

DUKE ENERGY CAROLINAS, LLC
SUMMARY OF PROPOSED REVENUE ADJUSTMENTS
FOR EACH RATE YEAR, USING A BASE PERIOD TEST YEAR ENDED DECEMBER 31, 2021
APPLICATION
(Dollars in Millions)

Line No.	Description	NC RETAIL OPERATIONS			Reference
		Base Rates	EDIT Rider	Total Impact	
	Base Rate				
1	Traditional Base Rate Revenue Requirement	\$ 371.5	\$ (10.4) [1]	\$ 361.1	Q. Bowman Exhibit 2 Page 1 Total, Column 5, Line No. 1
2	Rate Year 1 - Incremental Revenue Requirement for MYRP Projects	139.8		\$ 139.8	Taylor, Exhibit 4, Column 1, Line No. 14
3	Rate Year 1 - Total (L1 + L2)	\$ 511.3	\$ (10.4)	\$ 501.0	
4	Rate Year 2 - Incremental Revenue Requirement for MYRP Projects	\$ 171.5	\$ -	\$ 171.5	Taylor, Exhibit 4, Column 2, Line No. 14
5	Rate Year 3 - Incremental Revenue Requirement for MYRP Projects	\$ 150.3	\$ -	\$ 150.3	Taylor, Exhibit 4, Column 3, Line No. 14
6	Cumulative Rate year 3 Revenue Increase	\$ 833.2	\$ (10.4)	\$ 822.8	Sum Lines 3 - 5

[1] Proposed EDIT rider reduction would expire in June 2026 (part way through Rate Year 3) along with the rest of the EDIT-4 rider.

DUKE ENERGY CAROLINAS, LLC
OPERATING INCOME FROM ELECTRIC OPERATIONS
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
APPLICATION
(Thousands of Dollars)

Exhibit 2
Page 1 Total

Line No.	Description	Total Company Per Books (a) (Col. 1)	Traditional Base Rate Revenue Requirement North Carolina Retail Operations				
			Per Books (a) (Col. 2)	Accounting Adjustments (c) (Col. 3)	Before Proposed Increase (Col. 4) = Col. 2 + Col. 3	Revenue and Expenses from Proposed Increase (e) (Col. 5)	After Proposed Increase (Col. 6) = Col. 4 + Col. 5
1	Electric operating revenue	\$ 7,100,634	\$ 4,823,959	\$ 361,906	\$ 5,185,865	\$ 371,502	\$ 5,557,367
	Electric operating expenses:						
	Operation and maintenance:						
2	Fuel used in electric generation	1,504,310	1,023,187	124,340	1,147,527	-	1,147,527
3	Purchased power	97,774	58,933	(43,097)	15,836	-	15,836
4	Other operation and maintenance expense	1,711,413	1,192,866	(39,828)	1,153,038	2,686	1,155,725
5	Depreciation and amortization	1,508,461	1,033,226	260,522	1,293,748	-	1,293,748
6	General taxes	320,410	212,490	(2,442)	210,049	-	210,049
7	Interest on customer deposits (b)	5,907	5,652	-	5,652	-	5,652
8	EDIT Amortization (net of tax)	(258,268)	(204,469)	180,377	(24,092)	-	(24,092)
9	Net income taxes	334,842	220,304	9,636	229,940	86,517	316,458
10	Amortization of investment tax credit	(3,960)	(2,830)	1,026	(1,804)	-	(1,804)
11	Total electric operating expenses	\$ 5,220,889	\$ 3,539,360	\$ 490,535	\$ 4,029,895	\$ 89,204	\$ 4,119,098
12	Operating income	\$ 1,879,745	\$ 1,284,599	\$ (128,628)	\$ 1,155,970	\$ 282,298	\$ 1,438,269
13	Initial cost rate base	\$ 25,767,684	\$ 17,596,163	\$ 1,590,848 (d)	\$ 19,187,011	\$ (84,143) (f)	\$ 19,102,868
14	Rate of return on North Carolina retail rate base		7.30%		6.02%		7.53%

-- Some totals may not foot or compute due to rounding.

Notes: (a) From Form E-1, Item 45a Per Book COS 12 CP Firm
(b) Reclassifies interest on customer deposits to electric operating expense
(c) From Q. Bowman Exhibit 2 Page 3, column (Col.46)
(d) From Q. Bowman Exhibit 2 Page 4, Line 9
(e) From Q. Bowman Exhibit 2 Page 2
(f) From Q. Bowman Exhibit 2 Page 4.4, Line 1. Reflects an increase in operating funds per lead-lag study for the adjusted total requirements in this rate case excluding the portion already adjusted in Col. 5, Line 1.

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Page 1 Total

DUKE ENERGY CAROLINAS, LLC
CALCULATION OF ADDITIONAL REVENUE REQUIREMENT
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
APPLICATION
(Thousands of Dollars)

Line No.	Description	Dec. 31, 2021 Amount (Col. 1)	Pro forma Ratio (Col. 2)	Traditional Base Rate Revenue Requirement North Carolina Retail Operations					
				Before Proposed Increase			After Proposed Increase		
				Retail Rate Base (Col. 3)	Embedded Cost/ Return % (Col. 4)	Operating Income (Col. 5)	Retail Rate Base (Col. 6)	Embedded Cost/ Return % (Col. 7)	Operating Income (Col. 8)
1	Long-term debt	(e) \$ 12,260,955	47%	\$ 9,017,895	4.31%	\$ 388,671	\$ 8,978,348	4.31%	\$ 387,051
2	Members' equity	(a) 13 888 337	53%	10 169 116	7.55%	767 299	10 124 520	10.40%	1 051 217 (d)
3	Total	\$ 26 149 292	100%	\$ 19 187 011 (b)		\$ 1 155 970 (c)	\$ 19 102 868 (b)		\$ 1,438,269
4	Operating income before increase (Line 3, Column 5)								1 155 970
5	Additional operating income required (Line 3 minus Line 4)								282,298
6	Calculate income tax on Incremental interest expense due to increase in cash working capital in proposed revenue								398
7	Regulatory fee (0.1392%), Uncollectibles Rate (0 5847%)								2,686
8	Income Taxes (23.3503%)								86,119
9	Additional traditional base rate revenue requirement								\$ 371,502

-- Some totals may not foot or compute due to rounding.

Notes: (a) The equivalent of common equity for a limited liability company
(b) From Q. Bowman Exhibit 2 page 1 Total, Line 13 Columns 4 and 6
(c) From Q. Bowman Exhibit 2 page 1 Total, Line 12, Column 4
(d) Note: Per the CCR Settlement agreement, Coal Ash ARO discounts the equity rate by 150 basis points.
(e) Debt Rate subject to update throughout the proceeding.

DUKE ENERGY CAROLINAS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
NORTH CAROLINA RETAIL
APPLICATION
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
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	Revenue Annualization*	Eliminate unbilled	Adjust other Revenue	Customer Growth*	Weather Normalization	Update Fuel costs to approved rates*	Adjust for costs recovered through Non Fuel riders	Adj Executive Comp	Labor Annualization*	Benefits Adjustment	Vegetation Management	Adjustments to test year expenses	Adjust Aviation Expense
	NC1010 (Col. 1)	NC1020 (Col. 2)	NC1030 (Col. 3)	NC1040 (Col. 4)	NC1050 (Col. 5)	NC2010 (Col. 6)	NC2030 (Col. 7)	NC2040 (Col. 8)	NC2050 (Col. 9)	NC2060 (Col. 10)	NC2070 (Col. 11)	NC2080 (Col. 12)	NC2090 (Col. 13)
1 Sales of Electricity	220,249	8,126	-	63,081	4,807	-	-	-	-	-	-	-	-
2 Other Revenue	-	-	(3,748)	-	-	-	25,150	-	-	-	-	-	-
3 Electric operating revenue	\$ 220,249	\$ 8,126	\$ (3,748)	\$ 63,081	\$ 4,807	\$ -	\$ 25,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4													
5 Electric operating expenses:													
6 Operation and maintenance:													
7 Fuel used in electric generation	-	-	-	12,386	891	140,824	(29,761)	-	-	-	-	-	-
8 Purchased power	-	-	-	-	-	(42,129)	(968)	-	-	-	-	-	-
9 Other operation and maintenance expense	1,594	-	(27)	2,570	110	(17,003)	(81,295)	(4,670)	(6,710)	(641)	3,013	(910)	(1,864)
10 Depreciation and amortization	-	-	-	-	-	-	14,329	-	-	-	-	-	-
11 General taxes	-	-	-	-	-	-	(910)	-	665	-	-	-	(34)
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	180,377	-	-	-	-	-	-
14 Net income taxes	51,056	1,898	(869)	11,237	889	(19,075)	30,327	1,090	1,412	150	(704)	212	443
15 Amortization of investment tax credit	-	-	-	-	-	-	945	-	-	-	-	-	-
16 Total electric operating expenses	\$ 52,651	\$ 1,898	\$ (896)	\$ 26,193	\$ 1,890	\$ 62,616	\$ 113,044	\$ (3,579)	\$ (4,634)	\$ (492)	\$ 2,309	\$ (698)	\$ (1,455)
17 Operating income	\$ 167,598	\$ 6,229	\$ (2,852)	\$ 36,888	\$ 2,917	\$ (62,616)	\$ (87,894)	\$ 3,579	\$ 4,634	\$ 492	\$ (2,309)	\$ 698	\$ 1,455
18 Operating Income revenue requirement impact	\$ (220,247)	\$ (8,186)	\$ 3,748	\$ (48,476)	\$ (3,833)	\$ 82,286	\$ 115,505	\$ (4,704)	\$ (6,090)	\$ (646)	\$ 3,035	\$ (917)	\$ (1,912)

* Subject to update throughout the proceeding.

