

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

Line No.	Description	NC RETAIL OPERATIONS			Total Impact	Reference
		Base Rates	EDIT Rider	Over Amortization Rider		
Base Rate						
1	Traditional Base Rate Revenue Requirement	\$ 324.0	\$ (10.5) [1]	\$ (0.5)	\$ 313.0	Q. Bowman Exhibit 2 Page 1 Total, Column 5, Line No. 1
2	Rate Year 1 - Incremental Revenue Requirement for MYRP Projects	122.7			122.7	Abernathy, Exhibit 4, Updated for Settlement
3	Rate Year 1 - Total (L1 + L2)	\$ 446.7	\$ (10.5)	\$ (0.5)	\$ 435.6	
4	Rate Year 2 - Incremental Revenue Requirement for MYRP Projects	\$ 173.4	\$ -	\$ 0.5	\$ 173.9	Abernathy, Exhibit 4, Updated for Settlement
5	Rate Year 3 - Incremental Revenue Requirement for MYRP Projects	\$ 158.6	\$ -	\$ -	\$ 158.6	Abernathy, Exhibit 4, Updated for Settlement
6	Cumulative Rate year 3 Revenue Increase	\$ 778.7	\$ (10.5)	\$ -	\$ 768.1	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.
Note: This table does not include the Nuclear PTC Rider agreed upon in the Supplemental Partial Settlement

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

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

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	\$ 349,350	\$ 5,173,309	\$ 323,996	\$ 5,497,306
	Electric operating expenses:						
	Operation and maintenance:						
2	Fuel used in electric generation	1,504,310	1,023,187	120,669	1,143,856	-	1,143,856
3	Purchased power	97,774	58,933	(25,178)	33,754	-	33,754
4	Other operation and maintenance expense	1,711,413	1,192,866	(59,064)	1,133,802	2,371	1,136,173
5	Depreciation and amortization	1,508,461	1,033,226	184,822	1,218,049	-	1,218,049
6	General taxes	320,410	212,490	(1,045)	211,446	-	211,446
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	18,442	238,746	74,963	313,710
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	\$ 420,049	\$ 3,959,409	\$ 77,334	\$ 4,036,743
12	Operating income	\$ 1,879,745	\$ 1,284,599	\$ (70,699)	\$ 1,213,900	\$ 246,662	\$ 1,460,562
13	Initial cost rate base	\$ 25,767,684	\$ 17,596,163	\$ 1,880,530 (d)	\$ 19,476,693	\$ 27,358 (f)	\$ 19,504,051
14	Rate of return on North Carolina retail rate base		7.30%		6.23%		7.49%

-- 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.49)
 (d) From Q. Bowman Exhibit 2 Page 3, Line 38, column (Col.49)
 (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.

Traditional Base Rate Revenue Requirement North Carolina Retail Operations							
Line No.	Description	Total Company Per Books (a) (Col. 1)	Per Books (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	\$ 4,799,133	\$ 349,350	\$ 5,148,483	\$ 264,931	\$ 5,413,414
	Electric operating expenses:						
	Operation and maintenance:						
2	Fuel used in electric generation	1,504,310	1,023,187	120,669	1,143,856	-	1,143,856
3	Purchased power	97,774	58,933	(25,178)	33,754	-	33,754
4	Other operation and maintenance expense	1,711,413	1,192,771	(59,064)	1,133,708	1,939	1,135,646
5	Depreciation and amortization	1,508,461	1,013,448	136,842	1,150,290	-	1,150,290
6	General taxes	320,410	212,490	(1,045)	211,446	-	211,446
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	219,148	29,645	248,793	61,273	310,066
10	Amortization of investment tax credit	(3,960)	(2,830)	1,026	(1,804)	-	(1,804)
11	Total electric operating expenses	\$ 5,220,889	\$ 3,518,331	\$ 383,272	\$ 3,901,603	\$ 63,211	\$ 3,964,814
12	Operating income	\$ 1,879,745	\$ 1,280,802	\$ (33,922)	\$ 1,246,880	\$ 201,720	\$ 1,448,600
13	Initial cost rate base	\$ 25,767,684	\$ 17,481,380	\$ 1,815,720 (d)	\$ 19,297,100	\$ 27,358 (f)	19,324,458
14	Rate of return on North Carolina retail rate base		<u>7.33%</u>		<u>6.46%</u>		<u>7.50%</u>

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

- Notes: (a) From Form E-1, Item 45a Per Book COS 12 CP Firm less Schedule 2 page 1.2
 (b) Reclassifies interest on customer deposits to electric operating expense
 (c) From Q. Bowman Exhibit 2 Page 3, column (Col. 44) + (Col. 45)
 (d) From Q. Bowman Exhibit 2 Page 3, Line 38, column (Col.44) + (Col.45)
 (e) From Q.Bowman Exhibit 2 Page 2.1
 (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.

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

Line No.	Description	Total Company Per Books (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)	Revenue and Expenses from Proposed Increase (D) (Col. 5)	After Proposed Increase (Col. 6) = Col. 4 + Col. 5
1	Electric operating revenue	\$ -	\$ 24,826	\$ -	\$ 24,826	\$ 59,065	\$ 83,891
	Electric operating expenses:						
	Operation and maintenance:						
2	Fuel used in electric generation	-	-	-	-	-	-
3	Purchased power	-	-	-	-	-	-
4	Other operation and maintenance expense	-	94	-	94	432	526
5	Depreciation and amortization	-	19,778	47,980	67,758	-	67,758
6	General taxes	-	-	-	-	-	-
7	Interest on customer deposits	-	-	-	-	-	-
8	EDIT Amortization (net of tax)	-	-	-	-	-	-
9	Net income taxes	-	1,157	(11,203)	(10,047)	13,691	3,644
10	Amortization of investment tax credit	-	-	-	-	-	-
11	Total electric operating expenses	\$ -	\$ 21,029	\$ 36,777	\$ 57,806	\$ 14,123	\$ 71,929
12	Operating income	\$ -	\$ 3,797	\$ (36,777)	\$ (32,980)	\$ 44,942	\$ 11,962
13	Initial cost rate base		\$ 114,783 (b)	\$ 64,810 (d)	\$ 179,592		\$ 179,592
14	Rate of return on North Carolina retail rate base		3.31%		-18.36%		6.66%

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

Notes:

- (a) Docket E-7 Sub 1214 McManeus Compliance Exhibit 2 CCR ARO page 1 divided by 12, times 7 for the number of months the new rates were in effect.
- (b) From Q. Bowman Exhibit 4 NC5080 Remove Expiring Amortizations page NC5080-1 Calculation Line 34
- (c) From Q. Bowman Exhibit 2 Page 3, Column (Col. 46) + (Col. 47)
- (d) From Q. Bowman Exhibit 2 Page 3, Line 38, column (Col.46) + (Col.47)

DUKE ENERGY CAROLINAS, LLC
CALCULATION OF ADDITIONAL REVENUE REQUIREMENT
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
Compliance Filing
(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	\$ 12,260,955	47%	\$ 9,154,046	4.56%	\$ 417,424	\$ 9,166,904	4.56%	\$ 418,093
2	Members' equity	(a) 13,888,337	53%	10,322,647	7.72%	796,476	10,337,147	10.10%	1,042,470 (d)
3	Total	<u>\$ 26,149,292</u>	<u>100%</u>	<u>\$ 19,476,693 (b)</u>		<u>\$ 1,213,900 (c)</u>	<u>\$ 19,504,051 (b)</u>		<u>\$ 1,460,562</u>
4	Operating income before increase (Line 3, Column 5)								<u>1,213,900</u>
5	Additional operating income required (Line 3 minus Line 4)								246,662
6	Calculate income tax on Incremental interest expense due to increase in cash working capital in proposed revenue								(137)
7	Regulatory fee (0.1466%), Uncollectibles Rate (0.5847%)								2,371
8	Income Taxes (23.3503%)								<u>75,100</u>
9	Additional traditional base rate revenue requirement								<u>\$ 323,996</u>

-- 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.

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

Traditional Base Rate Revenue Requirement
North Carolina Retail Operations

Line No.	Description	Dec. 31, 2021 Amount (Col. 1)	Pro forma Ratio (Col. 2)	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	12,260,955	47%	\$ 9,069,637	4.56%	\$ 413,575	\$ 9,082,495	4.56%	\$ 414,162
2	Members' equity	(a) 13,888,337	53%	10,227,463	8.15%	833,304	10,241,963	10.10%	1,034,438
3	Total	<u>26,149,292</u>	<u>100%</u>	<u>\$ 19,297,100</u> (b)		<u>1,246,880</u> (c)	<u>\$ 19,324,458</u> (b)		<u>\$ 1,448,600</u>
4	Operating income before increase (Line 3, Column 5)								<u>1,246,880</u>
5	Additional operating income required (Line 3 minus Line 4)								201,720
6	Calculate income tax on Incremental interest expense due to increase in cash working capital in proposed revenue								(137)
7	Regulatory fee (0.1466%), Uncollectibles Rate (0.5847%)								1,939
8	Income Taxes (23.3503%)								<u>61,409</u>
9	Additional revenue requirement								<u>\$ 264,931</u>

-- 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 1.1 (Exclude ARO CCR), Line 13, Columns 4 and 6
(c) From Q. Bowman Exhibit 2 Page 1.1 (Exclude ARO CCR), Line 12, Column 4

DUKE ENERGY CAROLINAS, LLC
 CALCULATION OF ADDITIONAL REVENUE REQUIREMENT
 FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
 Compliance Filing
 (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		48% (e)	\$ 86,204	4.56%	\$ 3,931	\$ 86,204	4.56%	\$ 3,931
2	Members' equity	(a)	52% (e)	93,388	-39.52%	(36,911)	93,388	8.60% (d)	8,031
3	Total		100%	\$ 179,592 (b)		\$ (32,980) (c)	\$ 179,592 (b)		\$ 11,962
4	Operating income before increase (Line 3, Column 5)								(32,980)
5	Additional operating income required (Line 3 minus Line 4)								44,942
6	Calculate income tax on incremental interest expense due to increase in cash working capital in proposed revenue								
7	Regulatory fee (0.1466%), Uncollectibles Rate (0.5847%)								432
8	Income Taxes (23.3503%)								13,691
9	Additional revenue requirement								\$ 59,065

-- 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 1.2 (ARO CCR), Line 13, Columns 4 and 6
 (c) From Q. Bowman Exhibit 2 Page 1.2 (ARO CCR), Line 12, Column 4
 (d) Per the CCR Settlement agreement, Coal Ash ARO discounts the equity rate by 150 basis points.
 (e) Per the CCR Settlement agreement, Capital structure for CCR is 48% debt 52% equity

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

	Revenue Annualization NC1010 (Col. 1)	Eliminate unbilled NC1020 (Col. 2)	Adjust other Revenue NC1030 (Col. 3)	Customer Growth* NC1040 (Col. 4)	Weather Normalization NC1050 (Col. 5)	Update Fuel costs to approved rates NC2010 (Col. 6)	Adjust Purchase Power NC2020 (Col. 7)	Adjust for costs recovered through Non Fuel riders NC2030 (Col. 8)	Adj Executive Comp NC2040 (Col. 9)	Labor Annualization* NC2050 (Col. 10)	Benefits Adjustment NC2060 (Col. 11)	Vegetation Management NC2070 (Col. 12)	Adjustments to test year expenses NC2080 (Col. 13)	Adjust Aviation Expense NC2090 (Col. 14)
1 Sales of Electricity	220,249	8,126	-	53,669	4,807	-	-	-	-	-	-	-	-	-
2 Other Revenue	-	-	(3,748)	-	-	-	-	25,150	-	-	-	-	3,992	-
3 Electric operating revenue	\$ 220,249	\$ 8,126	\$ (3,748)	\$ 53,669	\$ 4,807	\$ -	\$ -	\$ 25,150	\$ -	\$ -	\$ -	\$ -	\$ 3,992	\$ -
4														
5 Electric operating expenses:														
6 Operation and maintenance:														
7 Fuel used in electric generation	-	-	-	8,715	891	140,824	-	(29,761)	-	-	-	-	-	-
8 Purchased power	-	-	-	-	-	(42,101)	(1,860)	(968)	-	-	-	-	19,749	-
9 Other operation and maintenance expense	1,611	-	(27)	2,767	110	(18,112)	-	(81,295)	(4,463)	(883)	(641)	3,011	(4,015)	(1,865)
10 Depreciation and amortization	-	-	-	-	-	-	-	14,321	-	-	-	-	(1,429)	-
11 General taxes	-	-	-	-	-	-	-	(940)	-	1,553	-	-	-	(34)
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	-	180,377	-	-	-	-	-	-
14 Net income taxes	51,053	1,898	(869)	9,851	888	(18,823)	434	30,336	1,042	(156)	150	(703)	(2,408)	443
15 Amortization of investment tax credit	-	-	-	-	-	-	-	945	-	-	-	-	-	-
16 Total electric operating expenses	\$ 52,663	\$ 1,898	\$ (896)	\$ 21,333	\$ 1,890	\$ 61,788	\$ (1,426)	\$ 113,015	\$ (3,421)	\$ 513	\$ (492)	\$ 2,308	\$ 11,897	\$ (1,455)
17 Operating income	\$ 167,586	\$ 6,229	\$ (2,852)	\$ 32,337	\$ 2,917	\$ (61,788)	\$ 1,426	\$ (87,864)	\$ 3,421	\$ (513)	\$ 492	\$ (2,308)	\$ (7,905)	\$ 1,455
18 Operating Income revenue requirement impact	\$ (220,247)	\$ (8,186)	\$ 3,748	\$ (42,498)	\$ (3,833)	\$ 81,204	\$ (1,874)	\$ 115,474	\$ (4,496)	\$ 675	\$ (646)	\$ 3,033	\$ 10,389	\$ (1,913)

* Subject to update throughout the proceeding.

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

Compliance Filing Exhibit 2
 Page 3.2 of 3.8

	Adjust Nuclear Outage levelization* NC2100 (Col. 15)	Annualize non labor O&M* NC2110 (Col. 16)	Adjust EOL Nuclear Costs NC2120 (Col. 17)	Adjust for change in NCUC Regulatory fee NC2130 (Col. 18)	Adjust for Non-Residential Credit Card Fees NC2140 (Col. 19)	Adjust for Duke Energy Plaza NC2150 (Col. 20)	Adjust O&M for Reliability Assurance NC2160 (Col. 21)	Annualize Depreciation on Test Year End Plant NC3010 (Col. 22)	Annualize Property Tax on Test Year End Plant NC3020 (Col. 23)	Adjust for Post Test year additions* NC3030 (Col. 24)	Adjust Depreciation for new depreciation rates NC3040 (Col. 25)	Transmission Merger* NC3070 (Col. 26)	Remove Expiring Amortizations* NC5010 (Col. 27)	Amortize Rate case Costs* NC5020 (Col. 28)	CCR Non ARO* NC5030 (Col. 29)
1 Sales of Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 Other Revenue	-	-	-	-	-	22,513	-	-	-	-	-	-	-	-	-
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4															
5 Electric operating expenses:															
6 Operation and maintenance:															
7 Fuel used in electric generation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Purchased power	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Other operation and maintenance expense	5,013	52,823	-	857	-	1,403	4,500	-	-	-	-	-	(22,142)	5,415	-
10 Depreciation and amortization	-	-	(7,091)	-	-	-	-	(3,970)	-	75,360	106,849	(40)	(5,220)	-	1,214
11 General taxes	-	-	-	-	-	-	-	-	4,514	13,575	-	-	-	-	-
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Net income taxes	(1,170)	(12,334)	1,656	(200)	-	4,929	(1,051)	927	(1,054)	(20,767)	(24,950)	9	6,389	(1,264)	(283)
15 Amortization of investment tax credit	-	-	-	-	-	-	-	81	-	-	-	-	-	-	-
16 Total electric operating expenses	\$ 3,842	\$ 40,489	\$ (5,435)	\$ 657	\$ -	\$ 6,332	\$ 3,449	\$ (2,962)	\$ 3,460	\$ 68,168	\$ 81,900	\$ (31)	\$ (20,973)	\$ 4,150	\$ 930
17 Operating income	\$ (3,842)	\$ (40,489)	\$ 5,435	\$ (657)	\$ -	\$ 16,181	\$ (3,449)	\$ 2,962	\$ (3,460)	\$ (68,168)	\$ (81,900)	\$ 31	\$ 20,973	\$ (4,150)	\$ (930)
18 Operating Income revenue requirement impact	\$ 5,050	\$ 53,212	\$ (7,143)	\$ 864	\$ -	\$ (21,266)	\$ 4,533	\$ (3,892)	\$ 4,547	\$ 89,589	\$ 107,635	\$ (40)	\$ (27,564)	\$ 5,454	\$ 1,223

* Subject to update throughout the proceeding.

DUKE ENERGY CAROLINAS, LLC
 DETAIL OF ACCOUNTING ADJUSTMENTS
 NORTH CAROLINA RETAIL
 Compliance Filing
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 (Thousands of Dollars)

	Grid next tranche*	Amortize Allen NBV	Adjust for approved regulatory assets and liabilities	COVID Deferral*	Customer Connect Amortization	Amortize Deferred Billing	Adjust Coal Inventory	Cash working Capital - Present*	Interest Sync*	NC Tax Rate and Franchise Tax Rate changes	Correct Lead Lad	Unprotected EDIT - Remove from Rate base	Storm Normalization*	Storm Securitization Regulatory Asset*	Exclude CCR ARO Subtotal
	(Col. 30)	(Col. 31)	(Col. 32)	(Col. 33)	(Col. 34)	(Col. 35)	(Col. 36)	III	(Col. 38)	(Col. 39)	(Col. 40)	(Col. 41)	(Col. 42)	(Col. 43)	(Col. 44)
1 Sales of Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 286,851
2 Other Revenue	-	-	-	14,591	-	-	-	-	-	-	-	-	-	-	62,499
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ 14,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,350
4															
5 Electric operating expenses:															
6 Operation and maintenance:															
7 Fuel used in electric generation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120,669
8 Purchased power	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(25,178)
9 Other operation and maintenance expense	-	-	-	1,680	-	-	-	-	-	-	-	-	(4,810)	-	(59,064)
10 Depreciation and amortization	3,951	4,697	(969)	58,896	1,215	-	-	-	-	-	-	-	-	(199)	247,585
11 General taxes	-	-	-	-	-	-	-	-	-	(19,712)	-	-	-	-	(1,045)
12 Interest on customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	180,377
14 Net income taxes	(923)	(1,097)	946	(10,738)	(284)	-	-	(116)	(13,738)	4,603	-	-	1,113	46	3,786
15 Amortization of investment tax credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,026
16 Total electric operating expenses	\$ 3,029	\$ 3,600	\$ (23)	\$ 49,838	\$ 932	\$ -	\$ -	\$ (116)	\$ (13,738)	\$ (15,109)	\$ -	\$ -	\$ (3,697)	\$ (152)	\$ 468,157
17 Operating income	\$ (3,029)	\$ (3,600)	\$ 23	\$ (35,247)	\$ (932)	\$ -	\$ -	\$ 116	\$ 13,738	\$ 15,109	\$ -	\$ -	\$ 3,697	\$ 152	\$ (118,806)
18 Operating Income revenue requirement impact	\$ 3,980	\$ 4,732	\$ (30)	\$ 46,323	\$ 1,224	\$ -	\$ -	\$ (152)	\$ (18,054)	\$ (19,857)	\$ -	\$ -	\$ (4,859)	\$ (200)	\$ 156,139

* Subject to update throughout the proceeding.

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

Compliance Filing Exhibit 2
 Page 3.4 of 3.8

	Remove Expiring Amortizations NC5010-CCR (Col. 45)	Amortized Deferred Environmental Cost* NC4010 (Col. 46)	Adjust for approved regulatory assets and liabilities NC5080-CCR (Col. 47)	CCR ARO Subtotal (Col. 48)	Total (Col. 49)	Cash working Capital - Proposed* NC6020b (Col. 50)
1 Sales of Electricity	\$ -	\$ -	\$ -	\$ -	\$ 286,851	-
2 Other Revenue	-	-	-	-	62,499	-
3 Electric operating revenue	\$ -	\$ -	\$ -	\$ -	\$ 349,350	\$ -
4						
5 Electric operating expenses:						
6 Operation and maintenance:						
7 Fuel used in electric generation	-	-	-	-	120,669	-
8 Purchased power	-	-	-	-	(25,178)	-
9 Other operation and maintenance expense	-	-	-	-	(59,064)	-
10 Depreciation and amortization	(110,743)	33,853	14,127	(62,763)	184,822	-
11 General taxes	-	-	-	-	(1,045)	-
12 Interest on customer deposits	-	-	-	-	-	-
13 EDIT Amortization (net of tax)	-	-	-	-	180,377	-
14 Net income taxes	25,859	(7,905)	(3,299)	14,655	18,442	(137)
15 Amortization of investment tax credit	-	-	-	-	1,026	-
16 Total electric operating expenses	\$ (84,884)	\$ 25,948	\$ 10,829	\$ (48,108)	\$ 420,049	\$ (137)
17 Operating income	\$ 84,884	\$ (25,948)	\$ (10,829)	\$ 48,108	\$ (70,699)	\$ 137
18 Operating Income revenue requirement impact	\$ (111,558)	\$ 34,102	\$ 14,231	\$ (63,225)	\$ 92,915	\$ (180)

* Subject to update throughout the proceeding.

DUKE ENERGY CAROLINAS, LLC
 DETAIL OF ACCOUNTING ADJUSTMENTS
 NORTH CAROLINA RETAIL

	Revenue Annualization*	Eliminate unbilled	Adjust other Revenue	Customer Growth*	Weather Normalization	Update Fuel costs to approved rates*	Adjust Purchase Power	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	NC1020	NC1030	NC1040	NC1050	NC2010	NC2020	NC2030	NC2040	NC2050	NC2060	NC2070	NC2080	NC2090
	(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)	(Col. 9)	(Col. 10)	(Col. 11)	(Col. 12)	(Col. 13)	(Col. 14)
Rate Base														
19 Electric plant in service	-	-	-	-	-	-	-	(109,454)	-	-	-	-	(42,468)	-
20 Accumulated depreciation and amortization	-	-	-	-	-	-	-	10,601	-	-	-	-	1,140	-
21 Net electric plant in service (L19 + L20)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (98,854)	\$ -	\$ -	\$ -	\$ -	\$ (41,328)	\$ -
22 Materials and supplies	-	-	-	-	-	-	-	(69,176)	-	-	-	-	(809)	-
<u>Other Working Capital</u>														
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (107,379)	\$ -	\$ -	\$ -	\$ -	\$ (42,138)	\$ -
39 Rate Base revenue requirement impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,873)	\$ -	\$ -	\$ -	\$ -	\$ (3,874)	\$ -
40 Income Tax on Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (706)	\$ -	\$ -	\$ -	\$ -	\$ (277)	\$ -
41 Total Revenue requirement impact (L18+L39+L40)	\$ (220,247)	\$ (8,186)	\$ 3,748	\$ (42,498)	\$ (3,833)	\$ 81,204	\$ (1,874)	\$ 104,896	\$ (4,496)	\$ 675	\$ (646)	\$ 3,033	\$ 6,238	\$ (1,913)

* Subject to update throughout the proceeding.

DUKE ENERGY CAROLINAS, LLC
 DETAIL OF ACCOUNTING ADJUSTMENTS
 NORTH CAROLINA RETAIL

	Adjust Nuclear Outage levelization* NC2100 (Col. 15)	Annualize non labor O&M (Inflation)* NC2110 (Col. 16)	Adjust EOL Nuclear Costs NC2120 (Col. 17)	Adjust for change in NCUC Regulatory fee NC2130 (Col. 18)	Adjust for Non-Residential Credit Card Fees NC2140 (Col. 19)	Adjust for Duke Energy Plaza NC2150 (Col. 20)	Adjust O&M for Reliability Assurance NC2160 (Col. 21)	Annualize Depreciation on Test Year End Plant NC3010 (Col. 22)	Annualize Property Tax on Test Year End Plant NC3020 (Col. 23)	Adjust for Post Test year additions* NC3030 (Col. 24)	Adjust Depreciation for new depreciation rates NC3040 (Col. 25)	Transmission Merger* NC3070 (Col. 26)	Remove Expiring Amortizations* NC5010 (Col. 27)	Amortize Rate case Costs* NC5020 (Col. 28)	CCR Non ARO NC5030 (Col. 29)
Rate Base															
19 Electric plant in service	-	-	-	-	-	-	-	-	-	2,654,622	-	(562)	-	-	-
20 Accumulated depreciation and amortization	-	-	-	-	-	-	-	-	-	(560,835)	(145,786)	471	-	-	-
21 Net electric plant in service (L19 + L20)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,093,787	\$ (145,786)	\$ (91)	\$ -	\$ -	\$ -
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	-	-	-	-	38,937	-	-	(7,687)	6,070
34 Total Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,920	\$ -	\$ -	\$ -	\$ -	\$ 38,937	\$ -	\$ -	\$ (7,687)	\$ 6,070
35 Accumulated deferred income taxes	-	-	-	-	-	(682)	-	-	-	-	(9,092)	-	-	1,795	(1,417)
36 Operating reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38 Total Initial cost rate base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,238	\$ -	\$ -	\$ -	\$ 2,093,787	\$ (115,941)	\$ (91)	\$ -	\$ (5,892)	\$ 4,652
39 Rate Base revenue requirement impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206	\$ -	\$ -	\$ -	\$ 192,504	\$ (10,660)	\$ (8)	\$ -	\$ (542)	\$ 428
40 Income Tax on Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15	\$ -	\$ -	\$ -	\$ 13,771	\$ (763)	\$ (1)	\$ -	\$ (39)	\$ 31
41 Total Revenue requirement impact (L18+L39+L40)	\$ 5,050	\$ 53,212	\$ (7,143)	\$ 864	\$ -	\$ (21,045)	\$ 4,533	\$ (3,892)	\$ 4,547	\$ 295,865	\$ 96,213	\$ (49)	\$ (27,564)	\$ 4,874	\$ 1,681

* Subject to update throughout the proceeding.

DUKE ENERGY CAROLINAS, LLC
 DETAIL OF ACCOUNTING ADJUSTMENTS
 NORTH CAROLINA RETAIL

	Grid next tranche*	Amortize Allen NBV	Adjust for approved regulatory assets and liabilities	COVID Deferral*	Customer Connect Amortization	Amortize Deferred Billing	Adjust Coal Inventory	Cash working Capital - Present*	Interest Sync*	NC Tax Rate and Franchise Tax Rate changes	Correct Lead Lad	Unprotected EDIT - Remove from Rate base	Storm Normalization	Storm Securitization Regulatory Asset*	Exclude CCR ARO Subtotal
	NC5040 (Col. 30)	NC5060 (Col. 31)	NC5080 (Col. 32)	NC5090 (Col. 33)	NC5120 (Col. 34)	NC5130 (Col. 35)	NC6010 (Col. 36)	NC6020a (Col. 37)	NC6030 (Col. 38)	NC6040 (Col. 39)	NC6050 (Col. 40)	NC6090 (Col. 41)	NC7010 (Col. 42)	NC7040 (Col. 43)	(Col. 44)
Rate Base															
19 Electric plant in service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 2,502,137
20 Accumulated depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(694,410)
21 Net electric plant in service (L19 + L20)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,807,727
22 Materials and supplies	-	-	-	-	-	-	(19,302)	-	-	-	-	-	-	-	(89,287)
Other Working Capital															
23 Customer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	-	-	-	23,156	-	-	(2,435)	-	-	-	20,722
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	-	-	35,058	-	-	-	-	-	-	-	-	17,079	-	-	52,137
33 Other	67,170	(15,727)	(58,587)	117,792	(6,531)	-	-	-	-	-	-	-	-	(398)	223,155
34 Total Working Capital	\$ 67,170	\$ (15,727)	\$ (23,529)	\$ 117,792	\$ (6,531)	\$ -	\$ -	\$ 23,156	\$ -	\$ -	\$ (2,435)	\$ 17,079	\$ -	\$ (398)	\$ 296,014
35 Accumulated deferred income taxes	(15,684)	3,672	5,494	(27,505)	1,525	-	-	-	-	-	-	(3,988)	-	93	(64,334)
36 Operating reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38 Total Initial cost rate base	\$ 51,486	\$ (12,054)	\$ (18,035)	\$ 90,287	\$ (5,006)	\$ -	\$ (19,302)	\$ 23,156	\$ -	\$ -	\$ (2,435)	\$ 13,091	\$ -	\$ (305)	\$ 1,950,120
39 Rate Base revenue requirement impact	\$ 4,734	\$ (1,108)	\$ (1,658)	\$ 8,301	\$ (460)	\$ -	\$ (1,775)	\$ 2,129	\$ -	\$ -	\$ (224)	\$ 1,204	\$ -	\$ (28)	\$ 179,296
40 Income Tax on Interest Expense	\$ 339	\$ (79)	\$ (119)	\$ 594	\$ (33)	\$ -	\$ (127)	\$ 152	\$ -	\$ -	\$ (16)	\$ 86	\$ -	\$ (2)	\$ 12,826
41 Total Revenue requirement impact (L18+L39+L40)	\$ 9,053	\$ 3,544	\$ (1,807)	\$ 55,218	\$ 731	\$ -	\$ (1,902)	\$ 2,129	\$ (18,054)	\$ (19,857)	\$ (240)	\$ 1,290	\$ (4,859)	\$ (230)	\$ 348,261

* Subject to update throughout the proceeding.

DUKE ENERGY CAROLINAS, LLC
 DETAIL OF ACCOUNTING ADJUSTMENTS
 NORTH CAROLINA RETAIL

Compliance Filing Exhibit 2
 Page 3.8 of 3.8

	Remove Expiring Amortizations NC5010-CCR (Col. 45)	Amortized Deferred Environmental Cost* NC4010 (Col. 46)	Adjust for approved regulatory assets and liabilities NC5080-CCR (Col. 47)	CCR ARO Subtotal (Col. 48)	Total (Col. 49)	Cash working Capital - Proposed NC6020b (Col. 50)
Rate Base						
19 Electric plant in service	\$ -	\$ -	\$ -	\$ -	\$ 2,502,137	-
20 Accumulated depreciation and amortization	-	-	-	-	(694,410)	-
21 Net electric plant in service (L19 + L20)	\$ -	\$ -	\$ -	\$ -	\$ 1,807,727	\$ -
22 Materials and supplies	-	-	-	-	(89,287)	-
<u>Other Working Capital</u>						
23 Customer deposits	-	-	-	-	-	-
24 Cash Working Capital	-	-	-	-	20,722	27,358
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)	135,411	(50,858)	(90,790)	(90,790)	-
32 Adjustments to EDIT	-	-	-	-	52,137	-
33 Other	-	-	-	-	223,155	-
34 Total Working Capital	\$ (175,343)	\$ 135,411	\$ (50,858)	\$ (90,790)	\$ 205,224	\$ 27,358
35 Accumulated deferred income taxes	40,943	(31,619)	11,876	21,200	(43,134)	-
36 Operating reserves	-	-	-	-	-	-
37 Construction Work in Progress	-	-	-	-	-	-
38 Total Initial cost rate base	\$ (134,400)	\$ 103,792	\$ (38,983)	\$ (69,590)	\$ 1,880,530	\$ 27,358
39 Rate Base revenue requirement impact	\$ (10,862)	\$ 9,543	\$ (3,584)	\$ (4,904)	\$ 174,392	\$ 2,515
40 Income Tax on Interest Expense	\$ (884)	\$ 683	\$ (256)	\$ (457)	\$ 12,369	\$ 180
41 Total Revenue requirement impact (L18+L39+L40)	\$ (123,304)	\$ 44,327	\$ 10,391	\$ (68,586)	\$ 279,675	\$ 2,515

* Subject to update throughout the proceeding.

