198	1,408	(14.9%)	
<b>Variance from Normal</b>								
Heating Degree Days	(9.0%)	(4.1%)			(8.5%)	(4.5%)		
Cooling Degree Days	(4.0%)	172.2%			7.9%	28.0%		

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

**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2020**

	Three Months Ended December 31,				Years Ended December 31,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	1,987	2,160	(8.0%)		9,020	9,270	(2.7%)	
General Service	1,853	1,988	(6.8%)		7,650	8,226	(7.0%)	
Industrial	2,512	2,531	(0.8%)		9,561	10,346	(7.6%)	
Other Energy Sales	13	13	—%		51	51	—%	
Unbilled Sales	185	(81)	328.4%		41	(57)	(171.9%)	
Total Retail Sales	6,550	6,611	(0.9%)	0.3%	26,323	27,836	(5.4%)	(4.0%)
Wholesale and Other	1,136	1,094	3.8%		4,205	4,050	3.8%	
Total Electric Sales – Duke Energy Indiana	7,686	7,705	(0.2%)		30,528	31,886	(4.3%)	
<b>Average Number of Customers</b>								
Residential	748,094	738,552	1.3%		745,027	733,944	1.5%	
General Service	102,586	101,978	0.6%		102,458	101,719	0.7%	
Industrial	2,694	2,691	0.1%		2,697	2,692	0.2%	
Other Energy Sales	1,842	1,791	2.8%		1,822	1,761	3.5%	
Total Retail Customers	855,216	845,012	1.2%		852,004	840,116	1.4%	
Wholesale and Other	4	4	—%		4	4	—%	
Total Average Number of Customers – Duke Energy Indiana	855,220	845,016	1.2%		852,008	840,120	1.4%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	6,069	3,959	53.3%		18,828	17,953	4.9%	
Hydro	68	58	17.2%		205	164	25.0%	
Natural Gas and Oil	562	924	(39.2%)		3,008	2,999	0.3%	
Renewable Energy	4	5	(20.0%)		27	28	(3.6%)	
Total Generation <sup>(d)</sup>	6,703	4,946	35.5%		22,068	21,144	4.4%	
Purchased Power and Net Interchange <sup>(e)</sup>	2,297	3,066	(25.1%)		10,997	11,941	(7.9%)	
Total Sources of Energy	9,000	8,012	12.3%		33,065	33,085	(0.1%)	
Less: Line Loss and Other	1,314	307	328.0%		2,537	1,199	111.6%	
Total GWh Sources	7,686	7,705	(0.2%)		30,528	31,886	(4.3%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					6,631	6,623		
Winter					7,062	7,040		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	1,822	1,991	(8.5%)		4,964	5,349	(7.2%)	
Cooling Degree Days	19	37	(48.6%)		1,151	1,261	(8.7%)	
<b>Variance from Normal</b>								
Heating Degree Days	(7.6%)	1.0%			(6.0%)	1.2%		
Cooling Degree Days	9.1%	135.9%			5.0%	15.0%		

- (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**  
**Year Ended December 2020**

	Three Months Ended December 31,			Years Ended December 31,		
	2020	2019	% Inc. (Dec.)	2020	2019	% Inc. (Dec.)
<b>Total Sales</b>						
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup>	129,209,733	133,517,816	(3.2%)	490,071,039	511,243,774	(4.1%)
Duke Energy Midwest LDC throughput (Mcf)	25,589,579	26,747,349	(4.3%)	84,160,162	89,025,972	(5.5%)
<b>Average Number of Customers – Piedmont Natural Gas</b>						
Residential	1,010,287	980,623	3.0%	1,003,214	979,210	2.5%
Commercial	104,864	103,827	1.0%	104,983	103,991	1.0%
Industrial	968	976	(0.8%)	969	972	(0.3%)
Power Generation	19	17	11.8%	19	16	18.8%
Total Average Number of Gas Customers – Piedmont Natural Gas	1,116,138	1,085,443	2.8%	1,109,185	1,084,189	2.3%
<b>Average Number of Customers – Duke Energy Midwest</b>						
Residential	497,602	491,566	1.2%	495,688	489,942	1.2%
General Service	43,169	43,651	(1.1%)	43,320	43,350	(0.1%)
Industrial	1,567	1,591	(1.5%)	1,571	1,578	(0.4%)
Other	130	133	(2.3%)	131	135	(3.0%)
Total Average Number of Gas Customers – Duke Energy Midwest	542,468	536,941	1.0%	540,710	535,005	1.1%

- (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**  
**Year Ended December 2020**

	Three Months Ended December 31,			Years Ended December 31,		
	2020	2019	% Inc. (Dec.)	2020	2019	% Inc. (Dec.)
Renewable Plant Production, GWh	2,544	2,046	24.3 %	10,204	8,574	19.0 %
Net Proportional MW Capacity in Operation <sup>(a)</sup>	n/a	n/a		3,937	3,485	13.0 %

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Third Quarter Earnings Review & Business Update**  
**November 5, 2020**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of adjusted EPS for the quarter and year-to-date periods ended September 30, 2020 and 2019.

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

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended September 30, 2020 and 2019, to the most directly comparable GAAP measure are included herein.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit costs related to Constitution.
- Regulatory Settlements represents charges related to Duke Energy Carolinas and Duke Energy Progress partial settlements in the 2019 North Carolina rate cases.
- Severance represents the reversal of 2018 costs which were deferred as a result of the partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.
- Impairment Charges represents a reduction of a prior year impairment at Citrus County CC.

**Adjusted EPS Guidance**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a reference to the forecasted 2020 adjusted EPS guidance range of \$5.05 to \$5.20 per share, narrowed from \$5.05 - \$5.45 per share during the third quarter of 2020. In addition, the materials reference a preliminary estimate of 2021 Adjusted EPS midpoint of approximately \$5.15, with refinements to the estimate to be made through the rest of the year, considering analysis of economic conditions and other factors. The materials also reference the long-term range of annual growth of 4% - 6% off 2021 earnings. In addition, the materials reference the expected five-year EPS growth in the natural gas segment of 8-10% (on a compound annual growth rate (CAGR) basis). 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 Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2020 and a discussion of 2020 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2020 and 2019, 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 Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the nine months ended September 30, 2020. The materials also include a discussion of the 2020 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the nine months ended September 30, 2020, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**Available Liquidity**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 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 September 30, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of September 30, 2020, to the most directly comparable GAAP measure is included herein.

**Business Mix Percentage**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, reference ninety-five percent of earnings coming from the regulated electric and gas utilities as a percentage of the total projected 2020 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's regulated electric and gas utilities are included in the Electric Utilities and Infrastructure and Gas Utilities and Infrastructure segments, respectively.

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

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020 include a reference to the expected 2020 FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, imputed operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

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

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Regulatory Settlements		
<b>SEGMENT INCOME (LOSS)</b>					
Electric Utilities and Infrastructure	\$ 1,381	\$ 4	A \$ 27	C \$ 31	\$ 1,412
Gas Utilities and Infrastructure	(73)	65	B —	65	(8)
Commercial Renewables	60	—	—	—	60
<b>Total Reportable Segment Income</b>	<b>1,368</b>	<b>69</b>	<b>27</b>	<b>96</b>	<b>1,464</b>
Other	(103)	—	—	—	(103)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,265</b>	<b>\$ 69</b>	<b>\$ 27</b>	<b>\$ 96</b>	<b>\$ 1,361</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.74</b>	<b>\$ 0.09</b>	<b>\$ 0.04</b>	<b>\$ 0.13</b>	<b>\$ 1.87</b>

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

**A** - Net of \$1 million tax benefit. \$5 million included within Impairment charges related to gas pipeline interconnections on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

**B** - Net of \$20 million tax benefit.

- \$78 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Condensed Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Condensed Consolidated Statements of Operations.

**C** - Net of \$6 million tax benefit at Duke Energy Carolinas and \$2 million tax benefit at Duke Energy Progress.

- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

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



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

	Reported Earnings	Special Items			Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements		
<b>SEGMENT INCOME (LOSS)</b>						
Electric Utilities and Infrastructure	\$ 2,839	\$ 4 A	\$ —	\$ 27 D	\$ 31	\$ 2,870
Gas Utilities and Infrastructure	(1,400)	1,691 B	—	—	1,691	291
Commercial Renewables	207	—	—	—	—	207
<b>Total Reportable Segment Income</b>	<b>1,646</b>	<b>1,695</b>	<b>—</b>	<b>27</b>	<b>1,722</b>	<b>3,368</b>
Other	(299)	—	(75) C		(75)	(374)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,347</b>	<b>\$ 1,695</b>	<b>\$ (75)</b>	<b>\$ 27</b>	<b>\$ 1,647</b>	<b>\$ 2,994</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.85</b>	<b>\$ 2.30</b>	<b>\$ (0.10)</b>	<b>\$ 0.04</b>	<b>\$ 2.24</b>	<b>\$ 4.09</b>

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

**A** - Net of \$1 million tax benefit. \$5 million included within Impairment charges related to gas pipeline interconnections on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

**B** - Net of \$394 million tax benefit.

- \$2,078 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Condensed Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Condensed Consolidated Statements of Operations.

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

**D** - Net of \$6 million tax benefit at Duke Energy Carolinas and \$2 million tax benefit at Duke Energy Progress.

- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2019  
(Dollars in millions, except per share amounts)

		<u>Special Item</u>		
	<u>Reported Earnings</u>	<u>Impairment Charge</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 1,385	\$ (19) A	\$ (19)	\$ 1,366
Gas Utilities and Infrastructure	26	—	—	26
Commercial Renewables	40	—	—	40
<b>Total Reportable Segment Income</b>	<b>1,451</b>	<b>(19)</b>	<b>(19)</b>	<b>1,432</b>
Other	(124)		—	(124)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,327</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 1,308</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.82</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 1.79</b>

A – Net of \$6 million tax expense. \$25 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 729 million

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2019**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item Impairment Charge	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 2,944	\$ (19) <b>A</b>	\$ (19)	\$ 2,925
Gas Utilities and Infrastructure	292	—	—	292
Commercial Renewables	139	—	—	139
<b>Total Reportable Segment Income</b>	<b>3,375</b>	<b>(19)</b>	<b>(19)</b>	<b>3,356</b>
Other	(328)	—	—	(328)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,047</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 3,028</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.18</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 4.15</b>

**A** – Net of \$6 million tax expense. \$25 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 728 million**

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

	Three Months Ended September 30, 2020		Nine Months Ended September 30, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 1,339		\$ 1,158	
Gas Pipeline Investments	90		2,090	
Severance	—		(98)	
Regulatory Settlements	35		35	
Noncontrolling Interests	70		208	
Preferred Dividends	(39)		(93)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 1,495</u>		<u>\$ 3,300</u>	
<b>Reported Income Tax Expense (Benefit)</b>	\$ 105	7.8%	\$ (74)	(6.4)%
Gas Pipeline Investments	21		395	
Severance	—		(23)	
Regulatory Settlements	8		8	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 134</u>	9.0%	<u>\$ 306</u>	9.3 %

	Three Months Ended September 30, 2019		Nine Months Ended September 30, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 1,511		\$ 3,388	
Impairment Charge	(25)		(25)	
Noncontrolling Interests	19		110	
Preferred Dividends	(15)		(27)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 1,490</u>		<u>\$ 3,446</u>	
<b>Reported Income Tax Expense</b>	\$ 188	12.4%	\$ 424	12.5%
Impairment Charge	(6)		(6)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 182</u>	12.2%	<u>\$ 418</u>	12.1%

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

Cash and Cash Equivalents	\$ 308	
Less: Certain Amounts Held in Foreign Jurisdictions	(12)	
Less: Unavailable Domestic Cash	<u>(68)</u>	
	228	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>6,372</u>	
Plus: Remaining Availability from Equity Forwards	<u>2,620</u>	
Total Available Liquidity (a), September 30, 2020	<u>\$ 9,220</u>	approximately 9.2 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 September 30, 2020. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

Q4 / 2021



# Earnings Review and Business Update

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

February 10, 2022

## Safe Harbor statement

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

## Regulation G disclosure

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

# Safe harbor statement

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to: The impact of the COVID-19 pandemic; State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations, asset retirement and construction costs related to carbon emissions reductions, and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process; The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; Costs and effects of legal and administrative proceedings, settlements, investigations and claims; Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts, natural gas building and appliance electrification, and use of alternative energy sources, such as self-generation and distributed generation technologies; Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures, natural gas electrification, and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in a reduced number of customers, excess generation resources as well as stranded costs; Advancements in technology; Additional competition in electric and natural gas markets and continued industry consolidation; The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; Changing 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, an individual utility's generation mix, and general market and economic conditions; Credit ratings of the Duke Energy Registrants may be different from what is expected; Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; The ability to control operation and maintenance costs; The level of creditworthiness of counterparties to transactions; The ability to obtain adequate insurance at acceptable costs; Employee workforce factors, including the potential inability to attract and retain key personnel; The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; The effect of accounting pronouncements issued periodically by accounting standard-setting bodies; Asset or business acquisitions and dispositions, including our ability to successfully consummate the second closing of the minority investment in Duke Energy Indiana or that the sale may not yield the anticipated benefits; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy, or cause fluctuations in the trading price of our common stock; and the ability to implement our business strategy, including its carbon emission reduction goals..

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

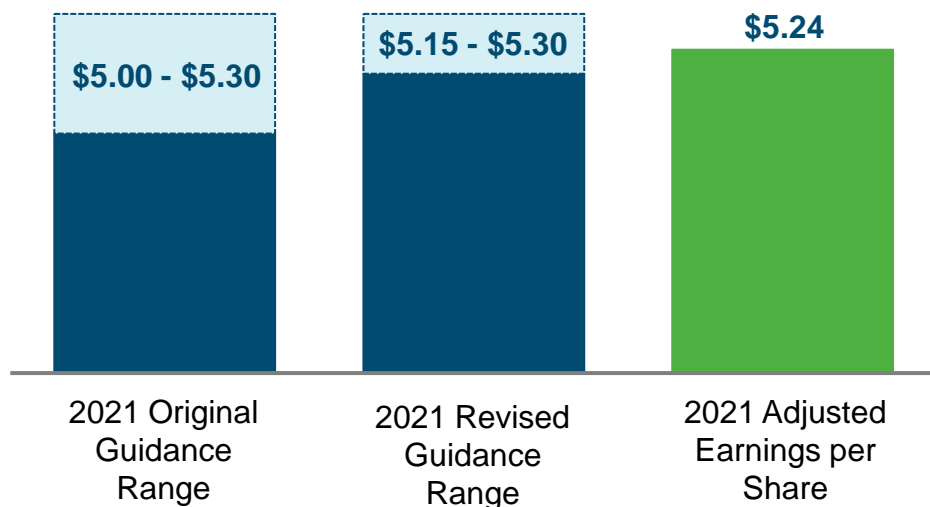


**\$4.94 / \$5.24**

**2021 REPORTED / ADJUSTED EPS**

**ADJUSTED EPS ABOVE MIDPOINT OF  
REVISED GUIDANCE RANGE**

## ADJUSTED EARNINGS PER SHARE



**\$5.30 - \$5.60**

**2022 ADJUSTED EPS  
GUIDANCE RANGE**

**5% – 7%**

**EARNINGS GROWTH  
THROUGH 2026**

**REAFFIRMING AND EXTENDING  
GROWTH RATE OFF MIDPOINT  
OF ORIGINAL 2021 GUIDANCE  
RANGE (\$5.15)<sup>(1)</sup>**

**\$63 BILLION  
5-YR CAPEX PLAN**

**\$4 BILLION INCREASE  
TO 2021-2025 CAPEX PLAN**

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

# Progress on energy transition across our regions

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## REGION

## 2021 ACCOMPLISHMENTS

## 2022 INITIATIVES



- ✓ Collaborated with NC policymakers and stakeholders on bipartisan clean energy legislation
- ✓ Issued \$900 million storm securitization bonds, saving customers roughly 35%, or ~\$300 million, over term of the bonds
- ✓ Filed SLR to extend life of Oconee nuclear

- Rulemaking process for HB 951 is underway, with open dockets on performance-based rates (PBR) and coal plant securitization
- Ongoing stakeholder engagement on the Carbon Plan to achieve 70% carbon reduction by 2030 vs. 2005 levels



- ✓ Submitted Indiana IRP in December, outlining a path to reduce carbon emissions up to 63% by 2030 and exit coal by 2035<sup>(1)</sup>
- ✓ Filed Kentucky IRP, accelerating retirement of coal to 2035

- Following the Indiana IRP, will issue a request for proposal for generation resources in the coming weeks
- Expect to file CPCNs in Indiana by year-end



- ✓ Constructive settlement included approval of \$1 billion Clean Energy Connection solar program
- ✓ Installed ~600 MW of solar under existing SOBRA program through 2021

- Completing remaining 150 MW through SOBRA
- Beginning solar installations under Clean Energy Connection

# Duke Energy is leading the industry's largest clean energy transition

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## What we're doing



### Completing the largest planned coal retirement in the industry

- Retired 56 units (7.5 GW) since 2010
- Coal generation projected to be <5% fuel mix by 2030
- Goal to exit coal generation by 2035<sup>(1)</sup>



### Expanding our renewable resources

- Top 10 US renewable company by capacity, with operations in 25 states
- Passed 10 GW owned, operated or purchased in 2021, targeting 24 GW by 2030



### Targeting net-zero emissions by 2050

- Reduced carbon emissions 44% since 2005, on pace to exceed 50% reduction by 2030 and net zero by 2050 (Scope 1)
- Net zero methane emissions by 2030 (Scope 1)
- Updating net-zero goal to include Scope 2 and certain Scope 3<sup>(2)</sup> emissions for electric and gas utilities



## How we're doing it

### Collaborating with state and federal policymakers

- Landmark bipartisan legislation in NC that accelerates our clean energy transition
- Engaging policymakers and regulators to advance shared objectives for clean energy



### Integrated resource plans that match our climate goals

- Significant stakeholder engagement on jurisdictional IRPs & NC Carbon Plan
- Balancing affordability and reliability priorities on behalf of our customers



### Executing our plan

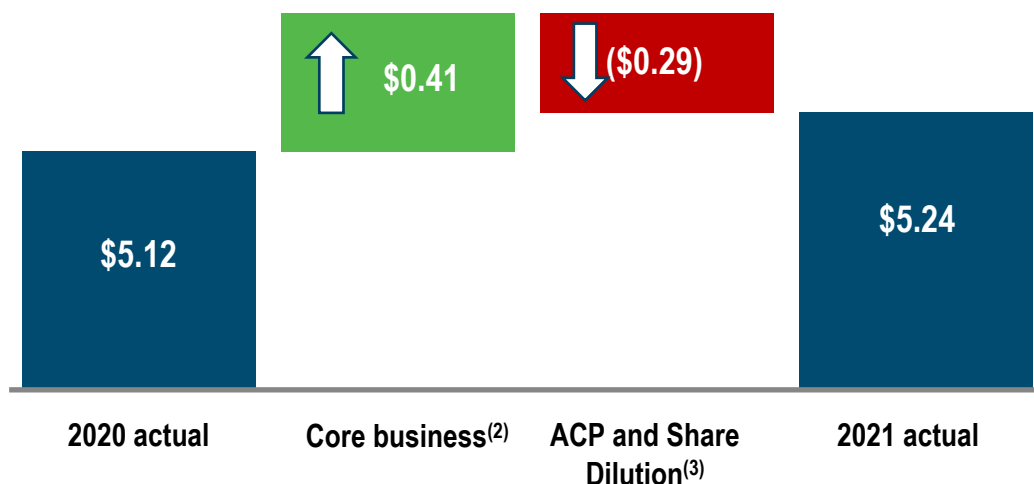
- Constructive rate cases that accelerate coal retirements and call for more renewables
- Extending the life of the largest regulated nuclear fleet in the country
- Managing through supply chain issues
- Leveraging our size and scale to efficiently finance our robust capital plan

<sup>(1)</sup> Subject to regulatory approvals. Contemplates retiring Edwardsport coal gasifiers by 2035 or adding carbon capture utilization and storage to reduce carbon emissions

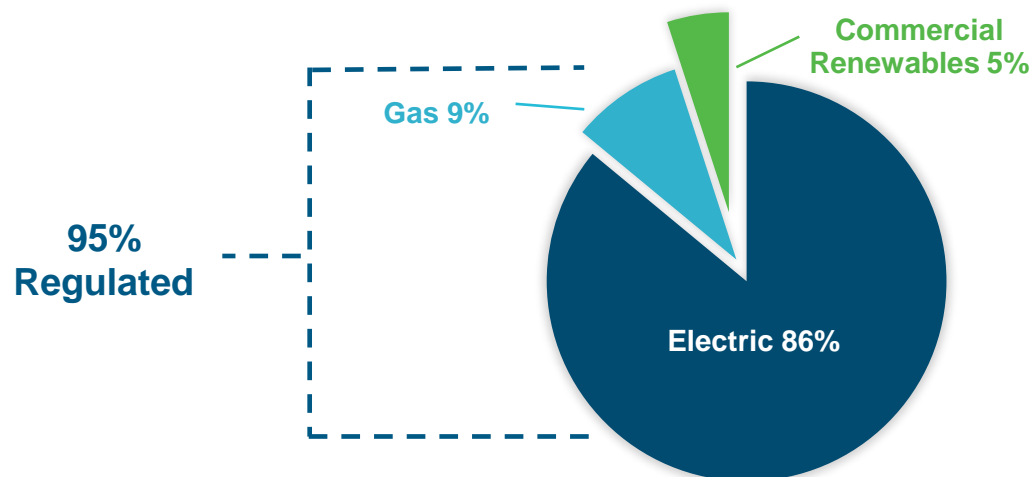
<sup>(2)</sup> Certain scope 3 emissions include: emissions from upstream fossil fuel procurement, production of power purchased for resale, and from downstream use of sold products in our natural gas distribution business

# Financial highlights

## 2021 ADJUSTED EPS HIGHLIGHTS<sup>(1)</sup>



## EARNINGS CONTRIBUTION<sup>(4)</sup>



## KEY MESSAGES

- Delivered 2021 reported EPS of \$4.94 and adjusted EPS of \$5.24; above the midpoint of the revised guidance range
- Achieved solid year-over-year core business growth, partially offset by ACP and share dilution
  - Electric Utilities and Infrastructure rate cases (NC, IN, FL), riders, and customer growth - \$0.49
  - Gas Utilities and Infrastructure rate cases (NC, TN), riders, and customer growth - \$0.03
  - Commercial, including the impact of Winter Storm Uri (\$0.11)
  - ACP (\$0.07) and share dilution (\$0.22)
- Higher year-over-year load of 2%, driven by 1.6% residential customer growth
- Delivered on goal to sustain \$200M O&M cost savings identified in 2020

(1) Detailed drivers of adjusted segment income (expense) are available in the Q4 2021 earnings release located on our Investor Relations website at [www.duke-energy.com/investors](http://www.duke-energy.com/investors).

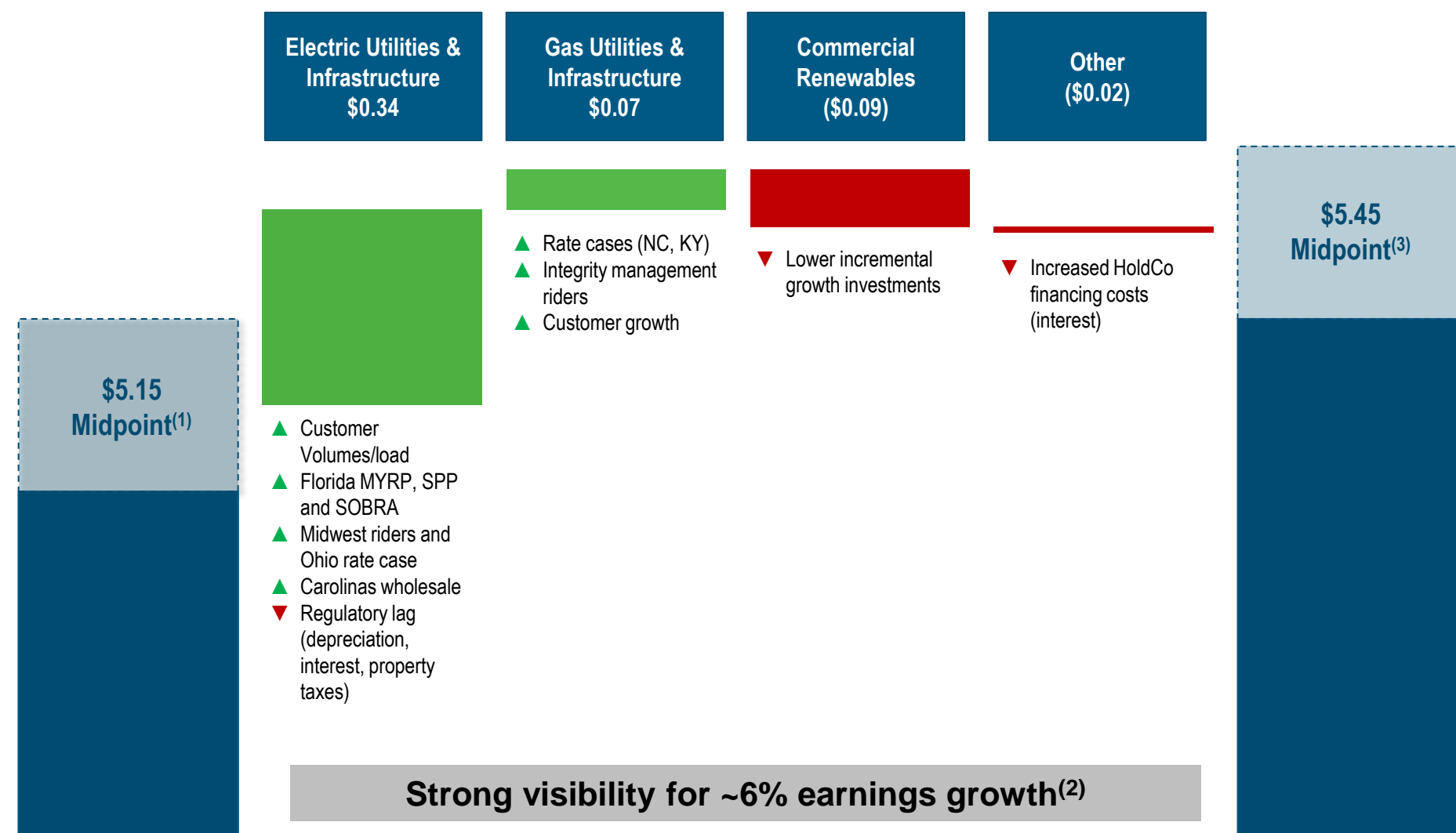
(2) Core business growth represents impacts to adjusted EPS excluding the effects of ACP and share dilution.

(3) Based on weighted average basic shares outstanding, including the Dec. 2020 settlement of the \$2.47 billion equity forward transaction.

(4) Based on adjusted segment income for the year ended December 31, 2021. Excludes the impact of Other.

# 2022 Financial outlook – adjusted EPS waterfall

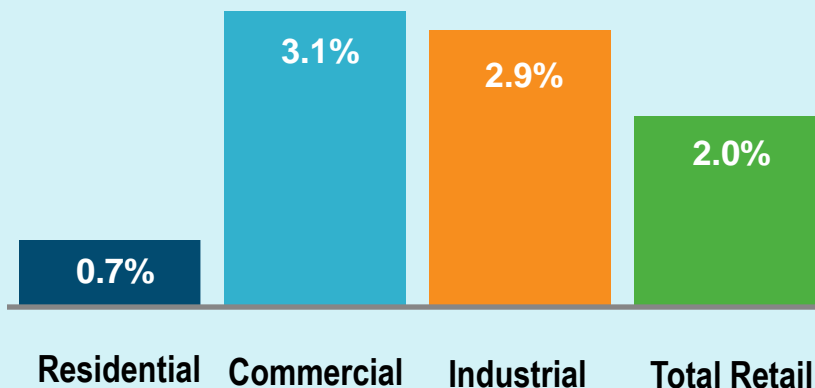
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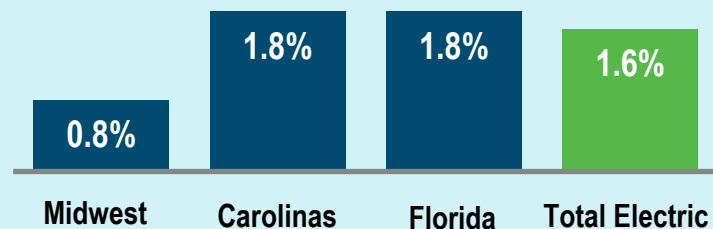
- (1) Midpoint of 2021 adjusted EPS original guidance range of \$5.00 - \$5.30  
 (2) Based off midpoint of 2021 adjusted EPS original guidance range of \$5.00 - \$5.30  
 (3) Midpoint of 2022 adjusted EPS guidance range of \$5.30 - \$5.60

# Retail electric volumes

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



## 2021 GROWTH IN RESIDENTIAL CUSTOMERS

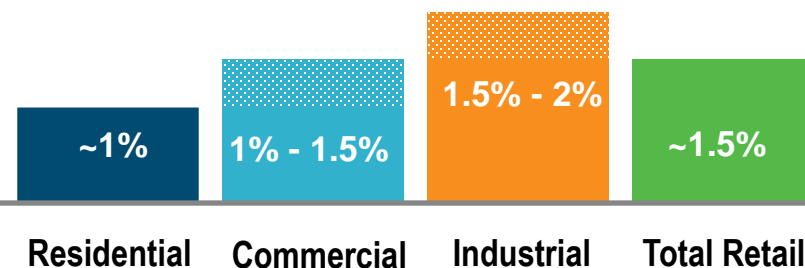


(1) Compared to 2020 actuals

(2) Compared to 2021 actuals

(3) Source: US Census Bureau and Wells Fargo Economics

## FORECASTED 2022 RETAIL ELECTRIC VOLUMES<sup>(2)</sup>



## KEY MESSAGES

- Expect favorable volume relative to 2021 as economic recovery continues
  - Commercial and Industrial classes not yet back to pre-COVID levels due to labor constraints and Omicron surge
- Outlook for the remainder of the plan is flat to 0.5%
- Forecast supported by customer growth that continues to trend above the national average
  - Our jurisdictions represent 3 of the top 5 states for net population migration in 2021<sup>(3)</sup>
  - Industry leader in economic development, enabling investment and job creation in our service territories

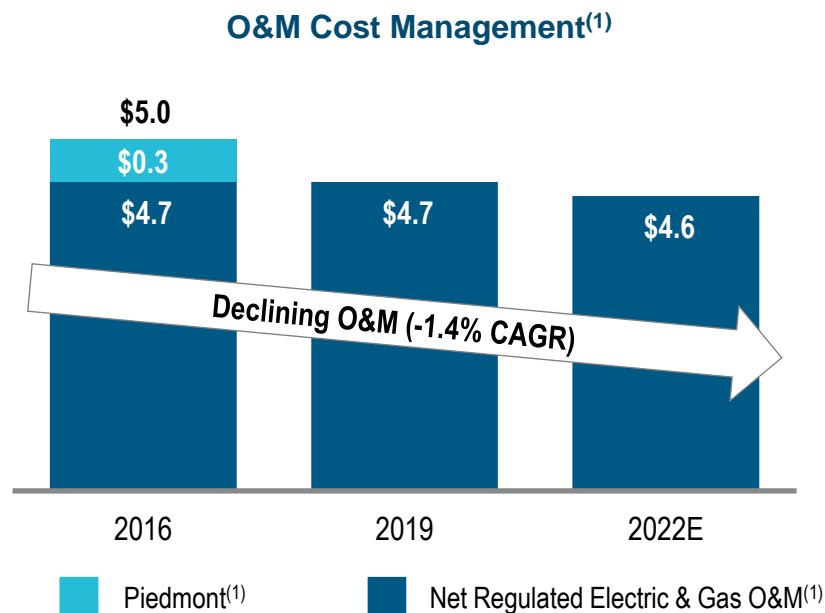
# Cost management continues to be a core competency

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## BUSINESS TRANSFORMATION CONTINUES TO PRODUCE SUSTAINABLE COST SAVINGS...