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DETAIL OF ACCOUNTING ADJUSTMENTS
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(Thousands of Dollars)

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	Adjust Nuclear Outage levelization*	Annualize non labor O&M (Inflation)*	Adjust EOL Nuclear Costs	Adjust for change in NCUC Regulatory fee	Adjust for Non- Residential Credit Card Fees	Adjust for Duke Energy Plaza	Annualize Depreciation on Test Year End Plant	Annualize Property Tax on Test Year End Plant	Adjust for Post Test year additions*	Adjust Depreciation for new depreciation rates	Transmission Merger*	Remove Expiring Amortizations*	Amortize Rate case Costs*	CCR Non ARO
	NC2100 (Col. 14)	NC2110 (Col. 15)	NC2120 (Col. 16)	NC2130 (Col. 17)	NC2140 (Col. 18)	NC2150 (Col. 19)	NC3010 (Col. 20)	NC3020 (Col. 21)	NC3030 (Col. 22)	NC3040 (Col. 23)	NC3070 (Col. 24)	NC5010 (Col. 25)	NC5020 (Col. 26)	NC5030 (Col. 27)
1 Sales of Electricity	-	-	-	-	-	-	29,649	-	-	-	-	-	-	-
2 Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,649	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4														
5 Electric operating expenses:														
6 Operation and maintenance:														
7 Fuel used in electric generation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Purchased power	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Other operation and maintenance expense	1,679	48,501	-	490	1,507	3,646	-	-	-	-	-	(22,142)	3,701	-
10 Depreciation and amortization	-	-	(6,744)	-	-	3,195	(4,275)	-	68,722	145,660	(10)	(5,220)	-	1,214
11 General taxes	-	-	-	-	-	(31)	-	4,514	13,067	-	-	-	-	-
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Net income taxes	(392)	(11,325)	1,575	(114)	(352)	5,333	998	(1,054)	(19,098)	(34,012)	2	6,389	(864)	(283)
15 Amortization of investment tax credit	-	-	-	-	-	-	81	-	-	-	-	-	-	-
16 Total electric operating expenses	\$ 1,287	\$ 37,176	\$ (5,170)	\$ 376	\$ 1,155	\$ 12,144	\$ (3,196)	\$ 3,460	\$ 62,691	\$ 111,648	\$ (8)	\$ (20,973)	\$ 2,837	\$ 930
17 Operating income	\$ (1,287)	\$ (37,176)	\$ 5,170	\$ (376)	\$ (1,155)	\$ 17,505	\$ 3,196	\$ (3,460)	\$ (62,691)	\$ (111,648)	\$ 8	\$ 20,973	\$ (2,837)	\$ (930)
18 Operating Income revenue requirement impact	\$ 1,691	\$ 48,854	\$ (6,794)	\$ 494	\$ 1,518	\$ (23,004)	\$ (4,199)	\$ 4,547	\$ 82,384	\$ 146,721	\$ (10)	\$ (27,562)	\$ 3,728	\$ 1,223

* Subject to update throughout the proceeding.

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DUKE ENERGY CAROLINAS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
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	Grid next tranche* NC5040 (Col. 28)	Amortize Allen NBV NC5060 (Col. 29)	Adjust for approved regulatory assets and liabilities NC5080 (Col. 30)	COVID Deferral* NC5090 (Col. 31)	Customer Connect Amortization NC5120 (Col. 32)	Amortize Deferred Billing NC5130 (Col. 33)	Adjust Coal Inventory NC6010 (Col. 34)	Cash working Capital - Present* NC6020a (Col. 35)	Interest Sync* NC6030 (Col. 36)	NC Tax Rate and Franchise Tax Rate changes NC6040 (Col. 37)	Unprotected EDIT - Remove from Rate base NC6090 (Col. 38)	Storm Normalization NC7010 (Col. 39)	Storm Securitization Regulatory Asset* NC7040 (Col. 40)	Exclude CCR ARO Subtotal (Col. 41)
1 Sales of Electricity	-	-	-	14,591	-	-	-	-	-	-	-	-	-	\$ 296,263
2 Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 65,643
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ 14,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 361,906
4														
5 Electric operating expenses:														
6 Operation and maintenance:														
7 Fuel used in electric generation	-	-	-	-	-	-	-	-	-	-	-	-	-	124,340
8 Purchased power	-	-	-	-	-	-	-	-	-	-	-	-	-	(43,097)
9 Other operation and maintenance expense	-	-	-	4,097	-	-	-	-	-	-	-	24,527	-	(39,828)
10 Depreciation and amortization	33,496	4,842	(969)	61,796	1,215	219	-	-	-	-	-	-	(246)	317,223
11 General taxes	-	-	-	-	-	-	-	-	-	(19,712)	-	-	-	(2,442)
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	180,377
14 Net income taxes	(7,821)	(1,131)	946	(11,979)	(284)	(51)	-	(84)	(7,055)	4,603	-	(5,674)	57	(3,604)
15 Amortization of investment tax credit	-	-	-	-	-	-	-	-	-	-	-	-	-	1,026
16 Total electric operating expenses	\$ 25,675	\$ 3,711	\$ (23)	\$ 53,914	\$ 932	\$ 168	\$ -	\$ (84)	\$ (7,055)	\$ (15,109)	\$ -	\$ 18,853	\$ (188)	\$ 533,996
17 Operating income	\$ (25,675)	\$ (3,711)	\$ 23	\$ (39,322)	\$ (932)	\$ (168)	\$ -	\$ 84	\$ 7,055	\$ 15,109	\$ -	\$ (18,853)	\$ 188	\$ (172,090)
18 Operating Income revenue requirement impact	\$ 33,740	\$ 4,877	\$ (30)	\$ 51,675	\$ 1,224	\$ 220	\$ -	\$ (111)	\$ (9,271)	\$ (19,856)	\$ -	\$ 24,776	\$ (248)	\$ 226,150

* Subject to update throughout the proceeding.

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DUKE ENERGY CAROLINAS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
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	Remove Expiring Amortizations NC5010-CCR (Col. 42)	Amortized Deferred Environmental Cost* NC4010 (Col. 43)	Adjust for approved regulatory assets and liabilities NC5080-CCR (Col. 44)	CCR ARO Subtotal (Col. 45)	Total (Col. 46)	Cash working Capital - Proposed NC6020b (Col. 47)
1 Sales of Electricity	\$ -	\$ -	\$ -	\$ -	\$ 296,263	-
2 Other Revenue	-	-	-	-	65,643	-
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ -	\$ 361,906	\$ -
4						
5 Electric operating expenses:						
6 Operation and maintenance:						
7 Fuel used in electric generation	-	-	-	-	124,340	-
8 Purchased power	-	-	-	-	(43,097)	-
9 Other operation and maintenance expense	-	-	-	-	(39,828)	-
10 Depreciation and amortization	(110,743)	39,914	14,127	(56,701)	260,522	-
11 General taxes	-	-	-	-	(2,442)	-
12 Interest on customer deposits	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	180,377	-
14 Net income taxes	25,859	(9,320)	(3,299)	13,240	9,636	398
15 Amortization of investment tax credit	-	-	-	-	1,026	-
16 Total electric operating expenses	\$ (84,884)	\$ 30,594	\$ 10,829	\$ (43,461)	\$ 490,535	\$ 398
17 Operating income	\$ 84,884	\$ (30,594)	\$ (10,829)	\$ 43,461	\$ (128,628)	\$ (398)
18 Operating Income revenue requirement impact	\$ (111,550)	\$ 40,205	\$ 14,230	\$ (57,114)	\$ 169,036	\$ 523

* Subject to update throughout the proceeding.