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

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	\$ 2,502,137	\$ 33,952,678
2	Less: Accumulated depreciation and amortization	4.2, Line 6	<u>(17,621,458)</u>	<u>(11,946,920)</u>	<u>(694,410)</u>	<u>(12,641,330)</u>
3	Net electric plant		28,941,047	19,503,621	1,807,727	21,311,348
4	Add: Materials and supplies	4.3, Line 5	1,099,948	758,618	(89,287)	669,331
5	Working capital investment	4.4, Line 13	(28,393)	253,217	205,224	458,440
6	Less: Accumulated deferred taxes		(4,013,932)	(2,769,097)	(43,134)	(2,812,232)
7	Operating reserves		(230,986)	(150,195)	-	(150,195)
8	Construction work in progress		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
9	Total		<u>\$ 25,767,684</u>	<u>\$ 17,596,163</u>	<u>\$ 1,880,530</u>	<u>\$ 19,476,693</u>

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

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

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	\$ 354,761	\$ 16,463,484
2	Transmission Plant	4,963,954	2,488,550	\$ 312,648	2,801,198
3	Distribution Plant	14,480,906	10,727,737	\$ 1,416,251	12,143,988
4	General Plant	1,424,450	970,940	\$ 365,095	1,336,034
5	Intangible Plant	<u>1,206,177</u>	<u>838,443</u>	<u>\$ 53,383</u>	<u>891,826</u>
6	Subtotal	46,094,047	31,134,393	2,502,137	33,636,530
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>\$ 2,502,137</u>	<u>\$ 33,952,678</u>

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

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

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)	\$ (585,758)	\$ (7,194,059)
2	Transmission Reserve	\$ (1,440,993)	\$ (722,765)	\$ (52,013)	(774,778)
3	Distribution Reserve	\$ (5,110,132)	\$ (3,785,538)	\$ (23,903)	(3,809,441)
4	General Reserve	\$ (459,397)	\$ (313,305)	\$ 22,954	(290,351)
5	Intangible Reserve	<u>(737,984)</u>	<u>(517,011)</u>	<u>\$ (55,690)</u>	<u>(572,701)</u>
6	Total	<u>\$ (17,621,458)</u>	<u>\$ (11,946,920)</u>	<u>\$ (694,410)</u>	<u>\$ (12,641,330)</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	6.37%			
9	Nuclear production plant	2.21%			
10	Hydro production plant	2.31%			
11	Other production plant	3.42%			
12	Transmission plant	2.43%			
13	Distribution plant	2.45%			
14	General plant	Various			
15	Intangible plant	20.00%			

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

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

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	\$ (19,302) (a)	\$ 112,314
2	Gas	42,456	28,652	\$ -	28,652
3	Total fuel stock	237,480	160,268	(19,302)	140,966
4	Other electric materials and supplies and stores clearing	862,469	598,351	\$ (69,985)	528,365
5	Total Materials and Supplies	\$ 1,099,948	\$ 758,618	\$ (89,287)	\$ 669,331

-- 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

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

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)	20,722 (b)	143,600	27,358 (c)	170,958
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	(90,790)	234,303		234,303
8	Adjustments to EDIT	(2,242,484)	(1,282,526)	52,137	(1,230,389)		(1,230,389)
9	Injuries and Damages	604,045	404,523	-	404,523		404,523
10	Other	737,510	433,066	223,155	656,222		656,222
11	Total investor advanced funds	39,976	300,417	205,224	505,641	27,358	532,999
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>\$ 205,224</u>	<u>\$ 458,440</u>	<u>\$ 27,358</u>	<u>\$ 485,798</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 this rate case
(c) Reflects a decrease in "operating funds per lead-lag study" for the impact of the revenue increase

DUKE ENERGY CAROLINAS, LLC
RECONCILIATION OF PROPOSED REVENUE REQUIREMENT
DOCKET NO. Docket No. E-7 Sub 1276 FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
(Thousands of Dollars)

Line No.	Item	Amount
1	Revenue requirement increase per Company application	371,502
2	Impact of Supplemental updates through June 2023	94,525
3		
4		
5		
6	Partial Settlement Adjustments	
7	NC1040 Customer Growth	(19)
8	NC2040 Executive Compensation	(335)
9	NC2050 Labor Annualization - Incentives	(7,910)
10	NC2080 Extra Facilities Revenue	(4,021)
11	NC2080 Adjustments to test year expenses - Lobbying/BOD/Donations	(2,453)
12	NC2080 Adjust Other Plant	(1,485)
13	NC2080 Adjust Other Plant - IIJA	(1,456)
14	NC2080 Adjust DE Plaza Plant	(3,072)
15	NC2080 Adjust Lee Unit 3 M&S	(47)
16	NC2090 Adjust Aviation	(0)
17	NC2110 Adjust non-labor O&M	(516)
18	NC2120 EOL Nuclear	(349)
19	NC2140 Adjust for non residential credit card fees	(1,524)
20	NC2150 Adjust for Duke Energy Plaza - rent	2,221
21	NC2160 Reliability Assurance	(1,454)
22	NC3030 Post test year additions	3,562
23	NC3040 Adjust for new depreciation rates	(42,976)
24	NC5020 Amortize Rate Case Costs	(756)
25	NC5040 Grid next tranche	(31,388)
26	NC5060 Amortize Allen NBV	(597)
27	NC5080 Adjust Approved Reg. Asset & Liabilities	(227)
28	NC5130 Lighting Audit Deferral	(205)
29	NC6010 Adjust Coal Inventory	(1,509)
30	NC6020a Cash working Capital -Present*	(59)
31	NC6020b Cash working Capital -Proposed*	(821)
32	Rounding/other	(93)
33	Total Settlement Adjustments	(97,487)
34	Revenue Requirement per Supplemental Revenue Requirement Stipulation	368,540
35		
36	Order Addressing Unresolved Issues	
37	ROE	(40,764)
38	Capital Structure	(0)
39	NC5090 COVID Deferral	(2,378)
40	NC5020 Amortize Rate case Costs	(1,078)
41	NC6020a Cash working Capital -Present*	(6)
42	NC6020b Cash working Capital -Proposed*	(344)
43	Rounding/other	26
44	Total unresolved	(44,544)
45		
46	Total Including unresolved issues	323,996
47		
48	EDIT	(10,547)
49	Over Amortization one year rider	(485)
50	Net Year 1 Base Revenue Requirement	312,964

NORTH CAROLINA RETAIL

Line No.	Item	Current EDIT-4 Rider	Additional Flowback		
			Year 1 Revenue Requirement (a) 1/15/24-12/31/24	Year 2 Revenue Requirement (b) 1/1/25-12/31/25	Year 3 Revenue Requirement (b) 1/1/26-5/31/26
	Rider Timing Months		11.5	12	5
1	Total NC retail regulatory liability currently being amortized	(906,162) [5]			
2	Additional NC retail Unprotected Federal EDIT regulatory liability		(17,079) [1]	(17,079) [1]	(17,079) [1]
3	Additional NC retail Deferred Revenue regulatory liability		(5,902) [1]	(5,902) [1]	(5,902) [1]
4	Total NC retail Unprotected Federal EDIT and Deferred Revenue regulatory liability to be amortized (L1 + L2 + L3)	(906,162) [5]	(22,981)	(22,981)	(22,981)
5	Annuity factor	4.2847 [5]	2.1950 [2]	2.1950 [2]	2.1950 [2]
6	Portion of Year	1.0000	0.9583	1.0000	0.4167
7	Additional Levelized rider EDIT regulatory liability (L4 / L5 x L6)	(211,488) [5]	(10,033)	(10,470)	(4,362)
8	One minus composite income tax rate	76.6498% [5]	76.6498% [3]	76.6498% [3]	76.6498% [3]
9	Net operating income effect (L7 x L8)	(162,105)	(7,690)	(8,025)	(3,343)
10	Retention factor	0.763589 [5]	0.760898 [4]	0.760898 [4]	0.760898 [4]
11	Proposed Change in Levelized rider EDIT-4 (L9 / L10)	<u>(\$212,294)</u>	<u>(\$10,106)</u>	<u>(\$10,547)</u>	<u>(\$4,393)</u>

- [1] Tax analysis of Unprotected Federal EDIT and Deferred Revenue balances estimated as of 1/1/2024 to be flowed back to NC retail.
- [2] Calculation of Levelized Factors, Line 6.
- [3] One minus composite income tax rate of 23.3503%
- [4] Q. Bowman Exhibit 1 Inputs
- [5] McManeus Exhibit 4 per Docket E-7 Sub 1214

NORTH CAROLINA RETAIL

<u>Calculation of Levelized Annuity Factor</u>			
1	Number of years	2.4	[1]
2	Payment per period	1	
3	After tax rate of return (L9)	6.996%	
4	Present value of 1 dollar annualized over number of years with with 1 payment per year (pro-rata for partial year)	2.1208	
5	1 plus (interest rate divided by two)	1.0350	
6	Annuity factor (L4 x L5)	<u>2.1950</u>	

	<u>Capital Structure</u>	<u>Cost Rates</u>	<u>Overall Rate of Return</u>	<u>Net of Tax Rate</u>	
	(a)	(b)	(c)	(d)	
<u>After Tax Rate of Return</u>					
7	Long-term debt	47.00% [2]	4.56% [2]	2.143% [3]	1.643% [4]
8	Common equity	53.00% [2]	10.10% [2]	5.353% [3]	5.353% [5]
9	Total	<u>100.00%</u>	<u>7.496%</u>	<u>6.996%</u>	
10	Statutory Tax Rate			23.35%	

[1] Unprotected EDIT and Deferred Revenue amortization period proposed.
 [2] Q. Bowman Exhibit 2 Page 2 Excluding ARO CCR
 [3] Column (a) times Column (b).
 [4] Column (c) times (1 minus statutory tax rate of 23.3503%).
 [5] Amount from Column (c).

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Revenue Annualization
For the Test Period Ending December 31, 2021

E1-10
NC1010 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma represents the additional North Carolina retail revenues, uncollectible expense, and regulatory fees required to reflect the annualization of rates in effect on January 6, 2023. Fuel is neutralized in the case through this adjustment and the fuel pro forma adjustment.

The impact to O&M expenses for uncollectible expense and the NCUC fee is determined by multiplying the impact to revenue by the uncollectible rate and the NCUC assessment rate.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(D) 3rd Supplemental Update

Updated for the new NCUC Regulatory Fee of .1475% in effect as of July 1, 2023

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Revenue Annualization
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC1010 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity	NC1010-1	220,249	220,249	220,249	-
2	Other Revenue					-
3	Electric operating revenue (L1+L2)		\$ 220,249	\$ 220,249	\$ 220,249	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power					-
9	Other operation and maintenance expense	NC1010-1	\$ 1,611	\$ 1,611	\$ 1,594	\$ 16
10	Depreciation and amortization					-
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortization					-
14	Net income taxes	NC1010-1	\$ 51,053	\$ 51,053	\$ 51,056	\$ (4)
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7:L15))		\$ 52,663	\$ 52,663	\$ 52,651	\$ 13
17						
18	Operating income (L3-L16)		\$ 167,586	\$ 167,586	\$ 167,598	\$ (13)
19	<u>Rate Base</u>					
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -

DUKE ENERGY CAROL NAS, LLC
Docket No. E-7, SUB 1276
Revenue Annualization
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC1010-1 Calculation
Page 1 of 1
Compliance

Line No.	Description	Per Book Total NC Retail Col. (a)	Present Total NC Retail Col. (b)	Present vs. Per Book (c) = (b) - (a)
1	<u>Revenues to be Collected in Proposed Rates</u>			
2	Retail Sales (Billed Revenues)	\$ 4,705,437 [1]	\$ 4,925,685 [1]	\$ 220,249
3				
4	Uncollectible (booked to O&M)			0.5847% [2]
5	NCUC Fee (booked to O&M)			0.1466% [3]
6	Impact to O&M - (L2 x (L4+ L5))			1,611
7				
8	Taxable income (L2 - L6)			\$ 218,638
9	Statutory tax rate			23.3503% [4]
10	Impact to income taxes (L8 x L9)			\$ 51,053
11				
12	Impact to operating income (L8 - L10)			\$ 167,586

[1] NC1010-2 Revenue- Billed Revenues and Present Revenues Annualized, Line 43
[2] NC1010-5 Uncollectibles
[3] NC1010-3 Regulatory Fee rate effective since July 1, 2022
[4] NC1010-4 2022 Calculation of Tax Rate, Line 10

Note: some totals may not foot or compute due to rounding.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Revenue Annualization
For the Test Period Ending December 31, 2021
(Amounts in Dollars)

E1-10
NC1010-2 Revenue
Page 1 of 1
Compliance

Line No.	Rate Class & Schedule	[1]	[2]	Revenue
		Total Booked Revenue	Annualized Base Revenue ¹	Annualization Adjustment
	(a)	(b)	(c)	(c) - (b)
2	Residential: Total	2,269,546,235	2,410,826,481	141,280,246
3	RS	1,312,016,218	1,395,820,116	83,803,898
4	ES	13,509,006	14,176,213	667,208
5	RS-CPP	354,920	377,798	22,878
6	RS-TOU-CPP	304,343	323,910	19,567
7	RS-TOUD-DPP	309,250	330,079	20,829
8	RSTC	38,033	40,363	2,330
9	RE	934,240,558	990,359,954	56,119,396
10	ESA	3,952,420	4,209,724	257,305
11	RE-CPP	347,161	371,748	24,588
12	RE-TOU-CPP	288,972	309,396	20,424
13	RE-TOUD-DPP	271,065	291,773	20,708
14	RETC	54,792	58,642	3,851
15	RT	3,859,497	4,156,763	297,266
16	General Service: Total	858,394,697	848,825,304	(9,569,393)
17	BC	3,682,629	3,287,528	(395,100)
18	SGS	479,274,598	467,778,822	(11,495,776)
19	SGS-CATV	6,759,992	6,093,009	(666,983)
20	SGS-CPP	328,843	319,732	(9,111)
21	SGS-TOU-CPP	121,587	118,099	(3,488)
22	SGS-TOUD-DPP	178,232	175,927	(2,305)
23	SGSTC	14,528	13,892	(636)
24	LGS	367,890,123	370,892,935	3,002,813
25	PG	144,166	145,359	1,193
26	Industrial: Total	153,692,690	152,656,803	(1,035,888)
27	I	153,692,690	152,656,803	(1,035,888)
28	OPT: Total	1,293,187,887	1,369,947,271	76,759,384
29	OPTVPL	420,716,479	455,277,532	34,561,054
30	OPTVPM	42,104,569	44,675,750	2,571,182
31	OPTVPS	20,511,419	22,338,556	1,827,137
32	OPTVSL	135,876,495	145,838,696	9,962,201
33	OPTVSM	128,488,863	136,132,792	7,643,929
34	OPTVSS	462,485,251	474,902,604	12,417,353
35	OPTE	650,997	638,461	(12,536)
36	OPTVT	82,353,815	90,142,879	7,789,064
37	Lighting: Total	130,615,005	143,429,558	12,814,553
38	OL	94,085,086	101,957,164	7,872,077
39	S	2,837	2,694	(144)
40	PL	34,324,691	39,434,723	5,110,031
41	NL	64,530	66,267	1,737
42	TS	2,137,860	1,968,711	(169,149)
43	Grand Total	4,705,436,515	4,925,685,417	220,248,902

¹ Annualized Base Revenues include:

- Test year sales priced at base rates effective 6/1/2021²
- + Standby charges
- + Service riders: Riders EC, GSA, SG and SCG
- + Present base fuel effective 9/1/2022
- + Spread factor adjustment of estimated to reported Per Book

² Base rates effective 10/1/2021 for new Schedules RSTC, RETC and SGSTC

Source: Duke Energy Carolinas Rate Design

[1] DEC COS 440-445 RETAIL SALES-BILLED

[2] Witness Beveridge Exh bit No. 2

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Revenue Annualization
For the Test Period Ending December 31, 2021

E1-10
NC1010-3 Regulatory Fee
Page 1 of 1
Compliance

NCUC Statutory Regulatory Fee Percentage Rate

Line	No.	Rate	Description
	1	0.1475%	Current statutory regulatory fee percentage rate
	2	99.4153%	1 less current uncollectibles rate on NC-1010-5
	3	<u>0.146638%</u>	Adjusted statutory regulatory fee percentage rate (<i>excluding uncollectibles rate</i>)

Docket M-100 Sub 142

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. M-100, SUB 142

At present, the Commission's regulatory fee for noncompetitive jurisdictional revenues is 0.14%. Pursuant to N.C.G.S. § 62-302(b)(3), the Commission has reviewed the estimated cost of operating the Commission and the Public Staff for the next fiscal year, including the reserve margin permitted under N.C.G.S. § 62-302(a), and has determined that the regulatory fee for noncompetitive jurisdictional revenues should be increased to 0.1475%, effective July 1, 2023.

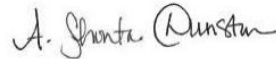
IT IS, THEREFORE, ORDERED as follows:

1. That the regulatory fee for noncompetitive jurisdictional revenues shall be, and is hereby, set at 0.1475%, effective July 1, 2023; and
2. That the Chief Clerk shall serve this Order on all utilities regulated by the Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the 30th day of June, 2023.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Chief Clerk

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Revenue Annualization
For the Test Period Ending December 31, 2021

E1-10
NC1010-4 Tax Rate
Page 1 of 1
Compliance

2022 Calculation of Tax Rates

Current (Statutory) and Deferred Tax Rate Per "Provision" - Year 2022

<u>Line No.</u>	<u>Description</u>	<u>Total</u>	<u>Statutory Rate</u> (a)	<u>Allocation Factor</u> (b)	<u>Composite Rate</u> (a) x (b)
1		100.0000%			
2					
3	North Carolina	1.6750%	2.5000%	67.0000%	1.6750%
4	South Carolina	1.3000%	5.0000%	26.0000%	1.3000%
5	Federal Taxable Income (L2 - L3 - L4)	97.0250%			
6	Federal Tax Rate	21.0000%			
7	Federal Net of State (L5 x L6)	20.3753%			
8	North Carolina (L3)	1.6750%			
9	South Carolina (L4)	1.3000%			
10	Composite Tax Rate (L7 + L8 + L9)	23.3503%			

Source: Duke Energy Tax Department

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Revenue Annualization
For the Test Period Ending December 31, 2021

E1-10
NC1010-5 Uncollectibles
Page 1 of 1
Compliance

Uncollectibles Rate

<u>Line No.</u>	<u>Description</u>	<u>Source</u>	<u>Total System</u>
1	Uncollectibles Expense (904)	COS	37,268,848 [1]
2	Retail rate revenue (440 - 445)	<i>Trial Balance</i>	6,373,610,272 [2]
3	Uncollectibles Rate	<i>L1 / L2</i>	0.5847%

- [1] DEC NC COS 904 CUST ACCTS EXP-UNCOLLECT. ACCTS
[2] FERC Accounts 440-445, excluding Unbilled Revenue

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Eliminate Unbilled Revenues
For the Test Period Ending December 31, 2021

E1-10
NC1020 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This adjustment to revenue reflects the elimination of the estimated unbilled revenue the Company recorded for the difference between kWh sales billed during the test period and kWh used by customers during the test period.

The impact to income taxes was determined by multiplying taxable income by the statutory tax rate.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Eliminate Unbilled Revenues
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC1020 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity	NC1020-1	8,126	8,126	-
2	Other Revenue				-
3	Electric operating revenue (L1+L2)		\$ 8,126	\$ 8,126	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense				-
10	Depreciation and amortization				-
11	General taxes				-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC1020-1	\$ 1,898	\$ 1,898	-
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ 1,898	\$ 1,898	\$ -
17					
18	Operating income (L3-L16)		\$ 6,229	\$ 6,229	\$ -
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Eliminate Unbilled Revenues
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC1020-1 Calculation
Page 1 of 1
Compliance

Line No.	Description	Total NC Retail
1	<u>North Carolina Retail Unbilled Revenues:</u>	
2	North Carolina Retail Unbilled Revenue (Accounts 440.990, 442.190, 442.290, 444.990)	8,126 [1]
3	Impact to revenue	<u>\$ 8,126</u>
4		
5	Taxable income (L3)	\$ 8,126
6	Statutory tax rate	23.3503% [2]
7	Impact to income taxes (L5 x L6)	<u>\$ 1,898</u>
8		
9	Impact to operating income (L5 - L7)	<u><u>\$ 6,229</u></u>

[1] Remove unbilled revenue reflected in COS Study 440-445 RETAIL SALES-UNBILLED REVENUES-NCR
[2] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Adjust Other Revenue
For the Test Period Ending December 31, 2021

E1-10
NC1030 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma reflects adjustments to revenue, O&M, general taxes and income taxes to update various other revenues.

These fees are recoded in miscellaneous revenue accounts. The impact to revenue for fees is determined by multiplying the number of units for NC in the test period by the current rate to arrive at current revenues. The test period units are then multiplied by the proposed rate to arrive at the proposed revenue. The difference between the current and proposed other revenues is the adjustment amount.

The impact to O&M for the NCUC Regulatory fee and uncollectibles is determined by multiplying the impact to revenue by the assessment rates.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Adjust Other Revenue
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC1030 Summary
Page 1 of 1
Compliance

Line No	Impacted Income Statement Line Items	Source	Total NC Retail Compliance	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity				-
2	Other Revenue	NC1030-1	(3,748)	(3,748)	-
3	Electric operating revenue (L1+L2)		\$ (3,748)	\$ (3,748)	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense	NC1030-1	\$ (27)	\$ (27)	-
10	Depreciation and amortization				-
11	General taxes				-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC1030-1	\$ (869)	\$ (869)	-
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ (896)	\$ (896)	\$ -
17					
18	Operating income (L3-L16)		\$ (2,852)	\$ (2,852)	\$ -
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25 L27))		\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Adjust Other Revenue
For the Test Period Ending December 31, 2021
(Dollars in thousands)

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NC1030-1 Calculation
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Line No.	Description	Total NC Retail
1	Total Current Other Revenues (451 a/c)	\$ 7,033 [1]
2	Total Proposed Other Revenues (451 a/c)	\$ 3,285 [2]
3	Impact to revenue (L2 - L1)	\$ (3,748)
4		
5	Uncollectible (booked to O&M)	0.5847% [3]
6	NCUC Fee (booked to O&M)	0.1392% [4]
7	Impact to O&M - (L3 x (L5+ L6))	\$ (27)
8		
9	Taxable income (L3 - L7)	\$ (3,721)
10	Statutory tax rate	23.3503% [5]
11	Impact to income taxes (L9 x L10)	\$ (869)
12		
13	Impact to operating income (L9 - L11)	\$ (2,852)

- [1] NC1030-2 Annual revenue current, Line 15
- [2] NC1030-2 Annual revenue proposed, Line 15
- [3] NC1010-5 Uncollectibles Line 3
- [4] NC1010-3 Regulatory Fee Line 3
- [5] NC1010-4 2022 Calculation of Tax Rates, Line 10

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DEC NC - Misc. Service Charges

Line No.	(A) Charge / Timeframe	(B) Test Year Units	(C) Test Year Rates	(D) Test Year Revenue (B) * (C)	(E) Proposed Units	(F) Proposed Rate	(G) Proposed Revenue (E) * (F)	(H) Change (G) - (D)	(I) Percent Change (H) / (D)
1									
2									
3	Connect Charge	365,202		\$6,292,708	365,202	\$8.00	\$2,921,616	(\$3,371,092)	-54%
4	January 2021 - May 2021	179,549	\$24.18	\$4,341,495					
5	June 2021 - December 2021	185,653	\$10.51	\$1,951,213					
6	Reconnect Fee	26,281		\$587,052	26,281	\$8.00	\$210,251	(\$376,801)	-64%
7	Normal Hours: January 2021 - May 2021	18,337	\$27.13	\$497,471					
8	Normal Hours: June 2021 - December 2021	5,127	\$9.25	\$47,427					
9	After Hours: January 2021 - May 2021	746	\$27.13	\$20,235					
10	After Hours: June 2021 - December 2021	2,072	\$10.58	\$21,919					
11	Manually Read Meter			\$152,985			\$152,985	\$0	0%
12	Initial Set-up Fee	0	\$150.00	\$0	0	\$150.00	\$0	\$0	0%
13	Rate per Month	13,020	\$11.75	\$152,985	13,020	\$11.75	\$152,985	\$0	0%
14									
15	Total			\$ 7,032,745			\$ 3,284,852	\$ (3,747,893)	-53%

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NC1040 Narrative
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E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma annualizes revenue, fuel expense, operation and maintenance expense, and income taxes to reflect changes in the number of customers and usage per customer during the test period.

The impact to revenue was determined as follows:

To determine the additional revenue requirement resulting from customer growth, the monthly increase in number of customers was multiplied by the applicable average monthly kWh consumption per customer to derive the annualized change in kWh consumption based on the number of customers at the end of the test period.

The impact to fuel expense was determined by multiplying the 'Customer growth adjustment to KWH sales - NC kWh adjustment' by the most recent approved fuel rate (excluding EMF).

The impact to other operation and maintenance expense is determined by:

Variable O&M Adjustment - adjusts energy related O&M for the change in kWh due to the change in growth and usage per customer.

The Per Bill Adjustment - adjust O&M for the change in variable cost due to the change in number of bills to be generated.

Regulatory Fee - multiplying the impact to revenue by the statutory regulatory fee percentage rate and the uncollectibles rate.

The impact to income taxes was determined by multiplying taxable income by the statutory tax rate.

This adjustment updates revenues to reflect customer growth experienced beyond the test period, through July 2023.