(\$ IN BILLIONS)



### COST MANAGEMENT ENABLES GREATER CAPITAL INVESTMENT

- \$400 million in savings, 2016 – 2022
- Creates headroom for ~\$3 billion of capital investment without increasing costs to customers<sup>(2)</sup>

## ...EXPECT TO HOLD O&M FLAT THROUGH 2026



- ✓ **Digital innovation** efforts will increase operational efficiency while improving the customer experience



- ✓ **Energy transition from coal** to less O&M intensive generation



- ✓ Capital investments to **modernize the grid**, lowering ongoing maintenance costs



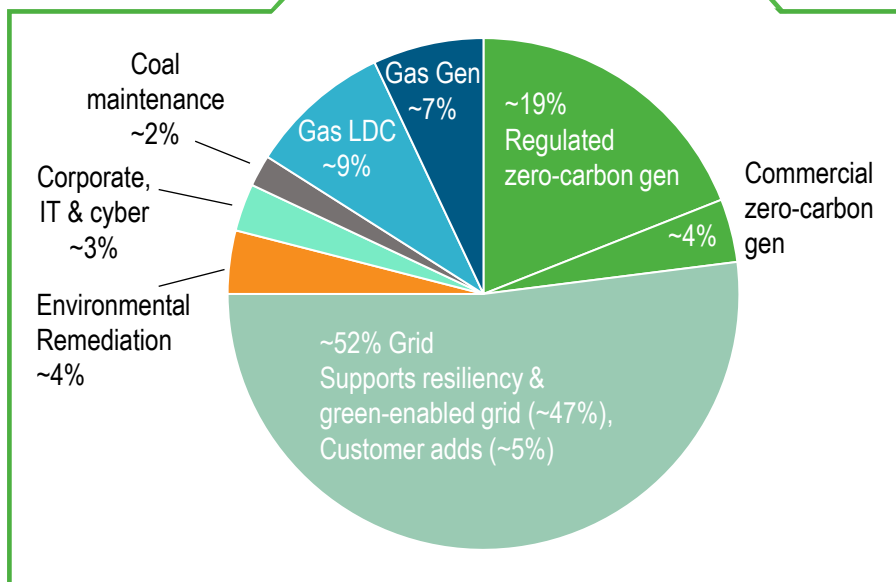
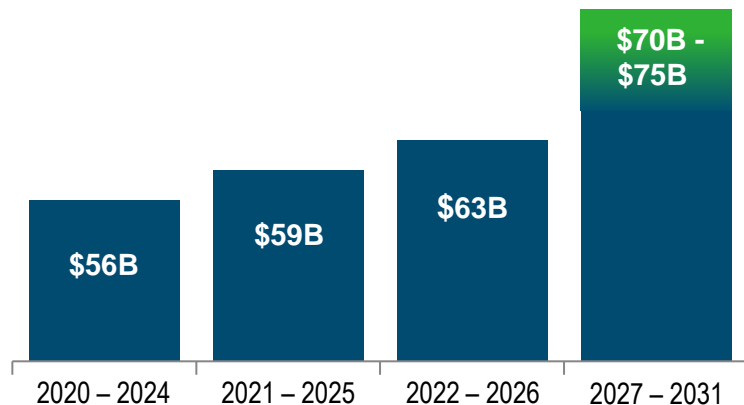
- Near-term inflation pressure mitigated by **leveraging size and scale**

(1) Proforma Net Regulated Gas O&M for Piedmont is presented to show combined Duke Energy and Piedmont Net Regulated Electric and Gas O&M for the full year 2016. Net regulated Electric and Gas O&M is a non-GAAP measure. For a description of this non-GAAP item and a reconciliation to GAAP O&M, see accompanying materials at [www.duke-energy.com/investors](http://www.duke-energy.com/investors)

(2) Assumes every dollar of O&M reduction makes room for seven dollars of capex

# Robust capital plan to fund clean energy transition

## \$63B 5-YEAR PLAN...



## ... WITH \$52 BILLION FUNDING FLEET TRANSITION AND GRID MODERNIZATION



### HYDROGEN-ENABLED NATURAL GAS GENERATION

- Facilitates retirement of coal plants while maintaining affordability and reliability
- Hydrogen-enabled to further reduce CO<sub>2</sub> emissions as technology evolves

### ZERO-CARBON GENERATION

- Regulated investments include nuclear, renewables, storage, and hydro
- Commercial renewables investments in wind and solar

### TRANSMISSION AND DISTRIBUTION

- Grid investments to improve reliability and resiliency, including storm hardening
- Enables distributed generation resources
- Infrastructure to support customer growth

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# Projected growth over five-year plan

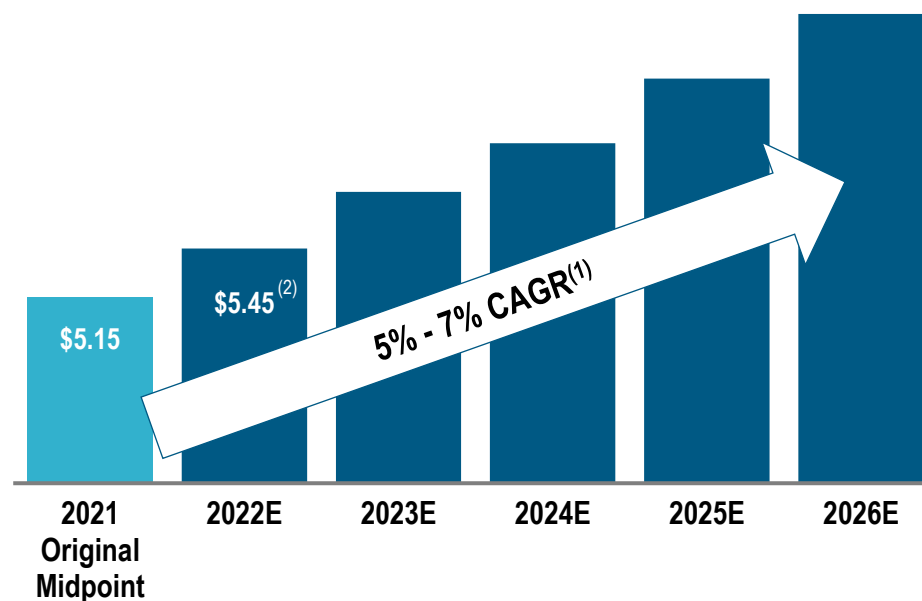
## UPSIDES TO PLAN

- Acceleration of clean energy transition
- Robust service areas / economies
- Sustainable cost management
- Tax credits from federal legislation
- EV adoption

## ITEMS TO MONITOR

- Inflation / rising interest rates
- Supply chain constraints
- Weather and storms

## 5-YEAR ADJUSTED EPS GROWTH PLAN



(1) Based off the midpoint of 2021 adjusted EPS guidance range (\$5.15)

(2) Based off the midpoint of 2022 adjusted EPS guidance range of \$5.30 - \$5.60

# Balance sheet supports our long-term growth strategy

## COMMITTED TO MAINTAIN CURRENT CREDIT RATINGS

- Credit ratings recently affirmed at BBB/Baa2 (Stable)
- ~\$1 billion tranche 2 closing of DEI minority interest sale to occur by Jan 2023
- Will continue issuing certain utility debt securities under Sustainable Financing Framework
- Targeting 14% FFO/Debt throughout the 5-year plan

## FACTORS CONTRIBUTING TO BALANCE SHEET STRENGTH

- Pension plan 112% funded on a combined basis
- Operate in constructive jurisdictions
  - 3 states with above average RRA regulatory rankings, representing ~60% of earnings base
- Benefits from large size with diversity across regions, customers and fuel types
- Reduced regulatory lag from multi-year rate plans, riders and rate case timing
- Ongoing cost management and capital optimization

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# Our investor value proposition

DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE

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**3.8%**

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



**~10%**

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



**5-7%**

LONG-TERM  
**EPS GROWTH<sup>(4)</sup>**  
THROUGH 2026

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

(1) As of February 8, 2022

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

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

(4) Based on adjusted EPS

# APPENDIX

# 2021 enterprise accomplishments

## CONTINUED OPERATIONAL EXCELLENCE

- Expect to be top decile in utility safety for the 7<sup>th</sup> consecutive year
- Delivered on goal to sustain \$200M O&M cost savings identified in 2020
- 23rd consecutive year of nuclear capacity factor exceeding 90%, with a 2021 capacity factor of over 95%
- Self-optimizing grid capabilities helped avoid nearly 1.2 million hours of total outage time



## SUPPORTING CUSTOMERS AND COMMUNITIES

- Top quartile J.D. Power & Associates' customer satisfaction index results for DE Carolinas, DE Progress, DE Florida, and Piedmont
- Customer rates remain below national average across all utilities
- New customer engagement platform (Customer Connect) implemented in the Carolinas and Florida
- Over \$44 million in donations in support of our communities
- Dow Jones Sustainability Index North America: 16th consecutive year



## EMPOWERING OUR EMPLOYEES

- Named to Fortune's Most Admired Companies for 5<sup>th</sup> consecutive year
- Named one of "America's Best Employers for Diversity" by Forbes in 2021 for 4th consecutive year
- Named to the Human Rights Campaign's 2022 list for "Best Place to Work for LGBTQ Equality"
- Employees/alumni volunteered more than 70,000 hours with nonprofits in our local communities



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## ENGAGING WITH STAKEHOLDERS TO EXECUTE ENERGY LEGISLATION

- In October 2021, North Carolina enacted comprehensive clean energy legislation (HB 951)
  - Provides a framework to achieve 70% carbon reduction by 2030 against a 2005 baseline, and net-zero carbon emissions by 2050
  - Authorizes modernized regulatory recovery mechanisms (multi-year rate plans, revenue decoupling and performance incentive mechanisms)
- Rulemaking process for HB 951 is underway, with open dockets on performance-based regulation (PBR) and coal plant securitization
- Stakeholder engagement on the Carbon Plan ahead of May filing

2022 Timeline	Filed	Order required by	Docket #
Rulemaking for performance-based regulation	<input checked="" type="checkbox"/>	February 10	E-100 Sub 178
Rulemaking for coal plant securitization	<input checked="" type="checkbox"/>	April 11	E-100 Sub 177
Carbon Plan	May 16	December 31	E-100 Sub 179



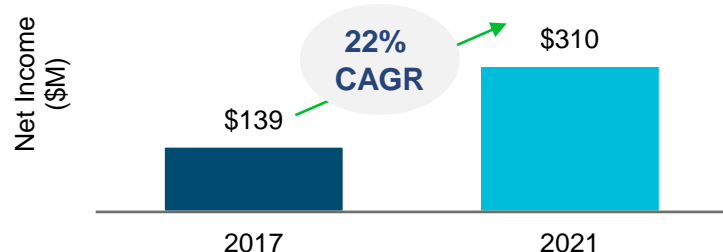
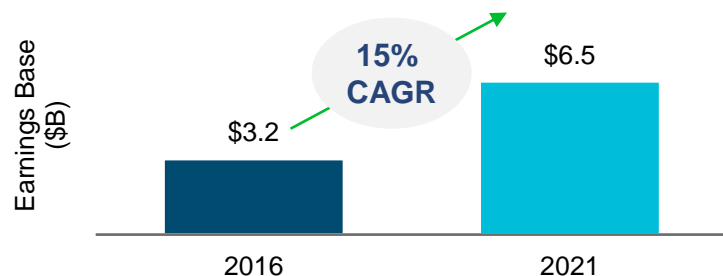
## TRANSITION TO CLEANER ENERGY WITH FOCUS ON RELIABILITY AND AFFORDABILITY

- Submitted 2021 Indiana integrated resource plan (IRP) in December
- Preferred portfolio reduces carbon emissions from our Indiana fleet by 63% in 2030 and 88% by 2040, compared to 2005 levels
- Key components of the company's preferred 20-year plan include:
  - Adds over 7,000 MW of renewables, plus 400 MW of energy storage
  - Adds 2,360 MW of natural gas, positioned to leverage hydrogen as the technology evolves
  - Accelerates coal plant retirement dates; retires all coal units by 2035<sup>(1)</sup>
- The Indiana Utility Regulatory Commission (IURC) does not approve the IRPs; rather, after receiving comments from stakeholders the staff of the IURC will issue a report on the plan

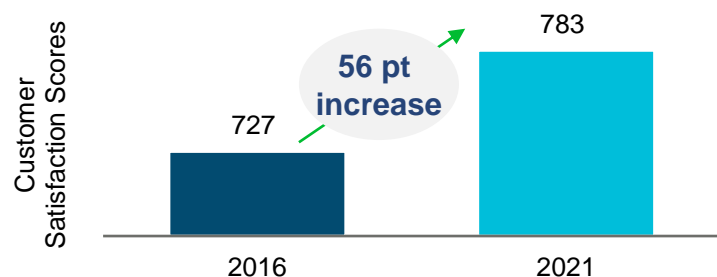


2022 Timeline	Status
IRP	<input checked="" type="checkbox"/>
Request for proposal for new generation	February
IURC staff report on IRP	2022
CPCN filings	By year end 2022

## 2016 PIEDMONT ACQUISITION HAS BEEN GOOD FOR SHAREHOLDERS...



## ... AND GOOD FOR PIEDMONT CUSTOMERS



## CONTINUED OPERATIONAL EXCELLENCE SUPPORTS GROWING CUSTOMER BASE

- Increased J.D. Power & Associates customer satisfaction score by 11 points in 2021, remain a top quartile performer
- Successfully placed in service the Robeson LNG facility for the benefit of Piedmont Carolina customers in 2021
- Constructive rate case outcomes in North Carolina and Tennessee
- Achieved top decile OSHA TCR safety performance within AGA peer group in 2020
- Strong residential customer growth since 2016, 1.9% CAGR





# Alternative technology partnerships and investments

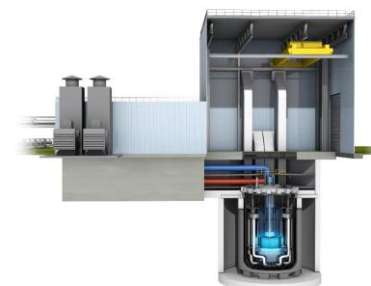
## HYDROGEN

- Partnering with Siemens and Clemson University on a Department of Energy supported study to evaluate hydrogen integration and utilization at the Duke owned and operated Clemson combined heat and power plant
- The pilot project began in March 2021 and includes studies on hydrogen production, storage and co-firing with natural gas
- Evaluating 30% co-firing of hydrogen in 2024 and 100% firing of hydrogen on or before 2030



## ADVANCED NUCLEAR

- Partnering with TerraPower and the Natrium Reactor team. Duke Energy's role is to provide consulting and advisory in-kind services
- The Natrium plant is designed with integrated thermal storage with a steady state electrical output of 345 MW that can increase to 500 MW utilizing stored energy
- The project is targeting to be operational within 7 years (by 2028)



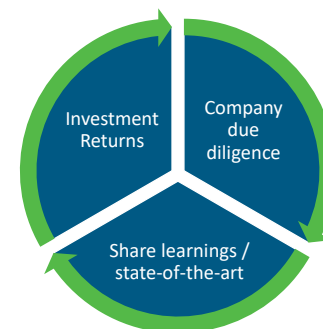
## ENERGY STORAGE

- Testing Honeywell's new flow battery technology, which can store and discharge electricity for up to 12 hours, exceeding the duration of lithium-ion batteries, which can only discharge up to 4 hours
- Honeywell will deliver a 400-kilowatt-hour (kWh) unit to Duke Energy's Emerging Technology and Innovation Center in Mount Holly, N.C. in 2022
- Will begin testing EOS Znyth Gen 3.0 battery (zinc bromine) in late 2022



## DUKE ENERGY VENTURES

- Duke Energy has an established corporate venture capital effort including investments in VC funds managed by Energy Impact Partners and The Westly Group
- Duke Energy leverages VC investing to stay current on new and innovative technology and foster interactions between Duke Energy subject matter experts and start-up companies

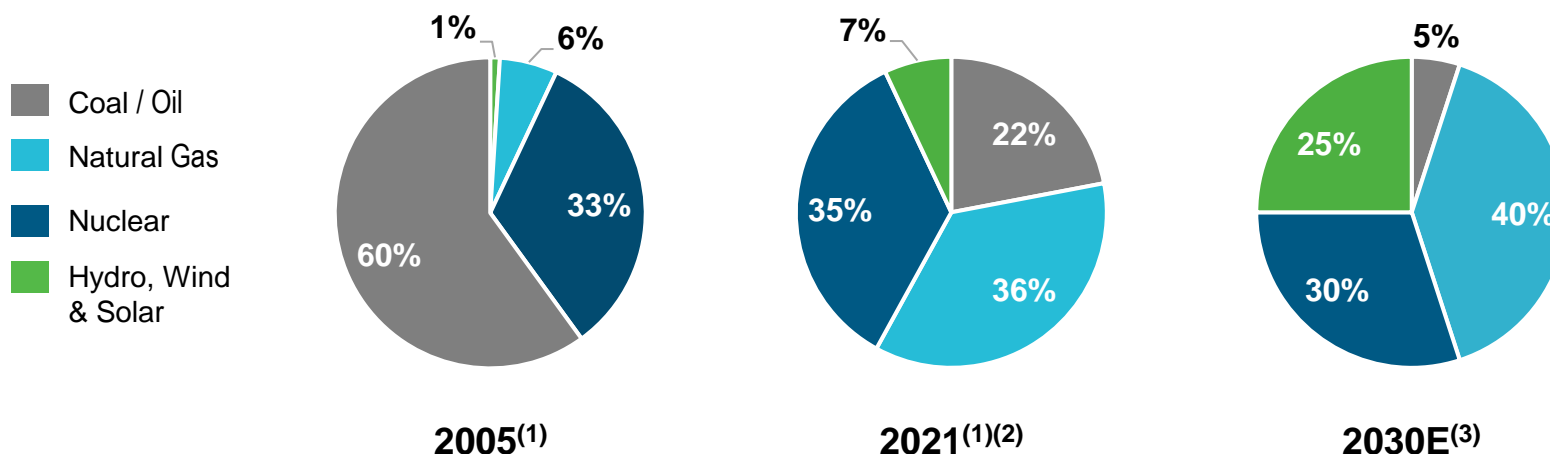


**SUSTAINABILITY /  
ENVIRONMENTAL SOCIAL  
AND GOVERNANCE (ESG)**

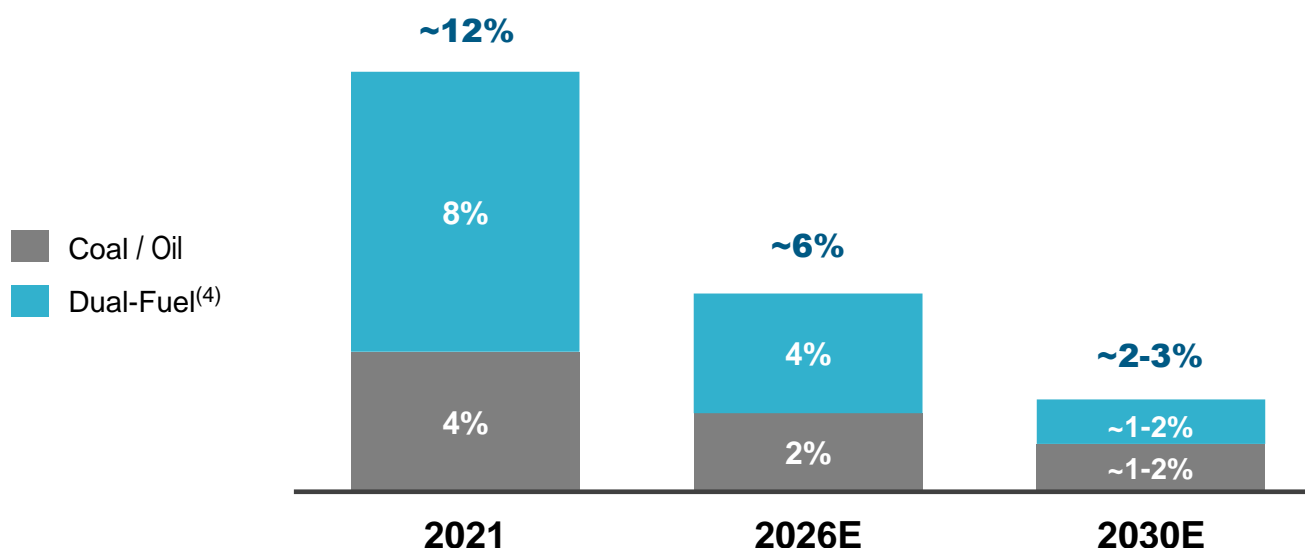
# Transforming the way we produce power

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## Generation (MWh) by Fuel Type



## Coal as a % of Earnings Base



(1) 2005 and 2021 data based on Duke's ownership share of U.S. generation assets as of Dec. 31, 2021.

(2) 2021 data excludes 9,088 GWh of purchased renewables, equivalent to ~4% of Duke's output.

(3) 2030 estimate will be influenced by customer demand for electricity, weather, fuel and purchased power prices, and other factors.

(4) As of December 31, 2021, the dual-fuel capable units and percentage of gas capacity are Cliffside 6 (100%), Belevs Creek 1 & 2 (50%), Cliffside 5 (40%) Marshall 1&2 (40%), Marshall 3&4 (50%), Edwardsport (100%).

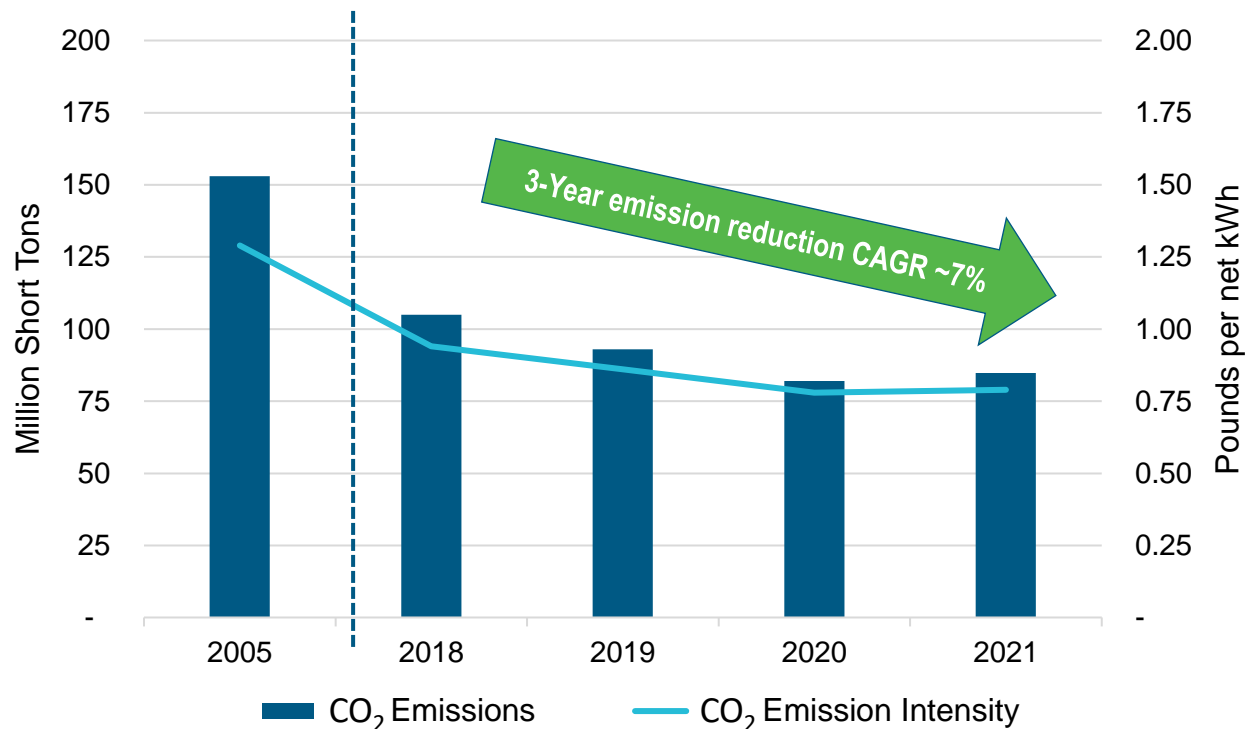
# Significantly reducing GHG emissions on our journey toward net-zero

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## EMISSIONS FROM ELECTRIC GENERATION

CO<sub>2</sub> Emissions (million short tons) and Emission Intensity (Lbs/net kWh)

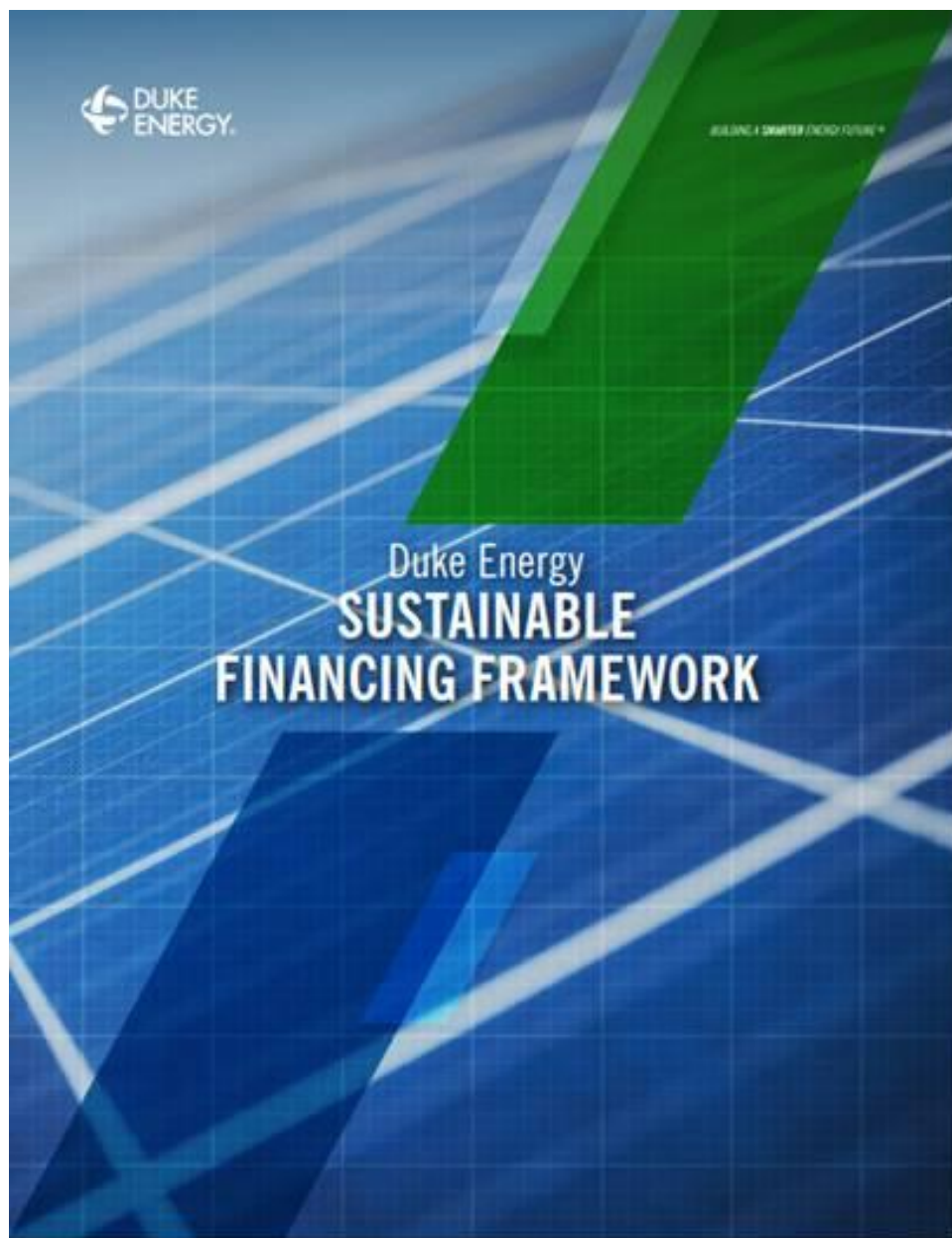


## KEY MESSAGES

- 44% reduction to CO<sub>2</sub> emissions since 2005
- On track to exceed 50% reduction by 2030
- 39% reduction in CO<sub>2</sub> intensity since 2005
- Pace of change will continue to accelerate over the next decade

**Removed 68 million short tons of annual CO<sub>2</sub> emissions since 2005, equivalent to taking over 13 million fossil-fueled vehicles off the road**

# Recently published sustainable financing framework



[sustainable-financing-framework](#)

- Previously issued green bonds financed renewable energy and battery storage investments
- New use of proceeds-based framework greatly expands the eligible project categories to align with our goals of net-zero carbon emissions by 2050:
  - Renewable energy
  - Green innovation
  - Energy efficiency
  - Clean transportation
  - Green buildings
  - Climate change adaptation
  - Socio-economic advancement & empowerment
- External review of the framework by S&P Global and opinion published on their platform
- Independent public accounting firm verification of each Sustainable Financing under the framework

# North Carolina subcritical coal generation<sup>(1)</sup>

## NC CLEAN ENERGY LEGISLATION PROVIDES FOR THE SECURITIZATION OF 50% OF THE BALANCE OF SUBCRITICAL COAL GENERATION AT RETIREMENT

Coal securitization rulemaking to be completed by April 11, 2022

(\$ in millions)		Net Book Value 12/31/21		Annual Depreciation <sup>(2)</sup>	Depreciation Study Retirement Date <sup>(2)</sup>	Earliest Practicable Retirement Date <sup>(3)</sup>
		System	NC Retail	NC Retail		
DEC	Allen 1&5	\$289	\$193	\$8	2026	2023
	Allen 2-4 <sup>(4)</sup>	105	70	9	Retired	Retired
	Cliffside 5	365	245	20	2032	2025
	Marshall 1-2	454	304	24	2034	2027
DEP	Mayo	631	391	26	2035	2025
	Roxboro 1-2	773	479	45	2028	2027
	Roxboro 3-4	<u>457</u>	<u>283</u>	<u>23</u>	2033	2027
	TOTAL	\$3,074	\$1,965	\$155		

(1) Amounts provided herein are for informational purposes only. The actual retirement dates for coal generation are to be determined in accordance with the Carbon Plan, which will be filed in May 2022. Additionally, changes in depreciation rates and capital additions prior to the retirement of the units could affect remaining net book values.

(2) Per most recent depreciation studies. Units would retire by December 31<sup>st</sup> of year listed.

(3) Per Carolinas IRPs filed September 2020. Units would retire by December 31<sup>st</sup> of year listed.

(4) Allen 2-4 units retired in 2021. In accordance with the Order issued in the 2019 North Carolina Rate Case, the retail NBV of Allen Unit 4 (\$47 million) was reclassified as a regulatory asset, with \$9 million of amortization annually.




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

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

- 13 out of 14 directors are independent (all directors except Chair, President and CEO)
- 6 out of 14 directors are female or identify as a part of a minority group

## Board of Directors

 <p><b>Lynn J. Good</b> Chair, President &amp; CEO, Duke Energy Director since 2013</p>	 <p><b>Michael G. Browning</b> Independent Lead Director Principal, Browning Consolidated Director since 2006</p>	 <p><b>Annette K. Clayton</b> President &amp; CEO, North America Operations, Schneider Electric Director since 2019</p>	
 <p><b>Theodore F. Craver Jr.</b> Retired Chairman, President, &amp; CEO, Edison International Director since 2017</p>	 <p><b>Robert M. Davis</b> President and CEO, Merck &amp; Co. Director since 2018</p>	 <p><b>Caroline Dorsa</b> Retired Executive Vice President &amp; CFO, PSEG Director since 2021</p>	
 <p><b>W. Roy Dunbar</b> Retired Chairman and CEO, Network Solutions Director since 2021</p>	 <p><b>Nicholas C. Fanandakis</b> Retired EVP, DuPont de Nemours Director since 2019</p>	 <p><b>John T. Herron</b> Retired President, CEO &amp; Chief Nuclear Officer, Entergy Nuclear Director since 2013</p>	
 <p><b>Idalene F. Kesner</b> Dean, Indiana University Kelley School of Business Director since 2021</p>	 <p><b>E. Marie McKee</b> Retired SVP, Corning Director since 2012</p>	 <p><b>Michael J. Pacilio</b> Retired Executive Vice President &amp; COO, Exelon Generation Director since 2021</p>	
 <p><b>Thomas E. Skains</b> Retired Chairman, President &amp; CEO, Piedmont Natural Gas Director since 2016</p>			 <p><b>William E. Webster</b> Retired EVP, Institute of Nuclear Power Operations Director since 2016</p>

Key Stats

43%

Racial, Gender and  
Ethnic Diversity

4.4

Years Average Tenure

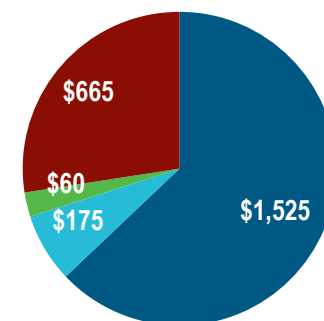
# **2021 PERFORMANCE AND 2022 GUIDANCE SUPPLEMENTAL INFORMATION**



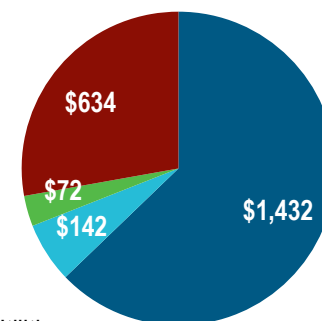
# Key 2022 adjusted earnings guidance assumptions

(\$ in millions)	Original 2021 Assumptions	2021 Actual	2022 Assumptions
<b>Adjusted segment income/(expense)<sup>(1)</sup>:</b>			
Electric Utilities & Infrastructure	\$3,900	\$3,919	\$4,170
Gas Utilities & Infrastructure	\$415	\$411	\$470
Commercial Renewables	\$220	\$201	\$150
Other	(\$575)	(\$504)	(\$595)
Duke Energy Consolidated	\$3,960	\$4,027	\$4,195
<b>Additional consolidated information:</b>			
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	6-8%	6.0%	8-10%
AFUDC equity	\$185	\$171	\$195
Capital expenditures <sup>(2)(3)</sup>	\$10,475	\$9,590	\$12,350
Weighted-average shares outstanding – basic	~769 million	~769 million	~770 million

**2022 Interest Expense Assumption**  
(Consolidated Total \$2,425)



**2021 Interest Expense**  
(Consolidated Total \$2,280)



■ Electric Utilities  
■ Gas Utilities  
■ Commercial Renewables  
■ Other

(1) Adjusted net income for 2022 assumptions is based upon the midpoint of the adjusted EPS guidance range of \$5.30 to \$5.60

(2) Includes debt AFUDC and capitalized interest

(3) 2021 actual includes coal ash closure spend of ~\$444 million that was included in operating cash flows. 2022 Assumptions include ~\$488 million of projected coal ash closure spend.