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DUKE ENERGY CAROLINAS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
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	Revenue Annualization*	Eliminate unbilled	Adjust other Revenue	Customer Growth*	Weather Normalization	Update Fuel costs to approved rates*	Adjust for costs recovered through Non Fuel riders	Adj Executive Comp	Labor Annualization*	Benefits Adjustment	Vegetation Management	Adjustments to test year expenses	Adjust Aviation Expense
	NC1010 (Col. 1)	NC1020 (Col. 2)	NC1030 (Col. 3)	NC1040 (Col. 4)	NC1050 (Col. 5)	NC2010 (Col. 6)	NC2030 (Col. 7)	NC2040 (Col. 8)	NC2050 (Col. 9)	NC2060 (Col. 10)	NC2070 (Col. 11)	NC2080 (Col. 12)	NC2090 (Col. 13)
Rate Base													
19 Electric plant in service	-	-	-	-	-	-	(105,865)	-	-	-	-	-	-
20 Accumulated depreciation and amortization	-	-	-	-	-	-	10,526	-	-	-	-	-	-
21 Net electric plant in service (L19 + L20)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (95,339)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22 Materials and supplies	-	-	-	-	-	-	(69,176)	-	-	-	-	-	-
Other Working Capital													
23 Customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	-	-	-	-	-	-	-	-	-
25 Unamortized debt	-	-	-	-	-	-	-	-	-	-	-	-	-
26 Required Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
27 SFAS-158	-	-	-	-	-	-	-	-	-	-	-	-	-
28 Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Average Taxes Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Injuries and Damages	-	-	-	-	-	-	-	-	-	-	-	-	-
31 ARO-related CCR regulatory assets and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
32 Adjustments to EDIT	-	-	-	-	-	-	-	-	-	-	-	-	-
33 Other	-	-	-	-	-	-	79,196	-	-	-	-	-	-
34 Total Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,196	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35 Accumulated deferred income taxes	-	-	-	-	-	-	(18,545)	-	-	-	-	-	-
36 Operating reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-
38 Total Initial cost rate base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (103,864)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39 Rate Base revenue requirement impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,643)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40 Income Tax on Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(646)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41 Total Revenue requirement impact (L18+L39+L40)	\$ (220,247)	\$ (8,186)	\$ 3,748	\$ (48,476)	\$ (3,833)	\$ 82,286	\$ 105,216	\$ (4,704)	\$ (6,090)	\$ (646)	\$ 3,035	\$ (917)	\$ (1,912)

* Subject to update throughout the proceeding.

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	Adjust Nuclear Outage levelization*	Annualize non labor O&M (inflation)*	Adjust EOL Nuclear Costs	Adjust for change in NCUC Regulatory fee	Adjust for Non- Residential Credit Card Fees	Adjust for Duke Energy Plaza	Annualize Depreciation on Test Year End Plant	Annualize Property Tax on Test Year End Plant	Adjust for Post Test year additions*	Adjust Depreciation for new depreciation rates	Transmission Merger*	Remove Expiring Amortizations*	Amortize Rate case Costs*	CCR Non ARO
	NC2100 (Col. 14)	NC2110 (Col. 15)	NC2120 (Col. 16)	NC2130 (Col. 17)	NC2140 (Col. 18)	NC2150 (Col. 19)	NC3010 (Col. 20)	NC3020 (Col. 21)	NC3030 (Col. 22)	NC3040 (Col. 23)	NC3070 (Col. 24)	NC5010 (Col. 25)	NC5020 (Col. 26)	NC5030 (Col. 27)
Rate Base														
19 Electric plant in service	-	-	-	-	-	(5,889)	-	-	2,555,185	-	655	-	-	-
20 Accumulated depreciation and amortization	-	-	-	-	-	1,837	-	-	(793,881)	(188,020)	470	-	-	-
21 Net electric plant in service (L19 + L20)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,052)	\$ -	\$ -	\$ 1,761,304	\$ (188,020)	\$ 1,125	\$ -	\$ -	\$ -
22 Materials and supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Working Capital														
23 Customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 Unamortized debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26 Required Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27 SFAS-158	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28 Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Average Taxes Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Injuries and Damages	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 ARO-related CCR regulatory assets and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32 Adjustments to EDIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33 Other	-	-	-	-	-	2,920	-	-	-	42,360	-	-	(284)	6,070
34 Total Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,920	\$ -	\$ -	\$ -	\$ 42,360	\$ -	\$ -	\$ (284)	\$ 6,070
35 Accumulated deferred income taxes	-	-	-	-	-	(682)	-	-	-	(9,891)	-	-	66	(1,417)
36 Operating reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38 Total Initial cost rate base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,814)	\$ -	\$ -	\$ 1,761,304	\$ (155,551)	\$ 1,125	\$ -	\$ (218)	\$ 4,652
39 Rate Base revenue requirement impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (168)	\$ -	\$ -	\$ 163,519	\$ (14,441)	\$ 104	\$ -	\$ (20)	\$ 432
40 Income Tax on Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (11)	\$ -	\$ -	\$ 10,948	\$ (967)	\$ 7	\$ -	\$ (1)	\$ 29
41 Total Revenue requirement impact (L18+L39+L40)	\$ 1,691	\$ 48,854	\$ (6,794)	\$ 494	\$ 1,518	\$ (23,184)	\$ (4,199)	\$ 4,547	\$ 256,852	\$ 131,313	\$ 101	\$ (27,562)	\$ 3,707	\$ 1,684

* Subject to update throughout the proceeding.

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DUKE ENERGY CAROLINAS, LLC
DETAIL OF ACCOUNTING ADJUSTMENTS
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	Grid next tranche* NC5040 (Col. 28)	Amortize Allen NBV NC5060 (Col. 29)	Adjust for approved regulatory assets and liabilities NC5080 (Col. 30)	COVID Deferral* NC5090 (Col. 31)	Customer Connect Amortization NC5120 (Col. 32)	Amortize Deferred Billing NC5130 (Col. 33)	Adjust Coal Inventory NC6010 (Col. 34)	Cash working Capital - Present* NC6020a (Col. 35)	Interest Sync* NC6030 (Col. 36)	NC Tax Rate and Franchise Tax Rate changes NC6040 (Col. 37)	Unprotected EDIT - Remove from Rate base NC6090 (Col. 38)	Storm Normalization NC7010 (Col. 39)	Storm Securitization Regulatory Asset* NC7040 (Col. 40)	Exclude CCR ARO Subtotal (Col. 41)
Rate Base														
19 Electric plant in service	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 2,444,085
20 Accumulated depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	(969,067)
21 Net electric plant in service (L19 + L20)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,475,018
22 Materials and supplies	-	-	-	-	-	-	(3,257)	-	-	-	-	-	-	(72,433)
Other Working Capital														
23 Customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	-	-	-	17,856	-	-	-	-	-	17,856
25 Unamortized debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26 Required Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27 SFAS-158	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28 Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Average Taxes Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Injuries and Damages	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 ARO-related CCR regulatory assets and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32 Adjustments to EDIT	-	-	37,006	-	-	-	-	-	-	-	17,079	-	-	54,085
33 Other	66,993	(17,049)	(58,521)	123,592	(6,894)	(219)	-	-	-	-	-	-	(492)	237,672
34 Total Working Capital	\$ 66,993	\$ (17,049)	\$ (21,515)	\$ 123,592	\$ (6,894)	\$ (219)	\$ -	\$ 17,856	\$ -	\$ -	\$ 17,079	\$ -	\$ (492)	\$ 309,612
35 Accumulated deferred income taxes	(15,643)	3,981	5,024	(28,859)	1,610	51	-	-	-	-	(3,988)	-	115	(68,179)
36 Operating reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38 Total Initial cost rate base	\$ 51,350	\$ (13,068)	\$ (16,491)	\$ 94,733	\$ (5,284)	\$ (168)	\$ (3,257)	\$ 17,856	\$ -	\$ -	\$ 13,091	\$ -	\$ (377)	\$ 1,644,019
39 Rate Base revenue requirement impact	\$ 4,767	\$ (1,213)	\$ (1,531)	\$ 8,795	\$ (491)	\$ (16)	\$ (302)	\$ 1,658	\$ -	\$ -	\$ 1,215	\$ -	\$ (35)	\$ 152,630
40 Income Tax on Interest Expense	\$ 319	\$ (81)	\$ (103)	\$ 589	\$ (33)	\$ (1)	\$ (20)	\$ 111	\$ -	\$ -	\$ 81	\$ -	\$ (2)	\$ 10,219
41 Total Revenue requirement impact (L18+L39+L40)	\$ 38,827	\$ 3,582	\$ (1,664)	\$ 61,059	\$ 701	\$ 204	\$ (323)	\$ 1,658	\$ (9,271)	\$ (19,856)	\$ 1,297	\$ 24,776	\$ (285)	\$ 388,999

* Subject to update throughout the proceeding.

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DUKE ENERGY CAROLINAS, LLC
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	Remove Expiring Amortizations NC5010-CCR (Col. 42)	Amortized Deferred Environmental Cost* NC4010 (Col. 43)	Adjust for approved regulatory assets and liabilities NC5080-CCR (Col. 44)	CCR ARO Subtotal (Col. 45)	Total (Col. 46)	Cash working Capital - Proposed NC6020b (Col. 47)
Rate Base						
19 Electric plant in service	\$ -	\$ -	\$ -	\$ -	\$ 2,444,085	-
20 Accumulated depreciation and amortization	-	-	-	-	(969,067)	-
21 Net electric plant in service (L19 + L20)	\$ -	\$ -	\$ -	\$ -	\$ 1,475,018	\$ -
22 Materials and supplies	-	-	-	-	(72,433)	-
<u>Other Working Capital</u>						
23 Customer deposits	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	17,856	(84,143)
25 Unamortized debt	-	-	-	-	-	-
26 Required Bank Balance	-	-	-	-	-	-
27 SFAS-158	-	-	-	-	-	-
28 Prepayments	-	-	-	-	-	-
29 Average Taxes Accrual	-	-	-	-	-	-
30 Injuries and Damages	-	-	-	-	-	-
31 ARO-related CCR regulatory assets and liabilities	(175,343)	159,657	(53,684)	(69,370)	(69,370)	-
32 Adjustments to EDIT	-	-	-	-	54,085	-
33 Other	-	-	-	-	237,672	-
34 Total Working Capital	\$ (175,343)	\$ 159,657	\$ (53,684)	\$ (69,370)	\$ 240,243	\$ (84,143)
35 Accumulated deferred income taxes	40,943	(37,280)	12,535	16,198	(51,981)	-
36 Operating reserves	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-
38 Total Initial cost rate base	\$ (134,400)	\$ 122,377	\$ (41,149)	\$ (53,172)	\$ 1,590,848	\$ (84,143)
39 Rate Base revenue requirement impact	\$ (10,975)	\$ 9,993	\$ (3,360)	\$ (4,342)	\$ 148,289	\$ (7,812)
40 Income Tax on Interest Expense	\$ (835)	\$ 761	\$ (256)	\$ (331)	\$ 9,889	\$ (523)
41 Total Revenue requirement impact (L18+L39+L40)	\$ (123,360)	\$ 50,959	\$ 10,614	\$ (61,787)	\$ 327,213	\$ (7,812)

* Subject to update throughout the proceeding.