(A) December Update

Updated for actual customer growth and change in usage through December 2022

(B) 1st Supplemental Update

Updated for actual customer growth and change in usage through April 2023

(C) 2nd Supplemental Update

Updated for actual customer growth and change in usage through May 2023

(D) 3rd Supplemental Update

Updated for actual customer growth and change in usage through June 2023

(S3) Settlement

NC1040-8 Bill Related update for impacts of settlement

(S4) Settlement

NC1040-8 Bill Related update for impacts of settlement

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Line No	Impacted Income Statement Line Items	Source	Total	Total	Total	Total	Total	Total
			NC Retail Compliance	NC Retail Third Supplemental	NC Retail Second Supplemental	NC Retail Supplemental	NC Retail Application	NC Retail Change
1	Sales of Electricity	NC1040-1	53,669	53,669	55,465	69,152	63,081	(9,412)
2	Other Revenue							-
3	Electric operating revenue (L1+L2)		\$ 53,669	\$ 53,669	\$ 55,465	\$ 69,152	\$ 63,081	\$ (9,412)
4								
5	<u>Electric operating expenses:</u>							
6	Operation and maintenance:							
7	Fuel used in electric generation	NC1040-1	8,715	8,715	8,508	12,224	12,386	(3,671)
8	Purchased power							-
9	Other operation and maintenance expense	NC1040-1	2,767	2,785	2,683	3,056	2,570	196
10	Depreciation and amortization							-
11	General taxes							-
12	Interest on customer deposits							-
13	EDIT Amortization							-
14	Net income taxes	NC1040-1	9,851	9,847	10,338	12,579	11,237	(1,386)
15	Amortization of investment tax credit							-
16	Total electric operating expenses (sum(L7:L15))		\$ 21,333	\$ 21,347	\$ 21,529	\$ 27,859	\$ 26,193	\$ (4,861)
17								
18	Operating income (L3-L16)		\$ 32,337	\$ 32,323	\$ 33,936	\$ 41,293	\$ 36,888	\$ (4,551)
19								
	<u>Rate Base</u>	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Line No.	Description	NC Residential	NC General Service Small and Large	NC General OPT Service Small and Large	NC General Miscellaneous SGS (BC)	Lighting T & T2	Lighting TS	NC Industrial	NC OPT Industrial	Total NC Retail
1	Revenue Adjustment									
2	Customer Growth Revenue adjustment	\$ 71,782	\$ 22,192	\$ 9,200	\$ (668)	\$ (2,500)	\$ 10	\$ 1,960	\$ 163	\$ 102,139 [1]
3	Customer Usage revenue adjustment	(31,811)	(3,615)	7,610	440	-	30	122	(21,246)	(48,469) [2]
4	Total Revenue adjustment	\$ 39,971	\$ 18,577	\$ 16,810	\$ (228)	\$ (2,500)	\$ 40	\$ 2,082	\$ (21,083)	\$ 53,669
5										
6	Fuel Adjustment									
7	Fuel and fuel related costs ¢/kWh (excluding EMF)	2,0003	1,8217	1,8217	1,8217	1,8217	1,8217	1,8396	1,8396	[3]
8	Customer growth and usage adjustment to kWh sales	325,950,305	199,474,617	280,715,740	2,745,832	(10,190,573)	233,859	28,408,262	(377,456,041)	449,882,001 [4]
9	Impact to fuel - May (L7 x (L8 / 100,000))	\$ 6,520	\$ 3,634	\$ 5,114	\$ 50	\$ (186)	\$ 4	\$ 523	\$ (6,944)	\$ 8,715
10										
11	O&M Adjustments									
12	Uncollectibles Rate	0.58474% [5]	\$ 234	\$ 109	\$ 98	\$ (1)	\$ (15)	\$ 0	\$ (123)	\$ 314
13	Statutory regulatory fee percentage rate	0.14664% [6]	\$ 59	\$ 27	\$ 25	\$ (0)	\$ (4)	\$ 0	\$ (31)	\$ 79
14										
15	Energy Related O&M	NC1040-6	\$ 586	\$ 359	\$ 505	\$ 5	\$ (18)	\$ 0	\$ (679)	\$ 809 [7]
16	Customer Related O&M	NC1040-6	\$ 1,541	\$ 184	\$ (0)	\$ (53)	\$ (108)	\$ 1	\$ (1)	\$ 1,565 [7]
17										
18	Total Impact to O&M	\$ 2,419	\$ 679	\$ 627	\$ (49)	\$ (144)	\$ 2	\$ 68	\$ (834)	\$ 2,767
19										
20	Taxable income (L4 - L9 - L14)	\$ 31,032	\$ 14,264	\$ 11,069	\$ (228)	\$ (2,170)	\$ 34	\$ 1,492	\$ (13,305)	\$ 42,188
21										
22	Impact to income taxes (L20 x Tax rate)	23.3503% [8]	\$ 7,246	\$ 3,331	\$ 2,585	\$ (53)	\$ (507)	\$ 8	\$ 348	\$ (3,107)
23										
24	Impact to operating income (L20 - L22)	\$ 23,786	\$ 10,934	\$ 8,484	\$ (175)	\$ (1,663)	\$ 26	\$ 1,144	\$ (10,199)	\$ 32,337

[1] NC1040-2 Growth Adj - Calculation of Customer Growth Adjustments
 [2] NC1040-3 Usage Adj - Calculation of Customer Usage Adjustments
 [3] NC2010-2 - Proposed fuel and fuel related costs ¢/kWh (excluding EMF), Docket No. E-7, Sub 1263, Sykes Revised Exhibit 1, Line 9
 [4] NC1040-4 KWH Adj column (c)
 [5] NC1010-5 Uncollectibles, Line 3
 [6] NC1010-3 Regulatory Fee - NCUC Statutory Regulatory Fee Percentage Rate - Adjusted, Docket No. M-100, Sub 142, Line 3
 [7] NC1040-6 Other OM
 [8] NC1010-4 2022 Calculation of Tax Rates, Line 10

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Calculation of Customer Growth Revenue Adjustment

Line No.	Rate Schedule	Customer Growth kWh [1] (a)	Cents Per kWh (b)	Revenue Adjustment (c) = (a) x (b)
1	NC Residential	663,412,325	9.43 [3]	\$ 62,537
2				
3	General Service Small and Large-OPT	153,088,974	6.01 [2]	9,200
4	General Service Small and Large-Non OPT	241,788,958	9.18	22,192
5	Miscellaneous	<u>(4,142,672)</u>	16.13 [2]	<u>(668)</u>
6	NC General: Total (Sum L3 through L5)	390,735,260		\$ 30,724
7				
8	T & T2	(10,190,573)	24.53 [2]	(2,500)
9	TS	<u>47,549</u>	20.99 [2]	<u>10</u>
10	NC Street Lighting: Total (L8 + L9)	(10,143,024)		\$ (2,490)
11				
12	Industrial OPT	2,921,425	5.59 [2]	163
13	Industrial Non OPT	<u>26,732,846</u>	7.33 [2]	<u>1,960</u>
14	NC Industrial: Total	29,654,270		\$ 2,123
15				
16		<u># of Customers</u>	<u>BFC</u>	
17	NC Residential Change in number of customers	660,340 [5]	14.00 [4]	\$ 9,245
18				
19	NC Retail: Total (L1 + L6 + L10 + L14 + L17)			<u>\$ 102,139</u>

[1] NC1040-4 KWH Adj - column (a) NC Proposed Customer Growth Adjustment
 [2] NC1040-5 Act KWH column (e) all inclusive cents per kWh
 [3] NC1040-5 Act KWH column (f) cents per kWh excluding basic facilities charge
 [4] Witness Beveridge Exhibits - Residential Basic Facilities Charge \$14
 [5] NC1040-6 Other OM Line 14 Change in number of Residential bills

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Calculation of Customer Usage Revenue Adjustment

Line No.	Rate Schedule	NC Proposed kWh Adjustment (a)	[1]	Cents Per kWh (b)	[2]	Revenue Adjustment (c) = (a) x (b)
1	NC Residential (L1 + L2)	(337,462,020)		9.43		\$ (31,811)
2						
3	General Service Small and Large					
4	General Service (OPT only)	127,626,765		5.96		7,610
5	General Service (non-OPT only)	(42,314,341)		8.54		(3,615)
6	Miscellaneous	6,888,504		6.39		440
7	NC General: Total (L3 + L6)	92,200,929				\$ 4,436
8						
9	T & T2	-				-
10	TS	186,310		15.99		30
11	NC Street Lighting: Total (L9 + L10)	186,310				\$ 30
12						
13	Industrial					
14	Industrial (OPT only)	(380,377,465)		5.59		(21,246)
15	Industrial (non-OPT only)	1,675,416		7.29		122
16	NC Industrial: Total	(378,702,049)				\$ (21,124)
17						
18	NC Retail: Total (L1 + L7 + L11 + L16)	(623,776,831)				\$ (48,469)

[1] NC1040-4 KWH Adj - column (b) NC Proposed Customer Usage Adjustment
[2] NC1040-5 Act KWH column (f) cents per kWh excluding basic facilities charge

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Customer Growth and Usage Adjustment to kWh Sales

Line No.	Rate Schedule	NC Proposed Customer Growth kWh Adjustment (a)	NC Proposed Change in Usage kWh Adjustment (b)	NC Proposed kWh Adjustment (c) = (a) + (b)
1	NC Residential	663,412,325	(337,462,020)	325,950,305
2				
3	NC General:			
4	General Service (OPT only)	153,088,974	127,626,765	280,715,740
5	General Service (non-OPT only)	241,788,958	(42,314,341)	199,474,617
6	Miscellaneous	<u>(4,142,672)</u>	<u>6,888,504</u>	<u>2,745,832</u>
7	Total General	<u>390,735,260</u>	<u>92,200,929</u>	<u>482,936,189</u>
8				
9	NC Public Street Lighting:			
10	T & T2 (GL, FL, PL, OL)	(10,190,573)		(10,190,573)
11	TS	<u>47,549</u>	<u>186,310</u>	<u>233,859</u>
12	Total Street Lighting	<u>(10,143,024)</u>	<u>186,310</u>	<u>(9,956,714)</u>
13				
14	NC Industrial:			
15	Industrial (OPT only)	2,921,425	(380,377,465)	(377,456,041)
16	Industrial (non-OPT only)	<u>26,732,846</u>	<u>1,675,416</u>	<u>28,408,262</u>
17	Total Industrial	<u>29,654,270</u>	<u>(378,702,049)</u>	<u>(349,047,779)</u>
18				
19				
20	Total	<u><u>1,073,658,832</u></u>	<u><u>(623,776,831)</u></u>	<u><u>449,882,001</u></u>

Notes:

Two approved methods are used for estimating the growth adjustment depending on the class/schedule

"Regression" refers to the use of Ordinary Least Squares Regression

"Customer" refers to the use of the Customer by Customer approach

Information provided by Duke Energy Carolinas Rate Design

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Billed Revenues and Present Revenues Annualized - North Carolina Retail

Line No.	Description	North Carolina Retail Present Revenues		Basic Facilities Charge (b)	Present Revenue Excluding Basic Facilities (c) (a)-(b)	Per Book kWh Sales (d)	All-Inclusive ¢ / kWh (e) (a)/(d)	w/o BFC ¢ / kWh (f) (c)/(d)
		Annualized (a)	Present Revenues (b)					
1	Residential	2,410,819,184	301,247,674		2,109,571,510	22,379,004,323	10.77	9.43
2	Class RS	1,411,064,544	173,709,830		1,237,354,714	12,660,647,618		
3	RS	1,395,816,237	171,921,834		1,223,894,403	12,518,109,925		
4	ES	14,176,161	1,650,852		12,525,309	132,230,485		
5	RS-CPP	377,797	48,202		329,595	3,591,365		
6	RS-TOU-CPP	323,909	41,804		282,105	3,086,298		
7	RS-TOUD-DPP	330,078	40,698		289,380	3,260,783		
8	RSTC	40,363	6,440		33,923	368,762		
9	Class RE	999,754,640	127,537,844		872,216,796	9,718,356,705		
10	RE	990,356,632	126,524,958		863,831,674	9,620,481,323		
11	ESA	4,209,708	551,670		3,658,038	41,954,365		
12	RE-CPP	371,747	50,036		321,711	3,807,268		
13	RE-TOU-CPP	309,395	43,092		266,303	3,168,009		
14	RE-TOUD-DPP	291,772	36,568		255,204	3,158,164		
15	RETC	58,642	8,232		50,410	588,563		
16	RT	4,156,745	323,288		3,833,457	45,199,014		
17								
18	General Service	845,594,621	58,582,022		787,012,599	9,213,108,150	9.18	8.54
19	Class SGS	474,502,460	56,086,428		418,416,031	4,386,118,793	10.82	9.54
20	SGS	467,781,804	53,271,000		414,510,804	4,315,891,995		
21	SGS-CATV	6,093,005	2,724,954		3,368,051	64,260,449		
22	SGS-CPP	319,732	53,497		266,235	2,909,187		
23	SGS-TOU-CPP	118,099	20,069		98,030	1,074,987		
24	SGS-TOUD-DPP	175,927	14,446		161,482	1,868,578		
25	SGSTC	13,892	2,463		11,430	113,598		
26	Class LGS	371,092,161	2,495,594		368,596,567	4,826,989,357	7.69	7.64
27	LGS	370,946,802	2,490,561		368,456,241	4,826,822,606		
28	PG	145,359	5,033		140,326	166,751		
29	Class General Miscellaneous	3,288,783	1,985,517		1,303,266	20,392,317	16.13	6.39
30	BC	3,288,783	1,985,517		1,303,266	20,392,317		
31								
32	Industrial	152,528,261	825,777		151,702,483	2,080,236,237	7.33	7.29
33	I	152,528,261	825,777		151,702,483	2,080,236,237		
34								
35	OPT	1,369,944,656	6,629,652		1,363,315,004	23,504,701,520	5.83	5.80
36	OPTVPL	455,276,463	47,901		455,228,562	8,438,110,251		
37	OPTVPM	44,675,668	26,412		44,649,257	772,176,778		
38	OPTVPS	22,338,509	53,145		22,285,364	400,394,617		
39	OPTVSL	145,836,325	24,674		145,811,650	2,620,988,729		
40	OPTVSM	136,132,507	93,068		136,039,439	2,261,832,401		
41	Class OPTVSS	565,683,185	6,384,452		559,298,732	9,011,198,745	6.28	6.21
42	OPTVSS	474,902,033	6,378,056		468,523,977	7,157,637,089		
43	OPTV	638,461	4,948		633,512	10,878,770		
44	OPTVT	90,142,691	1,448		90,141,243	1,842,682,887		
45	OPTVGL	802,951,419	6,221,903		796,729,515	13,361,319,733	6.01	5.96
46	OPTVGPL	196,123,821	17,887		196,105,935	3,621,710,120		
47	OPTVGP	26,994,805	17,340		26,977,465	471,339,653		
48	OPTVGPS	13,185,908	43,816		13,142,093	209,055,829		
49	OPTVGLS	42,949,777	7,206		42,942,571	772,763,970		
50	OPTVGS	59,020,182	41,692		58,978,490	985,376,281		
51	OPTVSSS	405,573,239	6,093,223		399,480,016	6,098,539,529		
52	OPTVGT	59,103,686	740		59,102,946	1,202,534,351		
53	OPTVI	566,354,777	402,801		565,951,976	10,132,503,018	5.59	5.59
54	OPTVIPL	259,152,641	30,015		259,122,627	4,816,400,131		
55	OPTVIPM	17,680,863	9,072		17,671,791	300,837,124		
56	OPTVIP	9,152,601	9,329		9,143,271	191,338,788		
57	OPTVISL	102,888,548	17,468		102,871,079	1,848,224,759		
58	OPTVISM	77,112,325	51,375		77,060,950	1,276,456,120		
59	OPTVISS	69,328,794	284,833		69,043,961	1,059,097,561		
60	OPTVIT	31,039,004	708		31,038,297	640,148,535		
61								
62	Lighting	143,429,521	468,908		142,960,613	585,947,590	24.48	24.40
63	Class T & T2	141,460,810	283		141,460,527	576,568,721	24.53	24.53
64	OL	101,957,143			101,957,143	336,848,370		
65	S	2,694	283		2,410	40,116		
66	PL	39,434,708			39,434,708	239,599,561		
67	NL	66,267			66,267	80,674		
68	Class TS	1,968,710	468,625		1,500,086	9,378,869	20.99	15.99
69	TS	1,968,710	468,625		1,500,086	9,378,869		
70								
71	Total Before Hourly Pricing	4,925,605,025	369,739,550		4,555,865,475	57,783,390,137	8.52	7.88
72								
73	Hourly Pricing	14,298,059			14,298,059	285,031,905	5.02	5.02
74	HP-I	(82)			(82)	(3,924)		
75	HP-LGS	395,115			395,115	5,920,236		
76	HP-OPTVGL	11,875,643			11,875,643	223,666,417	5.31	5.31
77	HP-OPTVGPL	10,586,222			10,586,222	197,673,569		
78	HP-OPTVGPS	1,289,421			1,289,421	25,992,848		
79	HP-OPTVI	2,027,384			2,027,384	55,449,175	3.66	3.66
80	HP-OPTVIPL	43,721			43,721	19,110,823		
81	HP-OPTVIP	750,831			750,831	6,393,760		
82	HP-OPTVISL	1,047,935			1,047,935	25,440,491		
83	HP-OPTVISS	184,897			184,897	4,504,100		
84								
85	Total Retail Electric Sales	4,939,903,084	369,739,550		4,570,163,534	58,068,422,042	8.51	7.87

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Dec 20 2023

DUKE ENERGY CAROL NAS, LLC
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Customer Growth
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NC1040-6 Other OM
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Customer Growth and Usage Adjustment to Other O&M

Line No.		Energy related non fuel O&M		
		Customer Growth & Usage MWH [1]	O&M \$/MWh [2]	Adjustment (in thousands) [c] = ([a] * [b])/1000
1	<u>Energy related non fuel O&M</u>			
2		[a]	[b]	
3	Residential	325,950	\$1.7977	\$ 586
4	General Service - OPT	280,716	\$1.7977	505
5	General Service - non OPT	199,475	\$1.7977	359
6	Miscellaneous	2,746	\$1.7977	5
7	Lighting T & T2	(10,191)	\$1.7977	(18)
8	Lighting TS	234	\$1.7977	0
9	Industrial - OPT	(377,456)	\$1.7977	(679)
10	Industrial - non OPT	28,408	\$1.7977	51
11	Total Energy related O&M	449,882		\$ 809

Line No.	Customer related variable O&M	Test Year	Projected	Change in number of bills	Cost per bill [d]	Adjustment [e] = ([c] * [d])/1000
		Number of bills [a]	Number of bills at End of Extended Period [b]			
12				[c] = [b] - [a]		
13		[a]	[b]		[d]	[e] = ([c] * [d])/1000
14	Residential	21,837,128	22,497,468	[3] 660,340	\$2 33	\$ 1,541
15	General Service - OPT	195,271	195,191	[4] (80)	\$2 33	(0)
16	General Service - non OPT	3,042,170	3,121,230	[4] 79,060	\$2 33	184
17	Miscellaneous	110,618	88,032	[3] (22,586)	\$2 33	(53)
18	Lighting T & T2	2,637,981	2,591,736	[3] (46,245)	\$2 33	(108)
19	Lighting TS	71,756	72,120	[3] 364	\$2 33	1
20	Industrial - OPT	12,789	12,380	[4] (409)	\$2 33	(1)
21	Industrial - non OPT	43,551	44,095	[4] 544	\$2 33	1
22	Total	27,951,264	28,622,252	670,988		\$ 1,565
23						
24	Total Adjustment					\$ 2,374

Notes

- [1] NC1040-4 KWH Adj
- [2] NC1040-7 Variable OM Line 33
- [3] Estimated number of bills based on forecasted growth rate. Figures will be updated with twelve months ended June 2023.
- [4] Total number of bills as of twelve months ended April 2023. Figures will be updated with twelve months ended June 2023.
- [5] Provided by Rate Design
- [6] NC1040-8 Bill Related Line 40

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Line No.	tem	System Amount (a)	NC Retail Allocation (b)	NC Retail Amount (a) * (b) = (c)
1	Total Production O&M			
2	500-557 PROD EXP-DEMAND	\$ 544,073	66.97% [2]	364,360
3	500-557 PROD EXP-DEMAND-EXCL	13	0.00%	-
4	500-557 PROD EXP-DSM/EE-DEMAND-RETA L	32,501	73.47% [3]	23,878
5	500-557 PROD EXP-PRES COSTS-NC	12	94.03% [4]	11
6	500-557 PROD EXP-NUC LEVELIZ-NCR	6,976	100.00% [5]	6,976
7	500-557 PROD EXP-NUC LEVELIZ-SCRGW	2,395	0.00%	-
8	500-557 PROD EXP-OTHER-DEMAND-SCRGW	94	0.00%	-
9	500-557 PROD EXP-SOLAR-D/A	54	94.03% [4]	51
10	Total Demand Related	<u>586,119</u>		<u>395,277</u>
11				
12	500-557 PROD EXP-BPM & WO SHAR NG-NCR	39	100.00% [5]	39
13	500-557 PROD EXP-BPM & WO SHAR NG-NCWHL	7	0.00%	-
14	500-557 PROD EXP-BPM & WO SHAR NG-SCRGW	6	0.00%	-
15	500-557 PROD EXP-BPM & WO SHAR NG-SCWHL	12	0.00%	-
16	500-557 PROD EXP-DERP-D/A	12	0.00%	-
17	500-557 PROD EXP-DSM/EE-ENERGY-RETAIL	74,728	73.89% [6]	55,218
18	500-557 PROD EXP-ENERGY	<u>154,677</u>	67.49% [7]	<u>104,387</u>
19	Total Energy Related	<u>229,481</u>		<u>159,644</u>
20				
21	Total Production O&M	<u>815,600</u> [1]		<u>554,921</u> [1]
22				
23	Total Energy Related (L19)			159,644
24	500-557 PROD EXP-BPM & WO SHAR NG-NCR			(39)
25	500-557 PROD EXP-DERP-D/A			-
26	500-557 PROD EXP-DSM/EE-ENERGY-RETAIL			<u>(55,218)</u>
27	Total Non Fuel, Non Clause Energy Related Production O&M			<u>104,387</u>
28				
29	Total Variable Production O&M expense (L27)			\$ 104,387
30				
31	Per books NC retail MWh sales			<u>58,068,422</u> [8]
32				
33	Cost per MWh (in dollars) (L23 / L24)			1.7977

[1] DEC NC 12CP COS Study OTHER O&M PROD EXP
 [2] NC Retail Allocation Factor - All - Production Demand - Jur
 [3] NC Retail Allocation Factor - Retail - Production Demand - Jur
 [4] NC Retail Allocation Factor - NC - Production Demand - Jur
 [5] Direct Assigned
 [6] NC Retail Allocation Factor - Retail - MWhs at Generation - Jur
 [7] NC Retail Allocation Factor - All - MWhs at Generation - Jur
 [8] NC2010-1 Calculation - NC Retail kWh sales 12 months ended December 2021

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Calculation of the Cost per Bill

Line No.	Item	System Amount [a]	NC Retail Amount [b]	NC Retail Labor [c]	Adjusted NC Retail Amount [d]=[b]-[c]
1	2021 per books bill-related O&M expenses:				
2	Account 586 - Meters (operation)	\$ 10,253 [1]	\$ 7,563 [1]	\$ 3,498	\$ 4,065
3	Account 597 - Meters (maintenance)	2,166 [2]	1,598 [2]	1,469	129
4	Account 587 - Customer - installations	9,833 [3]	6,990 [3]	3,887	3,103
5	Accounts 901-905 - Customer accounts	119,343 [4]	82,116 [4]	25,183	56,934
6	Accounts 906-910 - Customer service and information	14,418 [5]	10,990 [5]	6,320	4,670
7	Total 2021 per books bill-related expenses (Sum of Lines 2 thru 6)	\$ 156,013	\$ 109,257	\$ 40,357	\$ 68,900
8					
9	Uncollectibles expense adjusted elsewhere	37,269 [6]	28,407 [6]		28,407
10					
11					
12					
13					
14		System [a]	NC Retail [b]	NC Retail Labor [c]	Adjusted NC Retail Amount [d]=[b]-[c]
15	Other O&M Sales Expense	17,638 [8]	12,767 [8]	7,781 [7]	4,986
16	Other O&M A&G Expense	426,290 [9]	296,217 [9]	116,086 [7]	180,131
17	Total Sales and A&G	443,928	308,984	123,867	185,117
18	Other O&M Sales and A&G Allocated to Distribution Customer		59,108 [10]		
19	Percent A&G Customer Related (L18 / L17)		19%		
20					
21	Less A&G Adjusted in other proformas				
22	Adjust for costs recovered through Non Fuel riders - DSM/EE (NC2030) Demand	231	170		170
23	Adjust for costs recovered through Non Fuel riders - DSM/EE (NC2030) Energy	961	710		710
24	Adjust for costs recovered through Green Source Rider (NC2030)	15	10		10
25	Adjustments to test year expenses (NC2080)	(15,735)	(15,735)		(15,735)
26	Adjust Aviation Expense (NC2090)	2,734	1,864		1,864
27	Remove Expiring Amortizations - Severance (NC5010)	21,685	21,685		21,685
28	Remove Expiring Amortizations - Rate Case Costs (NC5010)	1,783	1,783		1,783
29	Remove Pension and Benefits (NC2060)	56,590	38,599		38,599
30	Adjust Regulatory Fee (NC2130)	6,831	6,831		6,831
31	Total A&G Adjusted in other proformas (sum(L22: L30))	75,096	55,918		55,918
32					
33	Adjusted NC Retail Total Sales and A&G (L17 - L31)				129,198
34	Customer Related A&G (L33 x L19)				24,715
35					
36					
37	Total non-payroll bill-related O&M expenses not adjusted elsewhere (L7 - L9)				\$ 65,208
38					
39	Test Year NC retail 2021 number of Contracts (12 months)				27,951,264 [11]
40					
41	Cost per Contract (\$) (L37 x 1,000 / L39)				\$ 2.3329

[1] DEC NC 12CP COS Study 586 DISTR EXP-METER EXP
 [2] DEC NC 12CP COS Study 597 DISTR EXP-MAINT OF METERS
 [3] DEC NC 12CP COS Study 587 DISTR EXP-CUST INSTALLATIONS
 [4] DEC NC 12CP COS Study OTHER O&M CUST ACCTS EXP
 [5] DEC NC 12CP COS Study OTHER O&M CUST SVC & INFO EXP
 [6] DEC NC 12CP COS Study 904 CUST ACCTS EXP
 [7] NC1040-9 Labor
 [8] DEC NC 12CP COS Study OTHER O&M SALES EXP
 [9] DEC NC 12CP COS Study OTHER O&M A&G EXP
 [10] E1 Item 45 DEC NC 12 CP COS Per Book Unbundled Customer Column, Other O&M Sales Exp + Other O&M A&G Customer column
 [11] NC1040-6 Other O&M line 20

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Salaries and Wages support

Line No.	Account	System Salaries [a]	Catawba Reimbursement [b]	Net System Salaries [c]=[a]+[b]	NC Retail Allocation [d]	NC Retail Salaries [e]=[c]*[d]
1	0586000 - Meter Expenses-Dist	4,742		4,742	73.77% [2]	3,498
2	0597000 - Maintenance Of Meters-Dist	1,992		1,992	73.77% [2]	1,469
3	0587000 - Cust Install Exp-Other Dist	5,468		5,468	71.08% [3]	3,887
4						
5	0901000 - Supervision-Cust Accts	219		219		
6	0902000 - Meter Reading Expense	37		37		
7	0903000 - Cust Records & Collection Exp	8,859		8,859		
8	0903100 - Cust Contracts & Orders-Local	6,972		6,972		
9	0903200 - Cust Billing & Acct	10,727		10,727		
10	0903250 - Customer Billing-Common	181	(77.69) [7]	103		
11	0903300 - Cust Collecting-Local	5,583	(290.03) [7]	5,293		
12	0903400 - Cust Receiv & Collect Exp-Edp	76		76		
13	0903750 - Common - Operating-Cust Accts	437		437		
14	0905000 - Misc Customer Accts Expenses	314		314		
15	Total Customer Accounts (sum of L5 to L14)	33,406 [1]	(368)	33,038	76.22% [4]	25,183
16						
17	0908000 - Cust Asst Exp-Conservation Pro	1		1		
18	0910000 - Misc Cust Serv/Inform Exp	5,795		5,795		
19	0910100 - Exp-Rs Reg Prod/Svces-CstAccts	2,495		2,495		
20	Total Customer Service and Informational	8,291 [1]	-	8,291	76.22% [4]	6,320
21						
22	0912000 - Demonstrating & Selling Exp	10,207		10,207		
23	0916000 - Misc Sales Expenses	1		1		
24	Total Sales Operations	10,208 [1]	-	10,208	76.22% [4]	7,781
25						
26	0920000 - A & G Salaries	184,507	(15,127) [7]	169,381		
27	0921100 - Employee Expenses	0		0		
28	0921200 - Office Expenses	(1)		(1)		
29	0921600 - Other	1		1		
30	0923000 - Outside Services Employed	1		1		
31	0925200 - Injuries And Damages-Other	117		117		
32	0930150 - Miscellaneous Advertising Exp	139		139		
33	0930200 - Misc General Expenses	236		236		
34	0930250 - Buy/Sell Transf Employee Homes	6		6		
35	0930700 - Research & Development	3		3		
36	0935100 - Maint General Plant-Elec	312		312		
37	Total	185,323 [1]	(15,127)	170,196	68.21% [5]	116,086

[1] Ties to FERC Form 1 Salaries and Wages Column (b)
 [2] Allocated using All - Dist Pitt - Meters - Jur
 [3] Allocated using All - Dist Pitt Cust Prem - Jur
 [4] Allocated using All - Cust Num - Jur
 [5] All - Labor - Jur
 [6] Detail Accounting records, Labor resource codes
 [7] Duke Energy Catawba Joint Owner Accounting

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E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma reflects adjustments to revenue, fuel expense, operation and maintenance expense, and income taxes to normalize weather conditions experienced during the test period.

The impact to revenue is determined as follows:

1. The percentage of NC Retail kWh sales for the test period is calculated by dividing NC Retail kWh sales by Retail kWh sales.
2. The NC Retail kWh weather adjustment for the test period is determined by multiplying the percentage of NC Retail kWh sales by the Retail kWh weather adjustment. This Retail kWh weather adjustment is calculated by determining the effect that temperature variances have on kWh sales and then pricing out that change in kWh sales for each customer class during the test period at the rates in effect during the test period.

The weather normals used in deriving the temperature corrections for the year 2021 reflect a 30 year average of heating and cooling degree days/hours based on the years 1990-2020. The derivations of the individual monthly weather normals start with calculating the simple average of the hourly temperatures from the following three weather stations:

- A. Charlotte Douglas International Airport
- B. Greensboro Piedmont Triad Airport
- C. Greer Greenville - Spartanburg Airport

Next, degree hours are calculated by taking the average daily temperatures and subtracting them from a base (65 degrees Fahrenheit for CDD's and 65 degrees Fahrenheit for HDD's). The resulting CDD's and HDD's are summed for each day to determine the daily heating or cooling degree hours over the billing period.

3. The average price by class for the test period is calculated by dividing NC Retail present revenues annualized (dollars in thousands) by NC Retail kWh sales.
4. The weather adjusted revenue for the test period is calculated by multiplying the NC Retail kWh weather adjustment by the average price by class.

The impact to fuel expense is determined by multiplying the NC Retail kWh weather adjustment by the most recent approved fuel rate.