# Electric utilities quarterly weather impacts

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Weather segment income to normal:	2021						2020					
	Pretax impact		Weighted avg. shares		EPS impact favorable / (unfavorable)		Pretax impact		Weighted avg. shares		EPS impact favorable / (unfavorable)	
First Quarter	(\$17)		769		(\$0.02)		(\$110)		734		(\$0.11)	
Second Quarter	\$7		769		\$0.01		(\$8)		735		(\$0.01)	
Third Quarter	\$46		769		\$0.05		\$67		735		\$0.07	
Fourth Quarter	(81)		769		(\$0.08)		\$2		742		--	
Year-to-Date <sup>(1)</sup>	(46)		769		(\$0.05)		(\$48)		737		(\$0.05)	
4Q 2021	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY			
Heating degree days / Variance from normal	967	(21.7%)	855	(23.1%)	84	(55.4%)	1,639	(16.0%)	1,474	(19.0%)		
Cooling degree days / Variance from normal	79	87.9%	106	68.6%	584	20.3%	46	131.3%	61	170.8%		
4Q 2020	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY			
Heating degree days / Variance from normal	1,098	(12.1%)	933	(17.1%)	207	1.8%	1,822	(7.6%)	1,671	(9.0%)		
Cooling degree days / Variance from normal	51	25.7%	91	50.0%	624	41.0%	19	9.1%	21	(4.0%)		

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

# Key 2022 earnings sensitivities

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Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.53
	\$1 billion change in rate base	+/- \$0.07
	1% change in Electric Utilities volumes Industrial +/- \$0.02 <sup>(2)</sup> Commercial +/- \$0.05 <sup>(2)</sup> Residential +/- \$0.08 <sup>(2)</sup>	+/- \$0.15 <sup>(1) (2)</sup>
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.08
	\$200 million change in rate base	+/- \$0.01
	1% change in number of new customers	+/- \$0.02
Consolidated	1% change in interest rates <sup>(3)</sup>	+/- \$0.12

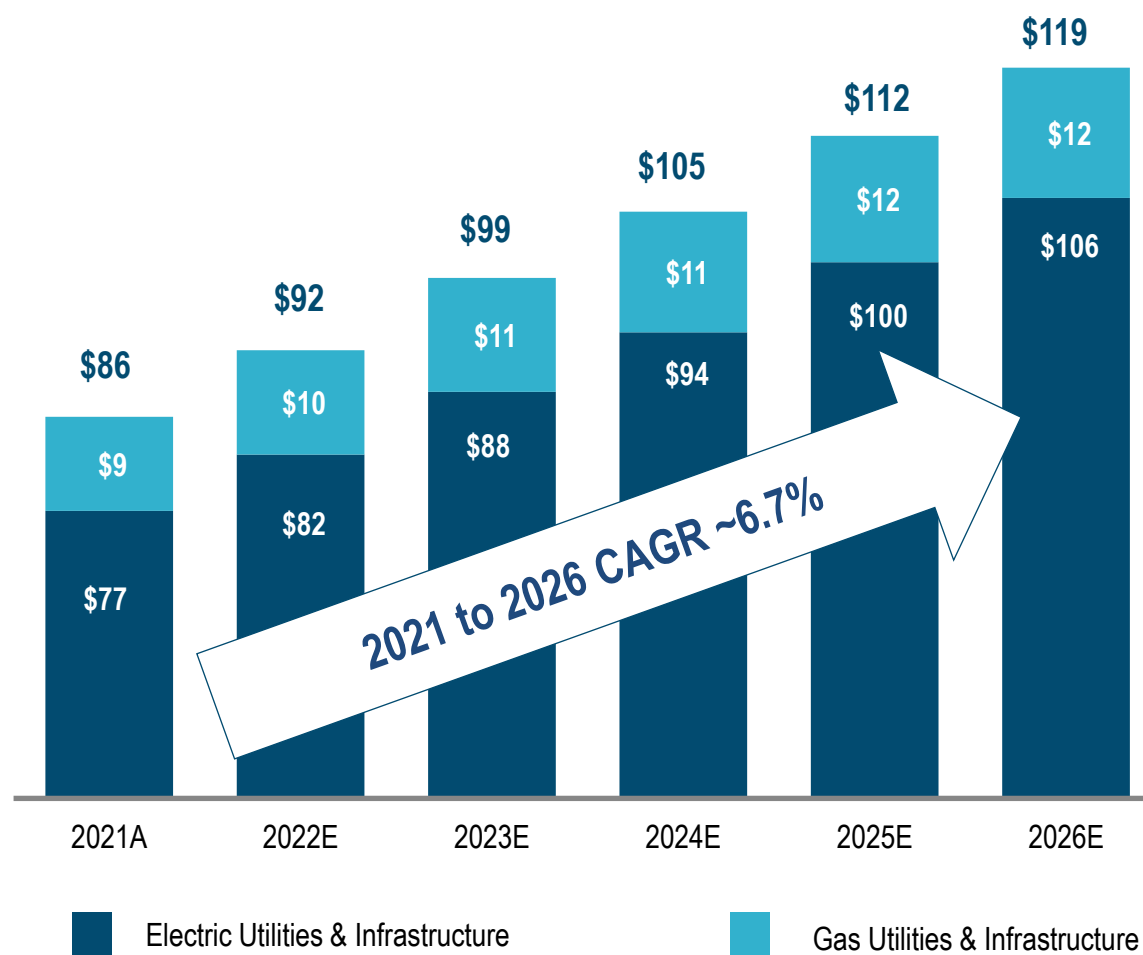
Note: EPS amounts based on forecasted 2022 basic share count of ~770 million shares

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

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

(3) Based on average variable-rate debt outstanding throughout the year and new issuances.

## 2022-2026 REGULATED ELECTRIC AND GAS EARNINGS BASE<sup>(1)(2)</sup>



- (1) In billions. Illustrative earnings base for presentation purposes only and includes retail and wholesale; Amounts as of the end of each year shown; Projected earnings base = prior period earnings base + capex – D&A – deferred taxes – securitized assets. Totals may not foot due to rounding
- (2) Amounts presented gross of GIC 19.9% minority investment and earnings base is presented net of coal ash settlement.

# Regulated utilities end of year earnings base<sup>(1)</sup>

## Electric Utilities Earnings Base

(\$ in billions)	2021A	2022E	2023E	2024E	2025E	2026E
Duke Energy Carolinas <sup>(2)</sup>	\$28.1	\$30.2	\$32.9	\$34.6	\$36.9	\$38.9
Duke Energy Progress <sup>(2)</sup>	18.2	19.6	20.7	22.3	24.4	26.2
Duke Energy Florida	16.5	17.7	19.1	20.7	22.1	23.0
Duke Indiana	9.5	9.8	10.3	10.7	11.3	12.2
Duke Ohio – Electric	3.5	3.7	3.9	4.0	4.2	4.5
Duke Kentucky – Electric	1.1	1.2	1.3	1.3	1.4	1.5
<b>Electric Utilities Total<sup>(3)(4)</sup></b>	<b>\$76.9</b>	<b>\$82.2</b>	<b>\$88.1</b>	<b>\$93.7</b>	<b>\$100.3</b>	<b>\$106.3</b>

## Gas Utilities Earnings Base

(\$ in billions)	2021A	2022E	2023E	2024E	2025E	2026E
Piedmont	\$6.5	\$7.2	\$7.9	\$8.3	\$8.7	\$9.0
Duke Energy Ohio – Gas	1.8	2.0	2.2	2.3	2.4	2.4
Duke Energy Kentucky - Gas	0.5	0.6	0.7	0.7	0.8	0.8
<b>Gas Utilities Total<sup>(3)</sup></b>	<b>\$8.8</b>	<b>\$9.8</b>	<b>\$10.7</b>	<b>\$11.3</b>	<b>\$11.8</b>	<b>\$12.2</b>
(\$ in billions)	2021A	2022E	2023E	2024E	2025E	2026E
<b>Total Company<sup>(3)(4)</sup></b>	<b>\$85.8</b>	<b>\$92.0</b>	<b>\$98.8</b>	<b>\$105.0</b>	<b>\$112.1</b>	<b>\$118.5</b>

(1) Illustrative earnings base for presentation purposes only and includes retail and wholesale; Amounts as of the end of each year shown; Projected earnings base = prior period earnings base + capex – D&A – deferred taxes – securitized assets.

(2) Amounts presented are net of 2021 North Carolina, South Carolina coal ash settlements

(3) Totals may not foot due to rounding

(4) Amounts presented gross of GIC 19.9% minority investment (~11% as of Q2 2021; 19.9% as of Jan. 2023)

# Capital expenditures profile<sup>(1)</sup>

(\$ in millions)

Capital Expenditures	2021A	2022E	2023E	2024E	2025E	2026E	2022 - 2026
Electric Generation <sup>(2)</sup>	1,157	1,475	1,900	2,225	2,750	3,650	12,000
Electric Transmission	883	1,425	1,350	1,450	1,325	1,425	6,975
Electric Distribution	2,255	3,325	3,625	3,675	3,800	3,800	18,225
Environmental & Other <sup>(3)</sup>	767	775	575	475	425	375	2,625
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$5,062</b>	<b>\$7,000</b>	<b>\$7,450</b>	<b>\$7,825</b>	<b>\$8,300</b>	<b>\$9,250</b>	<b>\$39,825</b>
Maintenance	3,036	2,950	3,050	2,600	2,500	2,300	13,400
<b>Total Electric Utilities &amp; Infrastructure Capital<sup>(4)</sup></b>	<b>\$8,098</b>	<b>\$9,950</b>	<b>\$10,500</b>	<b>\$10,425</b>	<b>\$10,800</b>	<b>\$11,550</b>	<b>\$53,225</b>
Commercial Renewables <sup>(5)</sup>	(45)	600	800	400	500	250	2,550
<b>Total Commercial Renewables Capital</b>	<b>(\$45)</b>	<b>\$600</b>	<b>\$800</b>	<b>\$400</b>	<b>\$500</b>	<b>\$250</b>	<b>\$2,550</b>
Renewables Natural Gas	40	75	100	75	25	-	275
LDC - Non-Rider	236	350	375	325	300	250	1,600
LDC - Rider	342	525	575	450	450	325	2,325
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$618</b>	<b>\$950</b>	<b>\$1,050</b>	<b>\$850</b>	<b>\$775</b>	<b>\$575</b>	<b>\$4,200</b>
Maintenance	632	400	325	300	250	300	1,575
<b>Total Gas Utilities &amp; Infrastructure Capital</b>	<b>\$1,251</b>	<b>\$1,350</b>	<b>\$1,375</b>	<b>\$1,150</b>	<b>\$1,025</b>	<b>\$875</b>	<b>\$5,775</b>
Other <sup>(6)</sup>	287	450	300	250	225	200	1,425
<b>Total Duke Energy</b>	<b>\$9,590</b>	<b>\$12,350</b>	<b>\$12,975</b>	<b>\$12,225</b>	<b>\$12,550</b>	<b>\$12,875</b>	<b>\$62,975</b>

(1) Amounts include AFUDC debt or capitalized interest. Totals may not foot due to rounding

(2) Includes nuclear fuel of ~\$2.2B from 2022-2026

(3) 2021 actual amounts include ~\$444 million in coal ash closure spending that was included in operating cash flows

(4) Capex amounts are presented gross of GIC minority investment (~11% as of Q3 2021; 19.9% as of Jan. 2023)

(5) Amounts are net of assumed tax equity financings

(6) Primarily IT and real estate related costs

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy Carolinas	2021A	2022E	2023E	2024E	2025E	2026E	2022 - 2026
Electric Generation	406	475	625	725	900	1,425	4,150
Electric Transmission	95	300	350	325	275	225	1,475
Electric Distribution	851	1,150	1,450	1,175	1,200	1,125	6,100
Environmental & Other <sup>(2)</sup>	409	475	250	225	200	200	1,350
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$1,760</b>	<b>\$2,400</b>	<b>\$2,675</b>	<b>\$2,450</b>	<b>\$2,575</b>	<b>\$2,975</b>	<b>\$13,075</b>
Maintenance	1,115	1,200	1,300	925	950	925	5,300
<b>Total Duke Energy Carolinas</b>	<b>\$2,875</b>	<b>\$3,600</b>	<b>\$3,975</b>	<b>\$3,375</b>	<b>\$3,525</b>	<b>\$3,900</b>	<b>\$18,375</b>

Duke Energy Progress	2021A	2022E	2023E	2024E	2025E	2026E	2022 - 2026
Electric Generation	179	475	525	825	1,075	1,200	4,100
Electric Transmission	56	175	150	200	300	275	1,100
Electric Distribution	496	925	850	950	1,050	1,075	4,850
Environmental & Other <sup>(3)</sup>	235	175	175	150	125	125	750
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$966</b>	<b>\$1,750</b>	<b>\$1,700</b>	<b>\$2,125</b>	<b>\$2,550</b>	<b>\$2,675</b>	<b>\$10,800</b>
Maintenance	966	850	775	725	575	625	3,550
<b>Total Duke Energy Progress</b>	<b>\$1,932</b>	<b>\$2,600</b>	<b>\$2,475</b>	<b>\$2,850</b>	<b>\$3,125</b>	<b>\$3,300</b>	<b>\$14,350</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2021 actual amounts include ~\$182 million in coal ash closure spending that was included in operating cash flows

(3) 2021 actual amounts include ~\$192 million in coal ash closure spending that was included in operating cash flows

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy Florida	2021A	2022E	2023E	2024E	2025E	2026E	2022 - 2026
Electric Generation	527	500	550	475	475	350	2,350
Electric Transmission	436	650	575	600	475	525	2,825
Electric Distribution	434	700	800	975	900	975	4,350
Environmental & Other <sup>(2)</sup>	31	-	-	-	-	-	-
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$1,429</b>	<b>\$1,850</b>	<b>\$1,925</b>	<b>\$2,050</b>	<b>\$1,850</b>	<b>\$1,850</b>	<b>\$9,525</b>
Maintenance	494	400	475	500	525	375	2,271
<b>Total Duke Energy Florida</b>	<b>\$1,923</b>	<b>\$2,250</b>	<b>\$2,400</b>	<b>\$2,550</b>	<b>\$2,375</b>	<b>\$2,225</b>	<b>\$11,800</b>

Duke Energy Indiana	2021A	2022E	2023E	2024E	2025E	2026E	2022 - 2026
Electric Generation	41	25	125	200	275	650	1,275
Electric Transmission	160	150	125	200	175	250	900
Electric Distribution	242	275	250	275	325	300	1,425
Environmental & Other <sup>(3)</sup>	80	100	150	100	75	50	475
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$523</b>	<b>\$550</b>	<b>\$650</b>	<b>\$775</b>	<b>\$850</b>	<b>\$1,250</b>	<b>\$4,075</b>
Maintenance	361	400	375	325	325	250	1,675
<b>Total Duke Energy Indiana<sup>(4)</sup></b>	<b>\$884</b>	<b>\$950</b>	<b>\$1,025</b>	<b>\$1,100</b>	<b>\$1,175</b>	<b>\$1,500</b>	<b>\$5,750</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2021 actual amounts include ~\$1 million in coal ash closure spending that was included in operating cash flows

(3) 2021 actual amounts include ~\$66 million in coal ash closure spending that was included in operating cash flows

(4) DEI capex presented gross of GIC minority investment (~11% as of Q3 2021; 19.9% as of Jan. 2023)



# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

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Duke Energy OH/KY Electric	2021A	2022E	2023E	2024E	2025E	2026E	2022 - 2026
Electric Generation	4	-	75	-	25	25	125
Electric Transmission	137	125	150	150	125	125	675
Electric Distribution	237	225	250	225	225	250	1,175
Environmental & Other <sup>(2)</sup>	11	25	-	-	-	-	25
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$388</b>	<b>\$375</b>	<b>\$475</b>	<b>\$375</b>	<b>\$375</b>	<b>\$400</b>	<b>\$2,000</b>
Maintenance	100	100	125	125	125	125	600
<b>Total DEO/DEK Electric</b>	<b>\$488</b>	<b>\$475</b>	<b>\$600</b>	<b>\$500</b>	<b>\$500</b>	<b>\$525</b>	<b>\$2,600</b>

Duke Energy OH/KY Gas	2021A	2022E	2023E	2024E	2025E	2026E	2022 - 2026
LDC - Non-Rider	48	75	75	75	100	50	375
LDC - Rider	-	25	50	50	25	25	175
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$48</b>	<b>\$100</b>	<b>\$125</b>	<b>\$125</b>	<b>\$125</b>	<b>\$75</b>	<b>\$550</b>
Maintenance	314	200	200	175	150	150	875
<b>Total DEO/DEK Gas</b>	<b>\$362</b>	<b>\$300</b>	<b>\$325</b>	<b>\$300</b>	<b>\$275</b>	<b>\$225</b>	<b>\$1,425</b>

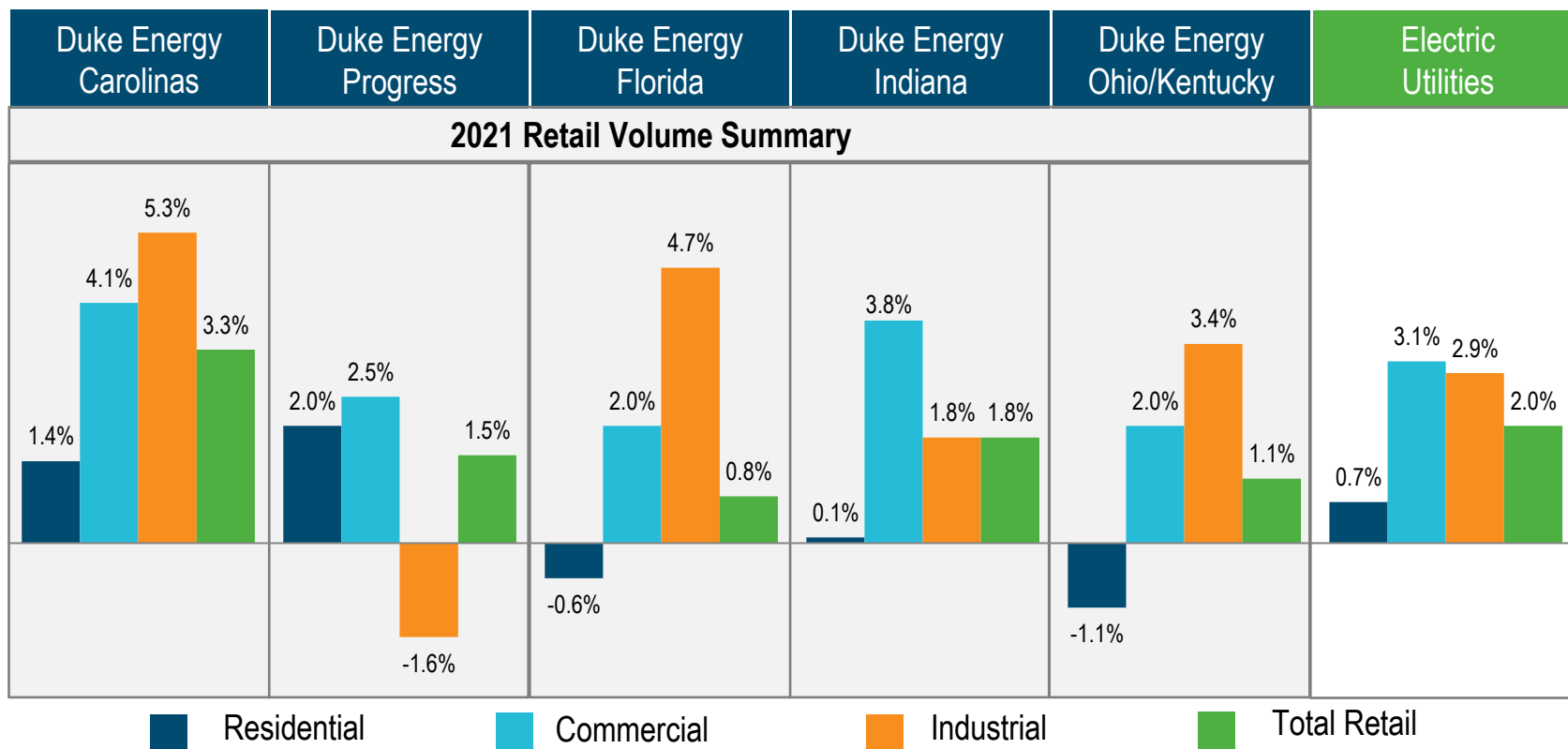
Piedmont	2021A	2022E	2023E	2024E	2025E	2026E	2022 - 2026
LDC - Non-Rider	189	300	300	250	200	200	1,250
LDC - Rider	342	500	525	400	400	300	2,125
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$530</b>	<b>\$800</b>	<b>\$825</b>	<b>\$650</b>	<b>\$600</b>	<b>\$500</b>	<b>\$3,375</b>
Maintenance	318	200	125	125	125	150	725
<b>Total Piedmont Gas</b>	<b>\$848</b>	<b>\$1,000</b>	<b>\$950</b>	<b>\$775</b>	<b>\$725</b>	<b>\$650</b>	<b>\$4,100</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2021 actual amounts include ~\$2 million in coal ash closure spending that was included in operating cash flows

# Weather normalized volume trends, by electric jurisdiction

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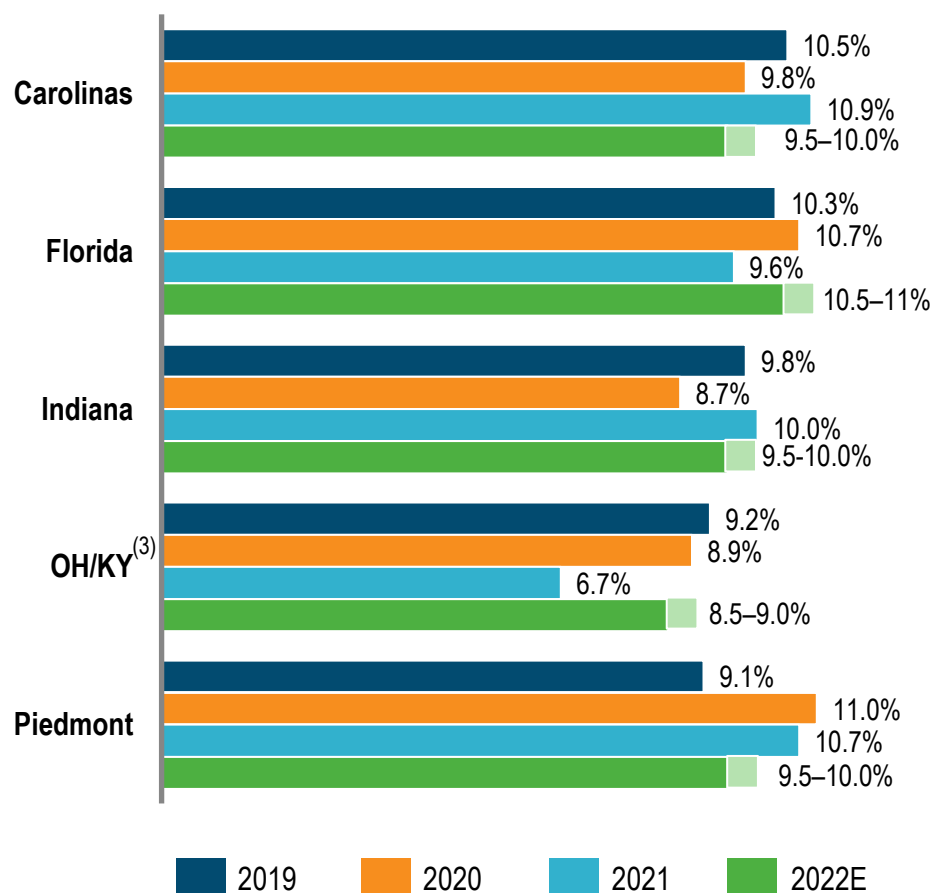


# Managing regulatory lag and customer rate impacts

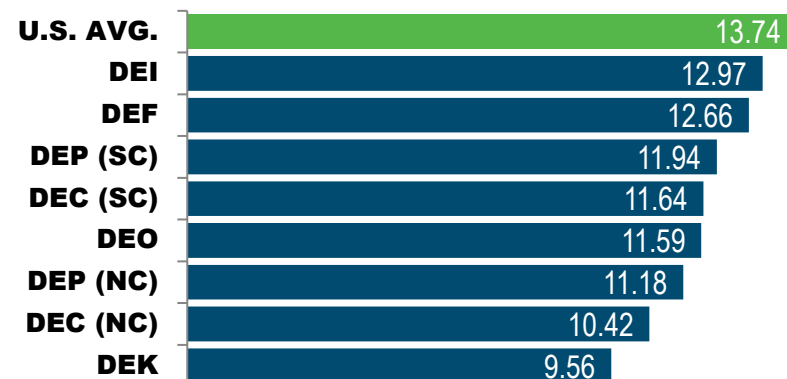
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## ADJUSTED BOOK ROEs<sup>(1)</sup>



## COMPETITIVE CUSTOMER RATES<sup>(2)</sup>



**DELIVERING COMPETITIVE RETURNS FOR INVESTORS WHILE KEEPING RATES WELL BELOW THE NATIONAL AVERAGE FOR CUSTOMERS**

(1) Adjusted book ROEs exclude special items and are based on average book equity less Goodwill. Adjusted ROEs also include wholesale and are not adjusted for the impacts of weather. Regulatory ROEs will differ from Adjusted Book ROEs

(2) Residential customer rates. Typical bill rates (¢/kWh) in effect as of January 1, 2021. Source: EEI Typical Bills and Avg. Rates Report, Winter 2021

(3) Combined electric and gas utilities

# FINANCING PLAN UPDATE AND CURRENT LIQUIDITY

# 2022 Financing plan<sup>(1)</sup>

Issuer	Estimated Amount (\$ in millions)	Security	Date Issued	Completed (\$ in millions)	Term	Rate	2022 Maturities <sup>(2)</sup>
Holding Company	\$5,500 - \$6,000	Senior Debt / Hybrid Securities	-	-	-	-	\$2,050 (May, Apr. & Aug.)
DE Carolinas	\$1,000 – 1,300	Senior Debt	-	-	-	-	\$350 (May)
DE Progress	\$1,200 - \$1,400	Senior Debt	-	-	-	-	\$500 (May)
DE Florida	\$400 - \$600	Senior Debt	-	-	-	-	-
DE Indiana	\$50 - \$75	Tax-Exempt Debt	-	-	-	-	-
Piedmont	\$300 - \$500	Senior Debt	-	-	-	-	-
DE Kentucky	\$40 - \$60	Tax-Exempt Debt	-	-	-	-	-

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

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

# Liquidity summary (as of December 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 <sup>(1)</sup>	\$ 2,650	\$ 1,225	\$ 1,150	\$ 900	\$ 600	\$ 600	\$ 175	\$ 700	\$ 8,000
Less: Notes payable and commercial paper <sup>(2)</sup>	(1,128)	(506)	(307)	(181)	(150)	-	(119)	(472)	\$ (2,863)
Outstanding letters of credit (LOCs)	(25)	(4)	(2)	(7)	-	-	-	-	(38)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 1,497	\$ 715	\$ 841	\$ 712	\$ 369	\$ 600	\$ 56	\$ 228	\$ 5,018
Funded Revolver and Term Loan <sup>(3)</sup>	\$ 1,000								\$ 1,000
Less: Borrowings Under Credit Facilities	(500)								(500)
Available capacity	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Cash & short-term investments									271
<b>Total available liquidity</b>									<b>\$ 5,789</b>

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

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

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

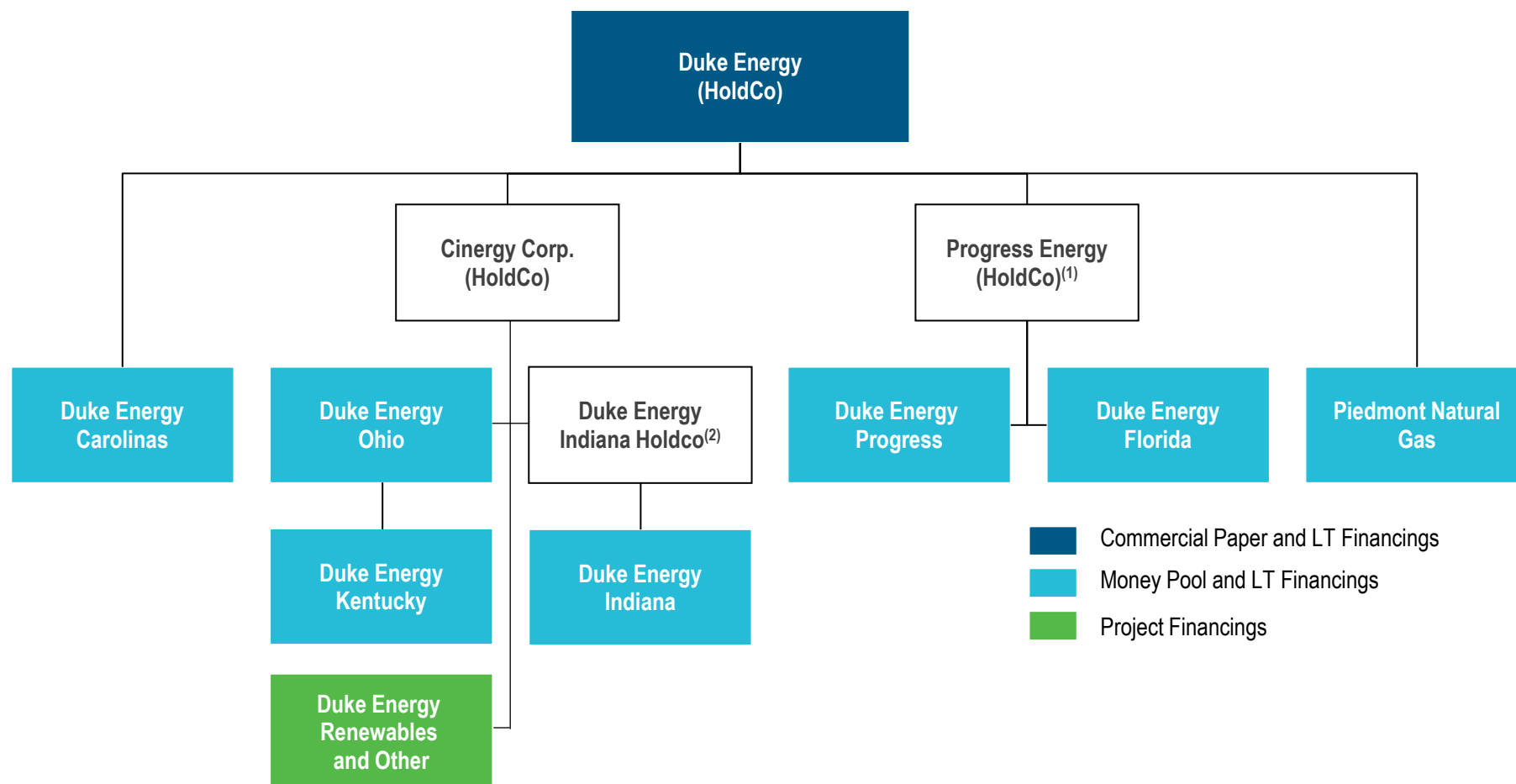
- On a consolidated basis, the Duke Energy pension plan was fully funded as of 12/31/2021 on a PBO basis
- Duke Energy's pension funding policy:
  - Duke Energy's policy is to fund amounts on an actuarial basis to provide assets sufficient to meet benefit payments to be paid to plan participants
- On a consolidated basis, the plan has a target asset allocation of 40% return-seeking assets and 60% liability hedging assets

Pension Contributions (\$ in millions)	2020A	2021A	2022E
All plans	\$0	\$0	~\$5M to ~\$20M

Jan 19 2023

- Key 2022 assumptions:
  - Discount rate: 2.9% for 2022 (vs. 2.6% for 2021)
  - Consolidated expected long-term return on assets of 6.5% (unchanged from 2021)

# Simplified financing structure



(1) Progress Energy HoldCo has long-term debt outstanding, but no future common equity issuance is planned at this financing entity

(2) 11.05% of Duke Energy Indiana Holdco membership interest owned by GIC. Upon the second closing, GIC will own 19.9%



# Credit ratings and 2021 credit metrics<sup>(1)</sup>

Current Ratings	Moody's	S&P
<b>DUKE ENERGY CORPORATION</b>	Stable	Stable
Senior Unsecured Debt	Baa2	BBB
Commercial Paper	P-2	A-2
<b>PROGRESS ENERGY, INC</b>	Stable	Stable
Senior Unsecured Debt	Baa1	BBB
<b>DUKE ENERGY CAROLINAS</b>	Stable	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	BBB+
<b>DUKE ENERGY PROGRESS</b>	Stable	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	BBB+
<b>DUKE ENERGY FLORIDA</b>	Stable	Stable
Senior Secured Debt	A1	A
Senior Unsecured Debt	A3	BBB+
<b>DUKE ENERGY INDIANA</b>	Stable	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	BBB+
<b>DUKE ENERGY OHIO</b>	Stable	Stable
Senior Secured Debt	A2	A
Senior Unsecured Debt	Baa1	BBB+
<b>DUKE ENERGY KENTUCKY</b>	Stable	Stable
Senior Unsecured Debt	Baa1	BBB+
<b>PIEDMONT NATURAL GAS</b>	Stable	Stable
Senior Unsecured Debt	A3	BBB+

Duke Energy Corporation			
Holdco Debt/Total Debt		32%	
FFO/Debt <sup>(2)(3)</sup>		15%	
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida
FFO/Debt <sup>(2)(3)</sup>	23%	23%	22%
	Duke Energy Indiana	Duke Energy Ohio Cons.	Piedmont
FFO/Debt <sup>(2)(3)</sup>	25%	16%	15%

Simplified 2022 Cash Flows	
Adjusted net income <sup>(4)</sup>	\$4,195
Depreciation & amortization	5,885
Deferred and accrued taxes	350
Other sources / (uses), net <sup>(5)</sup>	(1,180)
<b>Primary sources</b>	<b>9,250</b>
Capital expenditures	(12,350)
Dividends (subject to Board of Directors discretion)	(3,065)
<b>Primary uses</b>	<b>(15,415)</b>
Uses in excess of sources	(6,165)
Net Change in debt	6,030
<b>Net Change in Cash</b>	<b>(\$135)</b>

(1) Amounts do not include all adjustments that may be made by the rating agencies

(2) Key adjustments within the computation include the removal of coal ash remediation spending from FFO, and the adjusted debt balance excludes purchase accounting adjustments

(3) Assumes securitization treated as off credit

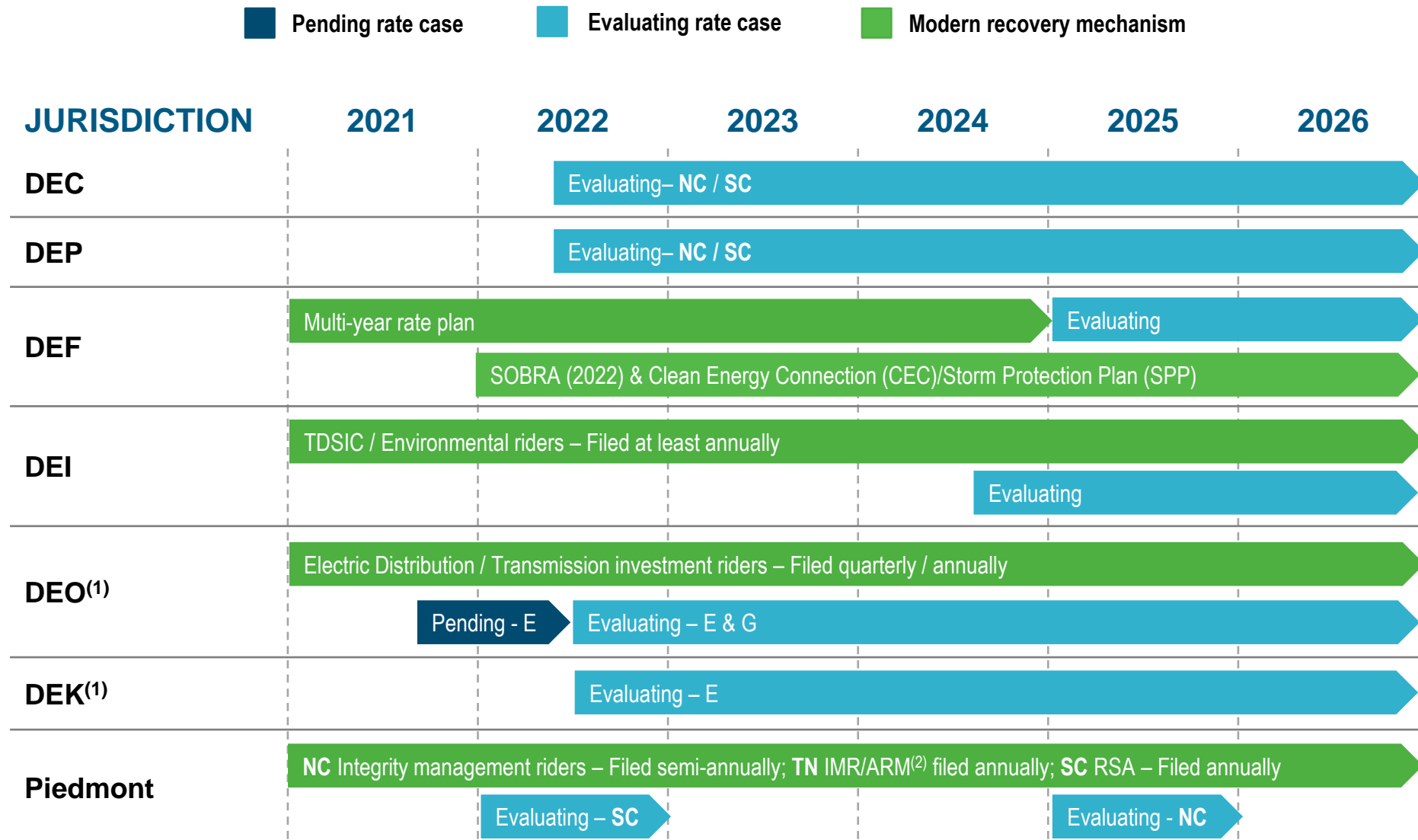
(4) Based upon the midpoint of the 2022 guidance range

(5) Includes cost of removal expenditures, changes in working capital and AFUDC equity

# REGULATORY OVERVIEW

# Regulatory calendar

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(1) “E” denotes Electric, “G” denotes Gas

(2) Piedmont’s operation under the Annual Review Mechanism (ARM) in lieu of operation under the Integrity Management Rider (IMR) in Tennessee is currently pending TPUC approval.