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DUKE ENERGY CAROLINAS, LLC
Initial COST RATE BASE-ELECTRIC OPERATIONS
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

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Line No.	Description	Page Reference	Total Company Per Books (Col. 1)	North Carolina Retail Operations		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric plant in service	4.1, Line 8	46,562,505	31,450,540	\$ 2,444,085	\$ 33,894,626
2	Less: Accumulated depreciation and amortization	4.2, Line 6	<u>(17,621,458)</u>	<u>(11,946,920)</u>	<u>(969,067)</u>	<u>(12,915,987)</u>
3	Net electric plant		28,941,047	19,503,621	1,475,018	20,978,639
4	Add: Materials and supplies	4.3, Line 5	1,099,948	758,618	(72,433)	686,186
5	Working capital investment	4.4, Line 13	(28,393)	253,217	240,243	493,459
6	Less: Accumulated deferred taxes		(4,013,932)	(2,769,097)	(51,981)	(2,821,078)
7	Operating reserves		(230,986)	(150,195)	-	(150,195)
8	Construction work in progress		-	-	-	-
9	Total		<u>\$ 25,767,684</u>	<u>\$ 17,596,163</u>	<u>\$ 1,590,848</u>	<u>\$ 19,187,011</u>

-- Some totals may not foot or compute due to rounding.

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DUKE ENERGY CAROLINAS, LLC
ELECTRIC PLANT IN SERVICE AT Initial COST
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
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Line No.	Description	Total Company Per Books (Col. 1)	North Carolina Retail Operations		
			Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production Plant	\$ 24,018,560	\$ 16,108,722	\$ 257,609	\$ 16,366,331
2	Transmission Plant	4,963,954	2,488,550	\$ 239,134	2,727,684
3	Distribution Plant	14,480,906	10,727,737	\$ 1,415,730	12,143,467
4	General Plant	1,424,450	970,940	\$ 478,403	1,449,343
5	Intangible Plant	<u>1,206,177</u>	<u>838,443</u>	<u>\$ 53,209</u>	<u>891,652</u>
6	Subtotal	46,094,047	31,134,393	2,444,085	33,578,478
7	Nuclear Fuel (Net)	<u>468,458</u>	<u>316,148</u>	<u>\$ -</u>	<u>316,148</u>
8	Total electric plant in service	<u>\$ 46,562,505</u>	<u>\$ 31,450,540</u>	<u>\$ 2,444,085</u>	<u>\$ 33,894,626</u>

-- Some totals may not foot or compute due to rounding.

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DUKE ENERGY CAROLINAS, LLC
ACCUMULATED DEPRECIATION AND AMORTIZATION - ELECTRIC PLANT IN SERVICE
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
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No.	Description	Total Company Per Books (Col. 1)	North Carolina Retail Operations		
			Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production Reserve	\$ (9,872,952)	\$ (6,608,301)	\$ (677,695)	\$ (7,285,996)
2	Transmission Reserve	\$ (1,440,993)	\$ (722,765)	\$ (32,182)	(754,947)
3	Distribution Reserve	\$ (5,110,132)	\$ (3,785,538)	\$ (168,785)	(3,954,323)
4	General Reserve	\$ (459,397)	\$ (313,305)	\$ (30,617)	(343,922)
5	Intangible Reserve	<u>(737,984)</u>	<u>(517,011)</u>	<u>\$ (59,787)</u>	<u>(576,799)</u>
6	Total	<u>\$ (17,621,458)</u>	<u>\$ (11,946,920)</u>	<u>\$ (969,067)</u>	<u>\$ (12,915,987)</u>
7	The annual composite rates based on the new depreciation study for computing depreciation (straight-line method) are shown below:				
8	Steam production plant	6.24%			
9	Nuclear production plant	2.21%			
10	Hydro production plant	2.31%			
11	Other production plant	3.63%			
12	Transmission plant	2.43%			
13	Distribution plant	2.44%			
14	General plant	Various			
15	Intangible plant	20.00%			

-- Some totals may not foot or compute due to rounding.

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DUKE ENERGY CAROLINAS, LLC
MATERIALS AND SUPPLIES
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Exhibit 2
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Line No.	Description	Total Company Per Books (Col. 1)	North Carolina Retail Operations		
			Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
	Fuel Stock:				
1	Coal	\$ 195,023	\$ 131,615	\$ (3,257) (a)	\$ 128,358
2	Gas	<u>42,456</u>	<u>28,652</u>	<u>\$ -</u>	<u>28,652</u>
3	Total fuel stock	237,480	160,268	(3,257)	157,011
4	Other electric materials and supplies and stores clearing	<u>862,469</u>	<u>598,351</u>	<u>\$ (69,176)</u>	<u>529,175</u>
5	Total Materials and Supplies	<u>\$ 1,099,948</u>	<u>\$ 758,618</u>	<u>\$ (72,433)</u>	<u>\$ 686,186</u>

-- Some totals may not foot or compute due to rounding.

Notes: (a) Adjusts coal inventory to reflect the targeted inventory level of 35 days at full load

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DUKE ENERGY CAROLINAS, LLC
WORKING CAPITAL INVESTMENT
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

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Line No.	Description	Total Company Per Books (Col. 1)	North Carolina Retail Operations			Impact of Rev Incr (Col. 5)	With Rev Incr (Col. 6)
			Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)		
1	Investor advanced funds: Cash Working Capital	179,942 (a)	122,878 (a)	17,856 (b)	140,734	(84,143) (c)	56,592
2	Unamortized Debt	107,428	73,360	-	73,360		73,360
3	Required Bank Balance	300	205	-	205		205
4	SFAS-158	328,141	223,817	-	223,817		223,817
5	Prepayments	-	-	-	-		-
6	Average Taxes Accrual	-	-	-	-		-
7	ARO-related CCR regulatory assets and liabilities	325,093	325,093	(69,370)	255,723		255,723
8	Adjustments to EDIT	(2,242,484)	(1,282,526)	54,085	(1,228,441)		(1,228,441)
9	Injuries and Damages	604,045	404,523	-	404,523		404,523
10	Other	737,510	433,066	237,672	670,738		670,738
11	Total investor advanced funds	39,976	300,417	240,243	540,660	(84,143)	456,517
12	Less: customer deposits	(68,369)	(47,201)	-	(47,201)		(47,201)
13	Total working capital investment	<u>\$ (28,393)</u>	<u>\$ 253,217</u>	<u>\$ 240,243</u>	<u>\$ 493,459</u>	<u>\$ (84,143)</u>	<u>\$ 409,317</u>

-- Some totals may not foot or compute due to rounding.

Notes: (a) From Speros Exhibit 2, Line 16 and Line 19
(b) Reflects a decrease in "operating funds per lead-lag study" for the adjusted total requirements in his rate case
(c) Reflects a decrease in "operating funds per lead-lag study" for the impact of the revenue increase

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DUKE ENERGY CAROLINAS, LLC
SUMMARY OF OPERATING INCOME IMPACTS FOR MYRP ADJUSTMENTS
FOR THE MYRP PLAN PERIOD
(Thousands of Dollars)

Taylor Exhibit 3
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Line No.	Description	North Carolina Retail Operations Rate Year 1 [a]		
		Operating Income Impacts from MYRP Projects (Col. 1)	Revenue and Expenses from Proposed Increase (Col. 2)	After Proposed Increase (Col. 3)
1	Electric operating revenue	[b]	\$ 139,838	\$ 139,838
	Electric operating expenses:			
	Operation and maintenance:			
2	Fuel used in electric generation			
3	Purchased power			
4	Other operation and maintenance expense	20,146	1,012	21,159
5	Depreciation and amortization	34,343		34,343
6	General taxes	218		218
7	Interest on customer deposits			
8	EDIT Amortization (net of tax)			
9	Net income taxes	[c] (17,108)	32,416	15,308
10	Amortization of investment tax credit	(250)		(250)
11	Amortization of production tax credit			
12	Total electric operating expenses (Sum L2:L11)	\$ 37,349	\$ 33,428	\$ 70,778
13	Operating income (L1-L12)	\$ (37,349)	\$ 106,409	\$ 69,060
14	Rate Base (13 Month Average)	[d] \$ 916,194		\$ 916,194
15	Rate of return on North Carolina retail rate base (L13/L14)	-4.08%		7.54%