The impact to other operation and maintenance expense is determined by multiplying the impact to revenue by the statutory regulatory fee percentage rate and the uncollectibles rate.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

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<u>Line No</u>	<u>Impacted Income Statement Line Items</u>	<u>Source</u>	<u>Total NC Retail Compliance</u>	<u>Total NC Retail Application</u>	<u>Total NC Retail Change</u>
1	Sales of Electricity	NC1050-1	4,807	4,807	-
2	Other Revenue				
3	Electric operating revenue (L1+L2)		\$ 4,807	\$ 4,807	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation	NC1050-1	891	891	-
8	Purchased power				-
9	Other operation and maintenance expense	NC1050-1	110	110	-
10	Depreciation and amortization				-
11	General taxes				-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC1050-1	888	888	-
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		1,890	1,890	\$ -
17					
18	Operating income (L3-L16)		2,917	2,917	\$ -
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -

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<u>Line No.</u>	<u>Description</u>	<u>Residential</u>	<u>General Service</u>	<u>Industrial</u>	<u>General Service OPT</u>	<u>Industrial OPT</u>	<u>Total OPT</u>	<u>Total</u>	
1	Retail kWh weather adjustment	74,169,447	(10,133,940)	(938,111)	(15,371,946)	(5,991,539)	(21,363,485)	41,733,912	[2]
2									
3	NC Retail kWh sales - per billing determinants	22,379,004,323	9,233,500,466	2,080,236,237	13,372,198,503	10,132,503,018	23,504,701,520	57,197,442,547	[1]
4	NC Retail revenue excluding Basic Customer Charge	\$ 2,109,572	\$ 788,316	\$ 151,702	\$ 797,363	\$ 565,952	\$ 1,363,315	\$ 4,412,905	[3]
5	Average price by class in ¢/kWh (L4 / L3) x 100,000	9.43	8.54	7.29	5.96	5.59			
6									
7	Weather adjusted revenue (L1 x L5) / 100,000	\$ 6,991.63	\$ (865.19)	\$ (68.41)	\$ (916.60)	\$ (334.66)	\$ (1,251)	\$ 4,807	
8									
9	Fuel and fuel related costs ¢/kWh (excluding EMF)	2.0003	1.8217	1.8396	1.8217	1.8396			[4]
10	Impact to fuel (L1 x L9) / 100,000	\$ 1,484	\$ (185)	\$ (17)	\$ (280)	\$ (110)	\$ (390)	\$ 891	
11									
12	Variable Production O&M cost \$/MWh	1.79765	1.79765	1.79765	1.79765	1.79765	1.79765		[8]
13	Impact to Production O&M (L1/1000 x L12)/1000	\$ 133	\$ (18)	\$ (2)	\$ (28)	\$ (11)	\$ (38.40)	\$ 75	
14									
15	NC Retail revenue weather adjustment, net of fuel and variable O&M (L7 - L10 - L13)	5,375	(662)	(49)	(609)	(214)	(823)	\$ 3,840	
16									
17	<u>Calculation of NCUC Regulatory Fee</u>								
18	Uncollectibles Rate	0.585%	0.585%	0.585%	0.585%	0.585%	0.585%		[5]
19	Statutory regulatory fee percentage rate	0.147%	0.147%	0.147%	0.147%	0.147%	0.147%		[6]
20	Impact to O&M (L7 x (L18 + L19))	\$ 51	\$ (6)	\$ (1)	\$ (7)	\$ (2)	\$ (9)	\$ 35	
21									
22	Taxable income (L15 - L20)	5,324	(656)	(49)	(602)	(211)	(813)	3,805	
23	Statutory tax rate	23.35%	23.35%	23.35%	23.35%	23.35%	23.35%		[7]
24	Impact to income taxes (L22 x L23)	\$ 1,243	\$ (153)	\$ (11)	\$ (141)	\$ (49)	\$ (190)	\$ 888	
25	Impact to operating income (L22 - L24)	\$ 4,080	\$ (503)	\$ (38)	\$ (462)	\$ (162)	\$ (624)	\$ 2,917	

[1] NC-1050-2 - 2021 KWH Sales - Per Book
 [2] NC-1050-3 - KWH Weather Normalizations - Based on 30-Year Average, Line 13
 [3] NC-1050-2 - Present Revenues Excluding Basic Customer Charge - North Carolina Retail
 [4] NC-2010-2 - Fuel Factors
 [5] NC-1010-5 - 2021 Uncollectibles Rate, Line 3
 [6] NC-1010-3 - NCUC Statutory Regulatory Fee Percentage Rate - Adjusted, Docket No. M-100, Sub 142, Line 3
 [7] NC1010-4 2022 Calculation of Tax Rates, Line 10
 [8] NC-1040-7 Cost per MWh Line 33

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NC RETAIL

kWh Weather Normalizations - Based on 30 Year Average (1992 - 2021)

Line No.	Month	Year	Residential	General Service	General Service - OPT	Industrial	Industrial - OPT	Total Retail
<u>30 Year Average [1]</u>								
1	Jan	2021	(5,992,561)	(979,386)	(1,686,378)	(67,525)	(409,609)	(9,135,459)
2	Feb	2021	67,496,436	3,321,574	4,614,391	(98,758)	(509,509)	74,824,134
3	Mar	2021	(56,634,013)	(4,347,678)	(4,422,935)	13,681	49,624	(65,341,321)
4	Apr	2021	56,618,796	(139,276)	(201,907)	(152,404)	(704,111)	55,421,098
5	May	2021	(13,514,439)	1,879,113	2,860,085	183,477	717,734	(7,874,030)
6	Jun	2021	(1,580,352)	(438,102)	(621,439)	15,444	89,041	(2,535,407)
7	Jul	2021	93,093,265	15,428,469	21,120,141	1,179,600	4,691,248	135,512,723
8	Aug	2021	81,568,308	11,682,838	16,178,280	637,186	3,854,406	113,921,018
9	Sep	2021	(76,488,491)	(13,062,702)	(17,341,817)	(642,800)	(2,849,978)	(110,385,788)
10	Oct	2021	(48,126,297)	(9,864,881)	(14,634,983)	(584,058)	(2,144,614)	(75,354,833)
11	Nov	2021	(53,069,556)	(14,025,718)	(21,816,649)	(1,262,024)	(7,973,311)	(98,147,257)
12	Dec	2021	30,798,350	411,809	581,265	(159,929)	(802,461)	30,829,035
13	Total		74,169,447	(10,133,940)	(15,371,946)	(938,111)	(5,991,539)	41,733,912

Note: (Favorable weather) / Unfavorable weather adjustment

[1] NC1050-4 Weather Support, from Duke Energy Load Forecasting

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Calculation of North Carolina Retail kWh Weather Adjustment

North Carolina Retail kWh sales by Customer Class

Line No.		Residential	Commercial	Commercial - OPT	Industrial	Industrial - OPT	Lighting	Total Retail sales			Total Retail Electric Sales
								before HP	Commercial - HP	Industrial - HP	
1	Jan-21	2,427,681,062	797,142,981	1,372,578,952	160,533,368	973,798,524	48,567,964	5,780,302,851	6,162,104	(698,403)	5,785,766,552
2	Feb-21	2,047,049,931	696,817,095	968,030,999	153,955,623	794,282,744	45,969,214	4,706,105,606	274,547	(1,182,756)	4,705,197,397
3	Mar-21	1,996,844,815	708,361,938	720,623,463	160,254,583	581,280,029	49,588,876	4,216,953,704	(1,402,514)	550,418	4,216,101,608
4	Apr-21	1,585,019,875	698,159,627	1,012,113,428	163,840,443	756,945,891	8,844,850	4,224,924,114	804,026	6,302,252	4,232,030,392
5	May-21	1,288,097,829	645,208,787	982,033,872	169,824,380	664,328,927	20,935,046	3,770,428,841	9,051,488	5,601,647	3,785,081,976
6	Jun-21	1,774,698,786	819,326,279	1,162,198,989	149,535,229	862,136,094	32,194,366	4,800,089,743	8,282,925	5,096,700	4,813,469,367
7	Jul-21	2,146,582,916	947,681,841	1,297,288,410	221,407,938	880,535,786	21,799,731	5,515,296,622	18,180,526	7,099,023	5,540,576,171
8	Aug-21	2,212,543,914	936,429,463	1,296,758,430	196,330,170	1,187,622,876	21,379,030	5,851,063,882	31,502,406	7,612,351	5,890,178,639
9	Sep-21	2,129,356,020	961,493,174	1,276,461,706	199,598,851	884,959,881	22,213,525	5,474,083,157	37,441,988	6,125,674	5,517,650,820
10	Oct-21	1,481,929,471	787,190,355	1,167,831,433	172,026,125	631,666,307	20,436,264	4,261,079,955	29,335,471	7,204,074	4,297,619,500
11	Nov-21	1,359,179,103	669,333,247	1,041,130,939	173,732,904	1,097,623,278	11,795,045	4,352,794,517	37,709,853	6,120,000	4,396,624,370
12	Dec-21	1,975,539,867	776,382,821	1,095,857,133	158,763,190	796,613,429	27,688,528	4,830,844,968	52,243,835	5,614,270	4,888,703,073
13	Grand Total	22,424,523,590	9,443,527,607	13,392,907,753	2,079,802,805	10,111,793,765	331,412,439	57,783,967,959	229,586,654	55,445,251	58,068,999,864

16 Weather Normalization Factor (Load Forecasting)

		Residential	Commercial	Commercial - OPT	Industrial	Industrial - OPT	Lighting	Commercial - HP	Industrial - HP
19	Jan-21	0.9975	0.9988	0.9988	0.9996	0.9996	1.0000	1.0000	1.0000
20	Feb-21	1.0330	1.0048	1.0048	0.9994	0.9994	1.0000	1.0000	1.0000
21	Mar-21	0.9716	0.9939	0.9939	1.0001	1.0001	1.0000	1.0000	1.0000
22	Apr-21	1.0357	0.9998	0.9998	0.9991	0.9991	1.0000	1.0000	1.0000
23	May-21	0.9895	1.0029	1.0029	1.0011	1.0011	1.0000	1.0000	1.0000
24	Jun-21	0.9991	0.9995	0.9995	1.0001	1.0001	1.0000	1.0000	1.0000
25	Jul-21	1.0434	1.0163	1.0163	1.0053	1.0053	1.0000	1.0000	1.0000
26	Aug-21	1.0369	1.0125	1.0125	1.0032	1.0032	1.0000	1.0000	1.0000
27	Sep-21	0.9641	0.9864	0.9864	0.9968	0.9968	1.0000	1.0000	1.0000
28	Oct-21	0.9675	0.9875	0.9875	0.9966	0.9966	1.0000	1.0000	1.0000
29	Nov-21	0.9610	0.9790	0.9790	0.9927	0.9927	1.0000	1.0000	1.0000
30	Dec-21	1.0156	1.0005	1.0005	0.9990	0.9990	1.0000	1.0000	1.0000

DUKE ENERGY CAROL NAS, LLC
Docket No. E-7, SUB 1276
Weather Normalization
For the Test Period Ending December 31, 2021

E1-10
NC1050-4 Weather Support
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Compliance

32 North Carolina Weather Normal kWh (kWh Sales by Customer Class * Weather Normalization Factor)

		Residential	Commercial	Commercial - OPT	Industrial	Industrial - OPT	Lighting	Total Retail sales before HP	Commercial - HP	Industrial - HP
34										
35	Jan-21	2,421,688,501	796,163,595	1,370,892,574	160,465,843	973,388,915	48,567,964	5,771,167,392	6,162,104	(698,403)
36	Feb-21	2,114,546,367	700,138,669	972,645,390	153,856,865	793,773,235	45,969,214	4,780,929,740	274,547	(1,182,756)
37	Mar-21	1,940,210,802	704,014,260	716,200,528	160,268,264	581,329,653	49,588,876	4,151,612,383	(1,402,514)	550,418
38	Apr-21	1,641,638,671	698,020,351	1,011,911,521	163,688,039	756,241,780	8,844,850	4,280,345,212	804,026	6,302,252
39	May-21	1,274,583,390	647,087,899	984,893,957	170,007,857	665,046,661	20,935,046	3,762,554,811	9,051,488	5,601,647
40	Jun-21	1,773,118,434	818,888,177	1,161,577,550	149,550,673	862,225,135	32,194,366	4,797,554,335	8,282,925	5,096,700
41	Jul-21	2,239,676,181	963,110,309	1,318,408,551	222,587,538	885,227,034	21,799,731	5,650,809,345	18,180,526	7,099,023
42	Aug-21	2,294,112,222	948,112,300	1,312,936,710	196,967,356	1,191,477,282	21,379,030	5,964,984,900	31,502,406	7,612,351
43	Sep-21	2,052,867,529	948,430,472	1,259,119,889	198,956,051	882,109,903	22,213,525	5,363,697,369	37,441,988	6,125,674
44	Oct-21	1,433,803,174	777,325,474	1,153,196,450	171,442,067	629,521,692	20,436,264	4,185,725,122	29,335,471	7,204,074
45	Nov-21	1,306,109,547	655,307,530	1,019,314,290	172,470,880	1,089,649,967	11,795,045	4,254,647,259	37,709,853	6,120,000
46	Dec-21	2,006,338,217	776,794,630	1,096,438,397	158,603,261	795,810,969	27,688,528	4,861,674,002	52,243,835	5,614,270
47	Grand Total	22,498,693,037	9,433,393,667	13,377,535,807	2,078,864,694	10,105,802,226	331,412,439	57,825,701,870	229,586,654	55,445,251

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50 North Carolina Retail Weather Adjustment (Weather Normal kWh - kWh Sales)

		Residential	Commercial	Commercial - OPT	Industrial	Industrial - OPT	Lighting	Total Retail sales before HP	Commercial - HP	Industrial - HP
52										
53	Jan-21	(5,992,561)	(979,386)	(1,686,378)	(67,525)	(409,609)	-	(9,135,459)	-	-
54	Feb-21	67,496,436	3,321,574	4,614,391	(98,758)	(509,509)	-	74,824,134	-	-
55	Mar-21	(56,634,013)	(4,347,678)	(4,422,935)	13,681	49,624	-	(65,341,321)	-	-
56	Apr-21	56,618,796	(139,276)	(201,907)	(152,404)	(704,111)	-	55,421,098	-	-
57	May-21	(13,514,439)	1,879,113	2,860,085	183,477	717,734	-	(7,874,030)	-	-
58	Jun-21	(1,580,352)	(438,102)	(621,439)	15,444	89,041	-	(2,535,407)	-	-
59	Jul-21	93,093,265	15,428,469	21,120,141	1,179,600	4,691,248	-	135,512,723	-	-
60	Aug-21	81,568,308	11,682,838	16,178,280	637,186	3,854,406	-	113,921,018	-	-
61	Sep-21	(76,488,491)	(13,062,702)	(17,341,817)	(642,800)	(2,849,978)	-	(110,385,788)	-	-
62	Oct-21	(48,126,297)	(9,864,881)	(14,634,983)	(584,058)	(2,144,614)	-	(75,354,833)	-	-
63	Nov-21	(53,069,556)	(14,025,718)	(21,816,649)	(1,262,024)	(7,973,311)	-	(98,147,257)	-	-
64	Dec-21	30,798,350	411,809	581,265	(159,929)	(802,461)	-	30,829,035	-	-
65	Grand Total	74,169,447	(10,133,940)	(15,371,946)	(938,111)	(5,991,539)	-	41,733,912	-	-

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DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Update fuel costs to approved rates
For the Test Period Ending December 31, 2021

E1-10
NC2010 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts fuel expense, purchased power, other operation and maintenance expense and income taxes for fuel clause expense during the test period to match the fuel clause revenues derived from the fuel factor approved by the Commission in Docket No. E-7, Sub 1263. By matching the expenses to the revenue, this adjustment ensures that no increase is requested in this proceeding related to fuel and fuel-related expenses that are recoverable through the fuel clause.

The impact to fuel and fuel related expenses is determined as follows:

1. The total fuel clause expense (including fuel, purchased power and reagents & by-products) allocated in cost of service is eliminated from the test period.
2. The pro forma fuel clause expense is calculated by multiplying the NC Retail kWh sales for the test period by the most recent approved fuel rate.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update
Updated for a formula error in the original application

(C) 2nd Supplemental Update
Incorporated acct. #0456700 - Steam Sales Revenue into by-products (it is part of fuel clause)

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Update fuel costs to approved rates
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2010 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total	Total	Total
			NC Retail Compliance	NC Retail Second Supplemental	NC Retail Supplemental	NC Retail Application	NC Retail Change
1	Sales of Electricity		\$ -	\$ -	\$ -	\$ -	-
2	Other Revenue		-	-	-	-	-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -
4							
5	<u>Electric operating expenses:</u>						
6	Operation and maintenance:						
7	Fuel used in electric generation	NC2010-1	140,824	140,824	140,824	140,824	(0)
8	Purchased power	NC2010-1	(42,101)	(42,101)	(42,101)	(42,129)	29
9	Other operation and maintenance expense	NC2010-1	(18,112)	(18,112)	(17,003)	(17,003)	(1,109)
10	Depreciation and amortization						-
11	General taxes						-
12	Interest on customer deposits						-
13	EDIT Amortization						-
14	Net income taxes	NC2010-1	(18,823)	(18,823)	(19,082)	(19,075)	252
15	Amortization of investment tax credit						-
16	Total electric operating expenses (sum(L7:L15))		\$ 61,788	\$ 61,788	\$ 62,638	\$ 62,616	\$ (828)
17							
18	Operating income (L3-L16)		\$ (61,788)	\$ (61,788)	\$ (62,638)	\$ (62,616)	\$ 828
19	<u>Rate Base</u>	Source					
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		-	-	-	-	-
22	Net electric plant in service (L20 + L21)		-	-	-	-	-
23	Materials and supplies		-	-	-	-	-
24	Total Working Capital		-	-	-	-	-
25	Accumulated deferred income taxes		-	-	-	-	-
26	Operating reserves		-	-	-	-	-
27	Construction Work in Progress		-	-	-	-	-
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Update fuel costs to approved rates
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2010-1 Calculation
Page 1 of 1
Compliance

Line No.	Description	Residential	General	Industrial	Lighting	Total NC Retail
1	<u>Fuel Clause Expense Allocated in Per Books Cost of Service</u>					
2	Fuel included in system average fuel costs	\$ 369,653	\$ 377,189	\$ 202,644	\$ 9,688	\$ 959,174 [1]
3	Purchased power included in system average fuel costs-demand	10,886	8,903	3,976	403	24,168 [2]
4	Purchased power included in system average fuel costs-energy	91,741	93,611	50,292	2,404	238,049 [3]
5	Reagents & by-products included in system average fuel costs	6,980	7,122	3,826	183	18,112 [4]
6	Total Fuel Clause Expense Allocated in Cost of Service (Sum L2 through L5)	\$ 479,259	\$ 486,826	\$ 260,738	\$ 12,679	\$ 1,239,503
7	NC Retail Deferred Fuel Expense (0557980)	(84,830)	(86,559)	(46,504)	(2,223)	(220,117) [5]
8	Total Fuel Clause and Def Fuel Exp Allocated in Cost of Service (Sum L6 through L7)	\$ 394,429	\$ 400,267	\$ 214,234	\$ 10,456	\$ 1,019,386
9	<u>Fuel Clause Expense to Add (Based on E-7 Sub 1263)</u>					
10	Fuel and fuel related costs ¢/kWh (excluding EMF)	2.0003	1.8217	1.8396	1.8217	[6]
11	NC Retail kWh actual sales - 12 mon hs ended December 2021	22,379,004,323	22,835,285,624	12,268,184,505	585,947,590	58,068,422,042 [7]
12	Adjusted Fuel Clause Expenses (L11 x (L10 / 100,000))	\$ 447,647	\$ 415,990	\$ 225,686	\$ 10,674	\$ 1,099,997
13	Impact to fuel (-L2 + L12)	\$ 77,995	\$ 38,801	\$ 23,042	\$ 986	\$ 140,824
14	Impact to purchased power (-L3 - L4 - L7)	\$ (17,797)	\$ (15,955)	\$ (7,764)	\$ (584)	\$ (42,101)
15	Impact to O&M (-L5)	\$ (6,980)	\$ (7,122)	\$ (3,826)	\$ (183)	\$ (18,112)
16	Taxable income (-L13 - L14 - L15)	\$ (53,218)	\$ (15,724)	\$ (11,451)	\$ (219)	\$ (80,611)
17	Statutory tax rate	23.3503%	23.3503%	23.3503%	23.3503%	23.3503% [8]
18	Impact to income taxes (L16 x L17)	\$ (12,426)	\$ (3,672)	\$ (2,674)	\$ (51)	\$ (18,823)
19	Impact to operating income (L16 - L18)	\$ (40,791)	\$ (12,052)	\$ (8,777)	\$ (168)	\$ (61,788)

[1] Included in E-1 Item 45A, Cost of Service, 501, 509, 547, 557 FUEL EXP-REMAINDER, 518 FUEL EXP-NUCLEAR FUEL, 547 FUEL EXP-BIOGAS-NCR
 [2] Included in E-1 Item 45A, Cost of Service, 555 PURCHASED POWER-DEMAND
 [3] Included in E-1 Item 45A, Cost of Service, 555 PURCHASED POWER-ENERGY
 [4] Included in E-1 Item 45A, Cost of Service, 500-557 PROD EXP-ENERGY
 [5] Included in E-1 item 45A, Cost of Service, 557 OTHER EXP-RETAIL DEF FUEL-D/A
 [6] NC-2010-2 - Approved fuel and fuel related costs ¢/kWh (excluding EMF), Docket No. E-7, Sub 1263, Sykes Revised Exhibit 1, Line 9
 [7] NC-1040-5 - 2021 kWh Sales - NC Retail (General and Industrial includes HP kWhs)
 [8] NC1010-4 - 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Update fuel costs to approved rates
For the Test Period Ending December 31, 2021

E1-10
NC2010-2 Cost Factors
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Compliance

Approved fuel and fuel related costs ¢/kWh (excluding EMF) - Docket No. E-7, Sub 1263, Sykes Exhibit 1, Line 9

Duke Energy Carolinas, LLC
North Carolina Annual Fuel and Fuel Related Expense
Summary Comparison of Fuel and Fuel Related Cost Factors
Test Period Ended December 31, 2021
Billing Period September 2022 - August 2023
Docket E-7, Sub 1263

Line #	Description	Reference	Residential cents/kWh	General cents/kWh	Industrial cents/kWh	Composite cents/kWh
<u>Current Fuel and Fuel Related Cost Factors (Approved Fuel Rider Docket No. E-7, Sub 1250)</u>						
1	Approved Fuel and Fuel Related Costs Factors	Input	1 5337	1.6895	1.7243	1.6414
2	EMF Increment (Decrement) cents/kWh	Input	(0 0282)	0 0476	0.1391	0 0353
3	EMF Interest Increment (Decrement) cents/kWh	Input	(0 0041)	0 0000	0.0000	0 0000
4	Approved Net Fuel and Fuel Related Costs Factors	Sum	1.5014	1.7371	1.8634	1.6767
<u>Fuel and Fuel Related Cost Factors Required by Rule R8-55</u>						
5	Proposed Nuclear Capacity Factor of 93.94% and Normalized Test Period Sales	Exh 2 Sch 2 pg 2	2.4708	2.4401	2.4022	2.4497
6	NERC 5 Year Average Nuclear Capacity Factor of 92.07% and Projected Period Sales	Exh 2 Sch 3 pg 2	2.5199	2.4711	2.4308	2.4872
<u>Proposed Fuel and Fuel Related Cost Factors using Proposed Nuclear Capacity Factor of 93.94%</u>						
7	Fuel and Fuel Related Costs excluding Purchased Capacity cents/kWh	Exh 2 Sch 1 pg 2	1 9686	1.7971	1.8197	1 8746
8	REPS Compliance and QF Purchased Power - Capacity cents/kWh	Exh 2 Sch 1 pg 2	0 0317	0 0246	0.0199	0 0264
9	Total adjusted Fuel and Fuel Related Costs cents/kWh	Sum	2 0003	1 8217	1.8396	1 9010
10	EMF Increment (Decrement) cents/kWh	Exh 3 pg 2, 3, 4	0.4863	0.6254	0.5726	0 5597
11	EMF Interest Increment (Decrement) cents/kWh	Exh 3 pg 2, 3, 4	-	-	-	-
12	Net Fuel and Fuel Related Costs Factors cents/kWh	Sum	2.4866	2.4471	2.4122	2.4607

Note: Fuel factors exclude regulatory fee

Duke Energy Carolinas
Docket No E-7 Sub 1276
NC2020 - Adjust Purchase Power DEC
For the Test Period Ending December 31, 2021

E1-10
NC2020 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This adjustment is to reflect the impacts of the Stipulation Regarding the Proper Methodology for Determining the Fuel Costs Associated with Power Purchases from Power Marketers and Others reached with DEC, Duke Energy Progress, LLC and the Public Staff in Docket E-7 Sub 1282. During the test year, 39% of purchased power energy costs were estimated to be non-fuel expense and appropriate for cost recovery through base rates. Based on the Stipulation, during the test year, 15% of energy costs on these power purchases is the appropriate percentage to be deemed as non-fuel costs and appropriate for cost recovery through base rates.

(B) 1st Supplemental Update

New proforma to reflect the impacts of the Stipulation Regarding the Proper Methodology for Determining the Fuel Costs Associated with Power Purchases from Power Marketers and Others reach with DEC, DEP, and the Public Staff in Docket E-7 Sub 1282

Duke Energy Carolinas
Docket No E-7 Sub 1276
NC2020 - Adjust Purchase Power DEC
For the Test Period Ending December 31, 2021
(Dollars in thousands)

NC2020 Summary
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Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity					-
2	Other Revenue					-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power	NC2020-1	(1,860)	(1,860)		(1,860)
9	Other operation and maintenance expense					-
10	Depreciation and amortization					-
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortization					-
14	Net income taxes	NC2020-1	434	434		434
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7:L15))		\$ (1,426)	\$ (1,426)	\$ -	\$ (1,426)
17						
18	Operating income (L3-L16)		\$ 1,426	\$ 1,426	\$ -	\$ 1,426
19	<u>Rate Base</u>					
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22 L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -

Duke Energy Carolinas
Docket No E-7 Sub 1276
NC2020 - Adjust Purchase Power DEC
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2020-1 Calculation
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Compliance

Line No. Description	A	B	C		D	E = C * D		F = A * E		G = B * E	
	Fuel	Non-Fuel	DEC Purchases Utilizing Proxy		Allocation Factor	NC Retail		Fuel		Non-Fuel	
1 2021 Test Year	61.0% [1]	39.00%	\$	11,521 [3]	67.26% [4]	\$ 7,749	\$	4,727	\$	3,022	
2											
3 Fuel Proxy Stipulation	85.0% [2]	15.00%	\$	11,521 [3]	67.26% [4]	\$ 7,749	\$	6,587	\$	1,162	
4											
5 Purchase power adjustment (L3 - L1)										\$	(1,860)
6											
7 Taxable income (-L5)										\$	1,860
8 Statutory tax rate											23.35%
9 Impact to income taxes (L7 x L8)										\$	434
10											
11 Impact to operating income (L5 + L9)										\$	(1,426)

[1] 2008 Fuel Order Docket E-7, Sub 847
[2] 2023 Stipulation Docket E-7, Sub 1282
[3] DEC Intersystem Sales & Purchase Transactions for 12 months ended December 2021
[4] All - MWHs at Meter - Jur

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
Adjust for Costs Recovered through Non Fuel Riders
For the Test Period Ending December 31, 2021

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NC2030 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This proforma adjusts revenues and expenses to remove amounts that are associated with cost recovery through non-fuel riders. Rate base is also adjusted to eliminate the amounts recorded on the Company's financial statements as of December 31, 2021 related to the riders as outlined on NC2030-1.

(B) 1st Supplemental Update

CPRE Updates:

Added Gaston & Maiden Creek transmission plant (see PSDR 21)
Updated network upgrade costs for Sugar and Stanly and included in transmission plant

(D) 3rd Supplemental Update

Undid change to move CPRE distribution plant to transmission plant.
Intent of this proforma is to zero out impact of nonfuel riders in cost of service. Since those were included in distribution in cost of service, need to remain there to offset it correctly.

Updated allocation factors for Gaston and Maiden Creek transmission plant. In cost of service those are treated as Generator Step-up Units (GSUs) and receive production plant allocation factor rather than transmission plant allocation factor.

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Line No	Impacted Income Statement Line Items	Source	Total	Total	Total	Total	Total
			NC Retail	NC Retail	NC Retail	NC Retail	NC Retail
			Compliance	Third Supplemental	Supplemental	Application	Change
1	Sales of Electricity			-			-
2	Other Revenue	NC2030-1	25,150	25,150	25,150	25,150	-
3	Electric operating revenue (L1+L2)		\$ 25,150	\$ 25,150	\$ 25,150	\$ 25,150	\$ -
4							
5	<u>Electric operating expenses:</u>						
6	Operation and maintenance:						
7	Fuel used in electric generation	NC2030-1	\$ (29,761)	\$ (29,761)	\$ (29,761)	\$ (29,761)	-
8	Purchased power	NC2030-1	\$ (968)	\$ (968)	\$ (968)	\$ (968)	-
9	Other operation and maintenance expense	NC2030-1	\$ (81,295)	\$ (81,295)	\$ (81,295)	\$ (81,295)	-
10	Depreciation and amortization	NC2030-1	\$ 14,321	\$ 14,321	\$ 14,344	\$ 14,329	(9)
11	General taxes	NC2030-1	\$ (940)	\$ (940)	\$ (940)	\$ (910)	(30)
12	Interest on customer deposits			0			-
13	EDIT Amortization	NC2030-1	180,377	180,377	180,377	180,377	-
14	Net income taxes	NC2030-1	30,336	30,336	30,331	30,327	9
15	Amortization of investment tax credit	NC2030-1	\$ 945	\$ 945	\$ 945	\$ 945	-
16	Total electric operating expenses (sum(L7:L15))		\$ 113,015	\$ 113,015	\$ 113,032	\$ 113,044	\$ (30)
17							
18	Operating income (L3-L16)		\$ (87,864)	\$ (87,864)	\$ (87,882)	\$ (87,894)	\$ 30
19	<u>Rate Base</u>						
20	Electric plant in service	NC2030-1	\$ (109,454)	\$ (109,454)	\$ (106,901)	\$ (105,865)	\$ (3,589)
21	Accumulated depreciation and amortization	NC2030-1	\$ 10,601	\$ 10,601	\$ 10,557	\$ 10,526	\$ 74
22	Net electric plant in service (L20 + L21)	NC2030-1	\$ (98,854)	\$ (98,854)	\$ (96,344)	\$ (95,339)	\$ (3,515)
23	Materials and supplies	NC2030-1	\$ (69,176)	\$ (69,176)	\$ (69,176)	\$ (69,176)	-
24	Total Working Capital	NC2030-1	\$ 79,196	\$ 79,196	\$ 79,196	\$ 79,196	-
25	Accumulated deferred income taxes	NC2030-1	\$ (18,545)	\$ (18,545)	\$ (18,545)	\$ (18,545)	-
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ (107,379)	\$ (107,379)	\$ (104,870)	\$ (103,864)	\$ (3,515)

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Line No.	Description	NC2030 2	NC2030 3.1 NC2030 3.2	NC2030 4 NC2030 5	NC2030 6	NC2030 7	NC2030 8	NC2030 9	NC2030 10.1 NC2030 10.2	Total System Adjustment	Allocation Factor	NC Retail Adjustment
		DSM/EE	REPS	EDIT & Def. Rev.	Green Source	EDPR	BPM	JRR	CPRE			
2	Impact to Income Statement Line Items											
3	Electric operating revenue											
4	Remove NC SAW Deferred Revenue (Account 0456560)	(74,776) [1]								\$ 74,776	100.0000%	\$ 74,776
5	Adjust EDPR Revenue & Remove Deferred DSM Costs - NC (Account 0456640)					(657) [8]				657	100.0000%	657
6	Remove BPM Revenue						5,428 [9]			(5,428)	NC2030-8	(5,428)
7	Tax Reform - retail			48,331 [5]						(48,331)	NC2030-5	(35,307)
8	Remove JRR (Account 0456392)									(9,547)	100.0000%	(9,547)
9	Impact to revenue (Sum L4 through L8)									\$ 12,127		\$ 25,150
10												
11	Fuel used in electric generation											
12	Remove RECS Consumption Expense (Account 0509213)		28,903 [3]							\$ (28,903)	94.5604%	\$ (27,331)
13	Remove Biogas Expense - REPS		(101) [3]							\$ 101	100.0000%	\$ 101
14	Remove BPM Fuel									(2,532)	NC2030-8	(2,532)
15	Impact to fuel (Sum L12 through L14)									\$ (31,333)		\$ (29,761)
16												
17	Purchased power											
18	Remove Green Source Premium (0555 Purchase Power)				1,015 [7]					\$ (1,015)	100.0000%	\$ (1,015)
19	Remove CPRE Purchased Power - demand (Account 0555145)									\$ 16	66.9690%	\$ 10
20	Remove CPRE Purchased Power - sales (Account 0555145)									(54) [11]	67.2646%	37
21	Impact to purchased power (Sum L18 through L20)									\$ (945)		\$ (968)
22												
23	Other operation and maintenance expense											
24	Remove Total Energy Efficiency & Demand Side Program Costs - Energy	75,689 [1]								\$ (75,689)	73.8926%	\$ (55,929)
25	Remove Total Energy Efficiency & Demand Side Program Costs - Demand	32,732 [1]								(32,732)	73.4698%	(24,048)
26	Remove other operations and Maint. - solar - NC REPS avoided to cap		136 [4]							(136)	NC2030-3.1	(91)
27	Remove other operations and Maint. - solar - NC REPS avoided to cap deferral		(80) [4]							80	66.9690%	53
28	Remove other operations and Maint. - Green Source Rider				15 [7]					(15)	68.2076%	(10)
29	Remove BPM O&M									(867)	NC2030-8	(867)
30	Remove CPRE O&M									(602)	66.9690%	(403)
31	Impact to O&M (Sum L24 through L30)									\$ (109,961)		\$ (81,295)
32												
33	Depreciation and amortization											
34	Remove REPS Rider NC Retail (Account 0407350)		3,184 [3]							\$ (3,184)	100.0000%	\$ (3,184)
35	Remove REPS Rider NC Retail - Cert (Account 0407352)		30,909 [3]							(30,909)	100.0000%	(30,909)
36	Remove EDIT Rider Amortization			(27,829) [6]						27,829	100.0000%	27,829
37	Remove NC Amortization of Retail REC Expense (Account 0407450)		(27,845) [3]							27,845	100.0000%	27,845
38	Remove depreciation and amort. - solar - NC REPS avoided to cap		968 [4]							(968)	66.9690%	(648)
39	Remove depreciation and amort. -0403850 - Deferral of Depr. Exp. - Solar		(1,093) [1]							1,093	66.9690%	732
40	Remove CPRE amortization									3,372 [11]	100.0000%	(3,372)
41	Remove CPRE Depreciation									5,934 [11]		(3,973)
42	Impact to depreciation and amortization (Sum L34 through L40)									\$ 12,401		\$ 14,321
43												
44	General taxes											
45	Remove Green Source Premium				1 [7]					\$ (1)	68.2076%	\$ (1)
46	Remove DSM_EE General Taxes - Energy	450 [1]								\$ (450)	73.8926%	\$ (333)
47	Remove DSM_EE General Taxes - Demand	140 [1]								\$ (140)	73.4698%	\$ (103)
48	Remove BPM General Taxes									(8)	NC2030-8	(8)
49	Remove CPRE Property Taxes									(734)	67.4925%	(496)
50	Impact to General Taxes (Sum L45 through L49)									\$ (1,334)		\$ (940)
51												
52	Amortization of investment tax credit											
53	Remove CPRE ITC amortization									(945) [11]	100.0000%	\$ 945
54												
55	Taxable income (L9 - (L15 + L21 + L31 + L42 + L50))									\$ 143,299		\$ 123,794
56												
57	Statutory tax rate									23.3503% [2]		23.3503% [2]
58	Impact to income taxes (L55 x L57)									33,461		28,906
59	CPRE Tax Credit									2,173	65.7935%	1,430
60	Total impact to income taxes (L58 + L59)									\$ 35,634		\$ 30,336
61												
62	EDIT Rider Amortization (net of tax)			(180,377) [6]						180,377	100.0000%	180,377
63	Impact to operating income (L55 - (L58 + L62 + L53))									\$ (73,657)		\$ (87,864)