# Overview of state commissions by jurisdiction

	North Carolina	South Carolina	Florida	Indiana	Ohio	Kentucky	Tennessee
Number of Commissioners	7	7	5	5	5	3	7
Term (years)	6	4	4	4	5	4	6
Appointed/Elected	Appointed by Governor	Elected by the General Assembly	Appointed by Governor	Appointed by Governor	Appointed by Governor	Appointed by Governor	Appointed by Governor and Legislature
Chair (Term Exp.)	Charlotte Mitchell (June 2023)	Justin Williams (June 2022)	Andrew Fay (January 2026)	Jim Huston (April 2025)	Jenifer French (April 2024)	Kent Chandler (June 2024)	Kenneth Hill (June 2026)
Other Commissioners (Term Exp.)	<ul style="list-style-type: none"> <li>Lyons Gray (June 2021)</li> <li>ToNola Brown-Bland (June 2023)</li> <li>Dan Clodfelter (June 2023)</li> <li>Floyd McKissick (June 2025)</li> <li>Kimberly Duffley (June 2025)</li> <li>Jeff Hughes (June 2025)</li> </ul>	<ul style="list-style-type: none"> <li>Tom Ervin (June 2022)</li> <li>Florence Belser (February 2023)</li> <li>Mike Caston (June 2024)</li> <li>Headen Thomas (June 2024)</li> <li>Carolee Williams (June 2024)</li> <li>Delton Powers (June 2024)</li> </ul>	<ul style="list-style-type: none"> <li>Art Graham (January 2026)</li> <li>Gary Clark (January 2023)</li> <li>Mike La Rosa (January 2025)</li> <li>Gabriella Passidomo (January 2023)</li> </ul>	<ul style="list-style-type: none"> <li>Sarah Freeman (January 2026)</li> <li>Stefanie Krevda (April 2022)</li> <li>David Ziegner (April 2023)</li> <li>David Ober (January 2024)</li> </ul>	<ul style="list-style-type: none"> <li>Lawrence Friedeman (April 2025)</li> <li>Dennis Deters (April 2026)</li> <li>Daniel Conway (April 2022)</li> <li>Beth Trombold (April 2023)</li> </ul>	<ul style="list-style-type: none"> <li>Amy Cubbage-Vice Chair (July 2023)</li> <li>Marianne Butler (July 2025)</li> </ul>	<ul style="list-style-type: none"> <li>Clay Good (June 2026)</li> <li>Robin Morrison (June 2026)</li> <li>Herbert Hilliard (June 2023)</li> <li>John Hie (June 2024)</li> <li>David Jones (June 2024)</li> <li>Vacant (June 2026)</li> </ul>

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# Current electric rate information by jurisdiction

	North Carolina	South <sup>(1)</sup> Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Retail Rate Base	\$16.9 B <sup>(2)</sup> (DEC) \$10.6 B <sup>(2)</sup> (DEP)	\$5.4 B (DEC) \$1.5 B (DEP)	\$15.6 B <sup>(3)</sup>	\$10.2 B	\$1.3 B (dist. only)	\$881 M
Wholesale Rate Base	\$2.2 B (DEC) 3Q 2021 \$3.7 B (DEP) 3Q 2021		\$1.8 B <sup>(3)</sup>	\$579 M	\$0.7 B (trans. only)	\$0
Allowed ROE	9.6% (DEC & DEP)	9.5% (DEC & DEP)	10.50% / 9.85% <sup>(4)</sup>	9.7%	9.84% - Dist 11.38% - Trans	9.25%
Allowed Equity	52.0% (DEC & DEP)	53.0% (DEC & DEP)	53% <sup>(5)</sup>	41.62% <sup>(6)</sup>	50.8%	48.2%
Effective Date of Most Recent Rates	6/1/21 (DEC & DEP)	6/1/19 (DEC & DEP)	1/1/22	7/30/20 <sup>(7)</sup>	Distr: 1/2/19 Trans 6/1/21 ESP: 1/2/19	5/1/20
Fuel Clause Updated	Annually (DEC & DEP)	Annually (DEC & DEP)	Annually	Quarterly	Annually for Non-Shoppers	Monthly
Environmental Clause Updated	N/A	N/A	Annually	Semi-Annually	Quarterly	Monthly

(1) DEC SC and DEP SC rate base and allowed ROE as of June 2019. The Public Service Commission of South Carolina issued orders in the DEC SC and DEP SC rate cases on May 21, 2019.

(2) DEC NC and DEP NC rate base and allowed ROE as of June 2021. The NCUC issued orders in the DEC NC rate case on March 31, 2021 and in the DEP NC rate case on April 16, 2021.

(3) Florida's thirteen-month average as of November 2021. Retail rate base includes amounts recovered in base rates of \$15.1B and amounts recovered in trackers of \$0.5B.

(4) Represents the mid-point of an authorized range from 9.5% to 11.5% through December 2021. ROE midpoint changes to 9.85% with a range of 8.85% to 10.85% in January 2022.

(5) Florida's equity ratio is effective January 2022. Florida's regulatory capital structure also includes accumulated deferred income taxes (ADIT), customer deposits and investment tax credits (ITC).

(6) Indiana's capital structure includes ADIT. When ADIT is excluded, the capital structure approximates 54% equity as of December 31, 2020.

(7) Step 2 rates went into effect August 2021, retroactive to 1/1/2021.

# Current electric rate information by jurisdiction (continued)

General Rate Case Provisions	North Carolina	South Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Notice of Intent Required?	Yes	Yes	Yes	Yes <sup>(1)</sup>	Yes	Yes
Notice Period	30 Days	30 Days	60 Days	30 Days <sup>(2)</sup>	30 Days	30 Days
Base Rate Case Test Year	Historical <sup>(3)</sup>	Historical <sup>(3)</sup>	Projected	Optional <sup>(4)</sup>	Partially Projected	Forecast Optional
Multi-Year Rate Plan	Yes <sup>(5)</sup>	No	Yes	No	No	No
Time Limitation Between Cases	Only under multi-year rate plan	12 months	No	15 Months	No	No
Rates Effective Subject to Refund	7 Months After Filing	6 Months After Filing <sup>(6)</sup>	8 Months After Filing	10 Months After Filing <sup>(7)</sup>	9 Months After Filing	6 Months After Filing <sup>(8)</sup>

Recovery mechanisms for certain capital investments	North Carolina	South Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Grid Modernization	Deferral / base rate case	Deferral / base rate case	Rider / base rate case	Rider / base rate case	Rider / base rate case	Base rate case
Renewables	Base rate case	Base rate case	Rider / base rate case	Rider / base rate case	N/A	Base rate case
Environmental	Deferral / base rate case	Deferral / base rate case	Rider / base rate case	Rider / base rate case	N/A	Rider / base rate case

(1) IURC recommended procedure. Not a statutory requirement

(2) As least 30 days to avoid ex parte issues

(3) Historical, adjusted for known and measurable changes

(4) Utilities may elect to a historical test period, a forward-looking test period, or a hybrid test year in the context of a general rate case

(5) Performance based regulation includes known and measurable changes for up to 3 years, with annual cap of 4%.

(6) If the South Carolina Commission fails to rule on a rate case filing within 6 months, the new rates can be implemented and are not subject to refund. There is a grace period here. The Company would have to notify the Commission that it planned to put rates in and the Commission would then have 10 additional days to issue an order

(7) The utility may implement interim rates, subject to refund, if the IURC has not rendered a decision within 10 months of filing (can be extended 60 days by IURC). The interim rates are not to exceed 50% of the original request

(8) The effective date is 7 months after filing for a forecasted test year

# Current gas rate information by jurisdiction

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	North Carolina	South Carolina	Tennessee	Ohio (Gas)	Kentucky (Gas)
Rate Base	\$4.7 billion	\$452 million	\$897 million	\$900 million	\$313 million
Allowed ROE	9.6%	9.8%	9.8%	9.84%	9.375% for base rates 9.3% for riders
Allowed Equity	51.6%	52.2%	50.5%	53.3%	51%
Effective Date of Most Recent Rates	11/1/21	11/1/21 <sup>(1)</sup>	1/2/21	12/1/13	1/4/22
Significant Rider Mechanisms	Margin Decoupling Rider Integrity Management Rider Fuel Clause	Rate Stabilization Adj. Weather Normalization Adj. Fuel Clause	Weather Normalization Adj. Integrity Management Rider <sup>(2)</sup> Fuel Clause	AMRP Fuel Clause Capital Expenditure	Weather Normalization Adj. Fuel Clause PHMSA-required capital <sup>(3)</sup>

(1) As updated pursuant to the South Carolina Rate Stabilization Act (RSA)

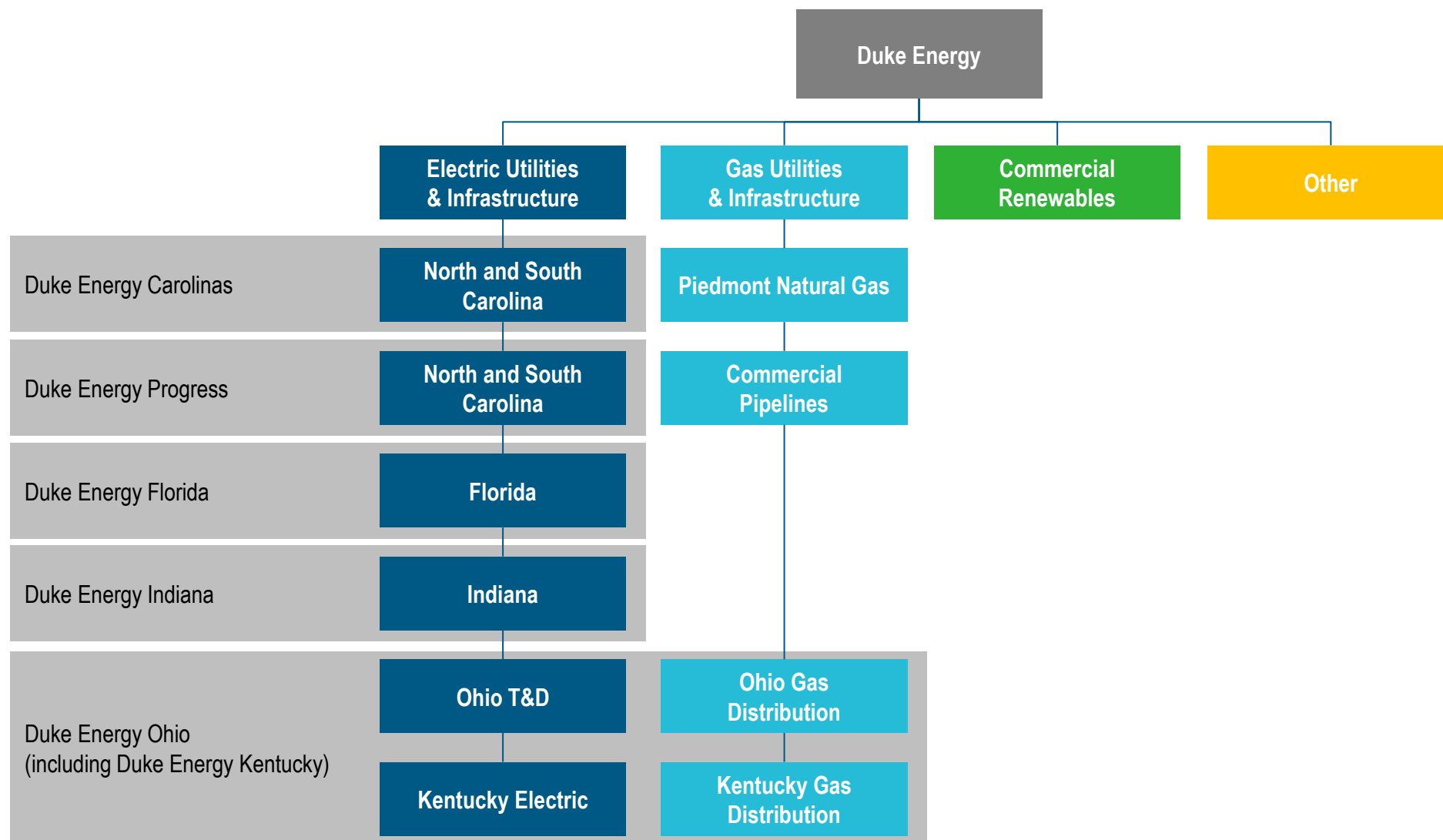
(2) Piedmont's operation under the Annual Review Mechanism (ARM) in lieu of operation under the Integrity Management Rider (IMR) in Tennessee is currently pending TPUC approval

(3) PHMSA rider has an annual 5% rate increase cap and only applies to AM07 upon CPCN approval.

## SEGMENT OVERVIEWS



# Duke Energy business segment structure



# Duke Energy – a large scale, highly regulated energy infrastructure company

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**HEADQUARTERED IN  
CHARLOTTE, NC**

**DUK**  
LISTED  
**NYSE**

**A FORTUNE 150 COMPANY**

**\$80 B**

**MARKET CAP**  
(AS OF 2/8/2021)

**\$170 B**

**TOTAL ASSETS**  
(AS OF 12/31/2021)

**28 K**

**EMPLOYEES**  
(AS OF 12/31/2021)

**54 GWs**

**TOTAL GENERATING  
CAPACITY** (AS OF 12/31/2021)

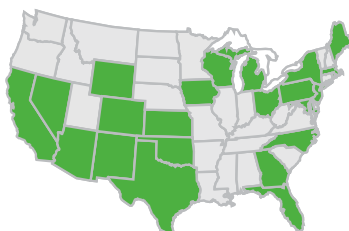
## **ELECTRIC UTILITIES & INFRASTRUCTURE**



## **GAS UTILITIES & INFRASTRUCTURE**



## **COMMERCIAL RENEWABLES**



- Operating in six constructive jurisdictions, with attractive allowed ROEs, serving 8.2 million retail customers
- Customer rates below the national average<sup>(1)</sup>
- Balanced generation portfolio that has reduced its carbon emissions by 44% since 2005<sup>(2)</sup>
- Industry-leading safety performance, as recognized by E
- Five state LDCs serving 1.6 million customers
- Strong earnings trajectory driven by customer growth, system integrity improvements, and continued expansion of natural gas infrastructure
- Efficient recovery mechanisms allow for timely recovery of investments
- Approximately 5 GWs of wind and solar in operation
- Long-term Power Purchase Agreements with creditworthy counterparties

(1) Typical bill rates (¢/kWh) in effect as of January 1, 2021. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2021.

(2) Year to year reductions will be influenced by customer demand for electricity, weather, fuel and purchased power costs and other factors.

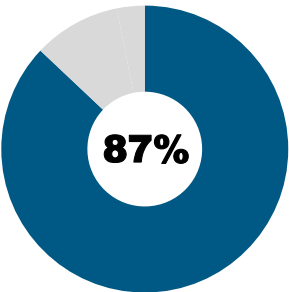
# Complementary businesses with strong growth opportunities

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Jan 19 2023

## ELECTRIC UTILITIES & INFRASTRUCTURE



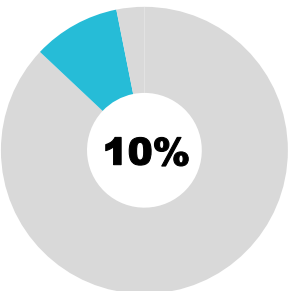
## 2022 ADJUSTED EPS CONTRIBUTION<sup>(1)</sup>



## 2022-2026 CAPEX

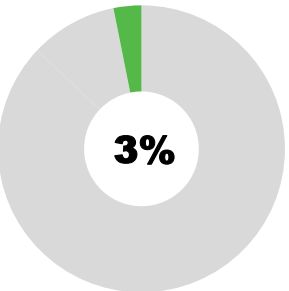
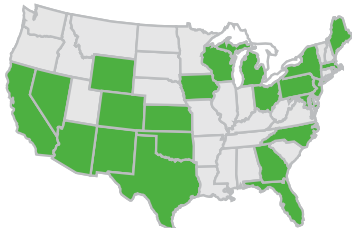
**\$53.2 B**

## GAS UTILITIES & INFRASTRUCTURE



**\$5.8 B**

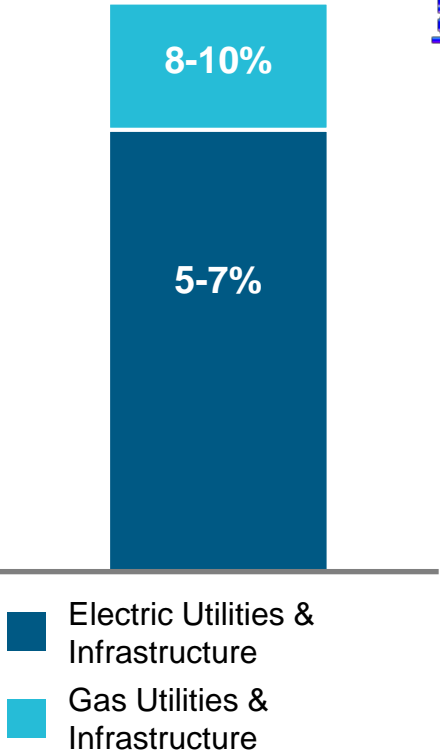
## COMMERCIAL RENEWABLES



**\$2.5 B<sup>(3)</sup>**

## 2022 – 2026 ADJUSTED EPS CAGR

**Consolidated  
5-7%**



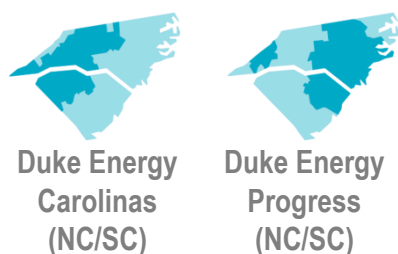
(1) Based upon the midpoint of the 2022 adjusted EPS guidance range of \$5.30-\$5.60 per share; excludes the impact of Other

(2) CAGR off of the components of the midpoint of the 2021 EPS guidance range of \$5.00-\$5.30 per share; consolidated growth rate includes the impact of Commercial Renewables (approximately flat growth) and Other

(3) Net of tax equity financing

## EIGHT UTILITIES IN HIGH-QUALITY REGIONS OF THE U.S.

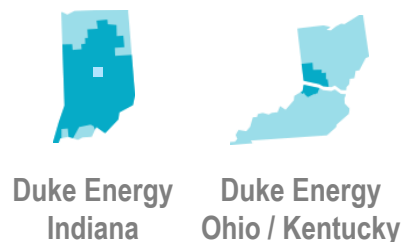
### CAROLINAS



### FLORIDA



### MIDWEST

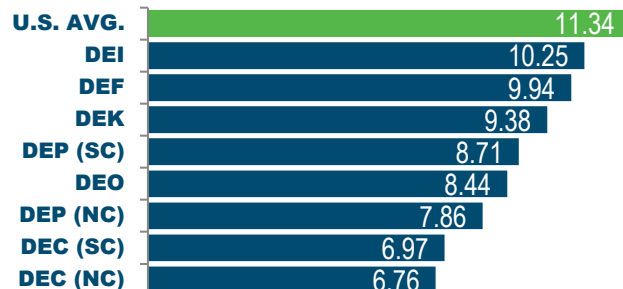


## COMPETITIVE CUSTOMER RATES<sup>(1)</sup>

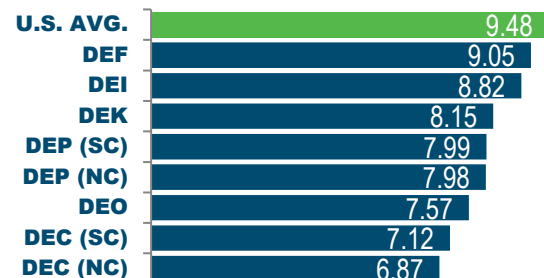
### RESIDENTIAL



### COMMERCIAL

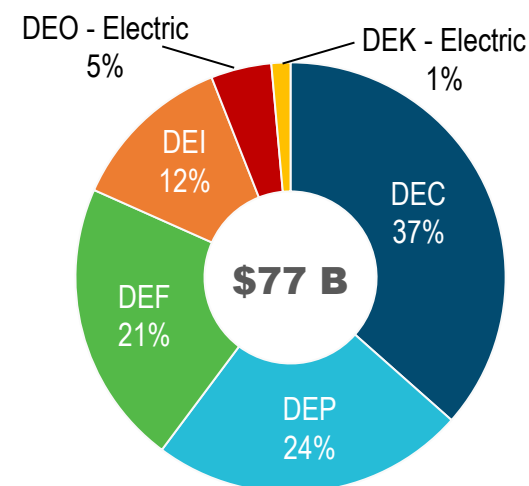


### INDUSTRIAL

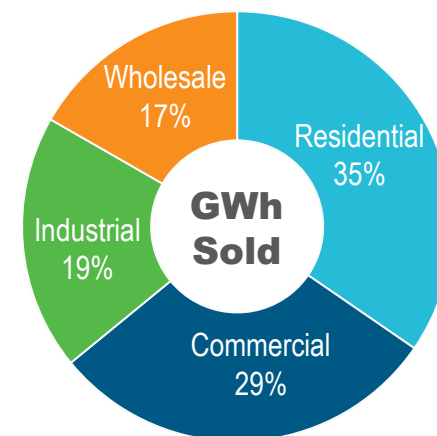


(1) Typical bill rates (¢/kWh) in effect as of January 1, 2021. Source: EEI Typical Bills and Avg. Rates Report, Winter 2021.

## REGULATED ELECTRIC 2021 EARNINGS BASE



## BALANCED CUSTOMER MIX



# Duke's scale enables top tier O&M performance

## Duke Energy compares favorably against peer group across multiple O&M metrics

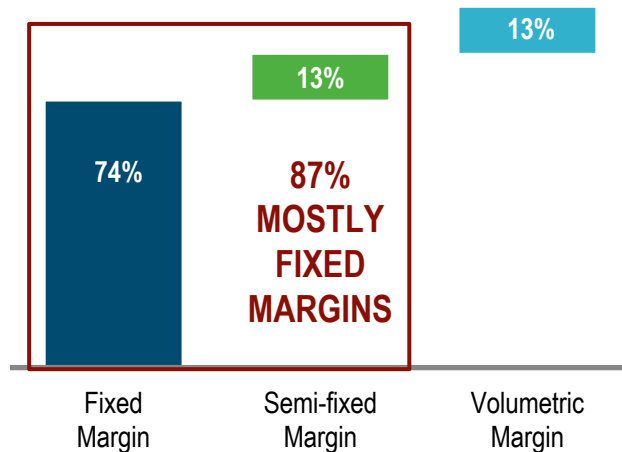
- #2 on non-generation O&M cost per customer vs. peer utilities
  - Peer group: AEP, SO, EXC, NEE, D, XEL, ED, ES, WEC
- Scale better positions Duke to drive O&M efficiencies
- O&M efficiency keeps customer rates low and creates headroom for growth

Key Metrics <sup>(1)</sup>	Electric non-generation O&M <sup>(2)</sup> / Customer	Electric non-generation O&M <sup>(2)</sup> / MWh	Distribution and Transmission O&M / Customer
PEER AVERAGE	\$490	\$24	\$243
DUKE ENERGY	\$359	\$14	\$144
DUKE RANKING (out of 10)	#2	#2	#2

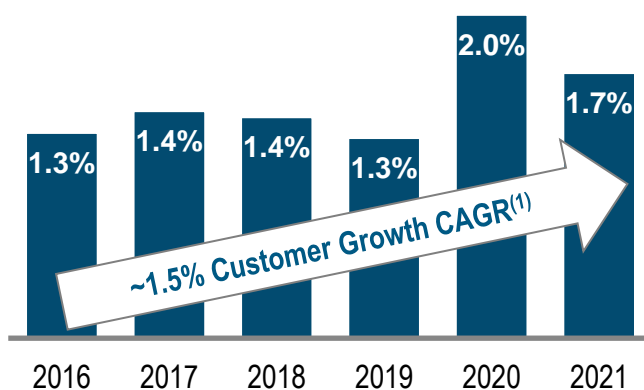
(1) Source: SNL FERC Form 1, annual filings and investor presentations; data as of YE 2020. Peer group: AEP, SO, EXC, NEE, D, XEL, ED, ES, WEC

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

## GAS UTILITIES WITH LOW VOLUMETRIC EXPOSURE DUE TO MOSTLY FIXED MARGINS...



## ...WITH EARNINGS DRIVEN BY INVESTMENT AND STRONG RESIDENTIAL CUSTOMER GROWTH



(1) Piedmont CAGR: 1.9%, Midwest LDC CAGR 0.9%

(2) Piedmont's operation under the Annual Review Mechanism (ARM) in lieu of operation under the Integrity Management Rider (IMR) in Tennessee is currently pending TPUC approval

## MARGIN STABILIZING MECHANISMS

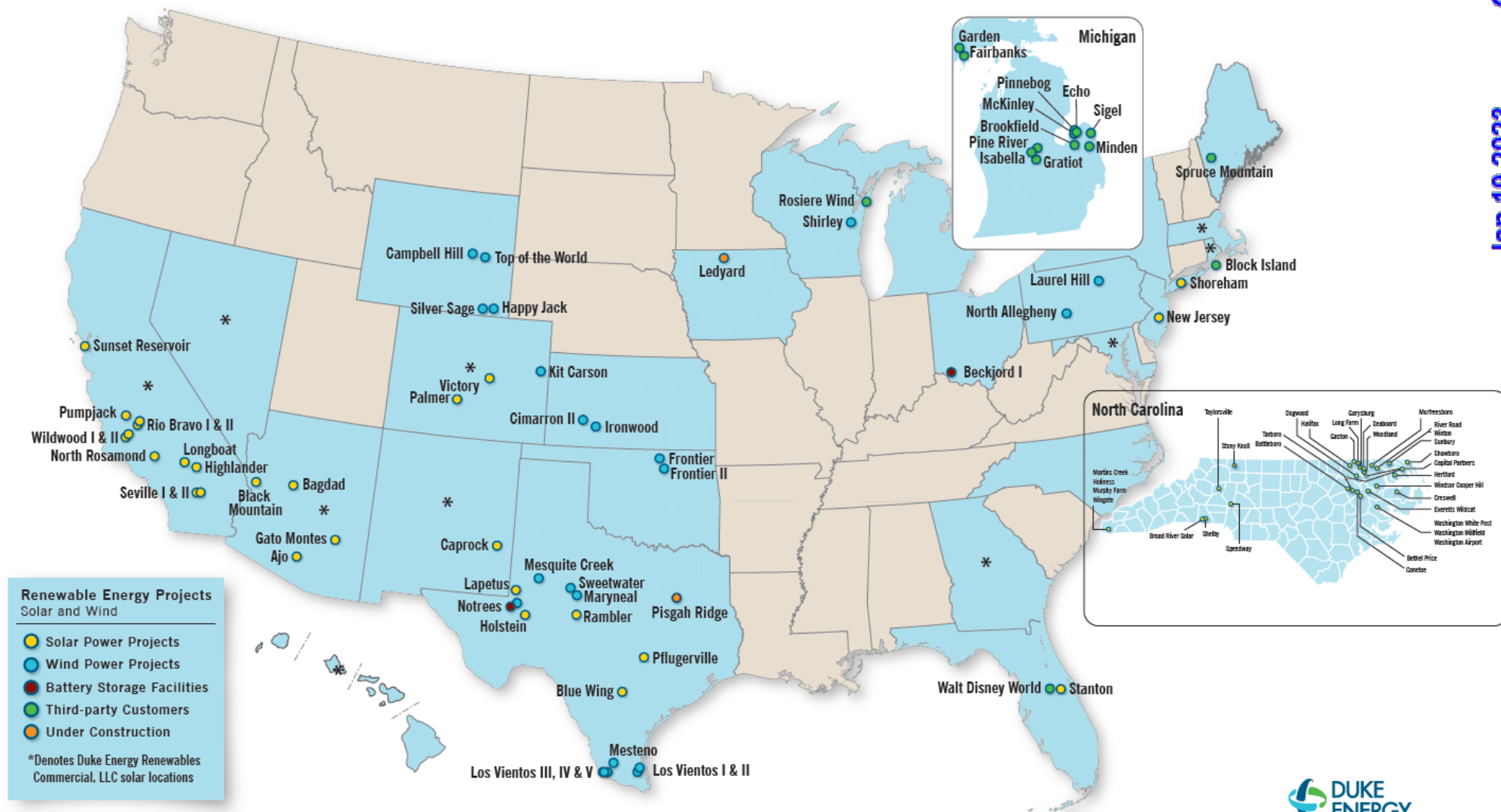
1. Purchased Gas Adjustment	All States
2. Uncollectible Recovery	All States
3. Integrity Management Rider ("IMR")	North Carolina and Tennessee <sup>(2)</sup>
4. Margin Decoupling	North Carolina
5. Weather Normalization	South Carolina, Tennessee and Kentucky
6. Rate Stabilization Act	South Carolina
7. Accelerated Main Replacement Program Rider	Ohio
8. Fixed Customer Charge	All States

# Commercial Renewables asset locations

A full list of generation facilities can be found at:

[https://www.duke-energy.com/\\_/media/pdfs/our-company/investors/duke-energy-generation-portfolio.pdf](https://www.duke-energy.com/_/media/pdfs/our-company/investors/duke-energy-generation-portfolio.pdf)

## Duke Energy Sustainable Solutions



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## Upcoming events

Event	Date
1Q 2022 earnings call (tentative)	May 9, 2022
2Q 2022 earnings call (tentative)	August 4, 2022
ESG Day	October 4, 2022
3Q 2022 earnings call (tentative)	November 4, 2022



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- (980) 373-2407



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

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Fourth Quarter Earnings Review & Business Update**  
**February 10, 2022**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of adjusted EPS for the year-to-date periods ended December 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 year-to-date periods ended December 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:

- Workplace and Workforce Realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.
- Regulatory Settlements represents an impairment charge related to the South Carolina Supreme Court decision on coal ash, insurance proceeds and Duke Energy Carolinas and Duke Energy Progress coal ash settlement and the partial settlements in the 2019 North Carolina rate cases.
- Gas Pipeline Investments represents costs related to the cancellation of the ACP investment and additional exit obligations.
- Severance represents the reversal of 2018 Severance charges, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and Duke Energy Progress 2019 North Carolina rate cases.