Notes:

- [a] Rate Year 1: January 1, 2024 - December 2024
[b] Taylor Exhibit 4 line 17
[c] Includes operating revenue income taxes and tax related to the rate base component.
[d] Taylor Exhibit 4 line 14

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DUKE ENERGY CAROLINAS, LLC
SUMMARY OF OPERATING INCOME IMPACTS FOR MYRP ADJUSTMENTS
FOR THE MYRP PLAN PERIOD
(Thousands of Dollars)

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Line No.	Description	North Carolina Retail Operations Rate Year 2 [a]		
		Operating Income Impacts from MYRP Projects (Col. 1)	Revenue and Expenses from Proposed Increase (Col. 2)	After Proposed Increase (Col. 3)
1	Electric operating revenue	[b]	\$ 311,382	\$ 311,382
	Electric operating expenses:			
	Operation and maintenance:			
2	Fuel used in electric generation			
3	Purchased power			
4	Other operation and maintenance expense	16,585	2,254	18,839
5	Depreciation and amortization	77,020		77,020
6	General taxes	3,632		3,632
7	Interest on customer deposits			
8	EDIT Amortization (net of tax)			
9	Net income taxes	[c] (33,653)	72,182	38,530
10	Amortization of investment tax credit	(1,095)		(1,095)
11	Amortization of production tax credit			
12	Total electric operating expenses (Sum L2:L11)	\$ 62,490	\$ 74,436	\$ 136,926
13	Operating income (L1-L12)	\$ (62,490)	\$ 236,946	\$ 174,456
14	Rate Base (13 Month Average)	[d] \$ 2,314,450		\$ 2,314,450
15	Rate of return on North Carolina retail rate base (L13/L14)	-2.70%		7.538%

Notes:

- [a] Rate Year 2: January 2025 - December 2025
[b] Taylor Exhibit 4 line 17
[c] Includes operating revenue income taxes and tax related to the rate base component.
[d] Taylor Exhibit 4 line 14

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DUKE ENERGY CAROLINAS, LLC
SUMMARY OF OPERATING INCOME IMPACTS FOR MYRP ADJUSTMENTS
FOR THE MYRP PLAN PERIOD
(Thousands of Dollars)

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Line No.	Description	North Carolina Retail Operations Rate Year 3 [a]		
		Operating Income Impacts from MYRP Projects (Col. 1)	Revenue and Expenses from Proposed Increase (Col. 2)	After Proposed Increase (Col. 3)
1	Electric operating revenue	[b]	\$ 461,711	\$ 461,711
	Electric operating expenses:			
	Operation and maintenance:			
2	Fuel used in electric generation			
3	Purchased power			
4	Other operation and maintenance expense	12,136	3,342	15,479
5	Depreciation and amortization	120,000		120,000
6	General taxes	6,581		6,581
7	Interest on customer deposits			
8	EDIT Amortization (net of tax)			
9	Net income taxes	[c] (49,310)	107,030	57,720
10	Amortization of investment tax credit	\$ (3,119)		\$ (3,119)
11	Amortization of production tax credit	\$ (4,571)		\$ (4,571)
12	Total electric operating expenses (Sum L2:L11)	\$ 81,717	\$ 110,373	\$ 192,090
13	Operating income (L1-L12)	\$ (81,717)	\$ 351,338	\$ 269,621
14	Rate Base (13 Month Average)	[d] \$ 3,576,967		\$ 3,576,967
15	Rate of return on North Carolina retail rate base (L13/L14)	<u>-2.28%</u>		<u>7.538%</u>

Notes:

- [a] Rate Year 3: January 2026 - December 2026
[b] Taylor Exhibit 4 line 17
[c] Includes operating revenue income taxes and tax related to the rate base component.
[d] Taylor Exhibit 4 line 14

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DUKE ENERGY CAROLINAS, LLC
MYRP REVENUE REQUIREMENT CALCULATION
FOR THE MYRP PLAN PERIOD
(Thousands of Dollars)

Taylor Exhibit 4
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Line No.	Description	North Carolina Retail Operations		
		Rate Year 1	Rate Year 2	Rate Year 3
		(cumulative)	(cumulative)	(cumulative)
		(Col. 1)	(Col. 2)	(Col. 3)
	<u>OPERATING INCOME</u>			
1	Depreciation Expense	\$ 34,343	\$ 77,020	\$ 120,000
2	Incremental O&M Expense [a]	20,146	16,585	12,136
3	Property Taxes	218	3,632	6,581
4	Income Taxes	(12,774)	(22,705)	(32,391)
5	Amortization of Investment Tax Credit (ITC)	(250)	(1,095)	(3,119)
6	Amortization of Production Tax Credit (PTC)			(4,571)
7	Operating Income (L1:L6)	\$ 41,683	\$ 73,437	\$ 98,637
8	Retention Factor [b]	76.09%	76.09%	76.09%
9	Operating Income Revenue Requirement (L7/L8)	\$ 54,778	\$ 96,507	\$ 129,623
	<u>RETURN ON RATE BASE</u>			
10	Electric Plant In-Service [c]	\$ 930,750	\$ 2,384,385	\$ 3,741,389
11	Accumulated Depreciation [c]	(14,618)	(70,600)	(168,733)
12	ITC Net Rate Base Impact	62	665	2,905
13	PTC Rate Base Impact			1,406
14	Total Rate Base (L10:L13)	\$ 916,194	\$ 2,314,450	\$ 3,576,967
15	Return on Rate Base [d]	9.28%	9.28%	9.28%
16	Rate Base Revenue Requirement (L14*L15)	\$ 85,060	\$ 214,875	\$ 332,088
17	Cumulative MYRP Revenue Requirement (L9+L16)	\$ 139,838	\$ 311,382	\$ 461,711
18	Incremental MYRP Rate Year Revenue Requirement	\$ 139,838	\$ 171,545	\$ 150,329
19	NC Retail Operations Base Rate Revenue Requirement [e]	\$ 5,615,798		
20	4% Annual Increase Test for Rate Years 2 & 3 [f]		3.1%	2.7%
21	Total Base Rate Revenue Requirement (L17+L19)	\$ 5,755,636	\$ 5,927,180	\$ 6,077,509

Notes:

- [a] Incremental O&M amounts, including savings offsets, the Company expects to experience as a result of MYRP projects
 [b] The Retention Factor is a consolidated rate which includes income taxes, gross receipts tax and the regulatory fee
 [c] Plant balances reflect 13-month averages ended December for each MYRP Rate Year
 [d] The Return on Rate Base percentage is grossed up for income taxes related to return on rate base, gross receipts tax and the regulatory fee
 [e] Source: Beveridge Exhibit 4, Page 1, Column J plus Column N
 [f] As described in HB951, excludes the Rate Year 1 MYRP Revenue Requirement for purposes of the 4% revenue increase calculation

Taylor Exhibit 4
Docket No. E-7 Sub 1276
Page 1 of 1

Duke Energy Carolinas, LLC
NCUC Docket No. E-7, Sub 1276
Probable Effect of Proposed Rates on DEC Peak Demands and Sales
Application Exhibit D

The following forecast from the DEC Fall 2022 Forecast incorporates the effect of the expected rate increase on forecasted peaks and sales. The yearly impact to annual energy is shown below. While specific peak calculations restricted to customers in North Carolina are not calculated as part of our forecasting process, we expect the proposed rates to result in peak demand of approximately 1.0% lower for the customers impacted.

The Company estimates the gigawatt-hours which will be used by our North Carolina Retail customers during the ensuing one year and the following five years are as follows:

DEC NC Retail Sales, GWH			
	With Rate	Without Rate	
Year	Case	Case	% Difference
2023	60,095	60,700	-0.80%
2024	60,805	61,306	-0.80%
2025	60,985	61,489	-0.80%
2026	61,016	61,513	-0.80%
2027	61,059	61,558	-0.80%
2028	61,419	61,914	-0.80%