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Line No.	Description	DSM/EE	REPS	EDIT & Def. Rev.	Green Source	EDPR	BPM	JRR	CPRE	Adjustment to Total Carolinas	NC Reta 1 Allocation	Total NC Reta 1
64	Impact to Rate Base Line Items											
65	<u>Electric plant in service</u>											
66	Remove electric plant in service - solar - NC REPS avoided to cap		17,914 [4]							\$ (17,914)	94.0326%	\$ (16,845)
67	Remove electric production plant in service - CPRE								125,229 [12]	(125,229)	66.9690%	(83,864)
68	Remove electric distribution plant in service - CPRE								1,831 [12]	(1,831)	100.0000%	(1,831)
69	Remove electric transmission plant in service - CPRE								11,029 [12]	(11,029)	66.9690%	(6,913)
70	Impact to electric plant in service (L66+L67+L68+L69)									<u>\$ (156,003)</u>		<u>\$ (109,454)</u>
71												
72	<u>Accumulated depreciation and amortization</u>											
73	Remove accumulated depreciation - solar - NC REPS avoided to cap		(6,976) [4]							\$ 6,976	94.0326%	\$ 6,559
74	Remove accumulated depreciation (production) - CPRE								(5,806) [12]	5,806	66.9690%	3,888
75	Remove accumulated depreciation (distribution) - CPRE								(44) [12]	44	100.0000%	44
76	Remove accumulated depreciation (transmission) - CPRE								(183) [12]	183	66.9690%	109
77	Impact to accumulated depreciation and amortization (L73+ L74+ L75+ L76)									<u>\$ 13,009</u>		<u>\$ 10,601</u>
78												
79	<u>Materials and supplies</u>											
80	Remove Renewable Energy Credits (RECs) DE Carolinas - NC (Account 0158120)		73,155 [3]							<u>\$ (73,155)</u>	94.5604%	<u>\$ (69,176)</u>
81												
82	<u>Working capital investment</u>											
83	Remove REPS Incremental Costs (Account 0182359)		1,616 [3]							\$ (1,616)	94.5604%	\$ (1,528)
84	Remove Duke Generated REC Certificate (Account 0182374)		7,698 [3]							(7,698)	94.5604%	(7,279)
85	Remove Save a Watt Regulatory Asset (Account 0182381)	(32,890) [1]								32,890	100.0000%	32,890
86	Remove CPRE Rider Sales - Asset - Retail (Account 0182528)								6 [12]	(6)	100.0000%	(6)
87	Remove CPRE Rider Demand - Asset - Retail (Account 0182528)								2 [12]	(2)	100.0000%	(2)
88	Remove NC Solar Rebate Program Costs - Asset - Retail (Account 0182560)		16,939 [3]							(16,939)	100.0000%	(16,939)
89	Remove Deferred Debt Return - Solar (Account 0253905)		(7,459) [3]							7,459	94.5604%	7,053
90	Remove NC REC Liability - Retail (Account 0254250)		(61,118) [3]							61,118	100.0000%	61,118
91	Remove CPRE Rider Liability - Retail (Account 0254051)									3,888	100.0000%	3,888
92	Impact to working capital investment (Sum L83 through L91)								(3,888) [12]	<u>3,888</u>		<u>3,888</u>
93										<u>\$ 79,095</u>		<u>\$ 79,196</u>
94	<u>Accumulated deferred income tax</u>											
95	Applicable working capital investment (L83 - L 85 - L 86 - L 87 - L 88 - L 90 - L 91)									\$ 79,333		\$ 79,421
96	Deferred tax rate									23.3503% [2]		23.3503% [2]
97	Impact to accumulated deferred income tax (-L95 x L96)									<u>\$ (18,525)</u>		<u>\$ (18,545)</u>
98												
99	Impact to rate base (L70 + L77 + L80 + L92 + L97)									<u>\$ (155,579)</u>		<u>\$ (107,379)</u>

[1] NC-2030-2 DSM_EE
[2] NC1010-4 2022 Calculation of Tax Rates, Line 10
[3] NC2030-3.2 REPS
[4] NC2030-3.1 REPS
[5] NC2030-5 Deferred Revenue
[6] NC2030-4 EDIT
[7] NC2030-6 GSR
[8] NC2030-7 EDPR
[9] NC2030-8 BPM
[10] NC2030-9 JRR
[11] NC2030-10.1 CPRE
[12] NC2030-10.2 CPRE

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Remove DSM/EE clause impacts

Row	INCOME STATEMENT					
1	Revenue					
2	Description	FERC Account		DSM/EE Total		
3	SAW Deferred Revenue	0456560		(74,775,604)	[1]	
4						
5						
6	FERC Account	Demand		Energy		Total System
7	O&M					
8		557000	32,501,030 [2]	74,727,520 [3]		107,228,550
9		903000	117 [4]	283 [5]		400
10		908000	17 [6]	25 [7]		42
11		912000	- [8]	732 [9]		732
12		921100	71 [10]	173 [11]		245
13		921200	0 [10]	1 [11]		1
14		923000	55 [10]	134 [11]		190
15		926600	419,811 [10]	1,354,472 [11]		1,774,282
16		929500	(188,651) [10]	(394,046) [11]		(582,697)
17	Total O&M		32,732,450	75,689,295		108,421,744
18						
19	General Taxes					
20		408960	140,452 [12]	450,094 [13]		590,545
	RATE BASE					
	Description	FERC Account		Total System		
	SC Save a Watt Regulatory Asset	0182361	[1]	(4,786,081)		
	Save a Watt Regulatory Asset	0182381	[1]	(32,890,263)		

- [1] Trial Balance
- [2] COS - 500-557 PROD EXP-DSM/EE-DEMAND-RETAIL
- [3] COS - 500-557 PROD EXP-DSM/EE-ENERGY-RETAIL
- [4] COS - 903 CUST ACCTS EXP-DSM/EE-DEMAND-RETAIL
- [5] COS - 903 CUST ACCTS EXP-DSM/EE-ENERGY-RETAIL
- [6] COS - 906-910 CUST SVC & INFO-DSM/EE-DEMAND-RETAIL
- [7] COS - 906-910 CUST SVC & INFO-DSM/EE-ENERGY-RETAIL
- [8] COS - 911-917 SALES EXP-DSM/EE-DEMAND-RETAIL
- [9] COS - 911-917 SALES EXP-DSM/EE-ENERGY-RETAIL
- [10] COS - 920-931 A&G EXP-O&M REL-DSM/EE-DEMAND-RETAIL
- [11] COS - 920-931 A&G EXP-O&M REL-DSM/EE-ENERGY-RETAIL
- [12] COS - 408 GEN TAX-DSM/EE-DEMAND-RETAIL
- [13] COS - 408 GEN TAX-DSM/EE-ENERGY-RETAIL

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Solar Costs - Per Book

Line No.	Description	Total	Base Rates Up to Avoided Cost	NC REPS Avoided to Cap-IC	NC Base Rates- Excess Above Cap
1					
2	Allocation Percentages for Solar Costs Solar PVDG	100.00%	26.80%	40.50%	32.70% [1]
3	Allocation Percentages for Solar Costs Monroe	100.00%	82.90%	4.10%	13.00% [1]
4	Allocation Percentages for Solar Costs Mocksville	100.00%	74.70%	3.70%	21.60% [1]
5	Allocation Percentages for Solar Costs Woodleaf	100.00%	77.80%	4.10%	18.10% [1]
6					
7	<u>Other operation and maintenance expense - Solar:</u>				
8	Impact to other operation and maintenance expense - Solar PVDG	\$ 166	\$ 45	\$ 67	\$ 54
9	Impact to other operation and maintenance expense - Monroe	1,201	995	49	156
10	Impact to other operation and maintenance expense - Solar Mocksville	379	283	14	82
11	Impact to other operation and maintenance expense - Solar Woodleaf	137	107	6	25
12	<u>Total other operation and maintenance expense - Solar</u>	<u>\$ 1,883 [2]</u>	<u>\$ 1,430</u>	<u>\$ 136</u>	<u>\$ 317</u>
13					
14	<u>Total other operation and maintenance expense - Solar Deferral</u>	<u>\$ (80) [3]</u>		<u>\$ (80)</u>	
15					
16	<u>Depreciation and amortization - Solar:</u>				
17	Impact to Depreciation and amortization - Solar PVDG	\$ 1,632	\$ 437	\$ 661	\$ 534
18	Impact to Depreciation and amortization - Solar Monroe	5,436	4,506	223	707
19	Impact to Depreciation and amortization - Solar Mocksville	1,594	1,190	59	344
20	Impact to Depreciation and amortization - Solar Woodleaf	609	474	25	110
21	<u>Total depreciation and amortization - Solar</u>	<u>\$ 9,271 [2]</u>	<u>\$ 6,608</u>	<u>\$ 968</u>	<u>\$ 1,695</u>
22					
23	<u>Total depreciation and amortization - Solar Deferral</u>	<u>\$ (1,093) [4]</u>		<u>\$ (1,093)</u>	
24					
25	<u>Electric Plant in Service - Solar:</u>				
26	Impact to electric plant in service - Solar PVDG	\$ 29,046	\$ 7,784	\$ 11,764	\$ 9,498
27	Impact to electric plant in service - Monroe	107,412	89,044	4,404	13,964
28	Impact to electric plant in service - Solar Mocksville	31,794	23,750	1,176	6,867
29	Impact to electric plant in service - Solar Woodleaf	13,911	10,822	570	2,518
30	<u>Total Electric Plant in Service - Solar</u>	<u>\$ 182,162 [2]</u>	<u>\$ 131,401</u>	<u>\$ 17,914</u>	<u>\$ 32,847</u>
31					
32	<u>Accumulated Depreciation - Solar:</u>				
33	Impact to accum. depr. - Solar PVDG	\$ (13,936)	\$ (3,735)	\$ (5,644)	\$ (4,557)
34	Impact to accum. depr. - Solar Monroe	(23,574)	(19,543)	(967)	(3,065)
35	Impact to accum. depr. - Solar Mocksville	(7,848)	(5,862)	(290)	(1,695)
36	Impact to accum. depr. - Solar Woodleaf	(1,816)	(1,413)	(74)	(329)
37	<u>Total Accumulated Depreciation - Solar</u>	<u>\$ (47,174) [2]</u>	<u>\$ (30,553)</u>	<u>\$ (6,976)</u>	<u>\$ (9,646)</u>

[1] Information provided by Duke Energy Carolinas Rates and Regulatory Filings as of year end 2021.

[2] Information provided by Duke Energy Carolinas Accounting

[3] Information provided by Duke Energy Carolinas Accounting. Activity is part of Account 0550001 - Other Power Gen-Op Rents Total.

[4] Information provided by Duke Energy Carolinas Accounting. Activity is part of Account 0403850 - Deferral of Depr. Exp.-Solar Total.

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<u>Line No.</u>	<u>REPS/RECs Expenses</u>	<u>Account</u>	<u>REPS</u>
	<u>Description</u>		
3	<u>Income Statement</u>		
4	RECS Consumption Expense	0509213	28,903 [1]
5			
6	Biogas Expense - REPS		(101) [2]
7			
8	REPS Rider NC Retail	407350	\$ 3,184 [1]
9	REPS Rider NC Whse	0407351	183 [1]
10	REPS Rider NC Retail-Cert	0407352	30,909 [1]
11	REPS Rider NC Whse-Cert	0407353	2,251 [1]
12	NC Amort of Retail REC Exp	0407450	(27,845) [1]
13	NC Amort of Whse REC Exp	0407451	(1,058) [1]
14			<u>7,624</u>
15	<u>Balance Sheet</u>		
16	RECs - DE Carolinas - NC	0158120	\$ 73,155 [1]
17	REPS Incremental Costs	0182359	1,616 [1]
18	Duke Generated REC Certificate	0182374	7,698 [1]
19	NC Solar Rebate Program Costs	0182560	16,939 [1]
20	Deferred Debt Return – Solar	0253905	(7,459) [1]
21	NC REC Liability - Retail	0254250	(61,118) [1]
22	NC REC Liability - Whse	0254251	(9,073) [1]
			<u>\$ 21,758</u>

[1] Trial balance

[2] COS - 547 FUEL EXP-BIOGAS-REPS-NCR

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EDIT Income Tax Amortization

<u>Line No.</u>			<u>Total System</u>	<u>Total NC Retail</u>
1	Amortization:			
2	0407501 - EDIT Rider Amort - NC Retail		(17,649) [1]	(17,649)
3	0407398 - EDIT Rider Amortization		<u>(10,180) [1]</u>	<u>(10,180)</u>
4	Total Acct 407 Amortization		(27,829)	(27,829)
5				
6	<u>EDIT Amortization (net of tax)</u>			
7	Federal EDIT Protected	Base Rates	(24,092) [2]	(24,092)
8				
9	Federal EDIT Unprotected	Rider	(132,299) [2]	(132,299)
10	State EDIT	Rider	<u>(48,078) [2]</u>	<u>(48,078)</u>
11	Total Unprotected & State		(180,377)	(180,377)
12				
13	Total EDIT Tax Amortization Net of Tax		<u>(204,469) [3]</u>	<u>(204,469)</u>

[1] Trial Balance

[2] Detail provided by EY Tax support for DEC

[3] NET INCOME TAX-FED TAX RATE CHG-NCR + NET INCOME TAX-NC TAX RATE CHG-NCR

DUKE ENERGY CAROLINAS, LLC
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E1-10
NC2030-5 Deferred Rev
Page 1 of 1
Compliance

Provision for Rate Refund

<u>Line No.</u>	<u>Description</u>	<u>Account</u>	<u>Total System</u>	<u>Total NC Retail</u>
1	Tax reform - Retail	0449111	48,331 [1]	35,307 [2]

[1] Trial Balance

[2] COS - 449.1 PROV FOR RATE REFUNDS-TAX REFORM-NCR

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E1-10
NC2030-6 GSR
Page 1 of 1
Compliance

2021 Green Source Rider Premium and Admin Expenses

Line No.	Description	Total System
1	Purchased Power (555)	\$ 157,162 [2]
2	Purchased Power (555)	65,379 [2]
3	Purchased Power (555)	792,012 [2]
4	Purchased power	<u>\$ 1,014,553 [1]</u>
5		
6		
7	0920000 - A and G Salaries	\$ 10,704
8	0921100 - Employee Expenses	23
9	0921200 - Office Expenses	-
10	0923000 - Outside Services Employed	1,874
11	0926600 - Employee Benefits - Transferred	2,443
12	Other operation and maintenance expense:	<u>\$ 15,043 [2]</u>
13		
14	0408960 - Allocated Payroll Taxes	787
15	General taxes	<u>\$ 787 [2]</u>
16		
17	Total	<u><u>\$ 1,030,384</u></u>

[1] COS - 555 PURCHASED POWER-GREEN SOURCE-NCR

[2] Information provided by Duke Energy Carolinas Accounting

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E1-10
NC2030-7 EDPR
Page 1 of 1
Compliance

Adjust EDPR Rider

Line No.	Description	12 ME December	Total NC Retail
1	INTERRUPTIBLE SERVICE CREDITS	\$ 2,445,264	
2	STANDBY GENERATOR PAYMENTS	46,854	
3	WHOLESALE A/C LOAD CONTROL CREDITS	335,296	
4	WHOLESALE INTERRUPTIBLE SERVICE CREDITS	1,065,873	
5	WHOLESALE ENERGY PENALTY	-	
6	WHOLESALE ENERGY CREDITS	309	
7	TOTAL Expense in 0557000 - Other Expenses - Oper	\$ 3,893,597 [3]	66.9690% [1] \$ 2,607,501
8			
9	<u>Amount included in base rates</u>	<u>kWh</u>	
10	2021 kWh Sales	58,068,422,042 [2]	
11	Experienced EDPR rate (NC Retail L7 / L10)		0 000045
12	EDPR Existing Base Rate		0 000063 [4]
13	Difference		(0 000018)
14			
15	Remove Deferred Dsm Costs - NC (Account 0456640)	\$ (657,296) [5]	\$ 657,296
16			
17	Total Adjustment to revenue		\$ 657,296

[1] All Production Demand Allocation Factor
[2] E1-42
[3] E-7, Sub 1214 DEC EDPR Rider filing 3/31/2022
[4] E-7, Sub 1214 Order Approving DEC EDPR Rider 6/28/2022
[5] Trial Balance

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E1-10
NC2030-8 BPM
Page 1 of 1
Compliance

Remove BPM Rider

Line No.	COS Line Description [1]	Total NC Retail
1	<u>Electric operating revenue</u>	
2	447 SALES FOR RESALE-ENERGY RELATED-NCR	6,342
3		
4	<u>Fuel used in electric generation:</u>	
5	501, 509, 547, 557 FUEL EXP-BPM&WO SHARING-NCR	2,532
6		
7	<u>Other operation and maintenance expense:</u>	
8	500-557 PROD EXP-BPM & WO SHARING-NCR	39
9	560-574 TRANSM EXP-BPM & WO SHARING-NCR	575
10	<u>920-931 A&G EXP-BPM&WO SHARING-NCR</u>	253
11	Total O&M	867
12		
13	<u>General taxes</u>	
14	408 GEN TAX-BPM&WO SHARING-NCR	8
15		
16	Total EBIT	2,936
17		
18	449.1 PROVISION FOR RATE REFUNDS-NCR	(914)

[1] COS Study

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E1-10
NC2030-9 JRR
Page 1 of 1
Compliance

Support for the Jobs Retention Rider (JRR)

<u>Line #</u>	<u>Amortization Expense</u>	<u>System</u>
1	0456392 - Jobs Retention Rider	9,547 [1]

[1] Trial Balance

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E1-10
NC2030-10.1 CPRE
Page 1 of 1
Compliance

CPRE Rider Expenses

Line No.	Income Statement	Total System	NC Retail Allocation	Total NC Retail
1	Income Statement			
2	<u>Description</u>			
3	<u>Purchased Power</u>			
4	CPRE Purchased Power - demand	\$ (16) [1]	66.9690% [2]	(10)
5	CPRE Purchased Power - sales	(54) [3]	67.2646% [4]	(37)
6	Purchased Power total - 0555145	\$ (70) [5]		\$ (47)
7				
8	<u>Operation & Maintenance</u>			
9	500000	\$ 0 [10]	66.9690% [2]	\$ 0
10	546000	1 [10]	66.9690% [2]	\$ 0
11	548200	30 [10]	66.9690% [2]	\$ 20
12	549000	448 [10]	66.9690% [2]	\$ 300
13	551000	21 [10]	66.9690% [2]	\$ 14
14	553000	33 [10]	66.9690% [2]	\$ 22
15	554000	4 [10]	66.9690% [2]	\$ 3
16	554220	51 [10]	66.9690% [2]	\$ 34
17	926600	13 [10]	66.9690% [2]	\$ 9
18	Total O&M December 2021	\$ 602		\$ 403
19				
20	<u>Depreciation and amortization</u>			
21	CPRE Rider - demand - 0407360	747 [11]	100.0000% [13]	747
22	CPRE Rider - sales - 0407360	2,625 [12]	100.0000% [13]	2,625
23	CPRE Production Plant Depreciation Expense - 0403600	5,806 [10]	66.9690% [2]	3,888
24	CPRE Transmission Plant Depreciation Expense	18	48.1470%	9
25	CPRE Distribution Depreciation Expense	44	99.6277%	44
26	CPRE Transmission Depreciation Expense	66	48.1470%	32
27		\$ 9,177 [5]		\$ 7,260
28				
29	<u>Property Tax</u>			
30	Gaston	\$ 208 [10]	67.4925% [14]	\$ 140
31	Maiden Creek	491 [10]	67.4925% [14]	331
32	Distribution Related	19 [10]	67.4925% [14]	13
33	Transmission related	17 [10]	67.4925% [14]	12
34	Total Property Tax December 2021	\$ 734		\$ 496
35				
36	<u>Investment Tax Credit Amortization - 0411410</u>			
37	Gaston	\$ (347) [6]	Direct	\$ (347)
38	Maiden Creek	(598) [7]	Direct	(598)
39	Total ITC Amortization December 2021	\$ (945)		\$ (945)
40				
41	Tax Credit	\$ (2,173) [8]	65.7935% [9]	(1,430)

[1] COS - 555 PURCHASED POWER-CPRE-DEMAND
 [2] NC Retail Allocation Factor - All - Production Demand - Jur
 [3] COS - 555 PURCHASED POWER-CPRE-SALES
 [4] NC Retail Allocation Factor - All - MWHs at Meter - Jur
 [5] Trial Balance
 [6] COS - 0411410-Input-Amort ITC-CPRE-Gaston-NCR
 [7] COS - 0411410-Input-Amort ITC-CPRE-Maiden Creek-NCR
 [8] From Tax
 [9] NC Retail Allocation Factor - All - Pre Tax Income - Jur
 [10] From Duke Energy Carolinas Accounting
 [11] 407 REG DRS & CRS-AMORT OTHER-CPRE-DEMAND-D/A
 [12] 407 REG DRS & CRS-AMORT OTHER-CPRE-DEMAND-D/A
 [13] Direct assigned to NC Retail
 [14] All - Gross Plant - Jur

DUKE ENERGY CAROLINAS, LLC
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E1-10
NC2030-10 2 CPRE
Page 1 of 1
Compliance

CPRE Rider Rate Base

<u>Line No.</u>	<u>Description</u>	<u>Total System</u>	<u>NC Retail Allocation</u>	<u>Total NC Retail</u>
1	<u>General Plant in Service</u>			
2	Gaston - production plant	\$ 38,771 [1]	66.9690% [2]	\$ 25,965
3	Maiden Creek - production plant	86,457 [1]	66.9690% [2]	57,900
4	Gaston - transmission plant	1,002 [1]	66.9690% [7]	671
5	Maiden Creek - transmission plant	7,517 [1]	66.9690% [7]	5,034
6	Distribution Related	1,831	100.0000%	1,831
7	Transmission related	2,509	48.1470% [7]	1,208
8	Total Gross Plant in Service December 2021 (L2 + L3)	\$ 138,088		\$ 92,609
9				
10	<u>Accumulated Depreciation: [3]</u>			
11	Gaston	\$ (1,916)	66.9690% [2]	\$ (1,283)
12	Maiden Creek	(3,890)	66.9690% [2]	(2,605)
13	Gaston - transmission plant	(13)	66.9690% [7]	(9)
14	Maiden Creek - transmission plant	(98)	66.9690% [7]	(66)
15	Distribution Related	(44)	100.0000%	(44)
16	Transmission related	(72)	48.1470% [7]	(35)
17	Total Accumulated Depreciation December 2021 (L7 + L8)	\$ (6,033)		\$ (4,041)
18				
19				
20	Remove CPRE Rider Demand - Asset - Retail (Account 0182528)	2 [4]	Direct	2
21	Remove CPRE Rider Sales - Asset - Retail (Account 0182528)	6 [5]	Direct	6
22				
23	Remove CPRE Rider Liability - Retail (Account 0254051)	\$ (3,888) [6]	Direct	(3,888)

- [1] Asset Accounting
- [2] Allocation Factor - All - Production Demand - Jur
- [3] Calculated based on existing depreciation rates
- [4] COS 182 ORA-CPRE-DEMAND-NCR
- [5] COS 182 ORA-CPRE-SALES-NCR
- [6] Trial Balance
- [7] Allocation Factor - All - Transmission Demand - Jur

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for executive compensation
For the Test Period Ending December 31, 2021

E1-10
NC2040 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro-forma adjusts operation and maintenance expense and income taxes for officers' compensation to eliminate a portion of the salary for the top 5 executives.

The impact to operation and maintenance expense is determined as follows:

Eliminate 50% of the compensation of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operating Officer (COO), Chief Legal Officer (CLO), and Duke Energy Carolinas Executive Vice President and Chief Executive Officer (CEO) allocated to Duke Energy Carolinas in the test period.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update

Proforma was revised to reflect updated amounts for the short term incentive portion of executive compensation for the top 5 executives.

(S3) Settlement

Adjusted to include Executive benefits per the settlement agreement

DUKE ENERGY CAROLINAS, LLC
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Adjust O&M for executive compensation
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2040 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total	Total
			NC Retail	NC Retail	NC Retail	NC Retail
			Compliance	Supplemental	Application	Change
1	Sales of Electricity					-
2	Other Revenue					-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power					-
9	Other operation and maintenance expense	NC2040-1	(4,463)	(4,130)	(4,670)	207
10	Depreciation and amortization					-
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortiza ion					-
14	Net income taxes	NC2040-1	1,042	964	1,090	(48)
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7:L15))		\$ (3,421)	\$ (3,166)	\$ (3,579)	\$ 158
17						
18	Operating income (L3-L16)		\$ 3,421	\$ 3,166	\$ 3,579	\$ (158)
19	<u>Rate Base</u>					
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -

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Adjust O&M for executive compensation
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(Dollars in thousands)

E1-10
NC2040-1 Calculation
Page 1 of 1
Compliance

Line No.	Description	Top Five Executives
1		
2	Compensation charged to Duke Energy Carolinas for top 5 Executives - 12 Months Ended December 31, 202	\$ 13,405 [1]
3	Exec Comp Fringe Benefits	\$ 1,080 [6]
4	Total	\$ 14,485
5		
6	Catawba reimbursement allocation rate	11.956% [2]
7	Non-ownership percentage in Catawba plant	80.754% [2]
8	Costs reimbursed by Catawba Joint Owners (L2 x L6 x L7)	\$ 1,399
9		
10	Compensation net of Joint Owners' share (L2 - L8)	\$ 13,087
11	NC Retail Allocation Factor - All - Labor	68.2076% [3]
12	NC Retail compensation (L10 x L11)	\$ 8,926
13	Exclusion percentage	50.00% [4]
14	Impact to O&M (-L12 x L13)	\$ (4,463)
15		
16	Statutory tax rate	23.3503% [5]
17	Impact to income taxes (-L14 x L16)	\$ 1,042
18		
19	Impact to operating income (-L14 - L17)	\$ 3,421

[1] Information provided by Duke Energy Corporate Accounting

[2] NC-2050-3 - Analysis of Total Labor \$ - Catawba Project (Gross, Allocated \$), 12 Months Ended Dec 31, 2021, Lines 20 and 24

[3] Allocation Factor - All - Labor

[4] The percentage of compensation for the top five executive's compensation to be eliminated from the test year.

[5] NC1010-4 2022 Calculation of Tax Rates, Line 10

[6] E-7 Sub 1276 Public Staff Data Request 44-2

DUKE ENERGY CAROLINAS, LLC
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Normalize O&M Labor Expenses
For the Test Period Ending December 31, 2021

E1-10
NC2050 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro-forma adjusts operation and maintenance expense, general taxes and income taxes to normalize operation and maintenance labor costs.

The impact to operation and maintenance expense is determined as follows:

1. The impact to Salaries and Wages was calculated by comparing the annual test period salaries and wages to the salaries and wages as of 7/1/2022 per Human Resources.
2. The percentage of electric operation and maintenance expense to apply to the salaries and wages adjustment is calculated as follows: total operation and maintenance labor per Form 1, Page 354 less reimbursement of Catawba Joint Owners is divided by total salaries and wages excluding other work in progress and allocation of clearing accounts per Form 1, Page 355. The adjustment calculated in Step 1 is multiplied by this percentage.
3. The impact related to fringe benefit costs is calculated by multiplying the salaries and wage adjustment calculated in Step 1 by the fringe benefits contribution rate. The fringe benefits contribution rate is calculated by dividing account 926 - employee pensions and benefits booked during the test period by total operation and maintenance labor per Form 1, Page 354.
4. The impact to operation and maintenance expense also reflects an adjustment to restate variable short and long term pay booked during the test period to target.

The impact to general taxes reflects the change in the FICA tax base. To adjust general taxes, the salaries and wages adjustment calculated in Step 1 is multiplied by the percentage of wages subject to OASDI by the OASDI tax rate for employers. Next, the adjustment due to Medicare tax is calculated by multiplying the salaries and wages adjustment calculated in Step 1 by the Medicare tax rate.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(A) December Update

Updated annualized labor actuals through December 2022.

(B) 1st Supplemental Update

Updated annualized labor actuals through April 2023.

(C) 2nd Supplemental Update

Updated annualized labor actuals through May 2023.