## Adjusted EPS Guidance

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a reference to revised forecasted 2021 adjusted earnings guidance range of \$5.15 to \$5.30 per share, narrowed from the original forecasted 2021 adjusted earnings guidance range of \$5.00 to \$5.30 per share during the third quarter of 2021. In addition, the materials reference the midpoint of original forecasted 2021 adjusted earnings guidance of approximately \$5.15. The materials also include a reference to the preliminary estimate of 2022 adjusted EPS guidance range of \$5.30 to \$5.60. In addition, the materials reference a preliminary estimate of the 2022 adjusted EPS midpoint of approximately \$5.45. The materials also reference the long-term range of annual growth of 5% - 7% through 2026 off the midpoint of original 2021 adjusted EPS guidance range of \$5.15. In addition, the materials reference the expected five-year adjusted EPS growth in the natural gas segment of 8%-10% and in the electric segment of 5%-7% (on a compound annual growth rate (CAGR) basis). 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 Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of adjusted segment income (loss) and adjusted other net loss for the year-to-date period ended December 31, 2021 and a discussion of 2021 and 2022 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the year-to-date period ended December 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 Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended December 31, 2021. The materials also include a discussion of the 2021 and 2022 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended December 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.

## **Adjusted Book Return on Equity (ROE)**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022 include a reference to the historical and projected adjusted book return on equity (ROE) ratio. This ratio is a non-GAAP financial measure. The numerator represents Net Income, adjusted for the impact of special items (as discussed above under Adjusted EPS). The denominator is average Total Common Stockholder's Equity, reduced for Goodwill. A reconciliation of the components of adjusted ROE to the most directly comparable GAAP measures is 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.

## **Available Liquidity**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of December 31, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of December 31, 2021, to the most directly comparable GAAP measure is included herein.

## **Holdco Debt Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022 include a reference to a historical and projected Holdco debt percentage. This percentage reflects a non-GAAP financial measure. The numerator of the Holdco debt percentage is the balance of Duke Energy Corporate debt, Progress Energy, Inc. debt, PremierNotes and the Commercial Paper attributed to the Holding Company. The denominator for the percentage is the balance of long-term debt (excluding purchase accounting adjustments), including current maturities, operating lease liabilities, plus notes payable and commercial paper outstanding.

## **Funds From Operations (“FFO”) Ratio**

The materials for Duke Energy’s Fourth Quarter Earnings Review and Business Update on February 10, 2022 include a reference to the historical and expected FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases, operating activities allocated to the Duke Energy Indiana minority interest and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments, long-term debt allocated to the Duke Energy Indiana minority interest, and long-term debt associated with the CR3 and Duke Energy Carolinas and Duke Energy Progress Storm Securitizations), including current maturities, operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

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

The materials for Duke Energy’s Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of Duke Energy’s net regulated Electric and Gas operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2019 and 2016, as well as the forecasted year-to-date period ended December 31, 2022.

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

The materials also reference Piedmont Natural Gas Company, Inc. (Piedmont) Net regulated Gas O&M for the year ended December 31, 2016. Piedmont O&M is a non-GAAP finance measure, as it represents reported O&M expense as of December 31, 2016, adjusted for special items.

Management believes the presentation of net regulated Electric and Gas O&M and Piedmont Net regulated Gas O&M provides useful information to investors, as it provides a meaningful comparison of financial performance across periods. The most directly comparable GAAP financial measure for net regulated Electric and Gas O&M and Piedmont Net regulated Gas O&M is reported operating, maintenance and other expenses. A reconciliation of net regulated Electric and Gas O&M for the year-to-date periods ended December 31, 2019 and 2016, as well as the forecasted year-to-date period ended December 31, 2022, and a reconciliation of Piedmont O&M for the year-to-date period ended October 31, 2016, to the most directly comparable GAAP measure are included here-in.

## **Business Mix Percentage**

The materials for Duke Energy’s Fourth Quarter Earnings Review and Business Update on February 10, 2022, reference ninety-five percent of earnings coming from regulated electric and gas utilities, eighty-six percent from regulated electric and nine percent from regulated gas, and five percent coming from commercial renewables, as a percentage of total 2021 adjusted segment income (i.e. earnings contribution). The materials also reference each segment’s 2022 projected adjusted segment income as a percentage of the total projected 2022 adjusted EPS midpoint of approximately \$5.45 (i.e. business mix), excluding the impact of Other. Duke

Energy's segments are comprised of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

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

### **Dividend Payout Ratio**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of Duke Energy's long-term target dividend payout ratio of 65% - 75% based upon adjusted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted basic EPS from continuing operations available to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2021  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items				Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment	Regulatory Settlements				
<b>SEGMENT INCOME (LOSS)</b>								
Electric Utilities and Infrastructure	\$ 3,850	\$ —	\$ —	\$ 69	C	\$ —	\$ 69	\$ 3,919
Gas Utilities and Infrastructure	396	15	A	—		—	15	411
Commercial Renewables	201	—	—	—		—	—	201
<b>Total Reportable Segment Income</b>	<b>4,447</b>	<b>15</b>	<b>—</b>	<b>69</b>		<b>—</b>	<b>84</b>	<b>4,531</b>
Other	(652)	—	148	B		—	148	(504)
Discontinued Operations	7	—	—	—		(7) D	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,802</b>	<b>\$ 15</b>	<b>\$ 148</b>	<b>\$ 69</b>		<b>\$ (7)</b>	<b>\$ 225</b>	<b>\$ 4,027</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.94</b>	<b>\$ 0.02</b>	<b>\$ 0.20</b>	<b>\$ 0.09</b>		<b>\$ (0.01)</b>	<b>\$ 0.30</b>	<b>\$ 5.24</b>

**A** - Net of \$5 million tax benefit. \$20 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Consolidated Statements of Operations.

**B** - Net of \$44 million tax benefit. \$133 million recorded within Impairment of assets and other charges, \$42 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Consolidated Statements of Operations.

**C** - Net of \$20 million tax benefit at Duke Energy Carolinas and \$1 million tax benefit at Duke Energy Progress.

- \$160 million of expense recorded within Impairment of assets and other charges, \$77 million of income within Other income and expenses, \$5 million of expense within Operations, maintenance and other, \$13 million of income within Regulated electric operating revenues, \$3 million of expense within Interest expense and \$6 million of expense within Depreciation and amortization on the Duke Energy Carolinas' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.
- \$42 million of expense recorded within Impairment of assets and other charges, \$34 million of income within Other income and expenses, \$7 million of expense within Operations, maintenance and other, \$15 million of income within Regulated electric operating revenues, \$5 million of expense within Interest expense and \$1 million of expense within Depreciation and amortization on the Duke Energy Progress' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.

**D** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

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



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2020  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements			
<b>SEGMENT INCOME (LOSS)</b>							
Electric Utilities and Infrastructure	\$ 2,669	\$ 4 A	\$ —	\$ 872 D	\$ —	\$ 876	\$ 3,545
Gas Utilities and Infrastructure	(1,266)	1,707 B	—	—	—	1,707	441
Commercial Renewables	286	—	—	—	—	—	286
<b>Total Reportable Segment Income</b>	<b>1,689</b>	<b>1,711</b>	<b>—</b>	<b>872</b>	<b>—</b>	<b>2,583</b>	<b>4,272</b>
Other	(426)	\$ —	(75) C	—	—	(75)	(501)
Discontinued Operations	7	—	—	—	(7) E	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,270</b>	<b>\$ 1,711</b>	<b>\$ (75)</b>	<b>\$ 872</b>	<b>\$ (7)</b>	<b>\$ 2,501</b>	<b>\$ 3,771</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.72</b>	<b>\$ 2.32</b>	<b>\$ (0.10)</b>	<b>\$ 1.19</b>	<b>\$ (0.01)</b>	<b>\$ 3.40</b>	<b>\$ 5.12</b>

**A** - Net of \$1 million tax benefit. \$5 million included within Impairment charges related to gas pipeline interconnections on the Duke Energy Progress' Consolidated Statements of Operations.

**B** - Net of \$398 million tax benefit.

- \$2,098 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Consolidated Statements of Operations.

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

**D** - Net of \$123 million tax benefit at Duke Energy Carolinas and \$140 million tax benefit at Duke Energy Progress.

- \$454 million included within Impairment charges and reversal of \$50 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$494 million included within Impairment charges and reversal of \$102 million included in Regulated electric operating revenues related to the coal ash settlement filed with NCUC on the Duke Energy Progress' Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Consolidated Statements of Operations.

**E** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 737 million**

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

	Three Months Ended		Year Ended	
	December 31, 2021		December 31, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes From Continuing Operations Before Income Taxes</b>	\$ 639		\$ 3,764	
Gas Pipeline Investments	—		20	
Workplace and Workforce Realignment	8		192	
Regulatory Settlements	7		90	
Noncontrolling Interests	79		326	
Preferred Dividends	(14)		(106)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 719</u>		<u>\$ 4,286</u>	
<b>Reported Income Tax (Benefit) Expense From Continuing Operations</b>	\$ (18)	(2.8)%	\$ 192	5.1 %
Gas Pipeline Investments	—		5	
Workplace and Workforce Realignment	2		44	
Regulatory Settlements	2		21	
Noncontrolling interest portion of income taxes <sup>(a)</sup>	(3)		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ (17)</u>	(2.4)%	<u>\$ 259</u>	6.0 %

(a) Income tax related to non-pass through entities for tax purposes.

	Three Months Ended		Year Ended	
	December 31, 2020		December 31, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported (Loss) Income From Continuing Operations Before Income Taxes</b>	\$ (319)		\$ 839	
Regulatory Settlements	1,100		1,135	
Gas Pipeline Investments	20		2,110	
Severance	—		(98)	
Noncontrolling Interests	87		295	
Preferred Dividends	(14)		(107)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 874</u>		<u>\$ 4,174</u>	
<b>Reported Income Tax Benefit From Continuing Operations</b>	\$ (162)	50.8 %	\$ (236)	(28.1)%
Regulatory Settlements	255		263	
Gas Pipeline Investments	4		399	
Severance	—		(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 97</u>	11.1%	<u>\$ 403</u>	9.7 %

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of December 31, 2021**  
**(In millions)**

Cash and Cash Equivalents	\$ 343	
Less: Certain Amounts Held in Foreign Jurisdictions	(29)	
Less: Unavailable Domestic Cash	<u>(43)</u>	
	271	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,518</u>	
Total Available Liquidity (a), December 31, 2021	<u>\$ 5,789</u>	approximately 5.8 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 December 31, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

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

	Actual December 31, 2016	Actual December 31, 2019	Forecast December 31, 2022
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$6,223</b>	<b>\$6,066</b>	<b>\$6,025</b>
Adjustments:			
Costs to Achieve, Mergers <sup>(b)</sup>	(238)	—	—
Severance <sup>(b)</sup>	(92)	—	—
Reagents Recoverable <sup>(d) (i)</sup>	(93)	(95)	(95)
Energy Efficiency Recoverable <sup>(c)</sup>	(417)	(415)	(409)
Other Deferrals <sup>(e)</sup> and Recoverable <sup>(d) (h) (i)</sup>	(95)	(321)	(233)
Margin based O&M for Commercial Businesses	(185)	(95)	(159)
Short-term incentive payments (over)/under budget	(90)	(112)	—
Non-margin based O&M for Commercial Business <sup>(f)</sup>	(166)	(203)	(319)
Non-regulated Products and Services <sup>(g)</sup>	(83)	(175)	(219)
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$ 4,764</b>	<b>\$ 4,651</b>	<b>\$ 4,589</b>
Piedmont O&M, for the period from October 3, 2016 through December 31, 2016	(69)		
<b>Net Regulated Electric and Gas, operation, maintenance and other, excluding Piedmont<sup>(k)</sup></b>	<b>\$ 4,695</b>		

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

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

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

(d) The Duke Energy Indiana Rate Case was effective in mid-year 2020. This Rate Case permitted recovery within base rates of certain costs that had previously been recovered through riders. Accordingly, all prior periods have been recast as if these costs were always included within base rates.

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

(f) Primarily represents expenses from the Commercial Renewables segment.

(g) Primarily represents non-regulated products and services expenses in support of regulated electric and gas utilities.

(h) Florida Vegetation Management has been reclassified to recoverable in the rate case effective in 2022. Accordingly, all prior periods have been recast for comparability.

(i) The Duke Energy Florida Rate Case effective 2022 permits within base rates the recovery of environmental costs (ECRC) which were previously recovered in riders. Accordingly, all prior periods have been recast for comparability.

(j) Duke Energy Indiana Reagents have been reclassified to Recoverable effective in 2022. Accordingly, all prior periods have been recast for comparability.

(k) Net regulated electric and gas, operating maintenance and other, excluding Piedmont presents Net regulated electric and gas O&M for the year ended December 31, 2016, without the operations of Piedmont Natural Gas, which was acquired on October 3, 2016.

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**Piedmont Natural Gas Company, Inc.**  
**Operations, Maintenance and Other Expense**  
(In millions)

	<u>Actual</u>
Operation, maintenance and other <sup>(a)</sup> - Piedmont Natural Gas Company, Inc. 10-K	\$ 353
Less:	
Operation, maintenance and other <sup>(b)</sup> - Piedmont Natural Gas Company, Inc. 2015 November and December Activity	53
Add:	
Operation, maintenance and other <sup>(b)</sup> - Piedmont Natural Gas Company, Inc. 2016 November and December Activity	52
<b>Operation, maintenance and other - Piedmont Natural Gas Company, Inc. for the year ending December 31, 2016</b>	<b>\$ 352</b>
Adjustments:	
Costs to Achieve, Mergers <sup>(c)</sup>	(63)
<b>Piedmont, Net Regulated Gas O&amp;M for the year ending December 31, 2016</b>	<b>\$ 289</b>

(a) As reported in the 2016 Form 10-K Piedmont Natural Gas Condensed Consolidated Statements of Operations and Comprehensive Income as of October 31, 2016.

(b) As reported in the 2016 Form 10-QT Piedmont Natural Gas Condensed Consolidated Statements of Operations and Comprehensive

(c) Primarily represents expenses for acquisition consummation costs, integration, and other related costs in connection with Duke Energy Corporation's acquisition October 3, 2016.

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DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2021  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2021	\$ 1,336	\$ 991	\$ 2,327	\$ 738	\$ 481	\$ 219 (2)	\$ 303 (3)
Special Items (1)	130	31	161	22	11	-	10
Adjusted Net Income 2021	1,466	1,022	2,488	760	492	219	313
2021							
Equity	13,891	9,551	23,442	8,295	5,015	4,464	3,277 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	13,891	9,551	23,442	8,295	5,015	3,544	3,228
2020							
Equity	13,154	9,260	22,414	7,558	4,783	3,935	2,647 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	13,154	9,260	22,414	7,558	4,783	3,015	2,598
Average Equity less Goodwill			22,928	7,927	4,899	3,280	2,913
Adjusted Book ROEs			10.9%	9.6%	10.0%	6.7%	10.7%

(1) Impacts of Regulatory Settlements for coal ash, net of tax and Workplace and Workforce Realignment, net of tax

(2) Net Income for 2021 equals Duke Energy Ohio reportable segments segment income

(3) Piedmont Natural Gas Net Income excludes \$7 million of income related to Investments in Gas Transmission Infrastructure.

2021
310
(7)
303

(4) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2021	2020
Reported Equity for Piedmont Natural Gas	3,349	2,715
Less: Investments in Gas Transmission Infrastructure	72	68
Piedmont Natural Gas Adjusted Equity	3,277	2,647

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2020  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2020	\$ 956	\$ 415	\$ 1,371	\$ 771	\$ 408	\$ 258 (2)	\$ 264 (3)
Special Items (1)	358	443	801	-	-	-	7
Adjusted Net Income 2020	1,314	858	2,172	771	408	258	271
2020							
Equity	13,154	9,260	22,414	7,558	4,783	3,935	2,647 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	13,154	9,260	22,414	7,558	4,783	3,015	2,598
2019							
Equity	12,811	9,246	22,057	6,788	4,575	3,687	2,381 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
Average Equity less Goodwill			22,236	7,173	4,679	2,891	2,465
Adjusted Book ROEs			9.8%	10.7%	8.7%	8.9%	11.0%

(1) Impacts of Regulatory settlement for coal ash, net of tax; Impairment charges for interconnection with ACP, net of tax; Impairment charges and shareholder contributions related to Clemson CHP, net of tax; Severance, net of tax

(2) Net Income for 2020 equals Duke Energy Ohio reportable segments segment income

(3) Piedmont Natural Gas Net Income excludes \$9 million of income related to Investments in Gas Transmission Infrastructure.

2020
273
(9)
264

(4) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2020	2019
Reported Equity for Piedmont Natural Gas	2,715	2,443
Less: Investments in Gas Transmission Infrastructure	68	62
Piedmont Natural Gas Adjusted Equity	2,647	2,381

DUKE ENERGY CORPORATION  
 ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
 For the period ended December 31, 2019  
*dollars in millions*

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2019	\$ 1,403	\$ 805	\$ 2,208	\$ 693	\$ 436	\$ 244 (2)	\$ 196 (4)
Special Items (1)	-	-	-	(27)	-	-	-
Adjusted Net Income 2019	1,403	805	2,208	666	436	244	196
2019							
Equity	12,811	9,246	22,057	6,788	4,575	3,687 (3)	2,381 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
2018							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
Average Equity less Goodwill			21,091	6,442	4,457	2,648	2,165
Adjusted Book ROEs			10.5%	10.3%	9.8%	9.2%	9.1%

(1) Impacts of Citrus County CC, Net of Tax

(2) Net Income for 2019 equals Duke Energy Ohio reportable segments segment income

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2019	2018
Reported Equity for Duke Energy Ohio	3,683	3,445
Less: Non-Reg & Other	(4)	(4)
Duke Energy Ohio Reportable Segments Equity	3,687	3,449

(4) Piedmont Natural Gas Net Income excludes \$6 million of income related to Investments in Gas Transmission Infrastructure.

2019
202
(6)
196

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2019	2018
Reported Equity for Piedmont Natural Gas	2,443	2,091
Less: Investments in Gas Transmission Infrastructure	62	44
Piedmont Natural Gas Adjusted Equity	2,381	2,047



**Duke Energy Corporation**  
**2022 Forecasted Cash Flow Reconciliation, Required by SEC Regulation G**  
**February 10, 2022**  
(\$ in millions)

		<b>Forecast 2022</b>
<b>Primary Sources:</b>		
Adjusted net income (1)	(a)	\$4,195
Depreciation & amortization	(a)	5,885
Deferred and accrued taxes	(a)	350
Other sources / (uses), net	(a)	(1,180)
Total Sources		9,250
<b>Primary Uses:</b>		
Capital expenditures (including discretionary)	(b)	(12,350)
Dividends	(c)	(3,065)
Total Uses		(15,415)
<b>Uses in Excess of Sources</b>		(6,165)
<b>Net Change in Financing</b>		
Debt issuances	(c, d)	9,650
Debt maturities	(c)	(3,620)
Net Change in Debt		6,030
Net Change in Cash		(\$135)
<b>Reconciliations to forecasted U.S. GAAP reporting amounts:</b>		
Operating cash flow components, sum of (a) from above		\$9,250
Reconciling items to GAAP cash flows from operating activities	(2)	465
Net cash provided by operating activities per GAAP Consolidated Statement of Cash Flows		\$9,715
Investing cash flow components, (b) from above		(\$12,350)
Reconciling items to GAAP cash flows from investing activities	(2)	(1,110)
Net cash used in investing activities per GAAP Consolidated Statement of Cash Flows		(\$13,460)
Financing cash flow components, sum of (c) from above		\$2,965
Reconciling items to GAAP cash flows from financing activities	(2)	645
Net cash provided by financing activities per GAAP Consolidated Statement of Cash Flows		\$3,610
<i>Debt issuances [(d) from above] includes "Notes payable and commercial paper" which is separately presented per GAAP Consolidated Statements of Cash Flows</i>		
Net decrease in cash and cash equivalents per forecasted GAAP Consolidated Statements of Cash Flows		(\$135)

**Notes:**

(1) The forecasted adjusted net income of \$4,195 million for 2022 is an illustrative amount based on the midpoint of Duke Energy's adjusted basic EPS outlook range of \$5.30-\$5.60 per share. Adjusted basic EPS is a non-GAAP financial measure as it represents basic EPS from continuing operations attributable to Duke Energy Corporation shareholders and adjusted for the per-share impact of special items. Special items represent certain charges and credits which management believes will not be recurring on a regular basis, although it is reasonably possible such charges and credits could recur. The most directly comparable GAAP measure for adjusted basic EPS is reported basic EPS from continuing operations attributable to Duke Energy Corporation common shareholders, which includes the impact of special items. 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.

(2) Amount consists primarily of an adjustment for operating cashflow items (principally payments for asset retirement obligations and payment for an accrued liability ) included in the "Capital expenditures (including discretionary)" and; an adjustment for investing cash flow items (principally cost of removal expenditures, proceeds from sales of equity investments and other assets, and proceeds from sales and maturities of available-for-sale securities and Other) included in the "Other sources/(uses), net", which are combined for the GAAP reconciliation in Operating activities, and; an adjustment for financing cash flow items (principally proceeds from Noncontrolling Interests initial investments, payments for interest on preferred debt/equity content securities, and Other) included in the "Other sources/(uses), net" and "Capital expenditures (including discretionary)", which are combined for the GAAP reconciliation in Operating activities and Investing activities.

**FFO to Debt Calculation**  
**Duke Energy Corporation**  
(in millions)

	Year Ended December 31, 2021 Actual
Cash From Operations	8,290
Adjust for Working Capital (1)	947
Coal ash ARO spend	439
Include Capitalized Interest as cost	(72)
Hybrid interest adjustment	10
Preferred stock adjustment	(53)
CR3 securitization adjustment	(56)
Storm securitization	(4)
Duke Energy Indiana minority interest adjustment	(43)
Lease-imputed FFO adjustment (D&A)	206
<b>Funds From Operations</b>	<b>9,664</b>
Notes payable and commercial paper	3,304
Current maturities of LT debt	3,387
LT debt	60,448
Less: Purchase Accounting adjustments	(1,506)
CR3 securitization	(1,002)
Storm securitization	(995)
Duke Energy Indiana minority interest adjustment	(518)
Underfunded Pension	343
Hybrid debt adjustment	(250)
Preferred stock adjustment	1,000
Operating lease liabilities	1,261
<b>Total Balance Sheet Debt (Including ST)</b>	<b>65,472</b>
(1) Working capital detail, excluding MTM	
Receivables	(297)
Inventory	(34)
Other current assets	(1,136)
Accounts payable	249
Taxes accrued	284
Other current liabilities	(13)
	<b>(947)</b>

<b>FFO / Debt</b>	<b>15%</b>
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**FFO to Debt Calculation****Duke Energy Carolinas**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	2,704
Adjust for Working Capital (1)	233
ARO spend	182
Include Capitalized Interest as cost	(29)
Storm securitization	(1)
Lease-imputed FFO adjustment (D&A)	40
<b>Funds From Operations</b>	<b>3,129</b>
Current maturities of LT debt	362
LT debt	12,595
LT debt payable to affiliates	318
Notes payable to affiliated companies	226
Storm securitization	(233)
Underfunded Pension	12
Operating lease liabilities	100
<b>Total Balance Sheet Debt (Including ST)</b>	<b>13,380</b>
(1) Working capital detail, excluding MTM	
Receivables	(99)
Receivables from affiliates	(66)
Inventory	(16)
Other current assets	(309)
Accounts payable	5
Accounts payable to affiliates	85
Taxes accrued	206
Other current liabilities	(39)
	<b>(233)</b>

<b>FFO / Debt</b>	<b>23%</b>
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**FFO to Debt Calculation****Duke Energy Progress**

(in millions)

	Year Ended December 31, 2021 Actual
Cash From Operations	1,956
Adjust for Working Capital (1)	76
Coal ash ARO spend	187
Include Capitalized Interest as cost	(14)
Storm securitization	(3)
Lease-imputed FFO adjustment (D&A)	73
<b>Funds From Operations</b>	<b>2,275</b>
Notes payable to affiliated companies	172
Current maturities of LT debt	556
LT debt	9,543
LT debt payable to affiliates	150
Storm securitization	(762)
Underfunded Pension	31
Operating lease liabilities	400
<b>Total Balance Sheet Debt (Including ST)</b>	<b>10,090</b>
(1) Working capital detail, excluding MTM	
Receivables	(52)
Receivables from affiliates	(33)
Inventory	(11)
Other current assets	(147)
Accounts payable	12
Accounts payable to affiliates	95
Taxes accrued	83
Other current liabilities	(23)
	<b>(76)</b>

<b>FFO / Debt</b>	<b>23%</b>
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**FFO to Debt Calculation****Duke Energy Florida**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	1,402
Adjust for Working Capital (1)	390
Include Capitalized Interest as cost	(6)
Adjust for CR3	(56)
Lease-imputed FFO adjustment (D&A)	62
<b>Funds From Operations</b>	<b>1,792</b>
Notes payable to affiliated companies	199
Current maturities of LT debt	76
LT debt	8,406
Adjust for CR3	(1,002)
Underfunded Pension	42
Operating lease liabilities	300
<b>Total Balance Sheet Debt (Including ST)</b>	<b>8,021</b>
(1) Working capital detail, excluding MTM	
Receivables	(45)
Receivables from affiliates	(13)
Inventory	(15)
Other current assets	(451)
Accounts payable	47
Accounts payable to affiliates	124
Taxes accrued	(30)
Other current liabilities	(7)
	<b>(390)</b>

<b>FFO / Debt</b>	<b>22%</b>
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**FFO to Debt Calculation****Duke Energy Indiana**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	1,004
Adjust for Working Capital (1)	50
Coal ash ARO spend	67
Include Capitalized Interest as cost	17
Lease-imputed FFO adjustment (D&A)	16
<b>Funds From Operations</b>	<b>1,154</b>
Current maturities of LT debt	84
LT debt	4,089
LT debt payable to affiliates	150
CRC	196
Underfunded pension	114
Operating lease liabilities	54
<b>Total Balance Sheet Debt (Including ST)</b>	<b>4,687</b>
(1) Working capital detail, excluding MTM	
Receivables	(33)
Inventory	55
Other current assets	(181)
Accounts payable	76
Accounts payable to affiliates	8
Taxes accrued	12
Other current liabilities	13
	<b>(50)</b>

<b>FFO / Debt</b>	<b>25%</b>
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**FFO to Debt Calculation****Duke Energy Ohio**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	559
Adjust for Working Capital (1)	14
Coal Ash ARO spend	2
Include capitalized Interest as cost	(20)
Lease-imputed FFO adjustment (D&A)	10
<b>Funds From Operations</b>	<b>565</b>
Notes payable to affiliated companies	103
LT debt	3,168
LT debt payable to affiliates	25
CRC	153
Underfunded pension	90
Operating lease liabilities	19
<b>Total Balance Sheet Debt (Including ST)</b>	<b>3,558</b>
(1) Working capital detail, excluding MTM	
Receivables	6
Receivables from affiliates	(25)
Inventory	(6)
Other current assets	(60)
Accounts payable	38
Accounts payable to affiliates	(4)
Taxes accrued	26
Other current liabilities	11
	<b>(14)</b>

<b>FFO / Debt</b>	<b>16%</b>
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**FFO to Debt Calculation****Piedmont Natural Gas**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	391
Adjust for Working Capital (1)	138
Include Capitalized Interest as cost	(9)
Lease-imputed FFO adjustment (D&A)	6
<b>Funds From Operations</b>	<b>526</b>
Notes payable to affiliated companies	518
LT debt	2,968
Underfunded pension	3
Operating lease liabilities	19
<b>Total Balance Sheet Debt (Including ST)</b>	<b>3,508</b>
(1) Working capital detail, excluding MTM	
Receivables	(77)
Receivables from affiliates	(1)
Inventory	(40)
Other current assets	33
Accounts payable	(25)
Accounts payable to affiliates	(39)
Taxes accrued	37
Other current liabilities	(26)
	<b>(138)</b>

<b>FFO / Debt</b>	<b>15%</b>
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## News Release



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Feb. 10, 2022

### Duke Energy reports fourth-quarter and full-year 2021 financial results

- **2021 reported EPS of \$4.94 and adjusted EPS of \$5.24, closing year above the midpoint of updated guidance range**
- **Strong results driven by constructive rate case outcomes and continued customer growth in electric and gas segments**
- **Five-year capital plan increases to \$63 billion with over 80% funding investments in the grid and clean energy transition**
- **Established 2022 adjusted EPS guidance range of \$5.30 to \$5.60, and extended long-term adjusted EPS growth rate of 5% to 7% through 2026, off 2021 original midpoint of \$5.15**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced 2021 full-year reported EPS of \$4.94, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of \$5.24. This is compared to reported and adjusted EPS of \$1.72 and \$5.12, respectively, for the full-year 2020.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. The difference between full-year 2021 reported and adjusted EPS was primarily due to an impairment charge related to the South Carolina Supreme Court decision on coal ash and insurance proceeds, as well as workplace and workforce realignment costs.

Higher full-year 2021 adjusted results were primarily driven by rate case contributions and higher volumes in the Electric Utilities Infrastructure segment, complemented by growth and rate case contributions in the Gas Utilities and Infrastructure segment. These items were partially offset by higher O&M, the loss of ACP earnings, Texas Storm Uri, fewer Commercial Renewable projects placed in service and share dilution.

“The fourth quarter capped a strong finish to an exceptionally productive 2021, where we made great progress against our strategic and financial goals,” said Lynn Good, Duke Energy chair, president and chief executive officer.

“We’re leading the industry’s largest clean energy transformation with more than 80% of our \$63 billion capital plan funding investments in grid modernization and zero or lower-carbon emitting generation. These investments position us to earn solidly within our 5% to 7% EPS growth range throughout our five-year plan.”

"We also remain focused on ensuring reliable and affordable energy during this transition - delivering value to customers and shareholders in the years ahead."

### Quarterly results

Duke Energy's fourth quarter 2021 reported EPS was \$0.93, compared to reported loss per share of \$0.12 for the fourth quarter of 2020. Duke Energy's fourth quarter 2021 adjusted EPS was \$0.94, compared to \$1.03 for the fourth quarter of 2020. Lower adjusted results for the quarter compared to last year were driven by mild weather, fewer renewable projects placed in service and share dilution, partially offset by lower income tax expense.

In addition to the following summary of fourth quarter 2021 business segment performance, comprehensive tables with detailed EPS drivers for the fourth quarter and full-year 2021 compared to prior year are provided at the end of this news release.

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

### Electric Utilities and Infrastructure

On a reported basis, Electric Utilities and Infrastructure recognized fourth quarter 2021 segment income of \$670 million, compared to segment loss of \$170 million in the fourth quarter of 2020. Fourth quarter 2020 reported earnings included impacts of the coal ash settlement in North Carolina for Duke Energy Carolinas and Duke Energy Progress.

On an adjusted basis, Electric Utilities and Infrastructure recognized fourth quarter 2021 and fourth quarter 2020 segment income of \$675 million. Flat quarterly results, excluding share dilution of \$0.03, were primarily driven by lower income tax expense (+\$0.06 per share) and lower depreciation and amortization (+\$0.03 per share), partially offset by mild weather (-\$0.08 per share).

### Gas Utilities and Infrastructure

On a reported basis, Gas Utilities and Infrastructure recognized fourth quarter 2021 segment income of \$137 million, compared to \$134 million in the fourth quarter of 2020. In addition to the 2021 drivers outlined below, fourth quarter 2020 results included costs related to the cancellation of ACP.

On an adjusted basis, Gas Utilities and Infrastructure recognized fourth quarter 2021 segment income of \$137 million, compared to \$150 million in the fourth quarter of 2020, a decrease of \$0.02 per share, excluding share dilution of \$0.02. Lower quarterly results were driven by higher O&M (-\$0.02 per share) and higher depreciation and amortization (-\$0.02 per share), offset by rate case contributions (+\$0.03 per share).

## Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized fourth quarter 2021 segment income of \$49 million, compared to \$79 million in the fourth quarter of 2020. This represents a decrease of \$0.04 per share, excluding share dilution of \$0.01. Lower quarterly results were primarily driven by fewer renewable projects placed in service.