DUKE ENERGY CAROLINAS, LLC					
THREE YEAR FORECAST					
(Thousands of Dollars)					
		1/1/2024-12/31/2024	1/1/2025-12/31/2025	1/1/2026-12/31/2026	
Line No.	Description	NC RETAIL OPERATIONS - FORECAST (a)			Reference
		RATE YEAR 1 (Col. 1) (b)	RATE YEAR 2 (Col. 2) (c)	RATE YEAR 3 (Col. 3) (d)	
	Operating Income				
1	Electric Operating Revenue	\$ 6,939,209	\$ 6,708,783	\$ 6,608,243	See notes
	Electric operating expenses:				
	Operation and maintenance:				
2	Fuel used in electric generation	2,001,057	1,557,940	1,257,035	See notes
3	Purchased power	339,143	349,434	376,597	See notes
4	Other operation and maintenance expense	1,074,668	1,072,694	1,083,291	See notes
5	Depreciation and amortization	1,350,739	1,410,452	1,467,385	See notes
6	General taxes	243,681	259,868	275,744	See notes
7	Interest on customer deposits	7,600	7,600	7,600	See notes
8	EDIT Amortization (net of tax)	(27,790)	(25,152)	(23,560)	See notes
9	Net income taxes	331,898	352,900	359,738	See notes
10	Amortization of investment tax credit	(5,281)	(7,003)	(8,093)	See notes
11	Total Operating Expenses	5,315,714	4,978,733	4,795,736	Sum Lines 2-10
12	Operating income	\$ 1,623,495	\$ 1,730,049	\$ 1,812,506	Line 1 less Line 11
13	Rate Base	\$ 21,411,003	\$ 22,420,203	\$ 24,015,572	Exhibit E, Page 3
14	Rate of return on North Carolina retail rate base	7.58%	7.72%	7.55%	Line 12/Line 13
15	Capital Structure				
16	Equity	53%	53%	53%	Forecast Equity %
17	Debt	47%	47%	47%	Forecast Debt %
18	Rate Base - Equity	11,334,985	11,869,256	12,723,450	Line 13 x Line 16
19	Rate Base - Debt	10,076,018	10,550,948	11,292,122	Line 13 x Line 17
20	Debt Rate	4.54%	4.65%	4.73%	Forecast
21	Interest Expense	457,451	490,619	534,117	Line 19 x Line 20
22	Operating Income for Return	1,166,044	1,239,430	1,278,389	Line 12 less Line 21
23	Return on Equity	10.3%	10.4%	10.0%	Line 22/Line 18

Notes (a) Three Year Forecast includes MYRP and excludes all other non-fuel riders
(b) Exhibit E Page 2, Col (7)
(c) Exhibit E Page 2, Col (8)
(d) Exhibit E Page 2, Col (9)

DUKE ENERGY CAROLINAS, LLC
Three Year Forecast Workpapers
(Thousands of Dollars)

Line No.	Description	NC RETAIL OPERATIONS - FORECAST			NC RETAIL OPERATIONS - ADJUSTMENTS			NC RETAIL OPERATIONS - ADJUSTED		
		RATE YEAR 1	RATE YEAR 2	RATE YEAR 3	RATE YEAR 1	RATE YEAR 2	RATE YEAR 3	RATE YEAR 1	RATE YEAR 2	RATE YEAR 3
		TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
		(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4) (a)	(Col. 5) (a)	(Col. 6) (a)	(Col. 7)	(Col. 8)	(Col. 9)
Revenue										
1	NC Base/Fuel	\$ 6,636,862	\$ 6,224,500	\$ 5,977,757	\$ -	\$ -	\$ -	\$ 6,636,862	\$ 6,224,500	\$ 5,977,757
2	NC MYRP	139,800	311,300	461,600	-	-	-	139,800	311,300	461,600
3	SC, Wholesale, Other Base	23,102	30,271	24,052	-	-	-	23,102	30,271	24,052
4	NC Riders (excl Fuel)	(10,764)	7,943	144,230	10,764	(7,943)	(144,230)	(0)	0	0
5	Joint Dispatch	14,956	12,069	14,554	-	-	-	14,956	12,069	14,554
6	Other Miscellaneous	124,488	130,643	130,280	-	-	-	124,488	130,643	130,280
7	Total Electric Operating Revenue	\$ 6,928,445	\$ 6,716,725	\$ 6,752,473	\$ 10,764	\$ (7,943)	\$ (144,230)	\$ 6,939,209	\$ 6,708,783	\$ 6,608,243
8	Check	-	-	-						
9										
Operating Expenses										
11	Deferred Fuel - NC	\$ 653,923	\$ 246,192	\$ (101,537)		\$ -	\$ -	\$ 653,923	\$ 246,192	\$ (101,537)
12	SC, Wholesale, Other Deferred Fuel	-	-	-	-	-	-	-	-	-
13	Allocated Fuel	1,347,134	1,311,748	1,358,572				1,347,134	1,311,748	1,358,572
14	Purchased Power	339,143	349,434	376,597	-	-	-	339,143	349,434	376,597
15	Total Fuel and Purchased Power	\$ 2,340,200	\$ 1,907,374	\$ 1,633,631	\$ -	\$ -	\$ -	\$ 2,340,200	\$ 1,907,374	\$ 1,633,631
16										
17	All Other O&M	1,189,115	1,187,898	1,200,994	(114,447)	(115,203)	(117,702)	1,074,668	1,072,694	1,083,291
18	Total Operations and Maintenance	\$ 1,189,115	\$ 1,187,898	\$ 1,200,994	\$ (114,447)	\$ (115,203)	\$ (117,702)	\$ 1,074,668	\$ 1,072,694	\$ 1,083,291
19										
20	NC Direct Assignments	\$ 151,022	\$ 57,744	\$ 199,621				\$ 151,022	\$ 57,744	\$ 199,621
21	Coal Ash Amortization - ARO T2	33,906	33,906	14,127	-	-	-	33,906	33,906	14,127
22	Coal Ash Amortization - ARO T3	39,914	39,914	39,914	-	-	-	39,914	39,914	39,914
23	Coal Ash Amortization - Non ARO	12,621	12,621	12,621	-	-	-	12,621	12,621	12,621
24	NC Over Amortizations	-	556	2,222	-	-	-	-	556	2,222
25	Other Direct Assignments	(30,851)	(30,851)	(13,796)				(30,851)	(30,851)	(13,796)
26	All Other Depreciation and Amortization	1,118,336	1,272,683	1,204,010	25,792	23,880	8,666	1,144,127	1,296,563	1,212,676
27	Total Depreciation and Amortization	\$ 1,324,947	\$ 1,386,572	\$ 1,458,719	\$ 25,792	\$ 23,880	\$ 8,666	\$ 1,350,739	\$ 1,410,452	\$ 1,467,385
28										
29	General Taxes	\$ 239,778	\$ 255,163	\$ 271,127	\$ -	\$ -	\$ -	\$ 239,778	\$ 255,163	\$ 271,127
30	Direct Assigned Taxes	3,903	4,706	4,617	-	-	-	3,903	4,706	4,617
31	Total General Taxes	\$ 243,681	\$ 259,868	\$ 275,744	\$ -	\$ -	\$ -	\$ 243,681	\$ 259,868	\$ 275,744
32										
33	Interest on Customer Deposits - NC	\$ 7,600	\$ 7,600	\$ 7,600				\$ 7,600	\$ 7,600	\$ 7,600
34	Interest on Customer Deposits - SC	-	-	-	-	-	-	-	-	-
35	Interest on Customer Deposits	\$ 7,600	\$ 7,600	\$ 7,600	\$ -	\$ -	\$ -	\$ 7,600	\$ 7,600	\$ 7,600
36										
37	EDIT Amortization NC	\$ (172,121)	\$ (172,685)	\$ (89,303)	\$ 144,331	\$ 147,533	\$ 65,743	\$ (27,790)	\$ (25,152)	\$ (23,560)
38	EDIT Amortization All Other	-	-	-	-	-	-	-	-	-
39	Total EDIT Amortization	\$ (172,121)	\$ (172,685)	\$ (89,303)	\$ 144,331	\$ 147,533	\$ 65,743	\$ (27,790)	\$ (25,152)	\$ (23,560)
40										
41	Total Operating Income Taxes	\$ 308,683	\$ 333,430	\$ 367,956	\$ 23,215	\$ 19,470	\$ (8,218)	\$ 331,898	\$ 352,900	\$ 359,738
42										
43	Amortization of Investment Tax Credit	\$ (6,089)	\$ (7,811)	\$ (8,901)	\$ 808	\$ 808	\$ 808	\$ (5,281)	\$ (7,003)	\$ (8,093)
44										
45	Total Operating Expenses	\$ 5,236,016	\$ 4,902,246	\$ 4,846,440	\$ 79,698	\$ 76,487	\$ (50,704)	\$ 5,315,714	\$ 4,978,733	\$ 4,795,736
46										
47	Net Operating Income	\$ 1,692,429	\$ 1,814,479	\$ 1,906,033	\$ (68,934)	\$ (84,430)	\$ (93,526)	\$ 1,623,495	\$ 1,730,049	\$ 1,812,506

Notes (a) Adjustments to exclude non-fuel riders from Operating Income

DUKE ENERGY CAROLINAS, LLC
Three Year Forecast Workpapers
(Thousands of Dollars)

Line No.	Description	NC RETAIL OPERATIONS - FORECAST RATE BASE (a)			Reference
		RATE YEAR 1 (Col. 1) (b)	RATE YEAR 2 (Col. 2) (c)	RATE YEAR 3 (Col. 3) (d)	
1	Electric plant in service	\$ 36,416,513	\$ 37,874,428	\$ 40,443,839	See notes
2	Less: Accumulated depreciation and amortization	(13,141,983)	(13,442,974)	(14,175,924)	See notes
3	Net electric plant	23,274,530	24,431,454	26,267,915	Line 1 plus Line 2
4	Add: Materials and supplies	756,698	788,329	818,034	See notes
5	Working capital investment	344,368	181,561	19,529	See notes
6	Less: Accumulated deferred taxes	(2,956,290)	(3,006,269)	(3,126,162)	See notes
7	Operating reserves	(8,302)	25,129	36,256	See notes
8	Construction work in progress	-	-	-	See notes
9	Total	21,411,003	22,420,203	24,015,572	Sum Lines 3 through 8

-- Some totals may not foot or compute due to rounding.