(D) 3rd Supplemental Update

Updated annualized labor actuals through June 2023.

(S3) Settlement

Adjustment to STIP/LTIP

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Normalize O&M Labor Expenses
For the Test Period Ending December 31, 2021

E1-10
NC2050 Summary
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Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total	Total	Total	Total
			NC Retail Compliance	NC Retail Third Supplemental	NC Retail Second Supplemental	NC Retail Supplemental	NC Retail Application	NC Retail Change
1	Sales of Electricity							-
2	Other Revenue							-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4								-
5	<u>Electric operating expenses:</u>							
6	Operation and maintenance:							
7	Fuel used in electric generation							-
8	Purchased power							-
9	Other operation and maintenance expense	NC2050-1	\$ (883)	\$ 6,970	\$ 6,122	\$ 6,743	\$ (6,710)	\$ 5,827
10	Depreciation and amortization							-
11	General taxes	NC2050-1	\$ 1,553	\$ 1,553	\$ 1,498	\$ 1,538	\$ 665	\$ 888
12	Interest on customer deposits							-
13	EDIT Amortization							-
14	Net income taxes	NC2050-1	\$ (156)	\$ (1,990)	\$ (1,779)	\$ (1,934)	\$ 1,412	\$ (1,568)
15	Amortization of investment tax credit							-
16	Total electric operating expenses (sum(L7:L15))		\$ 513	\$ 6,532	\$ 5,841	\$ 6,347	\$ (4,634)	\$ 5,147
17								-
18	Operating income (L3-L16)		\$ (513)	\$ (6,532)	\$ (5,841)	\$ (6,347)	\$ 4,634	\$ (5,147)
19	<u>Rate Base</u>							
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Normalize O&M Labor Expenses
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2050-1 Calculation
Page 1 of 2
Compliance

Line No.	Description	Labor Per Books	As of 6/30/2023 HR Salaries	Pro Forma HR salaries
1				
2	<u>Salaries and Wages by Payroll Company</u>			
3	Duke Energy Carolinas - salaries and wages - charged to Duke Energy Carolinas	\$ 664,741 [1]	\$ 712,821 [2]	\$ 48,080
4	Service Company (DEBS) - salaries and wages - charged to Duke Energy Carolinas	193,129 [1]	198,893 [2]	5,764
5	Duke Energy Progress - salaries and wages - charged to Duke Energy Carolinas	32,987 [1]	33,837 [2]	850
6	Total salaries and wages (Sum L3 through L5)	\$ 890,858	\$ 945,551	\$ 54,694
7				
8	<u>Calculation of Electric O&M % to Apply to Salaries & Wages Adjustment</u>			
9	Total salaries and wages (Form 1, Page 355, Line 96, Col (d))	\$ 1,213,197 [3]		
10	Less other work in progress (Form 1, Page 355, Lines 78,79,80 Col (b))	14,281 [3]		
11	Less a location of payroll charged for clearing accounts (Form 1, Page 355, Line 96, Col (c))	28,152 [3]		
12	Total salaries and wages - excl. other WIP & allocation of clearing accounts (L9 - L10 - L11)	\$ 1,170,764		
13				
14	Total operating and maintenance (Form 1, Page 354, Line 28, Col (b))	\$ 797,138 [3]		
15	Less reimbursement of electric O&M by Catawba Joint Owners	114,735 [4]		
16	Net electric O&M salaries and wages (L14 - L15)	\$ 682,403		
17				
18	Percent of incurred costs charged to electric expense (L16 / L12)	58.29%		58.29%
19	Net electric O&M salaries and wages to adjust (L6 x L18)			\$ 31,881
20				
21	<u>Adjustment to General Taxes - FICA</u>			
22	Net electric O&M salaries and wages to adjust (L19)			\$ 31,881
23	Percentage of wages subject to OASDI			91.78% [5]
24	Electric wage adjustment subject to OASDI tax (L22 x L23)			\$ 29,260
25	OASDI tax rate (employers)			6.20% [6]
26	Adjustment due to wage adjustment (before Medicare rate) (L24 x L25)			\$ 1,814
27				
28	Net electric O&M salaries and wages to adjust (L19)			\$ 31,881
29	Medicare tax rate			1.45% [6]
30	Adjustment due to Medicare tax (L28 x L29)			\$ 462
31				
32	Impact to general taxes (L26 + L30)			\$ 2,276
33				
34	<u>Calculation of Fringe Benefits Contribution Rate</u>			
35	Account 926 - employee pensions and benefits - 12 Months Ended December 31, 2021	\$ 79,801 [7]		
36	Total operating and maintenance (Form 1, Page 354, Line 28, Col (b)) (L14)	797,138		
37	Fringe benefits contribution rate (L35 / L36)			10.01%

[1] NC2050-2 Actuals - Salaries and Wages by Payroll Company for Duke Energy Carolinas - 12 Months Ended Dec. 31, 2021
 [2] NC2050-4 Annualized Annual Salary Information by Payroll Company for Duke Energy Carolinas at June 30, 2022
 [3] NC2050-6 FEREC - Distribution of Salaries and Wages, 12 Months Ended December 31, 2021 (Form 1, Page 354-355)
 [4] NC2050-3 Joint Owner - Analysis of Total Labor \$ - Catawba Project (Gross, Allocated \$) - 12 Months Ended Dec 31, 2021, Line 10
 [5] NC2050-7 Tax-Quarterly Federal Tax Summary Report
 [6] NC2050-8 OASDI - OASDI and SSI Program Rates & Limits - 2022
 [7] NC2050-9 Pensions and Benefits- Duke Energy Carolinas - (926) Employee Pensions and Benefits (excludes direct assigned NC Employee Benefits)- 12 Months Ended December 31, 2021

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 Normalize O&M Labor Expenses
 For the Test Period Ending December 31, 2021
 (Dollars in thousands)

NC2050-1 Calculation
 Page 2 of 2
 Compliance

Line No.	Description	Total Carolinas	NC Retail Allocation	Total NC Retail
39	Calculation of O&M (Including Fringe Benefits & Variable Pay) and Income Tax			
40	Net electric O&M salaries and wages to adjust (L19)	\$ 31,881		
41	Fringe benefits contribution rate (L37)	10.01%		
42	Fringe benefits adjustment (L40 x L41)	\$ 3,191		
43				
44	Adjustment to restate variable short and long term pay at target	\$ (36,367) [8]		
45				
46	Impact to O&M (L40 + L42 + L44)	\$ (1,284)	68.2076% [9]	\$ (883)
47				
48	Impact to general taxes (L32)	\$ 2,276	68.2076% [9]	\$ 1,553
49				
50	Taxable income (-L46 - L48)	\$ (982)		\$ (670)
51	Statutory tax rate	23.3503% [10]		23.3503% [10]
52	Impact to income taxes (L50 x L51)	\$ (229)		\$ (166)
53				
54	Impact to operating income (L50 - L52)	\$ (753)		\$ (513)

[8] NC2050-10 - Variable Short and Long Term Pay for Duke Energy Carolinas - 12 Months Ended December 31, 2021
 [9] NC Retail Allocation Factor - A1 - Labor - Jur
 [10] NC1010-4 2022 Calculation of Tax Rates, Line 10

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NC2050-2 Actuals
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Salaries and Wages by Payroll Company for Duke Energy Carolinas - 12 Months Ended December 31 2021 [1]

<u>Line No.</u>	<u>Payroll Company</u>	<u>Resource Category</u>	<u>Total</u>	<u>Percentage</u>
1				
2	Duke Energy Carolinas (Payroll Company 100)	Direct Labor	\$ 551,807,093	83.0108%
3	Duke Energy Carolinas (Payroll Company 100)	Allocated Labor	112,934,091	16.9892%
4	Subtotal		\$ 664,741,184	100.0000%
5				
6	Service Company (Payroll Co. 110) - charged to DE Carolinas	Direct Labor	\$ 165,991,824	85.9486%
7	Service Company (Payroll Co. 110) - charged to DE Carolinas	Allocated Labor	27,137,444	14.0514%
8	Subtotal		\$ 193,129,267	100.0000%
9				
10	Duke Energy Progress (Payroll Co. 801) - charged to DE Carolinas	Direct Labor	\$ 26,253,444	79.5865%
11	Duke Energy Progress (Payroll Co. 801) - charged to DE Carolinas	Allocated Labor	6,733,849	20.4135%
12	Subtotal		\$ 32,987,293	100.0000%
13				
14	Total		<u>\$ 890,857,745</u>	

Note: Totals may not foot due to rounding
[1] Duke Energy Carolinas General Accounting and Reporting

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Analysis of Total Labor \$ - Catawba Project (Gross, Allocated \$) - 12 Months Ended December 31, 2021

Line No.	Description	Gross YTD Total	Catawba Reimbursement	
1	O&M	\$ 122,892,372 [1]	\$ 99,240,506	
2	A&G allocation	18,732,087 [1]	15,126,910	
3	Capital retirements	811,225 [1]	655,097	
4	Capital additions	13,583,248 [1]	10,969,016	
5	Accounting & billing, operating	348,030 [1]	290,025	
6	Accounting & billing, interconnect	186,447 [1]	77,686	
7	Total (Sum L1 through L6)	<u>\$ 156,553,409</u>	<u>\$ 126,359,239</u>	
8				
9		Less: capital retirements and additions (L3 + L4)	\$ 11,624,113	
10		Total (excluding capital retirements and additions) (L7 - L9)	\$ 114,735,127	
11				
12	<u>Calculation of Catawba Allocation Rate</u>			
13				
14	Total Catawba O&M labor expense (L1)	\$ 122,892,372		
15				
16	Duke Energy Carolinas total salaries & wages	\$ 1,213,196,944 [2]		
17	Less: A&G salaries and wages	185,322,538 [3]		
18	Total salaries and wages excluding A&G (L16 - L17)	<u>\$ 1,027,874,406</u>		
19				
20	Catawba reimbursement allocation rate (L14 / L18)	<u>11.956%</u>		
21				

22 NOTES:

- 23 (a) Includes manual journals
- 24 (b) Labor is reimbursed at 80.754% with these exceptions:
- 25 - accounting & billing, operating \$ are reimbursed at 83.3333% and interconnect \$ are reimbursed at 50% of the 83.3333%

[1] Provided by Duke Energy Catawba Joint Owner Accounting
[2] NC2050-6 - Distr. of Salaries and Wages, 12 Months Ended Dec 31, 2021 (Form 1, Page 354-355), Page 2, Line 96, Col (d)
[3] NC2050-6 - Distr. of Salaries and Wages, 12 Months Ended Dec 31, 2021 (Form 1, Page 354-355), Page 1, Line 27, Col (b)

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Annual Salary Information by Payroll Company for Duke Energy Carolinas at April 30, 2023

<u>Line No.</u>	<u>Payroll Company</u>	<u>Grand Total</u>
1		
2	Duke Energy Carolinas (Payroll Company 100)	\$ 874,871,469 [2]
3	Duke Energy Carolinas % of labor charged to Duke Energy Carolinas	81.4772% [1]
4	Duke Energy Carolinas labor charged to Duke Energy Carolinas (L2 x L3)	\$ 712,820,962
5		
6	Service Company (Payroll Company 110)	\$ 812,635,109 [2]
7	Service Company % of labor charged to Duke Energy Carolinas	24.4751% [1]
8	Service Company labor charged to Duke Energy Carolinas (L6 x L7)	\$ 198,893,117
9		
10	Duke Energy Progress (Payroll Company 801)	\$ 452,691,799 [2]
11	Duke Energy Progress % of labor charged to Duke Energy Carolinas	7.4747% [1]
12	Duke Energy Progress labor charged to Duke Energy Carolinas (L10 x L11)	\$ 33,837,353
13		
14	Total - sum of annual salaries (L4 + L8 + L12)	\$ 945,551,433

[1] NC2050-5 - Labor Allocations by Business Unit Group - 12 Months Ended April 30, 2022
[2] Information provided by Duke Energy Human Resources Operations

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Labor Allocations by Business Unit Group - 12 Months Ended June 30, 2023 [1]
Base Labor Resource Types Included: 11000, 11002, 18000, 18001, 18005

Line No.	Resp Center Level 2 Node Name LVL	BU Group	Monetary Amount JD	Percentage
1				
2	100_DUKE_POWER_CONSO	1. DE Carolinas	\$ 708,008,013	81.4772%
3	100_DUKE_POWER_CONSO	2. DE Progress	95,982,419	11.0456%
4	100_DUKE_POWER_CONSO	3. DEBS	577,793	0.0665%
5	100_DUKE_POWER_CONSO	4. Other	64,396,134	7.4107%
6	100_DUKE_POWER_CONSO		<u>\$ 868,964,359</u>	<u>100.0000%</u>
7				
8	110_SERVICE_COMPANY	1. DE Carolinas	\$ 198,963,447	24.4751%
9	110_SERVICE_COMPANY	2. DE Progress	129,498,078	15.9299%
10	110_SERVICE_COMPANY	3. DEBS	68,264,959	8.3975%
11	110_SERVICE_COMPANY	4. Other	416,195,978	51.1975%
12	110_SERVICE_COMPANY		<u>\$ 812,922,462</u>	<u>100.0000%</u>
13				
14	801_DE_PROGRESS	1. DE Carolinas	\$ 34,752,812	7.4747%
15	801_DE_PROGRESS	2. DE Progress	421,209,886	90.5946%
16	801_DE_PROGRESS	3. DEBS	5,499	0.0012%
17	801_DE_PROGRESS	4. Other	8,971,039	1.9295%
18	801_DE_PROGRESS		<u>\$ 464,939,236</u>	<u>100.0000%</u>
19				
20	Total		<u>\$ 2,146,826,057</u>	

[1] Provided by Duke Energy Corporate Accounting

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Name of Respondent		December 31 2021		
Duke Energy Carolinas Inc.		DISTRIBUTION OF SALARIES AND WAGES		
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	301,601,624		
4	Transmission	13,543,176		
5	Regional Market			
6	Distribution	28,578,148		
7	Customer Accounts	33,405,954		
8	Customer Service and Informational	8,291,396		
9	Sales	10,207,809		
10	Administrative and General	185,010,841		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	580,638,948		
12	Maintenance			
13	Production	178,661,120		
14	Transmission	8,206,497		
15	Regional Market			
16	Distribution	29,320,074		
17	Administrative and General	311,697		
18	TOTAL Maintenance (Total of lines 13 thru 17)	216,499,388		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	480,262,744		
21	Transmission (Enter Total of lines 4 and 14)	21,749,673		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	57,898,222		
24	Customer Accounts (Transcribe from line 7)	33,405,954		
25	Customer Service and Informational (Transcribe from line 8)	8,291,396		
26	Sales (Transcribe from line 9)	10,207,809		
27	Administrative and General (Enter Total of lines 10 and 17)	185,322,538		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	797,138,336	2,296,308	799,434,645
29	Gas			
30	Operation			
31	Production - Manufactured Gas			
32	Production-Nat. Gas (Including Expl. And Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminaling and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)	None		
42	Maintenance			
43	Production - Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission			
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)	None		
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32, 44)			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru 46)			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)	None		

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63	Other Utility Departments			
64	Operation and Maintenance		0	0
65	TOTAL All Utility Dept. (Total of lines 28 62 and 64)		797,138,336	2,296,308
66	Utility Plant			799,434,644
67	Construction (By Utility Departments)			
68	Electric Plant	336,853,549	25,855,432	362,708,981
69	Gas Plant			
70	Other (provide details in footnote)			
71	TOTAL Construction (Total of lines 68 thru 70)	336,853,549	25,855,432	362,708,981
72	Plant Removal (By Utility Departments)			
73	Electric Plant	36,772,322		36,772,322
74	Gas Plant			
75	Other (provide details in footnote)			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	36,772,322		36,772,322
77	Other Accounts (Specify, provide details in footnote):			
78	Non-Regulated Products & Services	4,659,330		4,659,330
79	Other Work in Progress	4,595,928		4,595,928
80	Other Accounts	5,025,739		5,025,739
81				
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	14,280,997		14,280,997
96	TOTAL SALARIES AND WAGES	1,185,045,204	28,151,740	1,213,196,944
97				

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Quarterly Federal Tax Summary Report (Report ID: TAX010FD) - Summary

Line No.	Description	(a)	(b)	(c)	12 Months Ended Dec 31, 2021 (d)
1					
2	<u>Duke Energy Carolinas</u>				
3	FICA/OASDI [D, E] YTD, Column 'YTD Subject Wages'				959,273,666 [1]
4	FICA/OASDI [D, E] YTD, Column 'YTD Taxable Wages'				888,496,160 [1]
5	Percentage Total (L4 / L3)				92.6218%
6					
7	<u>Duke Energy Business Services</u>				
8	FICA/OASDI [D, E] YTD, Column 'YTD Subject Wages'				895,764,934 [2]
9	FICA/OASDI [D, E] YTD, Column 'YTD Taxable Wages'				791,335,521 [2]
10	Percentage Total (L9 / L8)				88.3419%
11					
12	<u>Duke Energy Progress</u>				
13	FICA/OASDI [D, E] YTD, Column 'YTD Subject Wages'				519,847,935 [3]
14	FICA/OASDI [D, E] YTD, Column 'YTD Taxable Wages'				493,258,348 [3]
15	Percentage Total (L14 / L13)				94.8851%
16					
17	<u>Calculation of Percentage of Wages Subject to OASDI</u>				
18	<u>For 12 Months Ended December 31, 2021</u>				
19	Duke Energy Carolinas	664,741,184 [4]	74.62% [5]	92.62% [8]	69.1126% [11]
20	Duke Energy Business Services	193,129,267 [4]	21.68% [6]	88.34% [9]	19.1517% [11]
21	Duke Energy Progress	32,987,293 [4]	3.70% [7]	94.89% [10]	3.5135% [11]
22	Total (Sum L19 through L21)	<u>890,857,745</u>	<u>100.00%</u>		<u>91.7800%</u>

[1] NC2050-7, Page 2 of 2, Quarterly Federal Tax Summary Report - 4th Quarter 2021 Company: 100
 [2] NC2050-7, Page 2 of 2, Quarterly Federal Tax Summary Report - 4th Quarter 2021, Company: 110
 [3] NC2050-7, Page 3 of 2, Quarterly Federal Tax Summary Report - 4th Quarter 2021, Company: 801
 [4] NC2050-2 -Actuals Salaries and Wages by Payroll Company for Duke Energy Carolinas - 12 Months Ended Dec 31, 2021
 [5] Column (a), Line 19 divided by Line 22
 [6] Column (a), Line 20 divided by Line 22
 [7] Column (a), Line 21 divided by Line 22
 [8] Column (d), Line 5
 [9] Column (d), Line 10
 [10] Column (d), Line 15
 [11] Column (b) multiplied by Column (c)

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Quarterly Federal Tax Summary Report (Report ID: TAX010FD) - Summary

Tax Filing Quarterly Data by Company

Calendar 2021-Q4

Included: Yes

Combine Resident with Work State Withholding

Include In Progress Results Only

Combine In Progress Results with Completed Results

Data for Quarters									
Company	Quarter	Tax Authority	Tax	Tax Filing Code	SUI Rate	YTD Tax Withheld	YTD Taxable Wages	YTD Subject Wages	
100 Duke Energy Carolinas, LLC	2021-Q4	Federal	OASDI (ER)	W_OASERFERAL		55,086,761.99	888,496,159.86	961,998,416.52	
100 Duke Energy Carolinas, LLC	2021-Q4	Federal	OASDI	W_OASFEDERAL		55,086,761.97	888,496,159.86	959,273,665.66	
Data for Quarters									
Company	Quarter	Tax Authority	Tax	Tax Filing Code	SUI Rate	YTD Tax Withheld	YTD Taxable Wages	YTD Subject Wages	
110 Duke Energy Business Services, LLC	2021-Q4	Federal	OASDI (ER)	W_OASERFERAL		49,062,802.33	791,335,521.36	924,081,761.60	
110 Duke Energy Business Services, LLC	2021-Q4	Federal	OASDI	W_OASFEDERAL		49,062,802.31	791,335,521.36	895,764,933.60	
Data for Quarters									
Company	Quarter	Tax Authority	Tax	Tax Filing Code	SUI Rate	YTD Tax Withheld	YTD Taxable Wages	YTD Subject Wages	
801 Duke Energy Progress, LLC	2021-Q4	Federal	OASDI (ER)	W_OASERFERAL		30,582,017.62	493,258,348.02	520,444,794.21	
801 Duke Energy Progress, LLC	2021-Q4	Federal	OASDI	W_OASFEDERAL		30,582,017.62	493,258,348.02	519,847,935.26	

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Fact Sheet

SOCIAL SECURITY

2022 SOCIAL SECURITY CHANGES

Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2020 through the third quarter of 2021, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 5.9 percent COLA for 2022. Other important 2022 Social Security information is as follows:

Tax Rate	2021	2022
Employee	7.65%	7.65%
Self-Employed	15.30%	15.30%

NOTE: The 7.65% tax rate is the combined rate for Social Security and Medicare. The Social Security portion (OASDI) is 6.20% on earnings up to the applicable taxable maximum amount (see below). The Medicare portion (HI) is 1.45% on all earnings. Also, as of January 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9 percent in Medicare taxes. The tax rates shown above do not include the 0.9 percent.

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E1-10
NC2050-9 Pensions and Benefits
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Duke Energy Carolinas - (926) Employee Pensions and Benefits - 12 Months Ended December 31, 2021

Line No.	Account & Description	Total
1		
2	0926000 - Employee Pensions and Benefits	\$ 255,221,719 [1]
3	0926003 - NC Employee Benefits	\$ (542,363) [1],[2]
4	0926420 - Employees' Tuition Refund	871 [1]
5	0926430 - Employees' Recreation Expense	43,866 [1]
6	0926600 - Employee Benefits - Transferred	(94,933,331) [1]
7	0926999 - Non Service Cost (ASU 2017-07)	(79,990,109) [1]
8	Total	<u>\$ 79,800,653</u>

[1] E-1 Item 2, Trial Balance

[2] Amount represents pension and benefits costs that are directed assigned to NC. Amount is excluded from the calculation of the fringe benefit contribution rate on NC2050-1.

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NC2050-10 STI & LTI Summary
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Variable Short and Long Term Pay for Duke Energy Carolinas - 12 Months Ended Dec 31, 2021

Line <u>No.</u>	<u>Description</u>	<u>Total Carolinas</u>
1		
2	Level of variable short term pay - test year	\$ 132,598 [1]
3	Level of variable long term pay - test year	29,272 [2]
4	Total (L2 + L3)	<u>\$ 161,870</u>
5		
6	Catawba reimbursement allocation rate	11.956% [4]
7	Non-ownership percentage in Catawba plant	80.7540% [4]
8		
9	Costs reimbursed by Catawba Joint Owners (L4 x L6 x L7)	15,628
10	Remaining variable short and long term pay (L4 - L9)	<u>\$ 146,242</u>
11		
12		
13	2022 target level of variable short term pay	\$ 101,392 [3]
14	2022 target level of variable long term pay	32,968 [2]
15	Total (L13 + L14)	<u>\$ 134,360</u>
16		
17	Catawba reimbursement allocation rate (L6)	11.9560%
18	Non-ownership percentage in Catawba plant (L7)	80.754%
19		
20	Estimated costs reimbursed by Catawba Joint Owners (L15 x L17 x L18)	12,972
21	Remaining variable short and long term pay (L15 - L20)	<u>\$ 121,388</u>
22		
23	Adjustment to STIP	(7,142) [5]
24	Adjustment to LTIP	(5,601) [5]
25	Remaining variable short and long term pay (L23 + L24)	<u>(12,743)</u>
26		
27	Catawba reimbursement allocation rate (L16)	11.9560% [4]
28	Non-ownership percentage in Catawba plant (L17)	80.754% [4]
29		
30	Estimated costs reimbursed by Catawba Joint Owners (L25 x L27 x L28)	(1,230)
31	Remaining variable short and long term pay (L25 - L30)	<u>\$ (11,513)</u>
32		
33	Adjustment to restate variable short and long term pay at target (L21 - L10)	<u>\$ (36,367)</u>

[1] NC2050-10a STI actual - Level of Variable Short Term Pay for Duke Energy Carolinas - 12 Months Ended December 31, 2021, Line 39, Col. (c)

[2] NC2050-10c LTI - Variable Long Term Pay for Duke Energy Carolinas, Lines 6 and 13, Col. (a)

[3] NC2050-10b STI target - 2022 Target Level of Variable Short Term Pay for Duke Energy Carolinas, Line 39, Col. (c)

[4] NC2050-3 Joint Owner - Analysis of Total Labor \$ - Catawba Project (Gross, Allocated \$), 12 Months Ended December 31, 2021, Lines 20 and 24

[5] Calculated from E-7 Sub 1276 Public Staff Data request 157-24

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NC2050-10a ST1 Actual
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Level of Variable Short Term Pay for Duke Energy Carolinas - 12 Months Ended December 31, 2021 [1]

Line No.	Description	Asset	Indirect	Liability	Other Balance Sheet (a)	Capital (b)	O&M (c)	Total (d)
1								
2	<u>Direct Charge:</u>							
3	Duke Energy Commercial Enterprises	\$ 0	\$ -	\$ -	\$ 0	\$ 361	\$ 642	\$ 1,003
4	Duke Energy Business Services	\$2,513,395	\$1,144,082	\$60,351	3,717,827	\$4,385,607	\$16,269,388	24,372,823
5	Duke Energy Carolinas	\$403,601	\$6,559,406	\$193,584	7,156,591	\$35,127,941	\$99,113,469	141,398,001
6	Duke Energy Indiana	\$5	\$5	\$0	9	\$447	\$39,154	39,611
7	Duke Energy Kentucky	\$0	\$0	\$0	-	\$498	\$6	504
8	Duke Energy Ohio	\$33	\$0	\$0	33	\$1,207	\$337	1,577
9	Piedmont Natural Gas	29	-	-	29	\$1,898	27,620	29,547
10	Duke Energy Progress	\$3,362	\$109,419	\$2,049	114,830	\$1,376,799	\$2,218,109	3,709,738
11	Duke Energy Florida	\$139	(\$4,063)	\$3,529	(395)	\$83,224	\$230,586	313,415
12	Direct Charge Total (Sum L3 through L11)	\$ 2,920,564	\$ 7,808,848	\$ 259,512	\$ 10,988,925	\$ 40,977,982	\$ 117,899,312	\$ 169,866,219
13								
14	% split between capital and O&M for direct charges					25.7922%	74.2078%	100.0000%
15								
16	<u>Service Company Allocation:</u>							
17	Duke Energy Commercial Enterprises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 2
18	Duke Energy Business Services	-	-	-	-	\$291,669	\$12,115,272	12,406,941
19	Duke Energy Carolinas	(48,359)	-	-	(48,359)	\$24,209	(\$5,878,779)	(5,902,929)
20	Duke Energy Indiana	-	-	-	-	\$18	(\$10,949)	(10,931)
21	Duke Energy Kentucky	-	-	-	-	-	-	-
22	Duke Energy Ohio	-	-	-	-	\$0	\$39	39
23	Piedmont Natural Gas	-	-	-	-	\$0	(\$6,571)	(6,571)
24	Duke Energy Progress	102,325	-	-	102,325	\$2,795	\$419,593	524,714
25	Duke Energy Florida	-	-	-	-	\$327	(\$43,437)	(43,110)
26	Service Company Allocation Total (Sum L17 through L25)	\$ 53,967	\$ -	\$ -	\$ 53,967	\$ 319,018	\$ 6,595,170	\$ 6,968,154
27								
28	Percentage split between capital and O&M for allocated					4.6140%	95.3860%	100.0000%
29								
30	Total (L12 + L26)	\$ 2,974,531	\$ 7,808,848	\$ 259,512	\$ 11,042,891	\$ 41,297,000	\$ 124,494,482	\$ 176,834,374
31								
32	Percentage split between capital and O&M for total					24.9090%	75.0910%	100.0000%
33								
34	<u>Summary:</u>							
35	Direct (L12)				\$ 10,988,925	\$ 40,977,982	\$ 117,899,312	\$ 169,866,219
36	Re-assignment of direct "other" (-L36, Col. (a) x L14)				(10,988,925)	2,834,285	8,154,639	-
37	Allocated (L26)				53,967	319,018	6,595,170	6,968,154
38	Re-assignment of allocated "other"				(53,967)	(2,490)	(51,477)	-
39	Total (Sum L35 through L38)				\$ -	\$ 44,128,796	\$ 132,597,645	\$ 176,834,374

[1] Provided by Duke Energy Corporate Accounting

DUKE ENERGY CAROLINAS, LLC
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E1-10
NC2050-10b ST1 Target
Page 1 of 1
Compliance

2022 Target Level of Variable Short Term Pay for Duke Energy Carolinas [1]

Line No.	Description	Asset	Indirect	Liability	Other Balance Sheet (a)	Capital (b)	O&M (c)	Total (d)
1								
2	<u>Direct Charge:</u>							
3	Duke Energy Commercial Enterprises	\$ -	\$ -	\$ -	\$ -	\$ 770	\$ -	\$ 770
4	Duke Energy Business Services	2,824,332	1,418,901	33,744	\$ 4,276,978	4,438,367	31,225,013	39,940,358
5	Duke Energy Carolinas	132,384	6,823,103	181,585	\$ 7,137,072	19,453,827	58,376,078	84,966,976
6	Duke Energy Indiana	-	-	-	\$ -	4,122	27,353	31,474
7	Duke Energy Kentucky	-	-	-	\$ -	-	-	-
8	Duke Energy Ohio	13	-	-	\$ 13	-	438	451
9	Piedmont Natural Gas	-	-	-	\$ -	-	2,641	2,641
10	Duke Energy Progress	195,224	83,936	-	\$ 279,160	677,347	2,362,595	3,319,102
11	Duke Energy Florida	302	268	2,663	\$ 3,233	32,756	166,256	202,245
12	Direct Charge Total (Sum L3 through L11)	\$ 3,152,256	\$ 8,326,208	\$ 217,992	\$ 11,696,456	\$ 24,607,188	\$ 92,160,373	\$ 128,464,017
13								
14	Percentage split between capital and O&M for direct charges					21.0737%	78.9263%	100.0000%
15								
16	<u>Service Company Allocation:</u>							
17	Duke Energy Commercial Enterprises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Duke Energy Business Services	-	-	-	-	-	-	-
19	Duke Energy Carolinas	-	-	-	-	-	-	-
20	Duke Energy Indiana	-	-	-	-	-	-	-
21	Duke Energy Kentucky	-	-	-	-	-	-	-
22	Duke Energy Ohio	-	-	-	-	-	-	-
23	Piedmont Natural Gas	-	-	-	-	-	-	-
24	Duke Energy Progress	-	-	-	-	-	-	-
25	Duke Energy Florida	-	-	-	-	-	-	-
26	Service Company Allocation Total (Sum L17 through L25)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - [2]
27								
28	Percentage split between capital and O&M for allocated							0.0000%
29								
30	Total (L12 + L26)	\$ 3,152,256	\$ 8,326,208	\$ 217,992	\$ 11,696,456	\$ 24,607,188	\$ 92,160,373	\$ 128,464,017
31								
32	Percentage split between capital and O&M for total					21.0737%	78.9263%	100.0000%
33								
34	<u>Summary:</u>							
35	Direct (L12)				\$ 11,696,456	\$ 24,607,188	\$ 92,160,373	\$ 128,464,017
36	Re-assignment of direct 'other' (-L35, Col. (a) x L14)				(11,696,456)	2,464,876	9,231,580	-
37	Allocated (L26)				-	-	-	-
38	Re-assignment of allocated "other"				-	-	-	-
39	Total (Sum L35 through L38)				\$ -	\$ 27,072,064	\$ 101,391,953	\$ 128,464,017

[1] Provided by Duke Energy Corporate Accounting

[2] Service company allocation portion not available in budget view. Amount is embedded in direct charge section.