## Other

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

On a reported basis, Other recognized a fourth quarter 2021 net loss of \$131 million, compared to a net loss of \$127 million in the fourth quarter of 2020. In addition to the drivers outlined below, fourth quarter 2021 results include workplace and workforce realignment costs.

On an adjusted basis, Other recognized a fourth quarter 2021 net loss of \$125 million, compared to a net loss of \$127 million in the fourth quarter of 2020, an increase of \$0.01 per share, excluding share dilution. Quarterly results were primarily due to lower income tax expense, partially offset by higher contributions to the Duke Energy Foundation.

## Effective tax rate

Duke Energy's consolidated reported effective tax rate for the fourth quarter of 2021 was (2.8)% compared to 50.8% in the fourth quarter of 2020. The decrease in the effective tax rate was primarily due to charges as part of the coal ash settlement in North Carolina for Duke Energy Carolinas and Duke Energy Progress in the prior year.

The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the fourth quarter of 2021 was (2.4)% compared to the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items of 11.1% in the fourth quarter of 2020. The decrease was primarily due to tax optimization and 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 fourth-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](https://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 9510910. 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, Feb. 20, 2022, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 9510910. 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 fourth-quarter and full-year 2021 and 2020 financial results:

(In millions, except per share amounts)	After-Tax Amount	4Q 2021 EPS	4Q 2020 EPS
EPS, as reported		\$ 0.93	\$ (0.12)
Adjustments to reported EPS:			
<b>Fourth Quarter 2021</b>			
Workplace and workforce realignment	\$ 6	\$ 0.01	
Regulatory settlements	5	0.01	
Discontinued operations	(7)	(0.01)	
<b>Fourth Quarter 2020</b>			
Regulatory settlements	\$ 845		1.14
Gas pipeline investments	16		0.02
Discontinued operations	(7)		(0.01)
Total adjustments		\$ 0.01	\$ 1.15
EPS, adjusted		\$ 0.94	\$ 1.03

(In millions, except per share amounts)	After-Tax Amount	Full-Year 2021 EPS	Full-Year 2020 EPS
EPS, as reported		\$ 4.94	\$ 1.72
Adjustments to reported EPS:			
<b>Full-Year 2021</b>			
Workplace and workforce realignment	\$ 148	\$ 0.20	
Regulatory settlements	69	0.09	
Gas pipeline investments	15	0.02	
Discontinued operations	(7)	(0.01)	
<b>Full-Year 2020</b>			
Gas pipeline investments	\$ 1,711		2.32
Regulatory settlements	872		1.19
Severance	(75)		(0.10)
Discontinued operations	(7)		(0.01)
Total adjustments		\$ 0.30	\$ 3.40
EPS, adjusted		\$ 5.24	\$ 5.12

## Non-GAAP financial measures

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

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

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

- Workplace and workforce realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.
- Regulatory settlements represents an impairment charge related to the South Carolina Supreme Court decision on coal ash, insurance proceeds and Duke Energy Carolinas and Duke Energy Progress coal ash settlement and the partial settlements in the 2019 North Carolina rate cases.
- Gas pipeline investments represents costs related to the cancellation of the ACP investment and additional exit obligations.
- Severance represents the reversal of 2018 Severance charges, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and 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 (loss) and other net loss. Segment income (loss) is defined as income (loss) from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income (loss) includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income (loss) as a measure of historical and anticipated future segment performance. Adjusted segment income (loss) is a non-GAAP financial measure, as it is based upon segment income (loss) adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income (loss) provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income (loss) and other net loss.

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

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

## **Duke Energy**

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of America's largest energy holding companies. Its electric utilities serve 8.2 million customers in North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky, and collectively own 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 28,000 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 also a top U.S. renewable energy provider, on track to own 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 2022 "World's Most Admired Companies" list and Forbes' "America's Best Employers" list. More information about the company is available at [duke-energy.com](https://www.duke-energy.com). The Duke Energy News Center contains news releases, fact sheets, photos and videos. Duke Energy's illumination features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on Twitter, LinkedIn, Instagram and Facebook.



## Forward-Looking Information

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

- The impact of the COVID-19 pandemic;
- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations, asset retirement and construction costs related to carbon emissions reductions, and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts, natural gas building and appliance electrification, and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures, natural gas electrification, and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in a reduced number of customers, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- Changing investor, customer and other stakeholder expectations and demands including heightened emphasis on environmental, social and governance concerns;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;

- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions, an individual utility's generation mix, and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values;
- Asset or business acquisitions and dispositions, including our ability to successfully consummate the second closing of the minority investment in Duke Energy Indiana, may not yield the anticipated benefits;
- The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy or cause fluctuations in the trading price of our common stock; and
- The ability to implement our business strategy, including its carbon emission reduction goals.

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



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended December 31, 2021  
(Dollars in millions, except per share amounts)

		Special Items					
	Reported Earnings	Workplace and Workforce Realignment	Regulatory Settlements	Discontinued Operations	Total Adjustments	Adjusted Earnings	
<b>SEGMENT INCOME (LOSS)</b>							
Electric Utilities and Infrastructure	\$ 670	\$ —	\$ 5	B \$ —	\$ 5	\$ 675	
Gas Utilities and Infrastructure	137	—	—	—	—	137	
Commercial Renewables	49	\$ —	—	—	—	49	
<b>Total Reportable Segment Income</b>	<b>856</b>	<b>—</b>	<b>5</b>	<b>—</b>	<b>5</b>	<b>861</b>	
Other	(131)	6	A	—	6	(125)	
Discontinued Operations	7	—	—	(7)	C (7)	—	
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 732</b>	<b>\$ 6</b>	<b>\$ 5</b>	<b>\$ (7)</b>	<b>\$ 4</b>	<b>\$ 736</b>	
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.93</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ 0.94</b>	

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

**A** - Net of \$2 million tax benefit. \$6 million reversal recorded within Impairment of assets and other charges and \$14 million within Operations, maintenance and other related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Consolidated Statements of Operations.

**B** - Net of \$2 million tax benefit at Duke Energy Carolinas.

- \$6 million of expense recorded within Depreciation and amortization on the Duke Energy Carolinas' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash.
- \$1 million of expense recorded within Depreciation and amortization on the Duke Energy Progress' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash.

**C** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

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

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Jan 19 2023

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2021  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items				Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment	Regulatory Settlements				
<b>SEGMENT INCOME (LOSS)</b>								
Electric Utilities and Infrastructure	\$ 3,850	\$ —	\$ —	\$ 69	C	\$ —	\$ 69	\$ 3,919
Gas Utilities and Infrastructure	396	15	A	—		—	15	411
Commercial Renewables	201	—	—	—		—	—	201
<b>Total Reportable Segment Income</b>	<b>4,447</b>	<b>15</b>	<b>—</b>	<b>69</b>		<b>—</b>	<b>84</b>	<b>4,531</b>
Other	(652)	—	148	B		—	148	(504)
Discontinued Operations	7	—	—	—		(7) D	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,802</b>	<b>\$ 15</b>	<b>\$ 148</b>	<b>\$ 69</b>		<b>\$ (7)</b>	<b>\$ 225</b>	<b>\$ 4,027</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.94</b>	<b>\$ 0.02</b>	<b>\$ 0.20</b>	<b>\$ 0.09</b>		<b>\$ (0.01)</b>	<b>\$ 0.30</b>	<b>\$ 5.24</b>

**A** - Net of \$5 million tax benefit. \$20 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Consolidated Statements of Operations.

**B** - Net of \$44 million tax benefit. \$133 million recorded within Impairment of assets and other charges, \$42 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Consolidated Statements of Operations.

**C** - Net of \$20 million tax benefit at Duke Energy Carolinas and \$1 million tax benefit at Duke Energy Progress.

- \$160 million of expense recorded within Impairment of assets and other charges, \$77 million of income within Other income and expenses, \$5 million of expense within Operations, maintenance and other, \$13 million of income within Regulated electric operating revenues, \$3 million of expense within Interest expense and \$6 million of expense within Depreciation and amortization on the Duke Energy Carolinas' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.
- \$42 million of expense recorded within Impairment of assets and other charges, \$34 million of income within Other income and expenses, \$7 million of expense within Operations, maintenance and other, \$15 million of income within Regulated electric operating revenues, \$5 million of expense within Interest expense and \$1 million of expense within Depreciation and amortization on the Duke Energy Progress' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.

**D** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended December 31, 2020**  
(Dollars in millions, except per share amounts)

		Special Items				
	Reported Earnings	Gas Pipeline Investments	Regulatory Settlements	Discontinued Operations	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME (LOSS)</b>						
Electric Utilities and Infrastructure	\$ (170)	\$ —	845	<b>B</b> \$ —	\$ 845	\$ 675
Gas Utilities and Infrastructure	134	16	<b>A</b> —	—	16	150
Commercial Renewables	79	—	—	—	—	79
<b>Total Reportable Segment Income</b>	<b>43</b>	<b>16</b>	<b>845</b>	<b>—</b>	<b>861</b>	<b>904</b>
Other	(127)	—	—	—	—	(127)
Discontinued Operations	7	—	—	\$ (7)	<b>C</b> (7)	—
<b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ (77)</b>	<b>\$ 16</b>	<b>\$ 845</b>	<b>\$ (7)</b>	<b>\$ 854</b>	<b>\$ 777</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ (0.12)</b>	<b>\$ 0.02</b>	<b>\$ 1.14</b>	<b>\$ (0.01)</b>	<b>\$ 1.15</b>	<b>\$ 1.03</b>

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

**A** - Net of \$4 million tax benefit. \$20 million recorded within Equity in earnings (losses) of unconsolidated affiliates on the Consolidated Statements of Operations.

**B** - Net of \$117 million tax benefit at Duke Energy Carolinas and \$138 million tax benefit at Duke Energy Progress.

- \$454 million included within Impairment of assets and other charges and reversal of \$50 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$494 million included within Impairment of assets and other charges and reversal of \$102 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Progress' Consolidated Statements of Operations.

**C** - Recorded in Income (Loss) from Discontinued Operations, net of tax, on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 742 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2020  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements			
<b>SEGMENT INCOME (LOSS)</b>							
Electric Utilities and Infrastructure	\$ 2,669	\$ 4 <b>A</b>	\$ —	\$ 872 <b>D</b>	\$ —	\$ 876	\$ 3,545
Gas Utilities and Infrastructure	(1,266)	1,707 <b>B</b>	—	—	—	1,707	441
Commercial Renewables	286	—	—	—	—	—	286
<b>Total Reportable Segment Income</b>	<b>1,689</b>	<b>1,711</b>	<b>—</b>	<b>872</b>	<b>—</b>	<b>2,583</b>	<b>4,272</b>
Other	(426)	\$ —	(75) <b>C</b>	—	—	(75)	(501)
Discontinued Operations	7	—	—	—	(7) <b>E</b>	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,270</b>	<b>\$ 1,711</b>	<b>\$ (75)</b>	<b>\$ 872</b>	<b>\$ (7)</b>	<b>\$ 2,501</b>	<b>\$ 3,771</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.72</b>	<b>\$ 2.32</b>	<b>\$ (0.10)</b>	<b>\$ 1.19</b>	<b>\$ (0.01)</b>	<b>\$ 3.40</b>	<b>\$ 5.12</b>

**A** - Net of \$1 million tax benefit. \$5 million included within Impairment charges related to gas pipeline interconnections on the Duke Energy Progress' Consolidated Statements of Operations.

**B** - Net of \$398 million tax benefit.

- \$2,098 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Consolidated Statements of Operations.

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

**D** - Net of \$123 million tax benefit at Duke Energy Carolinas and \$140 million tax benefit at Duke Energy Progress.

- \$454 million included within Impairment charges and reversal of \$50 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$494 million included within Impairment charges and reversal of \$102 million included in Regulated electric operating revenues related to the coal ash settlement filed with NCUC on the Duke Energy Progress' Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Consolidated Statements of Operations.

**E** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 737 million**

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

	Three Months Ended		Year Ended	
	December 31, 2021		December 31, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes From Continuing Operations Before Income Taxes</b>	\$ 639		\$ 3,764	
Gas Pipeline Investments	—		20	
Workplace and Workforce Realignment	8		192	
Regulatory Settlements	7		90	
Noncontrolling Interests	79		326	
Preferred Dividends	(14)		(106)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 719</u>		<u>\$ 4,286</u>	
<b>Reported Income Tax (Benefit) Expense From Continuing Operations</b>	\$ (18)	(2.8)%	\$ 192	5.1 %
Gas Pipeline Investments	—		5	
Workplace and Workforce Realignment	2		44	
Regulatory Settlements	2		21	
Noncontrolling interest portion of income taxes <sup>(a)</sup>	(3)		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ (17)</u>	(2.4)%	<u>\$ 259</u>	6.0 %

(a) Income tax related to non-pass through entities for tax purposes.

	Three Months Ended		Year Ended	
	December 31, 2020		December 31, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported (Loss) Income From Continuing Operations Before Income Taxes</b>	\$ (319)		\$ 839	
Regulatory Settlements	1,100		1,135	
Gas Pipeline Investments	20		2,110	
Severance	—		(98)	
Noncontrolling Interests	87		295	
Preferred Dividends	(14)		(107)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 874</u>		<u>\$ 4,174</u>	
<b>Reported Income Tax Benefit From Continuing Operations</b>	\$ (162)	50.8 %	\$ (236)	(28.1)%
Regulatory Settlements	255		263	
Gas Pipeline Investments	4		399	
Severance	—		(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 97</u>	11.1%	<u>\$ 403</u>	9.7 %

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
December 2021 QTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Discontinued Operations	Consolidated
<b>2020 QTD Reported Earnings Per Share</b>	<b>\$ (0.23)</b>	<b>\$ 0.20</b>	<b>\$ 0.11</b>	<b>\$ (0.21)</b>	<b>\$ 0.01</b>	<b>\$ (0.12)</b>
Gas Pipeline Investments	—	0.02	—	—	—	0.02
Regulatory Settlements	1.14	—	—	—	—	1.14
Discontinued Operations	—	—	—	—	(0.01)	(0.01)
<b>2020 QTD Adjusted Earnings Per Share</b>	<b>\$ 0.91</b>	<b>\$ 0.22</b>	<b>\$ 0.11</b>	<b>\$ (0.21)</b>	<b>\$ —</b>	<b>\$ 1.03</b>
Weather	(0.08)	—	—	—	—	(0.08)
Volume	0.01	—	—	—	—	0.01
Riders and Other Retail Margin	(0.01)	0.02	—	—	—	0.01
Rate case impacts, net <sup>(a)</sup>	0.02	0.03	—	—	—	0.05
Wholesale	(0.03)	—	—	—	—	(0.03)
Operations and maintenance, net of recoverables	—	(0.02)	—	—	—	(0.02)
Duke Energy Renewables <sup>(b)</sup>	—	—	(0.04)	—	—	(0.04)
Interest Expense	(0.01)	—	—	(0.02)	—	(0.03)
AFUDC Equity	0.01	—	—	—	—	0.01
Depreciation and amortization <sup>(c)</sup>	0.03	(0.02)	—	—	—	0.01
Other <sup>(d)</sup>	0.06	(0.03)	—	0.03	—	0.06
Total variance before share count	\$ —	\$ (0.02)	\$ (0.04)	\$ 0.01	\$ —	\$ (0.05)
Change in share count	(0.03)	(0.02)	(0.01)	0.02	—	(0.04)
<b>2021 QTD Adjusted Earnings Per Share</b>	<b>\$ 0.88</b>	<b>\$ 0.18</b>	<b>\$ 0.06</b>	<b>\$ (0.18)</b>	<b>\$ —</b>	<b>\$ 0.94</b>
Workplace and Workforce Realignment	—	—	—	(0.01)	—	(0.01)
Regulatory Settlements	(0.01)	—	—	—	—	(0.01)
Discontinued Operations	—	—	—	—	0.01	0.01
<b>2021 QTD Reported Earnings Per Share</b>	<b>\$ 0.87</b>	<b>\$ 0.18</b>	<b>\$ 0.06</b>	<b>\$ (0.19)</b>	<b>\$ 0.01</b>	<b>\$ 0.93</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 742 million shares to 769 million.

- (a) Electric Utilities and Infrastructure includes the net impact the DEC and DEP North Carolina interim rates, effective August and September 2020 (+\$0.01), respectively, and the DEF SBRA and multiyear rate plan (+0.01). Gas Utilities and Infrastructure includes the net impact of the PNG North Carolina rate case, effective November 2021 (+0.02), and the PNG Tennessee rate case, effective January 2021 (+0.01).
- (b) Primarily due to fewer renewable projects placed in service in the current year.
- (c) Electric Utilities and Infrastructure excludes rate case impacts.
- (d) Electric Utilities and Infrastructure and Other include lower income tax expense. Gas Utilities and Infrastructure is primarily due to an asset impairment in Ohio. Other includes lower income tax expense, partially offset by higher contributions to the Duke Energy Foundation.

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
December 2021 YTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Discontinued Operations	Consolidated
<b>2020 YTD Reported Earnings Per Share</b>	<b>\$ 3.62</b>	<b>\$ (1.70)</b>	<b>\$ 0.39</b>	<b>\$ (0.60)</b>	<b>\$ 0.01</b>	<b>\$ 1.72</b>
Gas Pipeline Investments	—	2.32	—	—	—	2.32
Severance	—	—	—	(0.10)	—	(0.10)
Regulatory Settlements	1.19	—	—	—	—	1.19
Discontinued Operations	—	—	—	—	(0.01)	(0.01)
<b>2020 YTD Adjusted Earnings Per Share</b>	<b>\$ 4.81</b>	<b>\$ 0.62</b>	<b>\$ 0.39</b>	<b>\$ (0.70)</b>	<b>\$ —</b>	<b>\$ 5.12</b>
Weather	0.01	—	—	—	—	0.01
Volume	0.19	—	—	—	—	0.19
Riders and Other Retail Margin <sup>(a)</sup>	0.07	0.07	—	—	—	0.14
Rate case impacts, net <sup>(b)</sup>	0.34	0.05	—	—	—	0.39
Wholesale	(0.01)	—	—	—	—	(0.01)
Operations and maintenance, net of recoverables <sup>(c)</sup>	(0.12)	(0.01)	—	—	—	(0.13)
Midstream Gas Pipelines <sup>(d)</sup>	—	(0.07)	—	—	—	(0.07)
Duke Energy Renewables <sup>(e)</sup>	—	—	(0.11)	—	—	(0.11)
Interest Expense	(0.02)	—	—	—	—	(0.02)
AFUDC Equity	0.02	—	—	—	—	0.02
Depreciation and amortization <sup>(f)</sup>	0.04	(0.05)	—	—	—	(0.01)
Other <sup>(g)</sup>	(0.03)	(0.03)	—	—	—	(0.06)
<b>Total variance before share count</b>	<b>\$ 0.49</b>	<b>\$ (0.04)</b>	<b>\$ (0.11)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 0.34</b>
Change in share count	(0.20)	(0.04)	(0.02)	0.04	—	(0.22)
<b>2021 YTD Adjusted Earnings Per Share</b>	<b>\$ 5.10</b>	<b>\$ 0.54</b>	<b>\$ 0.26</b>	<b>\$ (0.66)</b>	<b>\$ —</b>	<b>\$ 5.24</b>
Gas Pipeline Investments	—	(0.02)	—	—	—	(0.02)
Workplace and Workforce Realignment	—	—	—	(0.20)	—	(0.20)
Regulatory Settlements	(0.09)	—	—	—	—	(0.09)
Discontinued Operations	—	—	—	—	0.01	0.01
<b>2021 YTD Reported Earnings Per Share</b>	<b>\$ 5.01</b>	<b>\$ 0.52</b>	<b>\$ 0.26</b>	<b>\$ (0.86)</b>	<b>\$ 0.01</b>	<b>\$ 4.94</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 737 million shares to 769 million.

- (a) Electric Utilities and Infrastructure includes higher transmission revenues and a disallowance of purchased power at a DEF plant in the prior year. Gas Utilities and Infrastructure includes increases related to the North Carolina and Ohio construction based riders and customer growth.
- (b) Electric Utilities and Infrastructure includes the net impact of DEC and DEP North Carolina interim rates effective August and September 2020, respectively (+0.20), DEI base rate increases, effective August 2020 (+0.10), DEF SBRA and multi-year rate plan (+0.03) and DEK base rates increases, effective April 2020 (+0.01). Gas Utilities and Infrastructure includes the net impact of the PNG North Carolina rate case, effective November 2021, and the PNG Tennessee rate case, effective January 2021.
- (c) Primarily due to higher employee-related expenses.
- (d) Primarily the loss of ACP earnings.
- (e) Primarily due to Texas Storm Uri impacts (-0.04) in February 2021, fewer projects placed in service in the current year (-0.04) and lower wind resource.
- (f) Electric Utilities and Infrastructure excludes rate case impacts. Gas Utilities and Infrastructure is primarily due to a higher depreciable base.
- (g) Electric Utilities and Infrastructure includes higher property tax expense. Gas Utilities and Infrastructure is primarily due to an asset impairment in Ohio. Other includes higher earnings at National Methanol Company, offset by higher contributions to the Duke Energy Foundation.

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

	Years Ended December 31,		
	2021	2020	2019
<b>Operating Revenues</b>			
Regulated electric	\$ 22,319	\$ 21,461	\$ 22,615
Regulated natural gas	2,008	1,642	1,759
Nonregulated electric and other	770	765	705
Total operating revenues	25,097	23,868	25,079
<b>Operating Expenses</b>			
Fuel used in electric generation and purchased power	6,255	6,051	6,826
Cost of natural gas	705	460	627
Operation, maintenance and other	6,042	5,788	6,066
Depreciation and amortization	4,990	4,705	4,548
Property and other taxes	1,389	1,337	1,307
Impairment of assets and other charges	356	984	(8)
Total operating expenses	19,737	19,325	19,366
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	13	10	(4)
<b>Operating Income</b>	5,373	4,553	5,709
<b>Other Income and Expenses</b>			
Equity in earnings (losses) of unconsolidated affiliates	28	(2,005)	162
Other income and expenses, net	643	453	430
Total other income and expenses	671	(1,552)	592
<b>Interest Expense</b>	2,280	2,162	2,204
<b>Income From Continuing Operations Before Income Taxes</b>	3,764	839	4,097
<b>Income Tax Expense (Benefit) From Continuing Operations</b>	192	(236)	519
<b>Income From Continuing Operations</b>	3,572	1,075	3,578
<b>Income (Loss) From Discontinued Operations, net of tax</b>	7	7	(7)
<b>Net Income</b>	3,579	1,082	3,571
<b>Add: Net Loss Attributable to Noncontrolling Interests</b>	329	295	177
<b>Net Income Attributable to Duke Energy Corporation</b>	3,908	1,377	\$ 3,748
<b>Less: Preferred Dividends</b>	106	107	\$ 41
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 3,802	\$ 1,270	\$ 3,707
<b>Earnings Per Share – Basic and Diluted</b>			
Income from continuing operations available to Duke Energy Corporation common stockholders			
Basic and Diluted	\$ 4.93	\$ 1.71	\$ 5.07
Income (Loss) from discontinued operations attributable to Duke Energy Corporation common stockholders			
Basic and Diluted	\$ 0.01	\$ 0.01	\$ (0.01)
Net income available to Duke Energy Corporation common stockholders			
Basic and Diluted	\$ 4.94	\$ 1.72	\$ 5.06
<b>Weighted average shares outstanding</b>			
Basic	769	737	729
Diluted	769	738	729

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

(In millions)	December 31, 2021	December 31, 2020
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 343	\$ 259
Receivables (net of allowance for doubtful accounts of \$46 at 2021 and \$29 at 2020)	1,173	1,009
Receivables of VIEs (net of allowance for doubtful accounts of \$76 at 2021 and \$117 at 2020)	2,437	2,144
Inventory	3,199	3,167
Regulatory assets (includes \$105 at 2021 and \$53 at 2020 related to VIEs)	2,150	1,641
Other (includes \$256 at 2021 and \$296 at 2020 related to VIEs)	638	462
Total current assets	9,940	8,682
<b>Property, Plant and Equipment</b>		
Cost	161,819	155,580
Accumulated depreciation and amortization	(50,555)	(48,827)
Facilities to be retired, net	144	29
Net property, plant and equipment	111,408	106,782
<b>Other Noncurrent Assets</b>		
Goodwill	19,303	19,303
Regulatory assets (includes \$1,823 at 2021 and \$937 at 2020 related to VIEs)	12,487	12,421
Nuclear decommissioning trust funds	10,401	9,114
Operating lease right-of-use assets, net	1,266	1,524
Investments in equity method unconsolidated affiliates	970	961
Other (includes \$92 at 2021 and \$81 at 2020 related to VIEs)	3,812	3,601
Total other noncurrent assets	48,239	46,924
<b>Total Assets</b>	<b>\$ 169,587</b>	<b>\$ 162,388</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 3,629	\$ 3,144
Notes payable and commercial paper	3,304	2,873
Taxes accrued	749	482
Interest accrued	533	537
Current maturities of long-term debt (includes \$243 at 2021 and \$472 at 2020 related to VIEs)	3,387	4,238
Asset retirement obligations	647	718
Regulatory liabilities	1,211	1,377
Other	2,471	2,936
Total current liabilities	15,931	16,305
<b>Long-Term Debt (includes \$4,854 at 2021 and \$3,535 at 2020 related to VIEs)</b>	<b>60,448</b>	<b>55,625</b>
<b>Other Noncurrent Liabilities</b>		
Deferred income taxes	9,379	9,244
Asset retirement obligations	12,129	12,286
Regulatory liabilities	16,152	15,029
Operating lease liabilities	1,074	1,340
Accrued pension and other post-retirement benefit costs	855	969
Investment tax credits	833	687
Other (includes \$319 at 2021 and \$316 at 2020 related to VIEs)	1,650	1,719
Total other noncurrent liabilities	42,072	41,274
<b>Commitments and Contingencies</b>		
<b>Equity</b>		
Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2021 and 2020	973	973
Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2021 and 2020	989	989
Common Stock, \$0.001 par value, 2 billion shares authorized; 769 million shares outstanding at 2021 and 2020	1	1
Additional paid-in capital	44,371	43,767
Retained earnings	3,265	2,471
Accumulated other comprehensive loss	(303)	(237)
Total Duke Energy Corporation stockholders' equity	49,296	47,964
Noncontrolling interests	1,840	1,220
Total equity	51,136	49,184
<b>Total Liabilities and Equity</b>	<b>\$ 169,587</b>	<b>\$ 162,388</b>

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

	Years Ended December 31,		
	2021	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Income	\$ 3,579	\$ 1,082	\$ 3,571
Adjustments to reconcile net income to net cash provided by operating activities	4,711	7,774	4,638
Net cash provided by operating activities	8,290	8,856	8,209
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net cash used in investing activities	(10,935)	(10,604)	(11,957)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash provided by financing activities	2,609	1,731	3,730
Net decrease in cash, cash equivalents and restricted 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

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Jan 19 2023

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

	Three Months Ended December 31, 2021					
(In millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,418	\$ —	\$ —	\$ —	(71)	\$ 5,347
Regulated natural gas	—	718	—	—	(24)	694
Nonregulated electric and other	—	3	121	30	43	197
Total operating revenues	5,418	721	121	30	(52)	6,238
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,572	—	—	—	(19)	1,553
Cost of natural gas	—	275	—	—	—	275
Operation, maintenance and other	1,433	140	102	83	(35)	1,723
Depreciation and amortization	1,097	87	58	55	(5)	1,292
Property and other taxes	284	28	6	(2)	—	316
Impairment of assets and other charges	1	19	—	(6)	—	14
Total operating expenses	4,387	549	166	130	(59)	5,173
<b>Gains on Sales of Other Assets and Other, net</b>	2	—	—	—	—	2
<b>Operating Income (Loss)</b>	1,033	172	(45)	(100)	7	1,067
<b>Other Income and Expenses</b>						
Equity in (losses) earnings of unconsolidated affiliates	(1)	6	(2)	11	—	14
Other income and expenses, net	114	12	2	32	(10)	150
Total Other Income and Expenses	113	18	—	43	(10)	164
<b>Interest Expense</b>	366	37	19	173	(3)	592
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	780	153	(64)	(230)	—	639
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	101	16	(22)	(113)	—	(18)
<b>Income (Loss) from Continuing Operations</b>	679	137	(42)	(117)	—	657
<b>Add: Net (Income) Loss Attributable to Noncontrolling Interest</b>	(9)	—	91	—	—	82
<b>Income from Continuing Operations Attributable to Duke Energy Corporation</b>	670	137	49	(117)	—	739
<b>Less: Preferred Dividends</b>	—	—	—	14	—	14
<b>Segment Income/Other Net Loss</b>	\$ 670	\$ 137	\$ 49	\$ (131)	\$ —	\$ 725
<b>Income from Discontinued Operations, net of tax</b>						7
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ 732
<b>Segment Income/Other Net Loss</b>	\$ 670	\$ 137	\$ 49	\$ (131)	\$ —	\$ 725
<b>Special Items</b>	5	—	—	6	—	11
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 675	\$ 137	\$ 49	\$ (125)	\$ —	\$ 736

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

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

(In millions)	Year Ended December 31, 2021					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 22,603	\$ —	\$ —	\$ —	\$ (284)	\$ 22,319
Regulated natural gas	—	2,099	—	—	(91)	2,008
Nonregulated electric and other	—	13	476	111	170	770
Total operating revenues	22,603	2,112	476	111	(205)	25,097
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	6,332	—	—	—	(77)	6,255
Cost of natural gas	—	705	—	—	—	705
Operation, maintenance and other	5,340	442	342	40	(122)	6,042
Depreciation and amortization	4,251	303	225	237	(26)	4,990
Property and other taxes	1,233	120	34	2	—	1,389
Impairment of assets and other charges	204	19	—	133	—	356
Total operating expenses	17,360	1,589	601	412	(225)	19,737
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	13	—	—	(1)	1	13
<b>Operating Income (Loss)</b>	5,256	523	(125)	(302)	21	5,373
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	7	8	(34)	47	—	28
Other income and expenses, net	527	62	10	74	(30)	643
Total Other Income and Expenses	534	70	(24)	121	(30)	671
<b>Interest Expense</b>	1,432	142	72	643	(9)	2,280
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	4,358	451	(221)	(824)	—	3,764
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	494	55	(78)	(279)	—	192
<b>Income (Loss) from Continuing Operations</b>	3,864	396	(143)	(545)	—	3,572
<b>Add: Net (Income) Loss Attributable to Noncontrolling Interest</b>	(14)	—	344	(1)	—	329
<b>Income from Continuing Operations Attributable to Duke Energy Corporation</b>	3,850	396	201	(546)	—	3,901
<b>Less: Preferred Dividends</b>	—	—	—	106	—	106
<b>Segment Income/Other Net Loss</b>	\$ 3,850	\$ 396	\$ 201	\$ (652)	\$ —	\$ 3,795
<b>Income from Discontinued Operations, net of tax</b>						7
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ 3,802
<b>Segment Income/Other Net Loss</b>	\$ 3,850	\$ 396	\$ 201	\$ (652)	\$ —	\$ 3,795
<b>Special Items</b>	69	15	—	148	—	232
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 3,919	\$ 411	\$ 201	\$ (504)	\$ —	\$ 4,027

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

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

(In millions)	Three Months Ended December 31, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,124	\$ —	\$ —	\$ —	(65)	\$ 5,059
Regulated natural gas	—	551	—	—	(24)	527
Nonregulated electric and other	—	3	124	24	40	191
Total operating revenues	5,124	554	124	24	(49)	5,777
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,425	—	—	—	(19)	1,406
Cost of natural gas	—	160	—	—	1	161
Operation, maintenance and other	1,500	118	81	(27)	(26)	1,646
Depreciation and amortization	1,045	65	51	55	(8)	1,208
Property and other taxes	303	30	3	(1)	(1)	334
Impairment of assets and other charges	948	—	—	—	—	948
Total operating expenses	5,221	373	135	27	(53)	5,703
<b>Losses on Sales of Other Assets and Other, net</b>	—	—	(1)	—	1	—
<b>Operating (Loss) Income</b>	(97)	181	(12)	(3)	5	74
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	2	(13)	5	4	1	(1)
Other income and expenses, net	101	14	2	33	(7)	143
Total Other Income and Expenses	103	1	7	37	(6)	142
<b>Interest Expense</b>	329	32	17	159	(2)	535
<b>(Loss) Income from Continuing Operations Before Income Taxes</b>	(323)	150	(22)	(125)	1	(319)
<b>Income Tax (Benefit) Expense from Continuing Operations</b>	(153)	16	(13)	(13)	1	(162)
<b>(Loss) Income from Continuing Operations</b>	(170)	134	(9)	(112)	—	(157)
<b>Add: Net Loss (Income) Attributable to Noncontrolling Interest</b>	—	—	88	(1)	—	87
<b>(Loss) Income from Continuing Operations Attributable to Duke Energy Corporation</b>	(170)	134	79	(113)	—	(70)
<b>Less: Preferred Dividends</b>	—	—	—	14	—	14
<b>Segment (Loss) Income/Other Net Loss</b>	\$ (170)	\$ 134	\$ 79	\$ (127)	\$ —	\$ (84)
<b>Income from Discontinued Operations, net of tax</b>						7
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ (77)
<b>Segment (Loss) Income/Other Net Loss</b>	\$ (170)	\$ 134	\$ 79	\$ (127)	\$ —	\$ (84)
<b>Special Items</b>	845	16	—	—	—	861
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 675	\$ 150	\$ 79	\$ (127)	\$ —	\$ 777