Notes (a) Three Year Forecast includes MYRP and excludes all other non-fuel riders
(b) Exhibit E Page 4, Col (7)
(c) Exhibit E Page 4, Col (8)
(d) Exhibit E Page 4, Col (9)

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Sub-Part 2b

DUKE ENERGY CAROLINAS, LLC
Three Year Forecast Workpapers
(Thousands of Dollars)

Line No.	Description	NC RETAIL OPERATIONS - FORECAST			NC RETAIL OPERATIONS - ADJUSTMENTS			NC RETAIL OPERATIONS - ADJUSTED		
		RATE YEAR 1	RATE YEAR 2	RATE YEAR 3	RATE YEAR 1	RATE YEAR 2	RATE YEAR 3	RATE YEAR 1	RATE YEAR 2	RATE YEAR 3
		Total (Col. 1)	Total (Col. 2)	Total (Col. 3)	Total (Col. 4) (a)	Total (Col. 5) (a)	Total (Col. 6) (a)	Total (Col. 7)	Total (Col. 8)	Total (Col. 9)
	Rate Base									
1	Total Electric plant in service	\$ 36,517,698	\$ 37,975,612	\$ 40,545,065	\$ (101,184)	\$ (101,184)	\$ (101,225)	\$ 36,416,513	\$ 37,874,428	\$ 40,443,839
2	Total Accumulated depreciation and amortization	\$ (13,165,554)	\$ (13,471,360)	\$ (14,209,127)	\$ 23,571	\$ 28,386	\$ 33,202	\$ (13,141,983)	\$ (13,442,974)	\$ (14,175,924)
3	Net electric plant in service (L1 + L2)	\$ 23,352,144	\$ 24,504,252	\$ 26,335,938	\$ (77,614)	\$ (72,798)	\$ (68,023)	\$ 23,274,530	\$ 24,431,454	\$ 26,267,915
4	Total Materials and supplies	\$ 809,123	\$ 840,754	\$ 870,459	\$ (52,426)	\$ (52,426)	\$ (52,426)	\$ 756,698	\$ 788,329	\$ 818,034
5	Total Working Capital	\$ 269,060	\$ 106,253	\$ (55,778)	\$ 75,307	\$ 75,307	\$ 75,307	\$ 344,368	\$ 181,561	\$ 19,529
6	Accumulated deferred income taxes	(2,938,706)	(2,988,685)	(3,108,578)	(17,584)	(17,584)	(17,584)	(2,956,290)	(3,006,269)	(3,126,162)
7	Operating reserves	(8,302)	25,129	36,256	-	-	-	(8,302)	25,129	36,256
8	Construction Work in Progress	-	-	-	-	-	-	-	-	-
	Rate Base	\$ 21,483,319	\$ 22,487,704	\$ 24,078,298	\$ (72,316)	\$ (67,501)	\$ (62,726)	\$ 21,411,003	\$ 22,420,203	\$ 24,015,572
		\$ -	\$ -	\$ -						

Notes (a) Adjustments tor remove non-fuel riders from Rate Base

Forecasting Methodology

NCUC Rule R1-17B(d)(2)e. requires Duke Energy Carolinas, LLC to provide the “forecasting methodology used for each of its forecasts, including its forecasts for all costs, energy sales, peak demand, and number of expected customers for each year of the MYRP.”

The Duke Energy Carolinas, LLC Fall 2022 forecast provides projections of the energy and peak demand needs for its service area. The forecast covers the time period of 2023 – 2037 and represents the needs of the following customer classes:



Energy projections are developed with econometric models using key economic factors such as income, electricity prices, industrial production indices, along with weather, appliance efficiency trends, rooftop solar trends, and electric vehicle trends. Population is also used in the residential customer model.

The economic projections used in the Fall 2022 Forecast are obtained from Moody’s Analytics, a nationally recognized economic forecasting firm, and include economic forecasts for the states of North and South Carolina. Moody’s forecasts consist of economic and demographic projections, which are used in the energy and demand models.

The Fall 2022 forecast was developed using Moody’s economic inputs as of July 2022. In addition to explicitly incorporating the economic data, the shadow of COVID-19 and its impact weigh heavily on the forecast process, with certain months being included at reduced weight because of the extent to which variation in sales for those months was eclipsed by behavioral changes by our customers and the imposition of shutdowns by state and local governments.

The Retail forecast consists of the three major classes: Residential, Commercial and Industrial.

The Residential class sales forecast is comprised of two projections. The first is the number of residential customers, which is driven by population. The second is energy usage per customer, which is driven by weather, regional economic and demographic trends, electricity prices and appliance efficiencies.

The usage per customer forecast was derived using a Statistical Adjusted End-Use Model (SAE). This is a regression-based framework that uses projected appliance saturation and efficiency trends developed by Itron using Energy Information Administration (EIA) data. It incorporates naturally occurring efficiency trends and government mandates more explicitly than other models. The outlook for residential sales is the product of the forecast for customers and the forecast for usage-per-customer. The outlook for usage per customer is essentially flat through much of the forecast horizon, so most of the growth is primarily due to customer increases. The average annual growth rate of residential sales in the Fall 2022 forecast, including the impacts of Utility Energy Efficiency programs (UEE), rooftop solar and electric vehicles from 2023– 2037 is 1%.

The Commercial forecast also uses an SAE model to reflect naturally occurring as well as government mandated efficiency changes. The three largest sectors in the commercial class are offices, education and retail. Commercial energy sales are expected to grow 0.4% per year over the forecast horizon.

The Industrial class is forecasted by a standard econometric model, with drivers such as total manufacturing output and the price of electricity. Overall, Industrial sales are expected to grow 1.6% per year over the forecast horizon.

Weather impacts are incorporated into the models by using Heating Degree Days with a base temperature of 59 and Cooling Degree Days with a base temperature of 65. The forecast of degree days is based on a 30-year average, which is updated every year.

The appliance saturation and efficiency trends are developed by Itron using data from the Energy Information Administration (EIA). Itron is a recognized firm providing forecasting services to the electric utility industry. These appliance trends are used in the residential and commercial sales models.

Peak demands were projected using the SAE approach. The peak forecast was developed using a monthly SAE model, similar to the sales SAE models, which includes monthly appliance saturations and efficiencies, interacted with weather and the fraction of each appliance type that is in use at the time of monthly peak.

FORECAST ENHANCEMENTS

In 2013, the Company began using the SAE model methodology to forecast sales and peaks. The end use models provide a better platform to recognize trends in equipment /appliance saturation and changes to efficiencies, and how those trends interact with heating, cooling, and “other” or nonweather- related sales. These appliance trends are used in the residential and commercial sales models. In conjunction with peer utilities and ITRON, the company continually looks for

refinements to its modeling procedures to make better use of the forecasting tools and develop more reliable forecasts.

Each time the forecast is updated, the most currently available historical and projected data is used.

The current 2022 forecast utilizes:

- Moody's Analytics July 2022 baseline economic projections.
- End use equipment and appliance indexes reflect the 2022 update of ITRON's end use penetration and efficiency data, which is consistent with the Energy Information Administration's most recent *Annual Energy Outlook*.
- A calculation of normal weather using the period 1992-2021.

The Company also researches weather sensitivity of summer and winter peaks, peak history, hourly shaping of sales, and load research data in a continuous effort to improve forecast accuracy.

CAPITAL EXPENSE ITEMS ARE FORECASTED AS FOLLOWS:

Depreciation Expense: The forecasted depreciation for current and projected assets is calculated by multiplying the original cost of current and projected assets by the Company account level depreciation rates. Asset accounting provides actual balances of the current assets along with the current depreciation rates. The operational teams provide budgeted capital expenditures. Forecasted depreciation rates align with the depreciation study.

O&M: The O&M expenses, including benefits and payroll taxes, are based on forecasts developed by the various responsibility centers, using a bottoms-up approach. Base expenses, including labor, are assumed to escalate over the five-year period in line with current inflation rates. Duke Energy Carolinas, LLC's proportionate share of the shared services expenses and the corporate center O&M expenses are assigned and/or allocated from the service company to Duke Energy Carolinas, LLC and are also derived using the same bottoms-up approach. The allocated share is derived by the application of appropriate allocations based on the service company allocation factors, and in accordance with various Commission-approved service agreements.

Property Tax: Property tax expense is calculated by Duke Energy's Tax Department based on the capital projections provided by the operational teams.

Depreciation expense, O&M and Property Taxes are allocated to NC based on the cost-of-service allocation factors proposed in this case.

Interest Expense: System interest expense is calculated using forecasted long-term debt balances and interest rates. Current debt issuances and rates and forecasted rates are provided by Duke Energy's Treasury Department. Forecasted debt issuances are determined based on forecasted cash needs. NC interest expense is based on a calculation of the annualized embedded cost of debt times the debt component of rate base.