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E1-10
NC2050-10c LTI
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Compliance

Variable Long Term Pay for Duke Energy Carolinas [1]

<u>Line No.</u>	<u>Description</u>	<u>Total</u> (a)	<u>Performance Awards</u> (b)	<u>Restricted Stock Units</u> (c)
1				
2	<u>Stock-Based Compensation - Actuals - 12 Months Ended December 31, 2021</u>			
3				
4	Grand total - gross	\$ 31,388,548	\$14,500,908	\$16,887,639
5	Less: capital	<u>2,116,471</u>	<u>108,100</u>	<u>2,008,371</u>
6	Stock-based compensation, net EBIT	\$ 29,272,076	\$ 14,392,808	\$ 14,879,268
7				
8				
9	<u>Ongoing Stock-Based Compensation</u>			
10				
11	Grand total - gross	\$ 34,766,915	\$12,221,522	\$22,545,393
12	Less: capital	<u>1,799,000</u>	<u>61,277</u>	<u>1,737,723</u>
13	Stock-based compensation, net EBIT	\$ 32,967,915	\$ 12,160,245	\$ 20,807,670

[1] Provided by Duke Energy Corporate Accounting

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E1-10
NC2060 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This proforma adjusts operation and maintenance expense and income taxes for changes in benefits costs.

The impact to operation and maintenance expense reflects the annual level of pension, OPEB, Active Medical, FAS112 and non-qualified pension benefits based on a report from the Company's third party consultant less actual amounts in the test period for these expenses.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

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E1-10
NC2060 Summary
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Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Applica ion	Total NC Retail Change
1	Sales of Electricity				-
2	Other Revenue				-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense	NC2060-1	\$ (641)	\$ (641)	-
10	Depreciation and amortization				-
11	General taxes				-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC2060-1	\$ 150	\$ 150	-
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ (492)	\$ (492)	\$ -
17					
18	Operating income (L3-L16)		\$ 492	\$ 492	\$ -
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated deprecia ion and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -

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E1-10
NC2060-1 Calculation
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Compliance

Line No.	Benefits by Category	12 Months Ended		Adjustment	NC Retail Allocation	Total NC Retail
		December 2021 Total	2022 Projection			
<u>Benefits provided to Duke Energy Carolinas or charged to Duke Energy Carolinas:</u>						
1	Qualified Pension	\$ (17,422) [1]	\$ (34,688) [1]			
2	OPEB and Active Medical	76,113 [2]	85,433 [2]			
3	FAS 112	4,666 [3]	8,500 [3]			
4	Non-Qualified Pension	566 [4]	538 [4]			
5	Total (Sum L2 through L5)	\$ 63,924	\$ 59,782			
6						
<u>Benefits provided to Duke Energy Business Services(DEBS) allocated to Duke Energy Carolinas:</u>						
8	Qualified Pension	\$ 1,059 [1]	\$ (662) [1]			
9	OPEB and Active Medical	26,110 [2]	28,438 [2]			
10	FAS 112	626 [3]	1,662 [3]			
11	Non-Qualified Pension	2,588 [4]	2,446 [4]			
12	Total (Sum L9 through L12)	\$ 30,383	\$ 31,883			
13						
<u>Benefits provided to Duke Energy Progress allocated to Duke Energy Carolinas:</u>						
15	Qualified Pension	\$ 2,160 [1]	\$ 2,080 [1]			
16	OPEB and Active Medical	3,604 [2]	4,714 [2]			
17	FAS 112	166 [3]	287 [3]			
18	Total (Sum L16 through L18)	\$ 5,931	\$ 7,081			
19						
20	Percent of incurred costs charged to electric expense for All - Except Non-Qualified	58.29% [5]	58.29% [5]			
21	Percent of incurred costs charged to electric expense for Non-Qualified	100.00%	100.00% [6]			
22						
23	Total Pension, OPEB and FAS112 to expense ((Sum L1:L3 + Sum L8:L10 + Sum L15:L17) x L	\$ 56,590	\$ 55,820	\$ (770)		
24	Total Non-Qualified to expense (L4 + L11) x L21	3,154	2,984	(171)		
25	Impact to O&M (L24 + L25)	\$ 59,744	\$ 58,804	\$ (940)	68.2076% [7]	\$ (641)
26						
27	Statutory tax rate			23.3503% [8]		23.3503% [8]
28	Impact to income taxes (-L26 x L28)			\$ 220		\$ 150
29						
30	Impact to operating income (-L26 - L29)			\$ 721		\$ 492

[1] NC2060-2 - Summary of Qualified Pension Expenses, Lines 5, 9, 27, and 16.
 [2] NC2060-3 - Summary of Adjusted OPEB and Active Medical Expenses, Lines 5, 9, 30, 19, 23, 40, 39, 14, and 35
 [3] NC2060-4 - Summary of FAS112 Expenses, Lines 5, 15 and 10
 [4] NC2060-5 - Summary of Non-Qualified Pension Expenses, Line and Line 8
 [5] NC2050-1 - Calculation, Line 18
 [6] Source: Duke Energy Corporate Accounting
 [7] Allocation Factor - All - Labor - Jur
 [8] NC1010-4 2022 Calculation of Tax Rates, Line 10

Note: Totals may not foot due to rounding

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E1-10
NC2060-2 Pension
Page 1 of 1
Compliance

Summary of Pension Expenses [1]

Line No.	Description	12 Months Ended December 2021 Total	2022 Projection
1			
2	<u>Duke Energy Carolinas (DEC):</u>		
3	Qualified Pension - service costs	\$ 55,893,847	\$ 51,085,992
4	Labor percentage charged to DEC from DEC	82.33% [2]	82.02% [3]
5	Amount charged to Duke Energy Carolinas from DEC	\$ 46,014,764	\$ 41,901,945
6			
7	Qualified Pension - nonservice costs	\$ (63,436,568)	\$ (76,589,777)
8	Labor percentage charged to DEC from DEC	100%	100%
9	Amount charged to Duke Energy Carolinas from DEC	\$ (63,436,568)	\$ (76,589,777)
10			
11	Total Amount charged for Duke Energy Carolinas (L5 + L9)	\$ (17,421,804)	\$ (34,687,832)
12			
13	<u>Duke Energy Progress:</u>		
14	Qualified Pension - service cost	\$ 28,834,421	\$ 26,871,162
15	Labor percentage charged to Duke Energy Carolinas from DEP	7.49% [2]	7.74% [3]
16	Amount charged to Duke Energy Carolinas from DEP	\$ 2,160,484	\$ 2,080,332
17			
18	<u>Duke Energy Business Services:</u>		
19	Qualified Pension - service cost	\$ 46,685,296	\$ 43,562,629
20	Percentage charged to Duke Energy Carolinas from DEBS	28.47% [4]	28.06% [4]
21	Amount charged to Duke Energy Carolinas from DEBS	\$ 13,291,304	\$ 12,223,674
22			
23	Qualified Pension - non-service costs	\$ (36,082,785)	\$ (38,637,091)
24	Percentage charged to Duke Energy Carolinas from DEBS	33.90% [5]	33.35% [5]
25	Amount charged to Duke Energy Carolinas from DEBS	\$ (12,232,064)	\$ (12,885,470)
26			
27	Total Amount charged to Duke Energy Carolinas from DEBS (L21 + L25)	\$ 1,059,240	\$ (661,796)
28			
29	Total Duke Energy Carolinas pension expenses (L11 + L16 + L27)	\$ (14,202,080)	\$ (33,269,297)

[1] Duke Energy Corporate Accounting

[2] 2021 Labor Allocation from Duke Energy Corporate Accounting

[3] 12 months ended June 2022 Labor Allocation from Duke Energy Corporate Accounting

[4] Duke Energy Business Services direct labor and allocations

[5] Factors source: 2021 and 2022 CAM Executive ESP Other Governance (Docket E-7 Sub 1100A).

Note: Totals may not foot due to rounding

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E1-10
NC2060-3 OPEB and Medical
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Compliance

Summary of OPEB Expenses and Active Medical [1]

Line No.	Description	12 Months Ended	
		December 2021 Total	2022 Projection
1	<u>OPEB - Duke Energy Carolinas (DEC)</u>		
2			
3	OPEB - service cost	\$ 913,458	\$ 751,675
4	Percentage charged to DEC from DEC	82.33% [2]	82.02% [3]
5	Total DEC service cost	\$ 752,007	\$ 616,542
6			
7	OPEB - nonservice cost	\$ (6,876,059)	\$ (4,499,625)
8	Percentage charged to DEC from DEC	100.00%	100.00%
9	Total DEC nonservice cost	\$ (6,876,059)	\$ (4,499,625)
10			
11	<u>OPEB - Duke Energy Progress</u>		
12	OPEB - service cost	\$ 89,253	\$ 71,287
13	Percentage charged to Duke Energy Carolinas from DEP	7.49% [2]	7.74% [3]
14	Amount charged to Duke Energy Carolinas from DEP	\$ 6,687	\$ 5,519
15			
16	<u>OPEB - Duke Energy Business Services</u>		
17	OPEB - service cost	\$ 1,079,018	\$ 901,665
18	Percentage charged to Duke Energy Carolinas from DEBS	28.47% [4]	28.06% [4]
19	Amount charged to Duke Energy Carolinas from DEBS	\$ 307,196	\$ 253,007
20			
21	OPEB - nonservice cost	\$ (1,893,096)	\$ 422,886
22	Percentage charged to Duke Energy Carolinas from DEBS	33.90% [5]	33.35% [5]
23	Amount charged to Duke Energy Carolinas from DEBS	\$ (641,760)	\$ 141,032
24			
25	Total Duke Energy Carolinas Adjusted OPEB expenses (excluding medical, see below)	\$ (6,451,928)	\$ (3,483,525)
26			
27	<u>Duke Energy Carolinas</u>		
28	Active Medical	\$99,893,097	\$108,892,066
29	Percentage charged to DEC from DEC	82.33% [2]	82.02% [3]
30	Total DEC active medical	\$ 82,237,268	\$ 89,315,859
31			
32	<u>Duke Energy Progress</u>		
33	Active medical	\$48,007,733	\$60,820,735
34	Percentage charged to Duke Energy Carolinas from DEP	7.49% [2]	7.74% [3]
35	Amount charged to Duke Energy Carolinas from DEP	\$ 3,597,088	\$ 4,708,665
36			
37	<u>Duke Energy Business Services</u>		
38	Active medical	\$92,885,978	\$99,941,442
39	Percentage charged to Duke Energy Carolinas from DEBS	28.47% [4]	28.06% [4]
40	Amount charged to Duke Energy Carolinas from DEBS	\$ 26,444,638	\$ 28,043,569
41			
42	Total Duke Energy Carolinas Active Medical Expenses (L30 + L35 + L40)	\$ 112,278,993	\$ 122,068,093
43			
44	Total Duke Energy Carolinas OPEB and Active Medical expenses (L25 + L31)	\$ 105,827,066	\$ 118,584,569

[1] Duke Energy Corporate Accounting
 [2] 2021 Labor Allocation from Duke Energy Corporate Accounting
 [3] 12 months ended June 2022 Labor Allocation from Duke Energy Corporate Accounting
 [4] Duke Energy Business Services direct labor and allocations
 [5] Factors source: 2021 and 2022 CAM Executive ESP Other Governance (Docket E-7 Sub 1100A).
 Note: Totals may not foot due to rounding

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E1-10
NC2060-4 FAS112
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Compliance

Summary of FAS112 Expenses [1]

Line No.	Description	12 Months Ended December 2021 Total	2022 Projection
1			
2	<u>Duke Energy Carolinas:</u>		
3	FAS 112	\$5,668,075	\$10,362,452
4	Percentage charged to DEC from DEC	82.33% [2]	82.02% [3]
5	Total DEC FAS 112 (L2 x L4)	\$ 4,666,258	\$ 8,499,529
6			
7	<u>Duke Energy Progress</u>		
8	FAS 112	\$2,220,815	\$3,700,876
9	Percentage charged to DEC from DEP	7.49% [2]	7.74% [3]
10	Amount charged to Duke Energy Carolinas from DEP (L8 x L9)	\$ 166,400	\$ 286,517
11			
12	<u>Duke Energy Business Services:</u>		
13	FAS 112	\$2,197,328	\$5,921,400
14	Percentage charged to Duke Energy Carolinas from DEBS	28.47% [4]	28.06% [4]
15	Amount charged to Duke Energy Carolinas from DEBS (L13 x L14)	\$ 625,579	\$ 1,661,545
16			
17	Total Duke Energy Carolinas FAS 112 expenses (L5 + L10 +L15)	\$ 5,458,237	\$ 10,447,591

- [1] Duke Energy Corporate Accounting
- [2] 2021 Labor Allocation from Duke Energy Corporate Accounting
- [3] NC2050-5 - Labor Allocations by Business Unit Group
- [4] Duke Energy Business Services direct labor and allocations

Note: Totals may not foot due to rounding

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E1-10
NC2060-5 NonQual
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Compliance

Summary of Non-Qualified Expenses [1]

Line No.	Description	12 Months Ended December 2021 Total	2022 Projection
1			
2	<u>Duke Energy Carolinas:</u>		
3	Non-Qualified Pension	\$ 566,277	\$ 537,922
4			
5	<u>Duke Energy Business Services:</u>		
6	Non-Qualified Pension	\$ 7,634,622	\$ 7,334,255
7	Percentage charged to Duke Energy Carolinas from DEBS	33.90% [2]	33.35% [2]
8	Amount charged to Duke Energy Carolinas from DEBS (L6 x L7)	\$ 2,588,137	\$ 2,445,974
9			
10	Total Duke Energy Carolinas Non-Qualified pension expenses (L3 + L8)	\$ 3,154,414	\$ 2,983,896

[1] Duke Energy Corporate Accounting

[2] Factors source: 2021 and 2022 Cost Allocation Manual Executive ESP O her Governance (Docket E-7 Sub 1100A).

Note: Totals may not foot due to rounding

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust vegetation management expenses
For the Test Period Ending December 31, 2021

E1-10
NC2070 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts operation and maintenance expenses and income taxes for increased vegetation management expenses not included in the test period. The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(C) 2nd Supplemental Update
Updated 2021 Transmission Herbicide spend as noted in PSDR 143-5

DUKE ENERGY CAROLINAS, LLC
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Adjust vegetation management expenses
For the Test Period Ending December 31, 2021
(Dollars in thousands)

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NC2070 Summary
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Compliance

Line No	Impacted Income Statement Line Items	Source	Total NC Retail Compliance	Total NC Retail Second Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity					-
2	Other Revenue					-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power					-
9	Other operation and maintenance expense	NC2070-1	\$ 3,011	\$ 3,011	\$ 3,013	(2)
10	Depreciation and amortization					-
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortization					-
14	Net income taxes	NC2070-1	\$ (703)	\$ (703)	\$ (704)	0
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7:L15))		\$ 2,308	\$ 2,308	\$ 2,309	(2)
17						
18	Operating income (L3-L16)		\$ (2,308)	\$ (2,308)	\$ (2,309)	\$ 2
19	<u>Rate Base</u>					
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -

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Adjust vegetation management expenses
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E1-10
NC2070-1 Calculation
Page 1 of 1
Compliance

<u>Line No.</u>	<u>Description</u>	<u>Total System</u>	<u>NC Retail Allocation</u>	<u>Total NC Retail</u>
1				
2	Vegetation management adjustment - distribution	\$ 2,128 [1]	74.1732% [2]	\$ 1,578
3	Vegetation management adjustment - transmission	2,975 [1]	48.1470% [3]	1,432
4	Impact to O&M (L2 + L3)	<u>\$ 5,103</u>		<u>\$ 3,011</u>
5				
6	Statutory tax rate	23.3503% [4]		23.3503% [4]
7	Impact to income taxes (-L4 x L6)	<u>\$ (1,192)</u>		<u>\$ (703)</u>
8				
9	Impact to operating income (-L4 - L7)	<u>\$ (3,911)</u>		<u>\$ (2,308)</u>

[1] NC2070-2 - Vegetation Management Adjustment - Distribution and Transmission, Line 14 & Line 24
[2] NC Retail Allocation Factor - All - Dist PIt OH - Jur
[3] NC Retail Allocation Factor - All - Transmission Demand - Jur
[4] NC1010-4 2022 Calculation of Tax Rates, Line 10

Note: Totals may not foot due to rounding

DUKE ENERGY CAROLINAS, LLC
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Adjust vegetation management expenses
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NC2070-2 Veg Mgmt
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Vegetation Management Adjustment - Distribution and Transmission [1]

Line No.	Description	Total Miles (a)	Target Cycle (b)	Number of Miles to Trim per Year (c) = (a) / (b)	Test Year (d)	Adjusted (e)
1						
2	<u>Vegetation Management Adjustment - Distribution</u>					
3	Urban Miles	2,097	5	419	419	419
4	Mountain Miles	4,295	7	614	1,120	614
5	Other Miles (includes Nantahala Mountain Miles)	45,200	9	5,022	4,629	5,022
6	Total Miles (Sum L3 through L5)	51,592		6,055	6,168	6,055
7	Cost per Mile				9,884	10,393
8	Production \$ (Sum L6 x L7)				\$ 60,961,236	\$ 62,930,059
9	Demand \$				3,073,167	3,144,679
10	Herbicide \$				3,245,598	3,310,510
11	Contract Inspectors \$				762,418	785,290
12	Program Target \$ (Sum L8 through L11)				\$ 68,042,419	\$ 70,170,538
13						
14	Total Distribution Adjustment (Line 11 Col (e) Less Col (d))					\$ 2,128,120
15						
16	<u>Vegetation Management Adjustment - Transmission</u>					
17	Transmission Routine Maintenance				\$ 3,177,323	\$ 4,796,449
18	Transmission Reactive Maintenance				2,405,781	2,477,954
19	Transmission Herbicide				4,835,092	4,980,145
20	Transmission Inspections				317,330	1,307,609
21	Transmission Substation Maintenance				1,481,083	1,629,191
22	Targeted Program Costs (Sum L17 through L21)				\$ 12,216,609	\$ 15,191,349
23						
24	Total Transmission Adjustment (Line 22 Col (e) Less Col (d))					\$ 2,974,740

[1] Source: Customer Delivery Finance

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Adjust test year expenses
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E1-10
NC2080 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts operation and maintenance expenses and income taxes in the test period to proactively adjust for mischarges as a result of human error in coding Company expenses as well as agreed upon adjustments.

The Company also made an adjustment to test year labor for lobbying expenses charged above the line prior to the issuance of new NCUC guidance on lobbying in Q3 of 2021.

(B) 1st Supplemental Update

Updates made to address the following:

- 1) Adjustment to end of period rate base for M&S inventory to reflect accounting corrections posted after the end of the test period.
- 2) Adjustment to include TCA Stipulation

(S3) Settlement

Adjustment to Extra Facilities Revenue
Removed lobbying and Board of Directors expenses
Removed sponsorship and donation expenses
Adjustment for M&S inventory for Lee Unit 3
Removed or adjusted Plant as agreed to in settlement
Removed \$50M system plant and associated depreciation expense for DE Plaza

(S4) Second Partial Settlement

Reflected 100% of IJJA funding, net of costs for projects DEC has applied for funding

(S5) Supplemental Revenue Requirement Stipulation

Removed or adjusted Plant as agreed to in settlement
Adjustment to Extra Facilities Revenue

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NC2080 Summary
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Line No	Source	Total	Total	Total	Total	Total	Total	Total
		NC Retail	NC Retail	NC Retail	NC Retail	NC Retail	NC Retail	NC Retail
Impacted Income Statement Line Items								
1	Sales of Electricity							
2	Other Revenue	3,992	3,992	3,681	3,681			3,992
3	Electric operating revenue (L1+L2)	\$ 3,992	\$ 3,992	\$ 3,681	\$ 3,681	\$ -	\$ -	\$ 3,992
4								
5	<u>Electric operating expenses</u>							
6	Operation and maintenance							
7	Fuel used in electric generation							
8	Purchased power	NC2080-1 \$ 19,749	\$ 19,749	\$ 19,749	\$ 19,749	\$ 19,749		19,749
9	Other operation and maintenance expense	NC2080-1 \$ (4,015)	\$ (4,015)	\$ (4,015)	\$ (3,345)	\$ (910)	\$ (910)	(3,105)
10	Depreciation and amortization	NC2080-1 \$ (1,429)	\$ (1,429)	\$ (1,326)	\$ (1,168)			(1,429)
11	General taxes							
12	Interest on customer deposits							
13	EDIT Amortization							
14	Net income taxes	NC2080-1 \$ (2,408)	\$ (2,408)	\$ (2,505)	\$ (2,698)	\$ (4,399)	\$ 212	(2,620)
15	Amortization of investment tax credit							
16	Total electric operating expenses (sum(L7-L15))	\$ 11,897	\$ 11,897	\$ 11,904	\$ 12,538	\$ 14,440	\$ (698)	\$ 12,595
17								
18	Operating income (L3-L16)	\$ (7,905)	\$ (7,905)	\$ (8,223)	\$ (8,857)	\$ (14,440)	\$ 698	\$ (8,603)
Rate Base								
19								
	Production Plant	(6,643)	(6,643)	(6,643)	-			(6,643)
	Transmission Plant	(1,263)	(1,263)	-	-			(1,263)
	Distribution Plant	(2,967)	(2,967)	-	-			(2,967)
	General Plant	(29,609)	(29,609)	(29,609)	(29,609)			(29,609)
	Intangible Plant	(1,985)	(1,985)	(1,985)	(1,985)			(1,985)
	Nuclear Fuel (Net)							
20	Electric plant in service	\$ (42,468)	\$ (42,468)	\$ (38,238)	\$ (31,594)	\$ -	\$ -	\$ (42,468)
21	Accumulated depreciation and amortization	\$ 1,140	\$ 1,140	\$ 907	\$ 885	\$ -	\$ -	\$ 1,140
22	Net electric plant in service (L20 + L21)	\$ (41,328)	\$ (41,328)	\$ (37,331)	\$ (30,709)	\$ -	\$ -	\$ (41,328)
23	Materials and supplies	\$ (809)	\$ (809)	\$ (809)	\$ (809)	\$ (314)	\$ -	\$ (809)
24	Total Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22-L23,L24,L25-L27))	\$ (42,138)	\$ (42,138)	\$ (38,140)	\$ (31,519)	\$ (314)	\$ -	\$ (42,138)

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NC2080-1 Calculation
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Adjust test period expenses

Line No.		NC Retail
1	<u>Impact to Income Statement Line Items</u>	
2		
3	Adjustment to Revenue (settlement)	\$ 3,992 [5]
4		
5	Adjustment to operation and maintenance expense	\$ (910) [1]
6	Adjustment to purchased power	\$ 19,749 [4]
7	Adjustment to Lobbying (settlement)	\$ (542) [1]
8	Adjustment to Board of Directors Expense (settlement)	\$ (1,870) [1]
9	Adjustment to Sponsorships and Donations (settlement)	\$ (23) [1]
10	Adjustment to Bad Creek (Hydro Production Incentive)	\$ (670) [1]
11	Impact to expense (sum L5:L10)	<u>\$ 15,735</u>
12		
13	<u>Depreciation and Amortization</u>	
14	Other Plant	(925)
15	Plaza	(504)
16	Total Depreciation	<u>(1,429)</u>
17		
18	Statutory tax rate	23.3503% [2]
19		
20	Impact to income taxes (-L6 x L8)	<u>\$ (2,408)</u>
21		
22	Impact to operating income (-L6 - L10)	<u>\$ (7,905)</u>
23		
24		
25	<u>Rate Base Adjustments</u>	
26		
27		
28	Materials & Supplies - Other (settlement)	<u>\$ (809) [3]</u>
29	Total Rate Base (L28)	<u>\$ (809)</u>
30		
31	<u>Rate Base - Other Plant Adjustments</u>	
32	Production Plant	\$ (6,643)
33	Transmission Plant	(1,263)
34	Distribution Plant	(2,967)
35	General plant	(29,609) [3]
36	Intangible plant	(1,985) [3]
37	Nuclear Fuel (Net)	-
38	Electric plant in service	<u>\$ (42,468)</u>
39	Production Plant	\$ 41
40	Transmission Plant	31
41	Distribution Plant	73
42	General plant	203 [3]
43	Intangible plant	792 [3]
44	Accumulated depreciation and amortization	<u>\$ 1,140</u>

[1] NC2080-2 Operating Expenses
[2] NC1010-4 2022 Calculation of Tax Rates, Line 10
[3] NC2080-3 Rate Base
[4] NC2080-4 TCA Stipulation
[5] NC2080-5 Revenue

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E1-10
NC2080-2 Operating Expenses
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Compliance

Adjustments to test year operating expenses

<u>Line No.</u>	<u>Description</u>		<u>NC Retail Amount</u>
1	Adjustment to expenses		\$ (910)
2			
3	Adjustment to provide an allowance for possible mischarges above the line due to human error.		
4	and to make adjustments to comply the Commission's lobbying rules issued in Q3 of the test year.		
5			
6		<u>System</u>	<u>Allocation</u>
7	Adjust Lobbying	(795) [1]	68.2076% [3] \$ (542)
8	Adjust Board of Directors	(2,741) [2]	68.2076% [3] \$ (1,870)
9	Adjust sponsorships and donations	(34) [4]	68.2076% [3] \$ (23)
10	Adjust Bad Creek (Hydro Production Incentive)	(1,000) [5]	66.9690% \$ (670)

- [1] Per Settlement agreement adjustments to PS Accounting Panel E1 - Schedule 3-1(m) Lobbying
- [2] Per Settlement agreement adjustments to PS Accounting Panel E1 - Schedule 3-1(o) BOD Exp.
- [3] All - Labor - Jur allocation factor
- [4] Per Settlement agreement adjustments to PS Accounting Panel E1 - Schedule 3-1(n) Donations
- [5] Per Second Partial Settlement Agreement with Public Staff

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Adjust test year expenses
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NC2080-3 Rate Base
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Line No.	Description	Test Year Amount	NC Retail Allocation	Total NC Retail
1	Materials & Supplies - Other	\$ (184)	66.9690% [1]	\$ (123)
2				
3	Adjustment to materials and supplies inventory to reflect corrections needed associated			
4	with static inventory reviews for 2017 - 2021. Adjustments were posted in the general			
5	ledger after the test year.			
6				
7	Materials & Supplies - Other	\$ (285)	66.9690% [1]	\$ (191)
8				
9	Adjustment to materials and supplies inventory to reflect corrections needed associated			
10	inventory on hold. Adjustments were posted in the general ledger after the test year.			
11				
12	Materials & Supplies - Lee Unit 3 (settlement)			
13		\$ (740)	66.9690%	\$ (495)
14				
15	Settlement Adjustments [1]			
16				
17	Rate Base - Other Plant Adjustments			
		Plant		NC Retail
18	Production Plant	(9,920)		(6,643)
19	Transmission Plant	(2,624)		(1,263)
20	Distribution Plant	(4,005)		(2,967)
21	General plant	(43,439)		(29,609)
22	Intangible plant	(2,856)		(1,985)
23	Nuclear Fuel (Net)	-		-
24	Electric plant in service	<u>(62,844)</u>		<u>(42,468)</u>
25	Production Plant	167		41
26	Transmission Plant	64		31
27	Distribution Plant	98		73
28	General plant	547		203
29	Intangible plant	<u>1,140</u>		<u>792</u>
30	Accumulated depreciation and amortization	<u>2,016</u>		<u>1,140</u>

[1] Per Settlement agreement adjustments to PS Accounting Panel E1 - Sch 2-1(a)(1)(a)Plt Adj

DUKE ENERGY CAROLINAS, LLC
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NC2080-4 TCA Stipulation
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<u>Line No.</u>	<u>Item</u>	<u>NC Retail Amount</u>
1	Transmission Cost Allocation	<u>\$19,749</u> 1/

1/ Per Settlement agreement and information from Public Staff witness Dustin Metz.

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NC2080-5 Revenue
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Adjustments to test year revenues

<u>Line No.</u>	<u>Description</u>	<u>NC Retail Amount</u>
1	Additional revenue	\$ 4,366 [1]
2	O&M Expenses	15.7% [2]
3	Revenue Increase	<u>\$ 3,681</u>
4		
5	Additional MFC revenue annualized	\$ 369
6	O&M Expenses	15.7%
7	Revenue Increase	<u>\$ 311</u>

[1] Per Public Staff Accounting Exhibit 1 Sch 3-1(f)

[2] Per DEC MFC 2021 Carrying Chg Rate Study

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Aviation Expense
For the Test Period Ending December 31, 2021

E1-10
NC2090 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts operation and maintenance expense, general taxes and income taxes for aviation expenses to be excluded from the test period.

The corporate aviation operation and maintenance, depreciation, and return expense booked during the test period is multiplied by the percentage of corporate aviation expense to be excluded from test period expense. Fifty percent is being excluded.

The impact to general taxes is determined by multiplying corporate aviation general taxes booked during the test period by the percentage of corporate aviation expense to be excluded from test period expense.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(S3) Settlement

Removed commercial international flights as part of settlement agreement.