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

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

(In millions)	Year Ended December 31, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 21,720	\$ —	\$ —	\$ —	(259)	\$ 21,461
Regulated natural gas	—	1,737	—	—	(95)	1,642
Nonregulated electric and other	—	11	502	97	155	765
Total operating revenues	21,720	1,748	502	97	(199)	23,868
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	6,128	—	—	—	(77)	6,051
Cost of natural gas	—	460	—	—	—	460
Operation, maintenance and other	5,391	430	285	(208)	(110)	5,788
Depreciation and amortization	4,068	258	199	209	(29)	4,705
Property and other taxes	1,188	112	27	11	(1)	1,337
Impairment of assets and other charges	971	7	6	—	—	984
Total operating expenses	17,746	1,267	517	12	(217)	19,325
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	11	—	(1)	—	—	10
<b>Operating Income (Loss)</b>	3,985	481	(16)	85	18	4,553
<b>Other Income and Expenses</b>						
Equity in (losses) earnings of unconsolidated affiliates	(1)	(2,017)	—	13	—	(2,005)
Other income and expenses, net	345	56	7	79	(34)	453
Total Other Income and Expenses	344	(1,961)	7	92	(34)	(1,552)
<b>Interest Expense</b>	1,320	135	66	657	(16)	2,162
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	3,009	(1,615)	(75)	(480)	—	839
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	340	(349)	(65)	(162)	—	(236)
<b>Income (Loss) from Continuing Operations</b>	2,669	(1,266)	(10)	(318)	—	1,075
<b>Add: Net Loss (Income) Attributable to Noncontrolling Interest</b>	—	—	296	(1)	—	295
<b>Income (Loss) from Continuing Operations Attributable to Duke Energy Corporation</b>	2,669	(1,266)	286	(319)	—	1,370
<b>Less: Preferred Dividends</b>	—	—	—	107	—	107
<b>Segment Income (Loss)/Other Net Loss</b>	\$ 2,669	\$ (1,266)	\$ 286	\$ (426)	\$ —	\$ 1,263
<b>Income from Discontinued Operations, net of tax</b>						7
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>						\$ 1,270
<b>Segment Income (Loss)/Other Net Loss</b>	\$ 2,669	\$ (1,266)	\$ 286	\$ (426)	\$ —	\$ 1,263
<b>Special Items</b>	876	1,707	—	(75)	—	2,508
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 3,545	\$ 441	\$ 286	\$ (501)	\$ —	\$ 3,771

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

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

(In millions)	December 31, 2021					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Assets</b>						
Cash and cash equivalents	\$ 82	\$ 12	\$ 3	\$ 247	\$ (1)	\$ 343
Receivables, net	728	328	87	29	1	1,173
Receivables of variable interest entities, net	2,437	—	—	—	—	2,437
Receivables from affiliated companies	170	198	611	762	(1,741)	—
Notes receivable from affiliated companies	87	4	—	1,145	(1,236)	—
Inventory	2,942	125	86	46	—	3,199
Regulatory assets	1,886	165	—	100	(1)	2,150
Other	340	35	188	75	—	638
Total current assets	8,672	867	975	2,404	(2,978)	9,940
<b>Property, Plant and Equipment</b>						
Cost	138,137	13,956	7,311	2,512	(97)	161,819
Accumulated depreciation and amortization	(44,912)	(2,745)	(1,448)	(1,452)	2	(50,555)
Facilities to be retired, net	134	11	—	—	(1)	144
Net property, plant and equipment	93,359	11,222	5,863	1,060	(96)	111,408
<b>Other Noncurrent Assets</b>						
Goodwill	17,379	1,924	—	—	—	19,303
Regulatory assets	11,264	745	—	478	—	12,487
Nuclear decommissioning trust funds	10,401	—	—	—	—	10,401
Operating lease right-of-use assets, net	854	16	130	266	—	1,266
Investments in equity method unconsolidated affiliates	104	231	513	122	—	970
Investment in consolidated subsidiaries	575	3	(6)	66,212	(66,784)	—
Other	2,205	333	107	2,823	(1,656)	3,812
Total other noncurrent assets	42,782	3,252	744	69,901	(68,440)	48,239
<b>Total Assets</b>	<b>144,813</b>	<b>15,341</b>	<b>7,582</b>	<b>73,365</b>	<b>(71,514)</b>	<b>169,587</b>
Segment reclassifications, intercompany balances and other	(972)	(162)	(605)	(69,775)	71,514	—
<b>Segment Assets</b>	<b>\$ 143,841</b>	<b>\$ 15,179</b>	<b>\$ 6,977</b>	<b>\$ 3,590</b>	<b>\$ —</b>	<b>\$ 169,587</b>

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

(In millions)	December 31, 2021					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Liabilities</b>						
Accounts payable	\$ 2,653	\$ 278	\$ 98	\$ 600	\$ —	\$ 3,629
Accounts payable to affiliated companies	876	60	105	623	(1,664)	—
Notes payable to affiliated companies	631	548	—	42	(1,221)	—
Notes payable and commercial paper	—	—	—	3,304	—	3,304
Taxes accrued	795	107	24	(178)	1	749
Interest accrued	360	44	3	126	—	533
Current maturities of long-term debt	1,166	—	167	2,058	(4)	3,387
Asset retirement obligations	647	—	—	—	—	647
Regulatory liabilities	1,133	78	—	—	—	1,211
Other	1,585	131	75	738	(58)	2,471
Total current liabilities	9,846	1,246	472	7,313	(2,946)	15,931
<b>Long-Term Debt</b>	38,236	3,721	1,475	17,107	(91)	60,448
<b>Long-Term Debt Payable to Affiliated Companies</b>	1,649	7	35	—	(1,691)	—
<b>Other Noncurrent Liabilities</b>						
Deferred income taxes	10,444	1,086	(479)	(1,672)	—	9,379
Asset retirement obligations	11,878	75	175	—	1	12,129
Regulatory liabilities	14,642	1,480	—	30	—	16,152
Operating lease liabilities	753	14	134	173	—	1,074
Accrued pension and other post-retirement benefit costs	298	36	(29)	550	—	855
Investment tax credits	831	2	—	—	—	833
Other	752	257	345	488	(192)	1,650
Total other noncurrent liabilities	39,598	2,950	146	(431)	(191)	42,072
<b>Equity</b>						
Total Duke Energy Corporation stockholders' equity	55,044	7,415	4,060	49,373	(66,596)	49,296
Noncontrolling interests	440	2	1,394	3	1	1,840
Total equity	55,484	7,417	5,454	49,376	(66,595)	51,136
<b>Total Liabilities and Equity</b>	144,813	15,341	7,582	73,365	(71,514)	169,587
Segment reclassifications, intercompany balances and other	(972)	(162)	(605)	(69,775)	71,514	—
<b>Segment Liabilities and Equity</b>	\$ 143,841	\$ 15,179	\$ 6,977	\$ 3,590	\$ —	\$ 169,587

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

(In millions)	Three Months Ended December 31, 2021						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 1,672	\$ 1,363	\$ 1,272	\$ 374	\$ 808	\$ (71)	\$ 5,418
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	383	410	471	115	275	(82)	1,572
Operation, maintenance and other	473	366	283	95	204	12	1,433
Depreciation and amortization	380	286	212	54	157	8	1,097
Property and other taxes	72	30	93	74	16	(1)	284
Impairment of assets and other charges	1	1	—	—	—	(1)	1
Total operating expenses	1,309	1,093	1,059	338	652	(64)	4,387
<b>Gains on Sales of Other Assets and Other, net</b>	1	5	—	—	—	(4)	2
<b>Operating Income</b>	364	275	213	36	156	(11)	1,033
<b>Other Income and Expenses, net<sup>(b)</sup></b>	54	28	17	3	12	(1)	113
<b>Interest Expense</b>	138	80	80	21	48	(1)	366
<b>Income Before Income Taxes</b>	280	223	150	18	120	(11)	780
<b>Income Tax Expense (Benefit)</b>	12	27	38	(1)	31	(6)	101
<b>Less: Net Income Attributable to Noncontrolling Interest</b>	—	—	—	—	—	9	9
<b>Segment Income</b>	\$ 268	\$ 196	\$ 112	\$ 19	\$ 89	\$ (14)	\$ 670

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

(b) Includes an equity component of allowance for funds used during construction of \$19 million for Duke Energy Carolinas, \$10 million for Duke Energy Progress, \$4 million for Duke Energy Florida, \$1 million for Duke Energy Ohio and \$8 million for Duke Energy Indiana.

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

(In millions)	Year Ended December 31, 2021						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 7,102	\$ 5,780	\$ 5,259	\$ 1,493	\$ 3,174	\$ (205)	\$ 22,603
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	1,601	1,778	1,806	409	985	(247)	6,332
Operation, maintenance and other	1,783	1,435	1,026	347	738	11	5,340
Depreciation and amortization	1,468	1,097	831	217	615	23	4,251
Property and other taxes	320	159	383	291	73	7	1,233
Impairment of assets and other charges	161	44	—	—	—	(1)	204
Total operating expenses	5,333	4,513	4,046	1,264	2,411	(207)	17,360
<b>Gains on Sales of Other Assets and Other, net</b>	2	13	1	1	—	(4)	13
<b>Operating Income</b>	1,771	1,280	1,214	230	763	(2)	5,256
<b>Other Income and Expenses, net<sup>(b)</sup></b>	273	134	71	13	43	—	534
<b>Interest Expense</b>	538	306	319	87	196	(14)	1,432
<b>Income Before Income Taxes</b>	1,506	1,108	966	156	610	12	4,358
<b>Income Tax Expense</b>	79	87	198	15	112	3	494
<b>Less: Net Income Attributable to Noncontrolling Interest</b>	—	—	—	—	—	14	\$ 14
<b>Segment Income</b>	\$ 1,427	\$ 1,021	\$ 768	\$ 141	\$ 498	\$ (5)	\$ 3,850

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

(b) Includes an equity component of allowance for funds used during construction of \$65 million for Duke Energy Carolinas, \$34 million for Duke Energy Progress, \$16 million for Duke Energy Florida, \$5 million for Duke Energy Ohio and \$27 million for Duke Energy Indiana.

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

(In millions)	December 31, 2021						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Assets</b>							
Cash and cash equivalents	\$ 7	\$ 35	\$ 23	\$ 10	\$ 6	\$ 1	\$ 82
Receivables, net	300	127	117	86	100	(2)	728
Receivables of variable interest entities, net	844	574	432	—	—	587	2,437
Receivables from affiliated companies	190	65	16	142	98	(341)	170
Notes receivable from affiliated companies	—	—	—	10	134	(57)	87
Inventory	1,026	921	477	100	418	—	2,942
Regulatory assets	544	533	497	36	277	(1)	1,886
Other	95	83	80	16	68	(2)	340
Total current assets	3,006	2,338	1,642	400	1,101	185	8,672
<b>Property, Plant and Equipment</b>							
Cost	51,874	37,018	23,865	7,731	17,343	306	138,137
Accumulated depreciation and amortization	(17,854)	(13,387)	(5,819)	(2,260)	(5,583)	(9)	(44,912)
Facilities to be retired, net	102	26	—	6	—	—	134
Net property, plant and equipment	34,122	23,657	18,046	5,477	11,760	297	93,359
<b>Other Noncurrent Assets</b>							
Goodwill	—	—	—	596	—	16,783	17,379
Regulatory assets	2,935	4,118	1,791	331	1,278	811	11,264
Nuclear decommissioning trust funds	5,759	4,089	553	—	—	—	10,401
Operating lease right-of-use assets, net	92	389	302	19	53	(1)	854
Investments in equity method unconsolidated affiliates	—	—	1	—	—	103	104
Investment in consolidated subsidiaries	60	15	4	264	2	230	575
Other	1,248	792	398	63	296	(592)	2,205
Total other noncurrent assets	10,094	9,403	3,049	1,273	1,629	17,334	42,782
<b>Total Assets</b>	<b>47,222</b>	<b>35,398</b>	<b>22,737</b>	<b>7,150</b>	<b>14,490</b>	<b>17,816</b>	<b>144,813</b>
Segment reclassifications, intercompany balances and other	(428)	(167)	(188)	(268)	(94)	173	(972)
<b>Reportable Segment Assets</b>	<b>\$ 46,794</b>	<b>\$ 35,231</b>	<b>\$ 22,549</b>	<b>\$ 6,882</b>	<b>\$ 14,396</b>	<b>\$ 17,989</b>	<b>\$ 143,841</b>

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

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

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

(In millions)	December 31, 2021						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Liabilities</b>							
Accounts payable	\$ 988	\$ 476	\$ 623	\$ 268	\$ 282	\$ 16	\$ 2,653
Accounts payable to affiliated companies	267	310	210	15	221	(147)	876
Notes payable to affiliated companies	226	172	199	71	—	(37)	631
Taxes accrued	278	165	53	222	74	3	795
Interest accrued	125	96	68	23	49	(1)	360
Current maturities of long-term debt	362	556	76	—	84	88	1,166
Asset retirement obligations	249	274	1	13	110	—	647
Regulatory liabilities	487	381	98	40	127	—	1,133
Other	545	448	407	79	105	1	1,585
Total current liabilities	3,527	2,878	1,735	731	1,052	(77)	9,846
<b>Long-Term Debt</b>	12,595	9,543	8,406	2,549	4,089	1,054	38,236
<b>Long-Term Debt Payable to Affiliated Companies</b>	318	150	—	18	150	1,013	1,649
<b>Other Noncurrent Liabilities</b>							
Deferred income taxes	3,690	2,220	2,436	758	1,304	36	10,444
Asset retirement obligations	5,052	5,401	436	71	877	41	11,878
Regulatory liabilities	7,198	4,868	698	331	1,565	(18)	14,642
Operating lease liabilities	78	350	256	18	50	1	753
Accrued pension and other post-retirement benefit costs	50	221	166	80	167	(386)	298
Investment tax credits	287	128	236	3	177	—	831
Other	536	88	73	51	44	(40)	752
Total other noncurrent liabilities	16,891	13,276	4,301	1,312	4,184	(366)	39,598
<b>Equity</b>							
Total Duke Energy Corporation stockholders' equity	13,891	9,551	8,295	2,540	5,015	15,752	55,044
Noncontrolling interests <sup>(c)</sup>	—	—	—	—	—	440	440
<b>Equity</b>	13,891	9,551	8,295	2,540	5,015	16,192	55,484
<b>Total Liabilities and Equity</b>	47,222	35,398	22,737	7,150	14,490	17,816	144,813
Segment reclassifications, intercompany balances and other	(428)	(167)	(188)	(268)	(94)	173	(972)
<b>Reportable Segment Liabilities and Equity</b>	\$ 46,794	\$ 35,231	\$ 22,549	\$ 6,882	\$ 14,396	\$ 17,989	\$ 143,841

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

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

(In millions)	Three Months Ended December 31, 2021				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 169	\$ 553	\$ —	\$ (1)	\$ 721
<b>Operating Expenses</b>					
Cost of natural gas	60	215	—	—	275
Operation, maintenance and other	44	94	1	1	140
Depreciation and amortization	25	63	—	(1)	87
Property and other taxes	16	11	—	1	28
Impairment of assets and other charges	19	—	—	—	19
Total operating expenses	164	383	1	1	549
<b>Losses on Sales of Other Assets and Other, net</b>	(1)	—	—	1	—
<b>Operating Income (Loss)</b>	4	170	(1)	(1)	172
<b>Other Income and Expenses</b>					
Equity in earnings of unconsolidated affiliates	—	—	6	—	6
Other income and expenses, net	2	10	—	—	12
Total other income and expenses	2	10	6	—	18
<b>Interest Expense</b>	7	31	—	(1)	37
<b>(Loss) Income Before Income Taxes</b>	(1)	149	5	—	153
<b>Income Tax (Benefit) Expense</b>	(2)	13	4	1	16
<b>Segment Income</b>	\$ 1	\$ 136	\$ 1	\$ (1)	\$ 137

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

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

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

(In millions)	Year Ended December 31, 2021				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 544	\$ 1,569	\$ —	\$ (1)	\$ 2,112
<b>Operating Expenses</b>					
Cost of natural gas	136	569	—	—	705
Operation, maintenance and other	121	319	2	—	442
Depreciation and amortization	90	213	1	(1)	303
Property and other taxes	64	55	—	1	120
Impairment of assets and other charges	19	—	—	—	19
Total operating expenses	430	1,156	3	—	1,589
<b>Operating Income (Loss)</b>	114	413	(3)	(1)	523
<b>Other Income and Expenses</b>					
Equity in losses of unconsolidated affiliates	—	—	8	—	8
Other income and expenses, net	7	55	—	—	62
Total other income and expenses	7	55	8	—	70
<b>Interest Expense</b>	24	119	—	(1)	142
<b>Income Before Income Taxes</b>	97	349	5	—	451
<b>Income Tax Expense</b>	19	31	4	1	55
<b>Segment Income</b>	\$ 78	\$ 318	\$ 1	\$ (1)	\$ 396

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

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

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

(In millions)	December 31, 2021				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Assets</b>					
Cash and cash equivalents	\$ 3	\$ —	\$ 8	\$ 1	\$ 12
Receivables, net	10	318	—	—	328
Receivables from affiliated companies	—	76	184	(62)	198
Notes receivable from affiliated companies	5	—	—	(1)	4
Inventory	16	109	—	—	125
Regulatory assets	24	141	—	—	165
Other	26	9	3	(3)	35
Total current assets	84	653	195	(65)	867
<b>Property, Plant and Equipment</b>					
Cost	3,994	9,917	45	—	13,956
Accumulated depreciation and amortization	(846)	(1,900)	—	1	(2,745)
Facilities to be retired, net	—	11	—	—	11
Net property, plant and equipment	3,148	8,028	45	1	11,222
<b>Other Noncurrent Assets</b>					
Goodwill	324	49	—	1,551	1,924
Regulatory assets	315	316	—	114	745
Operating lease right-of-use assets, net	—	16	—	—	16
Investments in equity method unconsolidated affiliates	—	—	226	5	231
Investment in consolidated subsidiaries	—	—	—	3	3
Other	21	289	23	—	333
Total other noncurrent assets	660	670	249	1,673	3,252
<b>Total Assets</b>	3,892	9,351	489	1,609	15,341
Segment reclassifications, intercompany balances and other	—	(27)	6	(141)	(162)
<b>Reportable Segment Assets</b>	\$ 3,892	\$ 9,324	\$ 495	\$ 1,468	\$ 15,179

(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**  
**CONSOLIDATING BALANCE SHEETS – LIABILITIES AND EQUITY**  
(Unaudited)

(In millions)	December 31, 2021				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Liabilities</b>					
Accounts payable	\$ 78	\$ 196	\$ 4	\$ —	\$ 278
Accounts payable to affiliated companies	29	36	63	(68)	60
Notes payable to affiliated companies	32	518	—	(2)	548
Taxes accrued	42	61	3	1	107
Interest accrued	7	37	—	—	44
Regulatory liabilities	22	56	—	—	78
Other	4	81	47	(1)	131
Total current liabilities	214	985	117	(70)	1,246
<b>Long-Term Debt</b>	619	2,968	34	100	3,721
<b>Long-Term Debt Payable to Affiliated Companies</b>	7	—	—	—	7
<b>Other Noncurrent Liabilities</b>					
Deferred income taxes	297	800	(11)	—	1,086
Asset retirement obligations	53	22	—	—	75
Regulatory liabilities	408	1,058	—	14	1,480
Operating lease liabilities	—	14	—	—	14
Accrued pension and other post-retirement benefit costs	29	7	—	—	36
Investment tax credits	1	1	—	—	2
Other	47	156	53	1	257
Total other noncurrent liabilities	835	2,058	42	15	2,950
<b>Equity</b>					
Total Duke Energy Corporation stockholders' equity	2,217	3,340	294	1,564	7,415
Noncontrolling interests	—	—	2	—	2
<b>Equity</b>	2,217	3,340	296	1,564	7,417
<b>Total Liabilities and Equity</b>	3,892	9,351	489	1,609	15,341
Segment reclassifications, intercompany balances and other	—	(27)	6	(141)	(162)
<b>Reportable Segment Liabilities and Equity</b>	\$ 3,892	\$ 9,324	\$ 495	\$ 1,468	\$ 15,179

(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**  
**Year Ended December 2021**

	Three Months Ended December 31,				Years Ended December 31,			
	2021	2020	% Inc.(Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>								
Residential	19,337	19,050	1.5%	0.8%	87,452	84,867	3.0%	0.7%
General Service	17,615	17,673	(0.3%)	0.3%	74,571	72,936	2.2%	3.1%
Industrial	11,203	12,182	(8.0%)	(4.7%)	48,639	47,765	1.8%	2.9%
Other Energy Sales	133	149	(10.7%)	n/a	552	570	(3.2%)	n/a
Unbilled Sales	337	949	(64.5%)	n/a	(339)	730	(146.4%)	n/a
Total Retail Sales	48,625	50,003	(2.8%)	(0.6)%	210,875	206,868	1.9%	2.0%
Wholesale and Other	9,798	9,761	0.4%		41,657	39,448	5.6%	
Total Consolidated Electric Sales – Electric Utilities and Infrastructure	58,423	59,764	(2.2%)		252,532	246,316	2.5%	
<b>Average Number of Customers (Electric)</b>								
Residential	6,986,380	6,909,529	1.1%		6,970,755	6,863,679	1.6%	
General Service	1,034,941	1,007,851	2.7%		1,031,930	1,002,533	2.9%	
Industrial	16,035	17,242	(7.0%)		16,805	17,281	(2.8%)	
Other Energy Sales	25,250	31,312	(19.4%)		25,106	31,111	(19.3%)	
Total Retail Customers	8,062,606	7,965,934	1.2%		8,044,596	7,914,604	1.6%	
Wholesale and Other	41	40	2.5%		38	44	(13.6%)	
Total Average Number of Customers – Electric Utilities and Infrastructure	8,062,647	7,965,974	1.2%		8,044,634	7,914,648	1.6%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	6,646	11,856	(43.9%)		46,173	45,057	2.5%	
Nuclear	18,695	17,831	4.8%		75,328	73,721	2.2%	
Hydro	338	1,052	(67.9%)		2,338	3,596	(35.0%)	
Natural Gas and Oil	20,418	18,298	11.6%		80,666	77,883	3.6%	
Renewable Energy	351	260	35.0%		1,532	1,154	32.8%	
Total Generation <sup>(d)</sup>	46,448	49,297	(5.8%)		206,037	201,411	2.3%	
Purchased Power and Net Interchange <sup>(e)</sup>	15,589	14,088	10.7%		61,147	58,529	4.5%	
Total Sources of Energy	62,037	63,385	(2.1%)		267,184	259,940	2.8%	
Less: Line Loss and Other	3,614	3,621	(0.2%)		14,652	13,624	7.5%	
Total GWh Sources	58,423	59,764	(2.2%)		252,532	246,316	2.5%	
<b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>								
Summer					50,259	50,808		
Winter					53,625	54,248		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					96	94		

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

**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2021**

	Three Months Ended December 31,				Years Ended December 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	6,284	6,084	3.3%		29,244	27,963	4.6%	
General Service	6,899	6,560	5.2%		28,395	27,637	2.7%	
Industrial	5,153	4,981	3.5%		20,611	19,593	5.2%	
Other Energy Sales	72	85	(15.3%)		300	314	(4.5%)	
Unbilled Sales	(75)	628	(111.9%)		(160)	210	(176.2%)	
Total Retail Sales	18,333	18,338	—%	1.5%	78,390	75,717	3.5%	3.3%
Wholesale and Other	2,106	2,191	(3.9%)		9,406	8,857	6.2%	
Total Consolidated Electric Sales – Duke Energy Carolinas	20,439	20,529	(0.4%)		87,796	84,574	3.8%	
<b>Average Number of Customers</b>								
Residential	2,359,256	2,324,382	1.5%		2,350,215	2,306,162	1.9%	
General Service	401,442	369,593	8.6%		392,440	366,952	6.9%	
Industrial	5,938	6,088	(2.5%)		5,963	6,099	(2.2%)	
Other Energy Sales	14,336	23,115	(38.0%)		16,202	22,939	(29.4%)	
Total Retail Customers	2,780,972	2,723,178	2.1%		2,764,820	2,702,152	2.3%	
Wholesale and Other	19	17	11.8%		19	21	(9.5%)	
Total Average Number of Customers – Duke Energy Carolinas	2,780,991	2,723,195	2.1%		2,764,839	2,702,173	2.3%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	3,046	3,152	(3.4%)		15,825	14,739	7.4%	
Nuclear	10,912	10,673	2.2%		45,446	44,315	2.6%	
Hydro	159	728	(78.2%)		1,340	2,511	(46.6%)	
Natural Gas and Oil	5,009	3,842	30.4%		19,975	16,817	18.8%	
Renewable Energy	70	42	66.7%		315	174	81.0%	
Total Generation <sup>(d)</sup>	19,196	18,437	4.1%		82,901	78,556	5.5%	
Purchased Power and Net Interchange <sup>(e)</sup>	2,543	3,109	(18.2%)		9,709	10,630	(8.7%)	
Total Sources of Energy	21,739	21,546	0.9%		92,610	89,186	3.8%	
Less: Line Loss and Other	1,300	1,017	27.8%		4,814	4,612	4.4%	
Total GWh Sources	20,439	20,529	(0.4%)		87,796	84,574	3.8%	
<b>Owned MW Capacity<sup>(e)</sup></b>								
Summer					20,081	20,280		
Winter					20,957	21,127		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					96	95		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	967	1,098	(11.9%)		2,884	2,833	1.8%	
Cooling Degree Days	79	51	54.9%		1,573	1,525	3.1%	
<b>Variance from Normal</b>								
Heating Degree Days	(21.7%)	(12.1%)			(9.2%)	(11.7%)		
Cooling Degree Days	87.9%	25.7%			0.7%	(1.2%)		

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

**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2021**

	Three Months Ended December 31,				Years Ended December 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	4,045	3,882	4.2%		18,645	17,587	6.0%	
General Service	2,933	3,411	(14.0%)		14,256	14,312	(0.4%)	
Industrial	1,549	2,534	(38.9%)		9,343	10,122	(7.7%)	
Other Energy Sales	16	19	(15.8%)		74	77	(3.9%)	
Unbilled Sales	1,131	302	274.5%		933	155	502%	
Total Retail Sales	9,674	10,148	(4.7%)	(2.2%)	43,251	42,253	2.4%	1.5%
Wholesale and Other	5,569	5,580	(0.2%)		23,546	22,987	2.4%	
Total Consolidated Electric Sales – Duke Energy Progress	15,243	15,728	(3.1%)		66,797	65,240	2.4%	
<b>Average Number of Customers</b>								
Residential	1,393,865	1,385,743	0.6%		1,396,611	1,375,190	1.6%	
General Service	238,918	240,429	(0.6%)		242,131	239,099	1.3%	
Industrial	3,124	3,998	(21.9%)		3,777	4,000	(5.6%)	
Other Energy Sales	2,480	1,415	75.3%		1,681	1,415	18.8%	
Total Retail Customers	1,638,387	1,631,585	0.4%		1,644,200	1,619,704	1.5%	
Wholesale and Other	8	9	(11.1%)		8	9	(11.1%)	
Total Average Number of Customers – Duke Energy Progress	1,638,395	1,631,594	0.4%		1,644,208	1,619,713	1.5%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	445	1,332	(66.6%)		5,928	5,934	(0.1%)	
Nuclear	7,784	7,158	8.7%		29,882	29,406	1.6%	
Hydro	91	256	(64.5%)		678	880	(23.0%)	
Natural Gas and Oil	5,720	5,407	5.8%		22,897	21,642	5.8%	
Renewable Energy	55	54	1.9%		253	247	2.4%	
Total Generation <sup>(d)</sup>	14,095	14,207	(0.8%)		59,638	58,109	2.6%	
Purchased Power and Net Interchange <sup>(e)</sup>	2,179	2,066	5.5%		9,687	9,289	4.3%	
Total Sources of Energy	16,274	16,273	—%		69,325	67,398	2.9%	
Less: Line Loss and Other	1,031	545	89.2%		2,528	2,158	17.1%	
Total GWh Sources	15,243	15,728	(3.1%)		66,797	65,240	2.4%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					12,469	12,533		
Winter					13,609	13,594		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>								
					95	93		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	855	933	(8.4%)		2,604	2,366	10.1%	
Cooling Degree Days	106	91	16.5%		1,785	1,761	1.4%	
<b>Variance from Normal</b>								
Heating Degree Days	(23.1%)	(17.1%)			(9.6%)	(18.8%)		
Cooling Degree Days	68.6%	50.0%			4.7%	4.3%		

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- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

**Duke Energy Florida**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2021**

	Three Months Ended December 31,				Years Ended December 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	4,977	5,170	(3.7%)		21,192	21,459	(1.2%)	
General Service	3,712	3,706	0.2%		14,943	14,601	2.3%	
Industrial	745	791	(5.8%)		3,292	3,147	4.6%	
Other Energy Sales	7	6	16.7%		24	23	4.3%	
Unbilled Sales	(703)	(303)	(132.0%)		(731)	241	(403.3%)	
Total Retail Sales	8,738	9,370	(6.7%)	(1.5%)	38,720	39,471	(1.9%)	0.8%
Wholesale and Other	953	730	30.5%		3,702	3,019	22.6%	
Total Electric Sales – Duke Energy Florida	9,691	10,100	(4.0%)		42,422	42,490	(0.2%)	
<b>Average Number of Customers</b>								
Residential	1,686,535	1,667,816	1.1%		1,684,048	1,654,976	1.8%	
General Service	201,017	205,840	(2.3%)		204,392	204,902	(0.2%)	
Industrial	1,813	1,988	(8.8%)		1,902	2,000	(4.9%)	
Other Energy Sales	2,865	1,495	91.6%		1,829	1,494	22.4%	
Total Retail Customers	1,892,230	1,877,139	0.8%		1,892,171	1,863,372	1.5%	
Wholesale and Other	10	9	11.1%		7	9	(22.2%)	
Total Average Number of Customers – Duke Energy Florida	1,892,240	1,877,148	0.8%		1,892,178	1,863,381	1.5%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	469	867	(45.9%)		5,042	3,287	53.4%	
Natural Gas and Oil	8,733	8,472	3.1%		34,579	36,361	(4.9%)	
Renewable Energy	222	160	38.8%		942	706	33.4%	
Total Generation <sup>(d)</sup>	9,424	9,499	(0.8%)		40,563	40,354	0.5%	
Purchased Power and Net Interchange <sup>(e)</sup>	772	930	(17.0%)		4,286	4,234	1.2%	
Total Sources of Energy	10,196	10,429	(2.2%)		44,849	44,588	0.6%	
Less: Line Loss and Other	505	329	53.5%		2,427	2,098	15.7%	
Total GWh Sources	9,691	10,100	(4.0%)		42,422	42,490	(0.2%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					10,288	10,287		
Winter					11,114	11,301		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	84	207	(59.4%)		394	427	(7.7%)	
Cooling Degree Days	584	624	(6.4%)		3,488	3,853	(9.5%)	
<b>Variance from Normal</b>								
Heating Degree Days	(55.4%)	1.8%			(30.6%)	(5.1%)		
Cooling Degree Days	20.3%	41.0%			8.6%	20.7%		

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

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Jan 19 2023

**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2021**

	Three Months Ended December 31,				Years Ended December 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
GWh Sales <sup>(a)</sup>								
Residential	1,987	1,927	3.1%		9,080	8,838	2.7%	
General Service	2,157	2,143	0.7%		8,998	8,736	3.0%	
Industrial	1,357	1,364	(0.5%)		5,554	5,342	4.0%	
Other Energy Sales	25	26	(3.8%)		104	105	(1.0%)	
Unbilled Sales	(13)	137	(109.5%)		(161)	83	(294.0%)	
Total Retail Sales	5,513	5,597	(1.5%)	(1.2%)	23,575	23,104	2.0%	1.1%
Wholesale and Other	30	124	(75.8%)		554	380	45.8%	
Total Electric Sales – Duke Energy Ohio	5,543	5,721	(3.1%)		24,129	23,484	2.7%	
Average Number of Customers								
Residential	788,866	783,494	0.7%		786,532	782,324	0.5%	
General Service	90,210	89,403	0.9%		89,899	89,122	0.9%	
Industrial	2,470	2,474	(0.2%)		2,475	2,485	(0.4%)	
Other Energy Sales	3,689	3,445	7.1%		3,527	3,441	2.5%	
Total Retail Customers	885,235	878,816	0.7%		882,433	877,372	0.6%	
Wholesale and Other	1	1	—%		1	1	—%	
Total Average Number of Customers – Duke Energy Ohio	885,236	878,817	0.7%		882,434	877,373	0.6%	
Sources of Electric Energy (GWh)								
Generated – Net Output <sup>(c)</sup>								
Coal	13	436	(97.0%)		2,543	2,269	12.1%	
Natural Gas and Oil	8	15	(46.7%)		58	55	5.5%	
Total Generation <sup>(d)</sup>	21	451	(95.3%)		2,601	2,324	11.9%	
Purchased Power and Net Interchange <sup>(e)</sup>	5,880	5,686	3.4%		23,797	23,379	1.8%	
Total Sources of Energy	5,901	6,137	(3.8%)		26,398	25,703	2.7%	
Less: Line Loss and Other	358	416	(13.9%)		2,269	2,219	2.3%	
Total GWh Sources	5,543	5,721	(3.1%)		24,129	23,484	2.7%	
Owned MW Capacity <sup>(c)</sup>								
Summer					1,076	1,076		
Winter					1,164	1,164		
Heating and Cooling Degree Days								
Actual								
Heating Degree Days	1,474	1,671	(11.8%)		4,516	4,497	0.4%	
Cooling Degree Days	61	21	190.5%		1,276	1,198	6.5%	
Variance from Normal								
Heating Degree Days	(19.0%)	(9.0%)			(7.3%)	(8.5%)		
Cooling Degree Days	170.8%	(4.0%)			13.6%	7.9%		