Income Tax Expense: Duke Energy's Tax Department provides the appropriate income tax rates and the amortization of investment tax credit (ITC) and Excess Deferred Income Taxes (EDITs). The North Carolina income tax expense is derived by applying the effective tax rate to applicable taxable book income and adjusting the resulting applicable income taxes by the ITC and EDIT amortization amounts.

DUKE ENERGY CAROLINAS, LLC
THREE YEAR FORECAST-MYRP RECON OPERATING INCOME
(Thousands of Dollars)

Line No.	Description	NC RETAIL OPERATIONS - FORECAST									Reference
		RATE YEAR 1 TOTAL (Col. 1) (a)	RATE YEAR 1 MYRP (Col. 2) (b)	RATE YEAR 1 All Other (Col. 3) (c)	RATE YEAR 2 TOTAL (Col. 4) (d)	RATE YEAR 2 MYRP (Col. 5) (e)	RATE YEAR 2 All Other (Col. 6) (f)	RATE YEAR 3 TOTAL (Col. 7) (g)	RATE YEAR 3 MYRP (Col. 8) (h)	RATE YEAR 3 All Other (Col. 9) (i)	
	Operating Income										
1	Electric Operating Revenue	\$ 6,939,209	\$ 139,838	\$ 6,799,371	\$ 6,708,783	\$ 311,382	\$ 6,397,400	\$ 6,608,243	\$ 461,711	\$ 6,146,532	See notes
	Electric operating expenses:										
	Operation and maintenance:										
2	Fuel used in electric generation	2,001,057	-	2,001,057	1,557,940	-	1,557,940	1,257,035	-	1,257,035	See notes
3	Purchased power	339,143	-	339,143	349,434	-	349,434	376,597	-	376,597	See notes
4	Other operation and maintenance	1,074,668	21,159	1,053,509	1,072,694	18,839	1,053,855	1,083,291	15,479	1,067,813	See notes
5	Depreciation and amortization	1,350,739	34,343	1,316,396	1,410,452	77,020	1,333,432	1,467,385	120,000	1,347,385	See notes
6	General taxes	243,681	218	243,463	259,868	3,632	256,236	275,744	6,581	269,162	See notes
7	Interest on customer deposits	7,600	-	7,600	7,600	-	7,600	7,600	-	7,600	See notes
8	EDIT Amortization	(27,790)	-	(27,790)	(25,152)	-	(25,152)	(23,560)	-	(23,560)	See notes
9	Net income taxes	331,898	15,308	316,590	352,900	38,530	314,370	359,738	57,720	302,018	See notes
10	Amortization of investment tax credit	(5,281)	(250)	(5,031)	(7,003)	(1,095)	(5,908)	(8,093)	(7,690)	(403)	See notes
11	Total Operating Expenses	5,315,714	70,778	5,244,936	4,978,733	136,926	4,841,807	4,795,736	192,090	4,603,646	Sum Lines 2-10
12	Operating income	<u>\$ 1,623,495</u>	<u>\$ 69,060</u>	<u>\$ 1,554,435</u>	<u>\$ 1,730,049</u>	<u>\$ 174,456</u>	<u>\$ 1,555,593</u>	<u>\$ 1,812,506</u>	<u>\$ 269,621</u>	<u>\$ 1,542,885</u>	Line 1 less Line 11
13	Rate Base	\$ 21,411,003	\$ 1,667,458	\$ 19,743,545	\$ 22,420,203	\$ 2,945,354	\$ 19,474,849	\$ 24,015,572	\$ 4,521,362	\$ 19,494,210	See notes

Notes (a) Exhibit E Page 2, Col (7)
(b) Taylor Exhibit 3 - Year 1
(c) Col 1 less Col 2
(d) Exhibit E Page 2, Col (8)
(e) Taylor Exhibit 3 - Year 2
(f) Col 4 less Col 5
(g) Exhibit E Page 2, Col (9)
(h) Taylor Exhibit 3 - Year 3
(i) Col 7 less Col 8

DUKE ENERGY CAROLINAS, LLC
Three Year Forecast - MYRP Recon Rate Base
(Thousands of Dollars)

Line No.	Description	NC RETAIL OPERATIONS - FORECAST RATE BASE									Reference
		RATE YEAR 1 Total	RATE YEAR 1 MYRP	RATE YEAR 1 All Other	RATE YEAR 2 Total	RATE YEAR 2 MYRP	RATE YEAR 2 All Other	RATE YEAR 3 Total	RATE YEAR 3 MYRP	RATE YEAR 1 All Other	
		(Col. 1) (a)	(Col. 2) (b)	(Col. 3) (c)	(Col. 4) (d)	(Col. 5) (e)	(Col. 6) (f)	(Col. 7) (g)	(Col. 8) (h)	(Col. 9) (i)	
	<u>Rate Base</u>										
1	Total Electric plant in service	\$ 36,416,513	\$ 1,702,022	\$ 34,714,491	\$ 37,874,428	\$ 3,055,842	\$ 34,818,585	\$ 40,443,839	\$ 4,744,161	\$ 35,699,679	See notes
2	Total Accumulated depreciation and amortization	\$ (13,141,983)	\$ (34,814)	\$ (13,107,169)	\$ (13,442,974)	\$ (111,834)	\$ (13,331,140)	\$ (14,175,924)	\$ (231,834)	\$ (13,944,090)	See notes
3	Net electric plant in service (L1 + L2)	\$ 23,274,530	\$ 1,667,208	\$ 21,607,322	\$ 24,431,454	\$ 2,944,009	\$ 21,487,445	\$ 26,267,915	\$ 4,512,327	\$ 21,755,588	Line 1 plus Line 2
4	Total Materials and supplies	\$ 756,698	\$ -	\$ 756,698	\$ 788,329	\$ -	\$ 788,329	\$ 818,034	\$ -	\$ 818,034	See notes
5	Total Working Capital	\$ (60,155)	\$ 250	\$ (60,405)	\$ (222,962)	\$ 1,345	\$ (224,307)	\$ (384,993)	\$ 9,035	\$ (394,029)	See notes
6	Accumulated deferred income taxes	(2,956,290)	-	(2,956,290.41)	(3,006,269)	-	(3,006,269.39)	(3,126,162)	-	(3,126,161.97)	See notes
7	Operating reserves	(8,302)	-	(8,301.90)	25,129	-	25,129.48	36,256	-	36,255.97	See notes
8	Construction Work in Progress	-	-	-	-	-	-	-	-	-	See notes
9	Rate Base	\$ 21,006,480	\$ 1,667,458	\$ 19,339,022	\$ 22,015,680	\$ 2,945,354	\$ 19,070,327	\$ 23,611,050	\$ 4,521,362	\$ 19,089,687	Sum Lines 3 through 8

Notes (a) Exhibit E Page 4, Col (7)
(b) Taylor Exhibit 4 Workpaper P 2 Monthly Detail - Dec 2024 Balance
(c) Col 1 less Col 2
(d) Exhibit E Page 4, Col (8)
(e) Taylor Exhibit 4 Workpaper P 2 Monthly Detail - Dec 2025 Balance
(f) Col 4 less Col 5
(g) Exhibit E Page 4, Col (9)
(h) Taylor Exhibit 4 Workpaper P 2 Monthly Detail - Dec 2026 Balance
(i) Col 7 less Col 8

Load Forecasting Weather Normal Methodology, Assumptions, and Calculation Process:

Multiple weather stations are used to calculate DEC system-level temperatures (see table in calculation process below). Daily average temperatures from each weather station are retrieved from National Oceanic and Atmospheric Association (NOAA). The daily average temperatures are then calculated per the weighting of each station to determine the “system level” daily average temperatures (see example below). Forecasted weather is based on a 30 year weather normal. The 30 weather normal calculation is based on averaging 30 years of daily average temperatures at the system level for DEC. For example, in the 2020 IRP, weather data was used from years 1990-2019.

The Company's process for Calculation of Normal Weather (30 Year Weather Normal) is below. Weather normal and peak normal calculations are performed in ITRON Software using ITRONs Algorithms (summary of ITRON steps below).

Weather Normal Calculation Process:

1. Stations and weightings for the DEC area as follows:

Jurisdiction	Weight	Station Code	Station Name
DEC	0.3333	CLT	Charlotte/Douglas International Airport
DEC	0.3333	GSO	Piedmont Triad Airport
DEC	0.3333	GSP	Greenville-Spartanburg Airport

2. Update historical daily average temperatures for DEC
3. Determine and set 30 year period for the new weather normal (the 2020 Carolinas IRPs used years 1990-2019)
4. Calculate daily Heating and Cooling degree days (using 59 degrees for heating base and 65 degree for cooling base), based on daily average temperatures
5. Calculate daily normal weather - rank, sort and average daily Heating and Cooling degree days - (using algorithms in ITRON Software)
5. Sum up the daily normal Heating and Cooling degree days to monthly and annual totals for forecasting purposes

Peak Normal Calculation Process:

Steps 1-3 above are the same as the weather normal process above.

4. Set the 30 year period for the new monthly peak normal (the 2020 Carolinas IRPs used years 1990-2019)
5. Calculate daily normal weather - rank, sort and average the maximum daily Heating and Cooling degree days - (using algorithms in ITRON Software)

6. Gather and report the average maximum daily Heating and Cooling degree day for each month in the forecast period