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

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**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**Year Ended December 2021**

	Three Months Ended December 31,				Years Ended December 31,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	2,045	1,987	2.9%		9,291	9,020	3.0%	
General Service	1,914	1,853	3.3%		7,979	7,650	4.3%	
Industrial	2,399	2,512	(4.5%)		9,839	9,561	2.9%	
Other Energy Sales	13	13	—%		50	51	(2.0%)	
Unbilled Sales	(3)	185	(101.6%)		(220)	41	(636.6%)	
Total Retail Sales	6,368	6,550	(2.8%)	(2.3%)	26,939	26,323	2.3%	1.8%
Wholesale and Other	1,140	1,136	0.4%		4,449	4,205	5.8%	
Total Electric Sales – Duke Energy Indiana	7,508	7,686	(2.3%)		31,388	30,528	2.8%	
<b>Average Number of Customers</b>								
Residential	757,858	748,094	1.3%		753,349	745,027	1.1%	
General Service	103,354	102,586	0.7%		103,068	102,458	0.6%	
Industrial	2,690	2,694	(0.1%)		2,688	2,697	(0.3%)	
Other Energy Sales	1,880	1,842	2.1%		1,867	1,822	2.5%	
Total Retail Customers	865,782	855,216	1.2%		860,972	852,004	1.1%	
Wholesale and Other	3	4	(25.0%)		3	4	(25.0%)	
Total Average Number of Customers – Duke Energy Indiana	865,785	855,220	1.2%		860,975	852,008	1.1%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	2,673	6,069	(56.0%)		16,835	18,828	(10.6%)	
Hydro	88	68	29.4%		320	205	56.1%	
Natural Gas and Oil	948	562	68.7%		3,157	3,008	5.0%	
Renewable Energy	4	4	—%		22	27	(18.5%)	
Total Generation <sup>(d)</sup>	3,713	6,703	(44.6%)		20,334	22,068	(7.9%)	
Purchased Power and Net Interchange <sup>(e)</sup>	4,215	2,297	83.5%		13,668	10,997	24.3%	
Total Sources of Energy	7,928	9,000	(11.9%)		34,002	33,065	2.8%	
Less: Line Loss and Other	420	1,314	(68.0%)		2,614	2,537	3.0%	
Total GWh Sources	7,508	7,686	(2.3%)		31,388	30,528	2.8%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					6,345	6,632		
Winter					6,781	7,062		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	1,639	1,822	(10.0%)		4,930	4,964	(0.7%)	
Cooling Degree Days	46	19	142.1%		1,242	1,151	7.9%	
<b>Variance from Normal</b>								
Heating Degree Days	(16.0%)	(7.6%)			(6.1%)	(6.0%)		
Cooling Degree Days	131.3%	9.1%			11.3%	5.0%		

- (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**  
**Year Ended December 2021**

	Three Months Ended December 31,			Years Ended December 31,		
	2021	2020	% Inc. (Dec.)	2021	2020	% Inc. (Dec.)
<b>Total Sales</b>						
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup>	152,549,106	129,209,733	18.1%	542,759,891	490,071,039	10.8%
Duke Energy Midwest LDC throughput (Mcf)	23,566,797	25,589,579	(7.9%)	85,787,624	84,160,162	1.9%
<b>Average Number of Customers – Piedmont Natural Gas</b>						
Residential	1,021,965	1,010,287	1.2%	1,023,675	1,003,214	2.0%
Commercial	104,788	104,864	(0.1%)	105,430	104,983	0.4%
Industrial	954	968	(1.4%)	960	969	(0.9%)
Power Generation	19	19	—%	19	19	—%
Total Average Number of Gas Customers – Piedmont Natural Gas	1,127,726	1,116,138	1.0%	1,130,084	1,109,185	1.9%
<b>Average Number of Customers – Duke Energy Midwest</b>						
Residential	501,882	497,602	0.9%	500,123	495,688	0.9%
General Service	43,688	43,169	1.2%	43,484	43,320	0.4%
Industrial	1,567	1,567	—%	1,565	1,571	(0.4%)
Other	126	130	(3.1%)	129	131	(1.5%)
Total Average Number of Gas Customers – Duke Energy Midwest	547,263	542,468	0.9%	545,301	540,710	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**  
**Year Ended December 2021**

	Three Months Ended December 31,			Years Ended December 31,		
	2021	2020	% Inc. (Dec.)	2021	2020	% Inc. (Dec.)
Renewable Plant Production, GWh	2,759	2,544	8.5 %	10,701	10,204	4.9 %
Net Proportional MW Capacity in Operation <sup>(a)</sup>	n/a	n/a		4,729	3,937	20.1 %

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Fourth Quarter Earnings Review & Business Update**  
**February 10, 2022**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of adjusted EPS for the year-to-date periods ended December 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 year-to-date periods ended December 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:

- Workplace and Workforce Realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.
- Regulatory Settlements represents an impairment charge related to the South Carolina Supreme Court decision on coal ash, insurance proceeds and Duke Energy Carolinas and Duke Energy Progress coal ash settlement and the partial settlements in the 2019 North Carolina rate cases.
- Gas Pipeline Investments represents costs related to the cancellation of the ACP investment and additional exit obligations.
- Severance represents the reversal of 2018 Severance charges, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and Duke Energy Progress 2019 North Carolina rate cases.



## Adjusted EPS Guidance

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a reference to revised forecasted 2021 adjusted earnings guidance range of \$5.15 to \$5.30 per share, narrowed from the original forecasted 2021 adjusted earnings guidance range of \$5.00 to \$5.30 per share during the third quarter of 2021. In addition, the materials reference the midpoint of original forecasted 2021 adjusted earnings guidance of approximately \$5.15. The materials also include a reference to the preliminary estimate of 2022 adjusted EPS guidance range of \$5.30 to \$5.60. In addition, the materials reference a preliminary estimate of the 2022 adjusted EPS midpoint of approximately \$5.45. The materials also reference the long-term range of annual growth of 5% - 7% through 2026 off the midpoint of original 2021 adjusted EPS guidance range of \$5.15. In addition, the materials reference the expected five-year adjusted EPS growth in the natural gas segment of 8%-10% and in the electric segment of 5%-7% (on a compound annual growth rate (CAGR) basis). 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 Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of adjusted segment income (loss) and adjusted other net loss for the year-to-date period ended December 31, 2021 and a discussion of 2021 and 2022 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the year-to-date period ended December 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 Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended December 31, 2021. The materials also include a discussion of the 2021 and 2022 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended December 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.

## **Adjusted Book Return on Equity (ROE)**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022 include a reference to the historical and projected adjusted book return on equity (ROE) ratio. This ratio is a non-GAAP financial measure. The numerator represents Net Income, adjusted for the impact of special items (as discussed above under Adjusted EPS). The denominator is average Total Common Stockholder's Equity, reduced for Goodwill. A reconciliation of the components of adjusted ROE to the most directly comparable GAAP measures is 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.

## **Available Liquidity**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of December 31, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of December 31, 2021, to the most directly comparable GAAP measure is included herein.

## **Holdco Debt Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022 include a reference to a historical and projected Holdco debt percentage. This percentage reflects a non-GAAP financial measure. The numerator of the Holdco debt percentage is the balance of Duke Energy Corporate debt, Progress Energy, Inc. debt, PremierNotes and the Commercial Paper attributed to the Holding Company. The denominator for the percentage is the balance of long-term debt (excluding purchase accounting adjustments), including current maturities, operating lease liabilities, plus notes payable and commercial paper outstanding.

## **Funds From Operations (“FFO”) Ratio**

The materials for Duke Energy’s Fourth Quarter Earnings Review and Business Update on February 10, 2022 include a reference to the historical and expected FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases, operating activities allocated to the Duke Energy Indiana minority interest and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments, long-term debt allocated to the Duke Energy Indiana minority interest, and long-term debt associated with the CR3 and Duke Energy Carolinas and Duke Energy Progress Storm Securitizations), including current maturities, operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

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

The materials for Duke Energy’s Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of Duke Energy’s net regulated Electric and Gas operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2019 and 2016, as well as the forecasted year-to-date period ended December 31, 2022.

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

The materials also reference Piedmont Natural Gas Company, Inc. (Piedmont) Net regulated Gas O&M for the year ended December 31, 2016. Piedmont O&M is a non-GAAP finance measure, as it represents reported O&M expense as of December 31, 2016, adjusted for special items.

Management believes the presentation of net regulated Electric and Gas O&M and Piedmont Net regulated Gas O&M provides useful information to investors, as it provides a meaningful comparison of financial performance across periods. The most directly comparable GAAP financial measure for net regulated Electric and Gas O&M and Piedmont Net regulated Gas O&M is reported operating, maintenance and other expenses. A reconciliation of net regulated Electric and Gas O&M for the year-to-date periods ended December 31, 2019 and 2016, as well as the forecasted year-to-date period ended December 31, 2022, and a reconciliation of Piedmont O&M for the year-to-date period ended October 31, 2016, to the most directly comparable GAAP measure are included here-in.

## **Business Mix Percentage**

The materials for Duke Energy’s Fourth Quarter Earnings Review and Business Update on February 10, 2022, reference ninety-five percent of earnings coming from regulated electric and gas utilities, eighty-six percent from regulated electric and nine percent from regulated gas, and five percent coming from commercial renewables, as a percentage of total 2021 adjusted segment income (i.e. earnings contribution). The materials also reference each segment’s 2022 projected adjusted segment income as a percentage of the total projected 2022 adjusted EPS midpoint of approximately \$5.45 (i.e. business mix), excluding the impact of Other. Duke

Energy's segments are comprised of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

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

### **Dividend Payout Ratio**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 10, 2022, include a discussion of Duke Energy's long-term target dividend payout ratio of 65% - 75% based upon adjusted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted basic EPS from continuing operations available to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2021  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items				Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment	Regulatory Settlements				
<b>SEGMENT INCOME (LOSS)</b>								
Electric Utilities and Infrastructure	\$ 3,850	\$ —	\$ —	\$ 69	C	\$ —	\$ 69	\$ 3,919
Gas Utilities and Infrastructure	396	15	A	—		—	15	411
Commercial Renewables	201	—	—	—		—	—	201
<b>Total Reportable Segment Income</b>	<b>4,447</b>	<b>15</b>	<b>—</b>	<b>69</b>		<b>—</b>	<b>84</b>	<b>4,531</b>
Other	(652)	—	148	B		—	148	(504)
Discontinued Operations	7	—	—	—		(7) D	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,802</b>	<b>\$ 15</b>	<b>\$ 148</b>	<b>\$ 69</b>		<b>\$ (7)</b>	<b>\$ 225</b>	<b>\$ 4,027</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.94</b>	<b>\$ 0.02</b>	<b>\$ 0.20</b>	<b>\$ 0.09</b>		<b>\$ (0.01)</b>	<b>\$ 0.30</b>	<b>\$ 5.24</b>

**A** - Net of \$5 million tax benefit. \$20 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Consolidated Statements of Operations.

**B** - Net of \$44 million tax benefit. \$133 million recorded within Impairment of assets and other charges, \$42 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Consolidated Statements of Operations.

**C** - Net of \$20 million tax benefit at Duke Energy Carolinas and \$1 million tax benefit at Duke Energy Progress.

- \$160 million of expense recorded within Impairment of assets and other charges, \$77 million of income within Other income and expenses, \$5 million of expense within Operations, maintenance and other, \$13 million of income within Regulated electric operating revenues, \$3 million of expense within Interest expense and \$6 million of expense within Depreciation and amortization on the Duke Energy Carolinas' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.
- \$42 million of expense recorded within Impairment of assets and other charges, \$34 million of income within Other income and expenses, \$7 million of expense within Operations, maintenance and other, \$15 million of income within Regulated electric operating revenues, \$5 million of expense within Interest expense and \$1 million of expense within Depreciation and amortization on the Duke Energy Progress' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.

**D** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2020  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements			
<b>SEGMENT INCOME (LOSS)</b>							
Electric Utilities and Infrastructure	\$ 2,669	\$ 4 <b>A</b>	\$ —	\$ 872 <b>D</b>	\$ —	\$ 876	\$ 3,545
Gas Utilities and Infrastructure	(1,266)	1,707 <b>B</b>	—	—	—	1,707	441
Commercial Renewables	286	—	—	—	—	—	286
<b>Total Reportable Segment Income</b>	<b>1,689</b>	<b>1,711</b>	<b>—</b>	<b>872</b>	<b>—</b>	<b>2,583</b>	<b>4,272</b>
Other	(426)	\$ —	(75) <b>C</b>	—	—	(75)	(501)
Discontinued Operations	7	—	—	—	(7) <b>E</b>	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,270</b>	<b>\$ 1,711</b>	<b>\$ (75)</b>	<b>\$ 872</b>	<b>\$ (7)</b>	<b>\$ 2,501</b>	<b>\$ 3,771</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.72</b>	<b>\$ 2.32</b>	<b>\$ (0.10)</b>	<b>\$ 1.19</b>	<b>\$ (0.01)</b>	<b>\$ 3.40</b>	<b>\$ 5.12</b>

**A** - Net of \$1 million tax benefit. \$5 million included within Impairment charges related to gas pipeline interconnections on the Duke Energy Progress' Consolidated Statements of Operations.

**B** - Net of \$398 million tax benefit.

- \$2,098 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Consolidated Statements of Operations.

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

**D** - Net of \$123 million tax benefit at Duke Energy Carolinas and \$140 million tax benefit at Duke Energy Progress.

- \$454 million included within Impairment charges and reversal of \$50 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$494 million included within Impairment charges and reversal of \$102 million included in Regulated electric operating revenues related to the coal ash settlement filed with NCUC on the Duke Energy Progress' Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Consolidated Statements of Operations.

**E** - Recorded in Income (Loss) from Discontinued Operations, net of tax on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 737 million**

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

	Three Months Ended		Year Ended	
	December 31, 2021		December 31, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes From Continuing Operations Before Income Taxes</b>	\$ 639		\$ 3,764	
Gas Pipeline Investments	—		20	
Workplace and Workforce Realignment	8		192	
Regulatory Settlements	7		90	
Noncontrolling Interests	79		326	
Preferred Dividends	(14)		(106)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 719</b>		<b>\$ 4,286</b>	
<b>Reported Income Tax (Benefit) Expense From Continuing Operations</b>	\$ (18)	(2.8)%	\$ 192	5.1 %
Gas Pipeline Investments	—		5	
Workplace and Workforce Realignment	2		44	
Regulatory Settlements	2		21	
Noncontrolling interest portion of income taxes <sup>(a)</sup>	(3)		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ (17)</b>	<b>(2.4)%</b>	<b>\$ 259</b>	<b>6.0 %</b>

(a) Income tax related to non-pass through entities for tax purposes.

	Three Months Ended		Year Ended	
	December 31, 2020		December 31, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported (Loss) Income From Continuing Operations Before Income Taxes</b>	\$ (319)		\$ 839	
Regulatory Settlements	1,100		1,135	
Gas Pipeline Investments	20		2,110	
Severance	—		(98)	
Noncontrolling Interests	87		295	
Preferred Dividends	(14)		(107)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 874</b>		<b>\$ 4,174</b>	
<b>Reported Income Tax Benefit From Continuing Operations</b>	\$ (162)	50.8 %	\$ (236)	(28.1)%
Regulatory Settlements	255		263	
Gas Pipeline Investments	4		399	
Severance	—		(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 97</b>	<b>11.1%</b>	<b>\$ 403</b>	<b>9.7 %</b>

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of December 31, 2021**  
(In millions)

Cash and Cash Equivalents	\$ 343	
Less: Certain Amounts Held in Foreign Jurisdictions	(29)	
Less: Unavailable Domestic Cash	<u>(43)</u>	
	271	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,518</u>	
Total Available Liquidity (a), December 31, 2021	<u>\$ 5,789</u>	approximately 5.8 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 December 31, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.



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

	Actual December 31, 2016	Actual December 31, 2019	Forecast December 31, 2022
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$6,223</b>	<b>\$6,066</b>	<b>\$6,025</b>
Adjustments:			
Costs to Achieve, Mergers <sup>(b)</sup>	(238)	—	—
Severance <sup>(b)</sup>	(92)	—	—
Reagents Recoverable <sup>(d) (i)</sup>	(93)	(95)	(95)
Energy Efficiency Recoverable <sup>(c)</sup>	(417)	(415)	(409)
Other Deferrals <sup>(e)</sup> and Recoverable <sup>(d) (h) (i)</sup>	(95)	(321)	(233)
Margin based O&M for Commercial Businesses	(185)	(95)	(159)
Short-term incentive payments (over)/under budget	(90)	(112)	—
Non-margin based O&M for Commercial Business <sup>(f)</sup>	(166)	(203)	(319)
Non-regulated Products and Services <sup>(g)</sup>	(83)	(175)	(219)
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$ 4,764</b>	<b>\$ 4,651</b>	<b>\$ 4,589</b>
Piedmont O&M, for the period from October 3, 2016 through December 31, 2016	(69)		
<b>Net Regulated Electric and Gas, operation, maintenance and other, excluding Piedmont<sup>(k)</sup></b>	<b>\$ 4,695</b>		

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

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

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

(d) The Duke Energy Indiana Rate Case was effective in mid-year 2020. This Rate Case permitted recovery within base rates of certain costs that had previously been recovered through riders. Accordingly, all prior periods have been recast as if these costs were always included within base rates.

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

(f) Primarily represents expenses from the Commercial Renewables segment.

(g) Primarily represents non-regulated products and services expenses in support of regulated electric and gas utilities.

(h) Florida Vegetation Management has been reclassified to recoverable in the rate case effective in 2022. Accordingly, all prior periods have been recast for comparability.

(i) The Duke Energy Florida Rate Case effective 2022 permits within base rates the recovery of environmental costs (ECRC) which were previously recovered in riders. Accordingly, all prior periods have been recast for comparability.

(j) Duke Energy Indiana Reagents have been reclassified to Recoverable effective in 2022. Accordingly, all prior periods have been recast for comparability.

(k) Net regulated electric and gas, operating maintenance and other, excluding Piedmont presents Net regulated electric and gas O&M for the year ended December 31, 2016, without the operations of Piedmont Natural Gas, which was acquired on October 3, 2016.

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**Piedmont Natural Gas Company, Inc.**  
**Operations, Maintenance and Other Expense**  
(In millions)

	<u>Actual</u>
Operation, maintenance and other <sup>(a)</sup> - Piedmont Natural Gas Company, Inc. 10-K	\$ 353
Less:	
Operation, maintenance and other <sup>(b)</sup> - Piedmont Natural Gas Company, Inc. 2015 November and December Activity	53
Add:	
Operation, maintenance and other <sup>(b)</sup> - Piedmont Natural Gas Company, Inc. 2016 November and December Activity	52
<b>Operation, maintenance and other - Piedmont Natural Gas Company, Inc. for the year ending December 31, 2016</b>	<b>\$ 352</b>
Adjustments:	
Costs to Achieve, Mergers <sup>(c)</sup>	(63)
<b>Piedmont, Net Regulated Gas O&amp;M for the year ending December 31, 2016</b>	<b>\$ 289</b>

(a) As reported in the 2016 Form 10-K Piedmont Natural Gas Condensed Consolidated Statements of Operations and Comprehensive Income as of October 31, 2016.

(b) As reported in the 2016 Form 10-QT Piedmont Natural Gas Condensed Consolidated Statements of Operations and Comprehensive

(c) Primarily represents expenses for acquisition consummation costs, integration, and other related costs in connection with Duke Energy Corporation's acquisition October 3, 2016.

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Jan 19 2023

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2021  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2021	\$ 1,336	\$ 991	\$ 2,327	\$ 738	\$ 481	\$ 219 (2)	\$ 303 (3)
Special Items (1)	130	31	161	22	11	-	10
Adjusted Net Income 2021	1,466	1,022	2,488	760	492	219	313
2021							
Equity	13,891	9,551	23,442	8,295	5,015	4,464	3,277 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	13,891	9,551	23,442	8,295	5,015	3,544	3,228
2020							
Equity	13,154	9,260	22,414	7,558	4,783	3,935	2,647 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	13,154	9,260	22,414	7,558	4,783	3,015	2,598
Average Equity less Goodwill			22,928	7,927	4,899	3,280	2,913
Adjusted Book ROEs			10.9%	9.6%	10.0%	6.7%	10.7%

(1) Impacts of Regulatory Settlements for coal ash, net of tax and Workplace and Workforce Realignment, net of tax

(2) Net Income for 2021 equals Duke Energy Ohio reportable segments segment income

(3) Piedmont Natural Gas Net Income excludes \$7 million of income related to Investments in Gas Transmission Infrastructure.

2021
310
(7)
303

(4) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2021	2020
Reported Equity for Piedmont Natural Gas	3,349	2,715
Less: Investments in Gas Transmission Infrastructure	72	68
Piedmont Natural Gas Adjusted Equity	3,277	2,647

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2020  
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2020	\$ 956	\$ 415	\$ 1,371	\$ 771	\$ 408	\$ 258 (2)	\$ 264 (3)
Special Items (1)	358	443	801	-	-	-	7
Adjusted Net Income 2020	1,314	858	2,172	771	408	258	271
2020							
Equity	13,154	9,260	22,414	7,558	4,783	3,935	2,647 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	13,154	9,260	22,414	7,558	4,783	3,015	2,598
2019							
Equity	12,811	9,246	22,057	6,788	4,575	3,687	2,381 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
Average Equity less Goodwill			22,236	7,173	4,679	2,891	2,465
Adjusted Book ROEs			9.8%	10.7%	8.7%	8.9%	11.0%

(1) Impacts of Regulatory settlement for coal ash, net of tax; Impairment charges for interconnection with ACP, net of tax; Impairment charges and shareholder contributions related to Clemson CHP, net of tax; Severance, net of tax

(2) Net Income for 2020 equals Duke Energy Ohio reportable segments segment income

(3) Piedmont Natural Gas Net Income excludes \$9 million of income related to Investments in Gas Transmission Infrastructure.

2020
273
(9)
264

(4) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2020	2019
Reported Equity for Piedmont Natural Gas	2,715	2,443
Less: Investments in Gas Transmission Infrastructure	68	62
Piedmont Natural Gas Adjusted Equity	2,647	2,381

DUKE ENERGY CORPORATION  
 ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
 For the period ended December 31, 2019  
 dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2019	\$ 1,403	\$ 805	\$ 2,208	\$ 693	\$ 436	\$ 244 (2)	\$ 196 (4)
Special Items (1)	-	-	-	(27)	-	-	-
Adjusted Net Income 2019	1,403	805	2,208	666	436	244	196
2019							
Equity	12,811	9,246	22,057	6,788	4,575	3,687 (3)	2,381 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
2018							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
Average Equity less Goodwill			21,091	6,442	4,457	2,648	2,165
Adjusted Book ROEs			10.5%	10.3%	9.8%	9.2%	9.1%

(1) Impacts of Citrus County CC, Net of Tax

(2) Net Income for 2019 equals Duke Energy Ohio reportable segments segment income

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2019	2018
Reported Equity for Duke Energy Ohio	3,683	3,445
Less: Non-Reg & Other	(4)	(4)
Duke Energy Ohio Reportable Segments Equity	3,687	3,449

(4) Piedmont Natural Gas Net Income excludes \$6 million of income related to Investments in Gas Transmission Infrastructure.

2019
202
(6)
196

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2019	2018
Reported Equity for Piedmont Natural Gas	2,443	2,091
Less: Investments in Gas Transmission Infrastructure	62	44
Piedmont Natural Gas Adjusted Equity	2,381	2,047

**Duke Energy Corporation**  
**2022 Forecasted Cash Flow Reconciliation, Required by SEC Regulation G**  
**February 10, 2022**  
(\$ in millions)

		<b>Forecast 2022</b>
<b>Primary Sources:</b>		
Adjusted net income (1)	(a)	\$4,195
Depreciation & amortization	(a)	5,885
Deferred and accrued taxes	(a)	350
Other sources / (uses), net	(a)	(1,180)
Total Sources		9,250
<b>Primary Uses:</b>		
Capital expenditures (including discretionary)	(b)	(12,350)
Dividends	(c)	(3,065)
Total Uses		(15,415)
<b>Uses in Excess of Sources</b>		(6,165)
<b>Net Change in Financing</b>		
Debt issuances	(c, d)	9,650
Debt maturities	(c)	(3,620)
Net Change in Debt		6,030
Net Change in Cash		(\$135)
<b>Reconciliations to forecasted U.S. GAAP reporting amounts:</b>		
Operating cash flow components, sum of (a) from above		\$9,250
Reconciling items to GAAP cash flows from operating activities	(2)	465
Net cash provided by operating activities per GAAP Consolidated Statement of Cash Flows		\$9,715
Investing cash flow components, (b) from above		(\$12,350)
Reconciling items to GAAP cash flows from investing activities	(2)	(1,110)
Net cash used in investing activities per GAAP Consolidated Statement of Cash Flows		(\$13,460)
Financing cash flow components, sum of (c) from above		\$2,965
Reconciling items to GAAP cash flows from financing activities	(2)	645
Net cash provided by financing activities per GAAP Consolidated Statement of Cash Flows		\$3,610
<i>Debt issuances [(d) from above] includes "Notes payable and commercial paper" which is separately presented per GAAP Consolidated Statements of Cash Flows</i>		
Net decrease in cash and cash equivalents per forecasted GAAP Consolidated Statements of Cash Flows		(\$135)

**Notes:**

(1) The forecasted adjusted net income of \$4,195 million for 2022 is an illustrative amount based on the midpoint of Duke Energy's adjusted basic EPS outlook range of \$5.30-\$5.60 per share. Adjusted basic EPS is a non-GAAP financial measure as it represents basic EPS from continuing operations attributable to Duke Energy Corporation shareholders and adjusted for the per-share impact of special items. Special items represent certain charges and credits which management believes will not be recurring on a regular basis, although it is reasonably possible such charges and credits could recur. The most directly comparable GAAP measure for adjusted basic EPS is reported basic EPS from continuing operations attributable to Duke Energy Corporation common shareholders, which includes the impact of special items. 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.

(2) Amount consists primarily of an adjustment for operating cashflow items (principally payments for asset retirement obligations and payment for an accrued liability ) included in the "Capital expenditures (including discretionary)" and; an adjustment for investing cash flow items (principally cost of removal expenditures, proceeds from sales of equity investments and other assets, and proceeds from sales and maturities of available-for-sale securities and Other) included in the "Other sources/(uses), net", which are combined for the GAAP reconciliation in Operating activities, and; an adjustment for financing cash flow items (principally proceeds from Noncontrolling Interests initial investments, payments for interest on preferred debt/equity content securities, and Other) included in the "Other sources/(uses), net" and "Capital expenditures (including discretionary)", which are combined for the GAAP reconciliation in Operating activities and Investing activities.

**FFO to Debt Calculation**  
**Duke Energy Corporation**  
(in millions)

	Year Ended December 31, 2021 Actual
Cash From Operations	8,290
Adjust for Working Capital (1)	947
Coal ash ARO spend	439
Include Capitalized Interest as cost	(72)
Hybrid interest adjustment	10
Preferred stock adjustment	(53)
CR3 securitization adjustment	(56)
Storm securitization	(4)
Duke Energy Indiana minority interest adjustment	(43)
Lease-imputed FFO adjustment (D&A)	206
<b>Funds From Operations</b>	<b>9,664</b>
Notes payable and commercial paper	3,304
Current maturities of LT debt	3,387
LT debt	60,448
Less: Purchase Accounting adjustments	(1,506)
CR3 securitization	(1,002)
Storm securitization	(995)
Duke Energy Indiana minority interest adjustment	(518)
Underfunded Pension	343
Hybrid debt adjustment	(250)
Preferred stock adjustment	1,000
Operating lease liabilities	1,261
<b>Total Balance Sheet Debt (Including ST)</b>	<b>65,472</b>
(1) Working capital detail, excluding MTM	
Receivables	(297)
Inventory	(34)
Other current assets	(1,136)
Accounts payable	249
Taxes accrued	284
Other current liabilities	(13)
	<b>(947)</b>

<b>FFO / Debt</b>	<b>15%</b>
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**FFO to Debt Calculation****Duke Energy Carolinas**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	2,704
Adjust for Working Capital (1)	233
ARO spend	182
Include Capitalized Interest as cost	(29)
Storm securitization	(1)
Lease-imputed FFO adjustment (D&A)	40
<b>Funds From Operations</b>	<b>3,129</b>
Current maturities of LT debt	362
LT debt	12,595
LT debt payable to affiliates	318
Notes payable to affiliated companies	226
Storm securitization	(233)
Underfunded Pension	12
Operating lease liabilities	100
<b>Total Balance Sheet Debt (Including ST)</b>	<b>13,380</b>
(1) Working capital detail, excluding MTM	
Receivables	(99)
Receivables from affiliates	(66)
Inventory	(16)
Other current assets	(309)
Accounts payable	5
Accounts payable to affiliates	85
Taxes accrued	206
Other current liabilities	(39)
	<b>(233)</b>

<b>FFO / Debt</b>	<b>23%</b>
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**FFO to Debt Calculation****Duke Energy Progress**

(in millions)

	Year Ended December 31, 2021 Actual
Cash From Operations	1,956
Adjust for Working Capital (1)	76
Coal ash ARO spend	187
Include Capitalized Interest as cost	(14)
Storm securitization	(3)
Lease-imputed FFO adjustment (D&A)	73
<b>Funds From Operations</b>	<b>2,275</b>
Notes payable to affiliated companies	172
Current maturities of LT debt	556
LT debt	9,543
LT debt payable to affiliates	150
Storm securitization	(762)
Underfunded Pension	31
Operating lease liabilities	400
<b>Total Balance Sheet Debt (Including ST)</b>	<b>10,090</b>
(1) Working capital detail, excluding MTM	
Receivables	(52)
Receivables from affiliates	(33)
Inventory	(11)
Other current assets	(147)
Accounts payable	12
Accounts payable to affiliates	95
Taxes accrued	83
Other current liabilities	(23)
	<b>(76)</b>

<b>FFO / Debt</b>	<b>23%</b>
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**FFO to Debt Calculation****Duke Energy Florida**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	1,402
Adjust for Working Capital (1)	390
Include Capitalized Interest as cost	(6)
Adjust for CR3	(56)
Lease-imputed FFO adjustment (D&A)	62
<b>Funds From Operations</b>	<b>1,792</b>
Notes payable to affiliated companies	199
Current maturities of LT debt	76
LT debt	8,406
Adjust for CR3	(1,002)
Underfunded Pension	42
Operating lease liabilities	300
<b>Total Balance Sheet Debt (Including ST)</b>	<b>8,021</b>
(1) Working capital detail, excluding MTM	
Receivables	(45)
Receivables from affiliates	(13)
Inventory	(15)
Other current assets	(451)
Accounts payable	47
Accounts payable to affiliates	124
Taxes accrued	(30)
Other current liabilities	(7)
	<b>(390)</b>

**FFO / Debt****22%**

**FFO to Debt Calculation****Duke Energy Indiana**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	1,004
Adjust for Working Capital (1)	50
Coal ash ARO spend	67
Include Capitalized Interest as cost	17
Lease-imputed FFO adjustment (D&A)	16
<b>Funds From Operations</b>	<b>1,154</b>
Current maturities of LT debt	84
LT debt	4,089
LT debt payable to affiliates	150
CRC	196
Underfunded pension	114
Operating lease liabilities	54
<b>Total Balance Sheet Debt (Including ST)</b>	<b>4,687</b>
(1) Working capital detail, excluding MTM	
Receivables	(33)
Inventory	55
Other current assets	(181)
Accounts payable	76
Accounts payable to affiliates	8
Taxes accrued	12
Other current liabilities	13
	<b>(50)</b>

<b>FFO / Debt</b>	<b>25%</b>
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**FFO to Debt Calculation****Duke Energy Ohio**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	559
Adjust for Working Capital (1)	14
Coal Ash ARO spend	2
Include capitalized Interest as cost	(20)
Lease-imputed FFO adjustment (D&A)	10
<b>Funds From Operations</b>	<b>565</b>
Notes payable to affiliated companies	103
LT debt	3,168
LT debt payable to affiliates	25
CRC	153
Underfunded pension	90
Operating lease liabilities	19
<b>Total Balance Sheet Debt (Including ST)</b>	<b>3,558</b>
(1) Working capital detail, excluding MTM	
Receivables	6
Receivables from affiliates	(25)
Inventory	(6)
Other current assets	(60)
Accounts payable	38
Accounts payable to affiliates	(4)
Taxes accrued	26
Other current liabilities	11
	<b>(14)</b>

<b>FFO / Debt</b>	<b>16%</b>
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**FFO to Debt Calculation****Piedmont Natural Gas**

(in millions)

Year Ended December 31,

2021

Actual

Cash From Operations	391
Adjust for Working Capital (1)	138
Include Capitalized Interest as cost	(9)
Lease-imputed FFO adjustment (D&A)	6
<b>Funds From Operations</b>	<b>526</b>
Notes payable to affiliated companies	518
LT debt	2,968
Underfunded pension	3
Operating lease liabilities	19
<b>Total Balance Sheet Debt (Including ST)</b>	<b>3,508</b>
(1) Working capital detail, excluding MTM	
Receivables	(77)
Receivables from affiliates	(1)
Inventory	(40)
Other current assets	33
Accounts payable	(25)
Accounts payable to affiliates	(39)
Taxes accrued	37
Other current liabilities	(26)
	<b>(138)</b>

<b>FFO / Debt</b>	<b>15%</b>
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