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Adjust Aviation Expense
For the Test Period Ending December 31, 2021
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Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity				-
2	Other Revenue				-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense	NC2090-1	\$ (1,865)	\$ (1,864)	(0)
10	Depreciation and amortization				-
11	General taxes	NC2090-1	\$ (34)	\$ (34)	-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC2090-1	\$ 443	\$ 443	0
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ (1,455)	\$ (1,455)	\$ (0)
17					
18	Operating income (L3-L16)		\$ 1,455	\$ 1,455	\$ 0
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -

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NC2090-1 Calcula ion
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<u>Line No.</u>	<u>Description</u>	<u>Total Carolinas</u>	<u>NC Retail Allocation</u>	<u>Total NC Retail</u>
1				
2	Corporate avia ion O&M to be excluded from test period	\$ 2,734 [1]	68.2076% [2]	\$ 1,864
3	International Flights	\$ 1 [4]	68.2076% [2]	\$ 0
4	Impact to O&M (-L2)	<u>\$ (2,734)</u>		<u>\$ (1,865)</u>
5				
6	Corporate avia ion general tax to be excluded from test period	\$ 50 [1]	68.2076% [2]	\$ 34
7	Impact to general taxes (-L6)	<u>\$ (50)</u>		<u>\$ (34)</u>
8				
9	Taxable income (-L4 - L7)	\$ 2,783		\$ 1,899
10	Statutory tax rate	<u>23.3503% [3]</u>		<u>23.3503% [3]</u>
11	Impact to income taxes (L9 x L10)	<u>\$ 650</u>		<u>\$ 443</u>
12				
13	Impact to operating income (-L4 - L7 - L11)	<u>\$ 2,133</u>		<u>\$ 1,455</u>

[1] NC2090-2 -Exp Summary - Duke Energy Carolinas - Corporate Avia ion Expenses - 12 Months Ended December 31, 2021

[2] NC Retail Allocation Factor - All Labor - Jur

[3] NC1010-4 2022 Calculation of Tax Rates, Line 10

[4] Per Settlement agreement. Amount from E-7 Sub 1276 Public Staff Data Request 37-14.

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Adjust Aviation Expense
For the Test Period Ending December 31, 2021
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E1-10
NC2090-2 Exp Summary
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Duke Energy Carolinas - Corporate Aviation Expenses - 12 Months Ended December 31, 2021

Line No.	Description	Total Company	Duke Energy Carolinas Allocation %	Total Duke Energy Carolinas
1	Corporate aviation general taxes	\$ 293,946 [1]		\$ 99,648 [1]
2	Percentage of corporate aviation expenses to be excluded from test period			50.0000% [2]
3	Corporate aviation general tax to be excluded from test period (L1 x L2)			\$ 49,824
4				
5	Corporate aviation operation and maintenance expense	\$ 13,177,647 [1]		\$ 4,439,275 [1]
6				
7	Corporate aviation and aerial patrol depreciation expense	\$ 3,061,814 [3]		
8	Catawba reimbursement allocation rate	11.9560% [4]		
9	Non-ownership percentage in Catawba plant	80.7540% [4]		
10	Costs reimbursed by Catawba Joint Owners (L7 x L8 x L9)	295,617		
11	Total less Catawba reimbursement (L7 - L10)	\$ 2,766,198		
12				
13	Percentage of aerial patrol O&M expenses compared to total	23.9800% [1]		
14	Depreciation expense considered a cost of aerial patrol (L11 x L13)	\$ 663,334		
15				
16	Depreciation expense less portion considered a cost of aerial patrol (L11 - L14)	\$ 2,102,864	33.9100% [5]	\$ 713,081
17				
18	Corporate aviation and aerial patrol return on DEBS assets	\$ 1,351,683 [3]		
19	Catawba reimbursement allocation rate	11.9560% [4]		
20	Non-ownership percentage in Catawba plant	80.7540% [4]		
21	Costs reimbursed by Catawba Joint Owners (L18 x L19 x L20)	130,504		
22	Total less Catawba reimbursement (L18 - L21)	\$ 1,221,179		
23				
24	Percentage of aerial patrol O&M expenses compared to total	23.9800% [1]		
25	Return expense considered a cost of aerial patrol (L22 x L24)	\$ 292,839		
26				
27	Return expense less portion considered a cost of aerial patrol (L22 - L25)	\$ 928,340	33.9000% [5]	\$ 314,707
28				
29	Corporate aviation O&M, depreciation and return expense (L5 + L16 + L27)			\$ 5,467,064
30	Percentage of corporate aviation expenses to be excluded from test period			50.0000% [2]
31	Corporate aviation O&M, depreciation expense, and return to be excluded from test period (L29 x L30)			\$ 2,733,532

[1] NC-2090-3 - Duke Energy Carolinas - Corporate Aviation and Aerial Patrol Operating Expenses - Test Period Ended December 31, 2021

[2] Duke Energy Carolinas proposes to remove 50 percent of the corporate aviation O&M expense requested in this case.

[3] NC2090-4 Depr - Duke Energy - Corporate Aviation and Aerial Patrol Depreciation and Return Expense - 12 Months Ended

[4] NC2050-3 Analysis of Total Labor \$ - Catawba

[5] NC-2090-5 -2021 Service Company Cost Allocations in Service Agreements

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NC2090-3 Expenses
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Duke Energy Carolinas - Corporate Aviation and Aerial Patrol Operating Expenses - 12 Months Ended December 31, 2021 [1]

Line No.	Account Description	Total Company	Total DE Carolinas
1	<u>Corporate Aviation General Taxes</u>		
2	0408960 Allocated Payroll Taxes	\$ 293,946	\$ 99,648
3			
4	<u>Corporate Aviation O&M Expenses</u>		
5	0920000 A & G Salaries	\$ 4,534,107 a	\$ 1,537,062 a
6	0921100 Employee Expenses	521,099 a	176,653 a
7	0921200 Office Expenses	4,930,924 a	1,671,583 a
8	0921400 Computer Services Expenses	11,614 a	3,937 a
9	0921600 Other	4,209 a	1,427 a
10	0923000 Outside Services Employed	3,038,277 a	1,029,976 a
11	0924000 Property Insurance	246,263 a	83,483 a
12	0926600 Employee Benefits-Transferred	830,635 a	281,585 a
13	0930240 Director's Expenses	8 a	3 a
14	0930250 Buy/Sell Transfer Employees Homes	74,692 a	25,320 a
15	0930940 General Expenses	106,729	36,181
16	0931001 Rents - A&G	275,947 a	62,612 a
17	Sub-total (Sum L5 through L16)	\$ 14,574,504	\$ 4,909,823
18			
19	Accounts in A&G reimbursement calculation (Sum of a)	\$ 14,467,774 a	\$ 4,873,642 a
20	Catawba reimbursement allocation rate	11.9560% [2]	11.9560% [2]
21	Non-ownership percentage in Catawba plant	80.7540% [2]	80.7540% [2]
22	Costs reimbursed by Catawba Joint Owners (L19 x L20 x L21)	1,396,856	470,548
23	Total less Catawba reimbursement (L17 - L22)	\$ 13,177,647	\$ 4,439,275
24			
25	<u>Aerial Patrol O&M Expenses</u>		
26	0517000 Supervsn and Engring-Nuc Oper	\$ (802)	
27	0520000 Steam Expenses - Nuc Oper	(401)	
28	0523000 Electric Expenses	(134)	
29	0524000 Misc Expenses - Nuc Oper	31,447	
30	0563000 Overhead Line Expenses - Trans	724,680	
31	0571000 Maint Of Overhead Lines-Trans	189,180	
32	0863000 Transm-Maint of Mains	288,540	
33	0923000 Outside Services Employed	3,154,867 a	
34	0930940 General Expenses	184,372 a	
35	Sub-total (Sum L26 through L34)	\$ 4,571,750	
36			
37	Accounts included in A&G reimbursement calculation (Sum of a)	\$ 3,339,239 a	
38	Catawba reimbursement allocation rate	11.9560% [2]	
39	Non-ownership percentage in Catawba plant	80.7540% [2]	
40	Costs reimbursed by Catawba Joint Owners (L37 x L38 x L39)	322,402	
41	Total less Catawba reimbursement (L35 - L40)	\$ 4,249,348	
42			
43	Total corporate aviation and aerial patrol oper. expenses (L2 + L23 + L41)	\$ 17,720,941	
44			
45	Percentage of aerial patrol O&M expenses compared to total (L41 / L43)	23.9800%	

[1] Duke Energy Service Company Financial Accounting & Reporting

[2] NC2050-3 Analysis of Total Labor \$ - Catawba

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Aviation Expense
For the Test Period Ending December 31, 2021
(Amounts in Dollars)

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NC2090-4 Depr
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Duke Energy - Corporate Aviation and Aerial Patrol Depreciation and Return Expense [1]

Line No.	Asset	Asset ID	Project ID	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021
2	Net Book Value															
3	Challenger	525944417	AVCA14001	\$ 13,534,241	\$ 13,417,282	\$ 13,300,322	\$ 13,183,362	\$ 13,066,403	\$ 12,949,443	\$ 12,832,484	\$ 12,715,524	\$ 12,598,565	\$ 12,598,205	\$ 12,597,846	\$ 12,597,486	\$ 12,597,127
4	Helicopter	487987701	AVCA12004	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273	10,436,273
5	Helicopter	298595561	AV2012001	2,026,294	2,026,131	2,025,968	2,025,805	2,025,642	2,025,478	2,025,315	2,025,152	2,024,989	2,024,826	2,024,663	2,024,499	2,024,336
6	Helicopter	488584767	AVCA13002	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763	2,422,763
7	Helicopter	299001178	AVCA12002	2,086,255	2,086,088	2,085,919	2,085,751	2,085,584	2,085,415	2,085,247	2,085,079	2,084,911	2,084,743	2,084,576	2,084,407	2,084,239
8	Helicopter	1116117391	NAU190009	8,735,100	8,621,657	8,508,214	8,394,771	8,281,329	8,167,886	8,054,443	7,941,000	7,827,557	7,714,114	7,600,672	7,487,229	7,373,786
9	Helicopter	983768596	NAC200030	-	-	-	-	9,357,491	9,354,722	9,351,953	9,349,184	9,346,416	9,343,647	9,340,878	9,338,109	-
10	Helicopter	1328224140	NAC210818	-	-	-	-	-	-	-	-	-	5,114,599	4,747,150	4,702,623	4,783,677
11	Total			\$ 39,240,926	\$ 39,010,193	\$ 38,779,459	\$ 38,548,726	\$ 47,675,483	\$ 47,441,981	\$ 47,208,478	\$ 46,974,976	\$ 46,741,473	\$ 51,739,170	\$ 51,254,819	\$ 51,093,390	\$ 41,722,201
12																
13																
14																
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17																
18																
19																
20																
21																
22																
23																
24																
25																
26	Challenger	525944417	AVCA14001	\$ 116,960	\$ 116,960	\$ 116,960	\$ 116,960	\$ 116,960	\$ 116,960	\$ 116,960	\$ 116,960	\$ 359	\$ 360	\$ 359	\$ 359	
27	Helicopter	487987701	AVCA12004	\$ -	\$ -	\$ -	\$ -	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Helicopter	298595561	AV2012001	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163	\$ 163
29	Helicopter	488584767	AVCA13002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	Helicopter	299001178	AVCA12002	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168	\$ 168
31	Helicopter	1116117391	NAU190009	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443	\$ 113,443
32	Helicopter	983768596	NAC200030	\$ -	\$ -	\$ -	\$ -	\$ 2,769	\$ 2,769	\$ 2,769	\$ 2,769	\$ 2,769	\$ 2,769	\$ 2,769	\$ 2,769	\$ 2,769
33	Helicopter	1328224140	NAC210818	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 367,449	\$ 44,527	\$ (81,054)	\$ -
34																
35				\$ 230,733	\$ 230,734	\$ 230,734	\$ 230,734	\$ 233,502	\$ 233,502	\$ 233,503	\$ 233,502	\$ 116,902	\$ 484,352	\$ 161,429	\$ 33,080	\$ 2,652,706

	December 31, 2021
Total DEBS Assets Used in Return Calculation	\$ 621,628,973
Total Aviation Assets (L11 + L48)	46,275,891
% of Aviation Assets to DEBS Assets for Return (L17 / L16)	7.4443%
Total DEC Return for test period	18,157,307
Estimated Annual Return applicable to Aviation Assets (L18 x L17)	1,351,683

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Aircraft Hanger	Value 12/31	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1 Aircraft Hanger	#####	14,292.70	14,292.70	14,292.70	14,292.70	14,292.70	14,292.70	14,292.70	14,292.70	14,292.70	14,292.70	14,292.70	14,292.70	171,512.34
2 Aircraft Hange 336593CAM	3,174.00	69.00	69.00	69.00	69.00	69.00	69.00	69.00	69.00	69.00	69.00	69.00	69.00	828.00
3 Aircraft Hange AV150058	1,947.67	26.32	26.32	26.32	26.32	26.32	26.32	26.32	26.32	26.32	26.32	26.32	26.32	315.84
4 Aircraft Hange AVCA14003	1,794.23	21.36	21.36	21.36	21.36	21.36	21.36	21.36	21.36	21.36	21.36	21.36	21.36	256.32
5 Aircraft Hange AVBLKT	5,101.62	111.19	111.19	111.19	111.19	111.19	111.19	111.19	111.19	111.19	111.19	111.19	111.19	1,334.23
6 Aircraft Hange EPRADIO	26,593.68	79.15	79.15	79.15	79.15	79.15	79.15	79.15	79.15	79.15	79.15	79.15	79.15	949.85
7 Aircraft Hange INTCOMREP	117,798.56	1,167.82	1,167.82	1,167.82	1,167.82	1,167.82	1,167.82	1,167.82	1,167.82	1,167.82	1,167.82	1,167.82	1,167.82	14,013.85
8 Aircraft Hange KB00649	9,912.78	61.19	61.19	61.19	61.19	61.19	61.19	61.19	61.19	61.19	61.19	61.19	61.19	734.28
9 Aircraft Hange NAC160053	23,969.44	510.66	510.66	510.66	510.66	510.66	510.66	510.66	510.66	510.66	510.66	510.66	510.66	6,127.95
10 Aircraft Hange NAC170069	7,673.56	156.60	156.60	156.60	156.60	156.60	156.60	156.60	156.60	156.60	156.60	156.60	156.60	1,979.25
11 Aircraft Hange NAC170080	36,974.50	724.99	724.99	724.99	724.99	724.99	724.99	724.99	724.99	724.99	724.99	724.99	724.99	8,699.88
12 Aircraft Hange NAC190104	3,573.75	111.68	111.68	111.68	111.68	111.68	111.68	111.68	111.68	111.68	111.68	111.68	111.68	1,340.16
13 Aircraft Hange NAC200091	38,765.88	2,207.99	2,207.99	2,207.99	2,207.99	2,207.99	2,207.99	2,207.99	2,207.99	2,207.99	2,207.99	2,207.99	2,207.99	26,495.85
14 Aircraft Hange NCF120305	9,004.19	81.86	81.86	81.86	81.86	81.86	81.86	81.86	81.86	81.86	81.86	81.86	81.86	992.26
15 Aircraft Hange NCF120367	139.88	10.02	10.02	10.02	10.02	10.02	10.02	10.02	10.02	10.02	10.02	10.02	10.02	120.29
16 Aircraft Hange NCFM10081	3,156.96	2.19	2.19	2.19	2.19	2.19	2.19	2.19	2.19	2.19	2.19	2.19	2.19	26.30
17 Aircraft Hange NCP110527	37,171.01	315.19	315.19	315.19	315.19	315.19	315.19	315.19	315.19	315.19	315.19	315.19	315.19	3,782.28
18 Aircraft Hange NCP120147	12,271.37	115.68	115.68	115.68	115.68	115.68	115.68	115.68	115.68	115.68	115.68	115.68	115.68	1,388.10
19 Aircraft Hange NCP120362	105,983.03	1,103.99	1,103.99	1,103.99	1,103.99	1,103.99	1,103.99	1,103.99	1,103.99	1,103.99	1,103.99	1,103.99	1,103.99	13,247.88
20 Aircraft Hange NCP120392	32,639.79	302.22	302.22	302.22	302.22	302.22	302.22	302.22	302.22	302.22	302.22	302.22	302.22	3,626.65
21 Aircraft Hange NCP130218	35,910.77	370.21	370.21	370.21	370.21	370.21	370.21	370.21	370.21	370.21	370.21	370.21	370.21	4,442.53
22 Aircraft Hange NCP140560	5,173.54	60.11	60.11	60.11	60.11	60.11	60.11	60.11	60.11	60.11	60.11	60.11	60.11	721.32
23 Aircraft Hange NCPM10100	45,567.10	31.64	31.64	31.64	31.64	31.64	31.64	31.64	31.64	31.64	31.64	31.64	31.64	379.72
24 Aircraft Hange NCT086296	4,591.77	79.17	79.17	79.17	79.17	79.17	79.17	79.17	79.17	79.17	79.17	79.17	79.17	949.98
25 Aircraft Hange NCT100204	2,446.49	90.61	90.61	90.61	90.61	90.61	90.61	90.61	90.61	90.61	90.61	90.61	90.61	1,087.32
26 Aircraft Hange NCT100642	360.81	17.18	17.18	17.18	17.18	17.18	17.18	17.18	17.18	17.18	17.18	17.18	17.18	206.16
27 Aircraft Hange NCT100656	235.97	12.10	12.10	12.10	12.10	12.10	12.10	12.10	12.10	12.10	12.10	12.10	12.10	145.20
28 Aircraft Hange NCT160090	29,383.23	445.20	445.20	445.20	445.20	445.20	445.20	445.20	445.20	445.20	445.20	445.20	445.20	5,342.41
29 Aircraft Hange NCT160310	17,550.57	292.51	292.51	292.51	292.51	292.51	292.51	292.51	292.51	292.51	292.51	292.51	292.51	3,510.12
30 Aircraft Hange NCT170117	132,687.22	2,823.13	2,823.13	2,823.13	2,823.13	2,823.13	2,823.13	2,823.13	2,823.13	2,823.13	2,823.13	2,823.13	2,823.13	33,877.58
31 Aircraft Hange NCT170165	207,824.82	4,833.13	4,833.13	4,833.13	4,833.13	4,833.13	4,833.13	4,833.13	4,833.13	4,833.13	4,833.13	4,833.13	4,833.13	57,997.61
32 Aircraft Hange NCT200025	2,100.76	43.77	43.77	43.77	43.77	43.77	43.77	43.77	43.77	43.77	43.77	43.77	43.77	525.20
33 Aircraft Hange NCT274907	2,914.88	49.41	49.41	49.41	49.41	49.41	49.41	49.41	49.41	49.41	49.41	49.41	49.41	592.86
34 Aircraft Hange NCT299531	3,173.15	55.67	55.67	55.67	55.67	55.67	55.67	55.67	55.67	55.67	55.67	55.67	55.67	668.04
35 Aircraft Hange NCT318388	655.48	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	138.00
36 Aircraft Hange NCT397038	1,372.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	336.00
37 Aircraft Hange NCW210715	1.75	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	1.50
38 Aircraft Hange NCW210764	3.52	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	3.52
39 Aircraft Hange NET180018	1,204.71	27.38	27.38	27.38	27.38	27.38	27.38	27.38	27.38	27.38	27.38	27.38	27.38	328.56
40 Aircraft Hange NET190279	6,479.49	231.41	231.41	231.41	231.41	231.41	231.41	231.41	231.41	231.41	231.41	231.41	231.41	2,776.92
41 Aircraft Hange NWF150029	9,252.49	117.12	117.12	117.12	117.12	117.12	117.12	117.12	117.12	117.12	117.12	117.12	117.12	1,405.45
42 Aircraft Hange NWP130034	6,006.58	66.74	66.74	66.74	66.74	66.74	66.74	66.74	66.74	66.74	66.74	66.74	66.74	800.88
43 Aircraft Hange NWP140238	11,341.54	133.43	133.43	133.43	133.43	133.43	133.43	133.43	133.43	133.43	133.43	133.43	133.43	1,601.16
44 Aircraft Hange NWP140250	39,524.22	479.22	479.22	479.22	479.22	479.22	479.22	479.22	479.22	479.22	479.22	479.22	479.22	5,750.59
45 Aircraft Hange NWP140775	23,270.97	342.22	342.22	342.22	342.22	342.22	342.22	342.22	342.22	342.22	342.22	342.22	342.22	4,106.64
46 Aircraft Hange TC210007	1,565.26	32.61	32.61	32.61	32.61	32.61	32.61	32.61	32.61	32.61	32.61	32.61	32.61	391.32
47 Aircraft Hange WLAFEOL	116,799.28	1,946.65	1,946.65	1,946.65	1,946.65	1,946.65	1,946.65	1,946.65	1,946.65	1,946.65	1,946.65	1,946.65	1,946.65	23,359.85
48	#####													
49	Depr Expense	34,092.33	34,092.33	34,092.33	34,092.33	34,092.33	34,092.33	34,092.33	34,092.33	34,092.33	34,092.33	34,092.33	34,092.33	409,108.00

DEC Allocation 33.90% [2]
DEC Depr Aviation 138,687.61

[1] Duke Energy Service Company Financial Accounting & Reporting
[2] NC-2090-5 - 2021 Service Company Cost Allocations in Service Agreements - Facilities Rate of Return allocation factor

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2021 Service Company Cost Allocations in Service Agreements - Depreciation Expense and Facilities Rate of Return Factors

SERVICE COMPANY COST ALLOCATION DETAILS COST ALLOCATIONS IN SERVICE AGREEMENTS								DPC 20056 Duke Power Governance	DEP 50991 DE Progress	DEF 50992 Progress Funds	DEO 75956 KO Transmission	DEO 75953 DE Other (USFRELG OV)	DEO 75954 DE Other (USFRSSG OV)	DEO	DEK	Comm	Other	Total		
SA #	Function	Function	Allocation Method	Operating Unit	Function	OU Description	Allocation Pool	Alloc Pool	St Cd											
Fac ROR	Facilities Rate of Return Allocation	Allocates the Service Company's portion of the utilities	Three Factor Formula	DURR	Facilities Rate of	Facilities ROR Gvrnce	GOVEMPROR	Facilities ROR Gvrnce	DC1	33.90%	22.69%	17.12%	0.05%	3.59%	1.53%	5.17%	1.58%	3.28%	0.12%	100.00%
				DDEP	Accounting	DEBS Depreciation DE	DENT3FFDEP	SvcCo Depreciation	D49	33.91%	22.69%	17.12%	0.05%	3.59%	1.53%	5.17%	1.58%	3.28%	0.12%	100.01%

Source: Duke Energy Service Company Financial Accounting & Reporting - Cost Allocation Manual E-7 Sub 1100A

Fac 33.90%
Depr 33.91%

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NC2100 Narrative
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E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts operation and maintenance expenses and income taxes to levelize nuclear refueling outage costs.

The impact to operation and maintenance expenses was determined by subtracting annualized outage amortization expense from test period outage expense.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(A) December Update

Updated amortization amounts for those that had changes to the last known and measurable period. For this update, that included McGuire Unit 1 and Oconee Unit 3.

(B) 1st Supplemental Update

Updated amortization amounts for those that had changes to the last known and measurable period. In addition to the December update, for this update that included Oconee Unit 1 and Catawba Unit 2.

(C) 2nd Supplemental Update

No changes, as there were no updated amortization amounts since the last supplemental update.

(D) 3rd Supplemental Update

Updated amortization amounts for those that had changes to the last known and measurable period. For this update that included McGuire Unit 2.

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Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total	Total	Total	Total
			NC Retail Compliance	NC Retail Third Supplemental	NC Retail Second Supplemental	NC Retail Supplemental	NC Retail Application	NC Retail Change
1	Sales of Electricity							-
2	Other Revenue							-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4								-
5	<u>Electric operating expenses:</u>							-
6	Operation and maintenance:							-
7	Fuel used in electric generation							-
8	Purchased power							-
9	Other operation and maintenance expense	NC2100-1	\$ 5,013	\$ 5,013	\$ 6,146	\$ 6,146	\$ 1,679	3,334
10	Depreciation and amortization							-
11	General taxes							-
12	Interest on customer deposits							-
13	EDIT Amortization							-
14	Net income taxes	NC2100-1	\$ (1,170)	\$ (1,170)	\$ (1,435)	\$ (1,435)	\$ (392)	(779)
15	Amortization of investment tax credit							-
16	Total electric operating expenses (sum(L7:L15))		\$ 3,842	\$ 3,842	\$ 4,711	\$ 4,711	\$ 1,287	\$ 2,556
17								-
18	Operating income (L3-L16)		\$ (3,842)	\$ (3,842)	\$ (4,711)	\$ (4,711)	\$ (1,287)	\$(2,556)
19	<u>Rate Base</u>							
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Total Working Capital		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Total Rate Base (sum(L22:L1,L13,L14:L16))		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Line No.	Description	Total NC Retail
1		
2	<u>NC Amortization of Outage Deferral - Last Known and Measurable:</u>	
3	McGuire Unit 1	\$ 990 [1]
4	McGuire Unit 2	999 [1]
5	Catawba Unit 1	124 [1]
6	Catawba Unit 2	183 [1]
7	Oconee Unit 1	830 [1]
8	Oconee Unit 2	737 [1]
9	Oconee Unit 3	836 [1]
10	Total Monthly Amortization Expense (Sum L3 through L9)	\$ 4,700
11		
12	NC Annualized Amortization Expense, Based on Last Known and Measurable:	
13	McGuire Unit 1 (L3 x 12)	\$ 11,886
14	McGuire Unit 2 (L4 x 12)	11,988
15	Catawba Unit 1 (L5 x 12)	1,493
16	Catawba Unit 2 (L6 x 12)	2,198
17	Oconee Unit 1 (L7 x 12)	9,962
18	Oconee Unit 2 (L8 x 12)	8,842
19	Oconee Unit 3 (L9 x 12)	10,034
20	Total Annual Amortization Expense (Sum L13 through L19)	\$ 56,402
21		
22	Annualized NC outage amortization expense (L20)	\$ 56,402
23	Test year NC amortization of outage deferral	51,390 [2]
24	Impact to O&M (L22 - L23)	\$ 5,013
25		
26	Statutory tax rate	23.3503% [3]
27	Impact to income taxes (-L24 x L26)	\$ (1,170)
28		
29	Impact to operating income (-L24 - L27)	\$ (3,842)

[1] Information provided by Duke Energy Carolinas Accounting
[2] NC-2100-2 Deferral
[3] NC1010-4 2022 Calculation of Tax Rates, Line 10

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NC Amortization of Outage Deferral - For the Test Period Ending December 31, 2021

Line														
No.	Description	Total	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
1	McGuire Unit 1	\$ 10,906	\$ 909	\$ 909	\$ 909	\$ 909	\$ 909	\$ 909	\$ 909	\$ 909	\$ 909	\$ 909	\$ 909	\$ 909
2	McGuire Unit 2	11,292	927	927	927	927	927	927	927	927	927	927	927	1,093
3	Catawba Unit 1	2,090	174	174	174	174	174	174	174	174	174	174	174	174
4	Catawba Unit 2	2,879	183	183	183	183	183	281	281	281	281	281	281	281
5	Oconee Unit 1	8,811	734	734	734	734	734	734	734	734	734	734	734	734
6	Oconee Unit 2	8,886	741	741	741	741	741	741	741	741	741	741	741	741
7	Oconee Unit 3	6,525	544	544	544	544	544	544	544	544	544	544	544	544
8	Total	\$ 51,390	\$ 4,211	\$ 4,211	\$ 4,211	\$ 4,211	\$ 4,211	\$ 4,310	\$ 4,310	\$ 4,310	\$ 4,310	\$ 4,310	\$ 4,310	\$ 4,476

[1] Information provided by Duke Energy Carolinas Accounting

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E1-10
NC2110 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro-forma annualizes test period operation and maintenance expenses excluding fuel, purchased power, and labor and benefit costs to reflect the change in unit costs that occurred during the test period.

The impact to operation and maintenance expenses is determined as follows:

Starting with per book operation and maintenance expense, excluding fuel and purchased power, as stated on Bowman Exhibit 2 page 1 and subtracting all pro-forma adjustments that adjust the test period amount.

Next, subtract the salaries and wages and fringe benefits from operation and maintenance expenses.

Finally, the impact to operation and maintenance expense is calculated by multiplying total adjusted non-labor operation and maintenance expenses by the average inflation rate.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(A) December Update

Updated to reflect the latest inflation rates (through December 2022) on tabs 2110-3, 2110-4, 2110-5).

(B) 1st Supplemental Update

Updated Reagents line item to pull in number from NC2010 and to reflect the appropriate allocation factor (PSDR 75)

Updated to reflect the latest inflation rates (through April 2023) on tabs 2110-3, 2110-4, 2110-5).

(C) 2nd Supplemental Update

Updated to reflect the latest inflation rates (through May 2023) on tabs 2110-3, 2110-4, 2110-5).

(D) 3rd Supplemental Update

Updated to reflect the latest inflation rates (through June 2023) on tabs 2110-3, 2110-4, 2110-5).

[S3] Settlement

Impacted by changes in NC2080 Test year expenses and NC2090 Adjust Aviation

[S4] Settlement

Impacted by changes in NC2080 Test year expenses

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NC2110 Summary
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Compliance

Line No	Source	Total	Total	Total	Total	Total	Total	
		NC Retail Compliance	NC Retail Third Supplemental	NC Retail Second Supplemental	NC Retail Supplemental	NC Retail Application	NC Retail Change	
Impacted Income Statement Line Items								
1	Sales of Electricity						-	
2	Other Revenue						-	
3	Electric operating revenue (L1+L2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4								
5	Electric operating expenses:							
6	Operation and maintenance:							
7	Fuel used in electric generation						-	
8	Purchased power						-	
9	Other operation and maintenance expense	NC2110-1	52,823	53,335	56,883	55,836	48,501	4,322
10	Depreciation and amortization							-
11	General taxes							-
12	Interest on customer deposits							-
13	EDIT Amortization							-
14	Net income taxes	NC2110-1	(12,334)	(12,454)	(13,282)	(13,038)	(11,325)	(1,009)
15	Amortization of investment tax credit							-
16	Total electric operating expenses (sum(L7:L15))	\$	40,489	\$ 40,881	\$ 43,601	\$ 42,798	\$ 37,176	\$ 3,313
17								
18	Operating income (L3-L16)	\$	(40,489)	\$ (40,881)	\$ (43,601)	\$ (42,798)	\$ (37,176)	\$ (3,313)
Rate Base								
19								
20	Electric plant in service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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E1-10
NC2110-1 Calculation
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Compliance

<u>Line No.</u>	<u>Description</u>	<u>Total System</u>	<u>NC Retail Allocation</u>	<u>Total NC Retail</u>
1	O&M (excluding fuel and purchase power)			1,192,866 [1]
2				
3	Less existing proforma adjustments			
4	Reagents expense and proceeds from sale of by-products (NC2010)	25,278	67 2646% [5]	17,003
5	Costs recovered through non fuel riders (NC2030)	109,961		81,295 [9]
6	Amortization of prior rate case costs (NC5010)	1,783	Direct	1,783
7	Expiring amortizations (NC5010) - Severance	21,685	Direct	21,685
8	Vegetation management expenses - distribution (NC2070)	68,042	74.1732% [6]	50,469
9	Vegetation management expenses - transmission (NC2070)	12,217	48.1470% [7]	5,882
10	Adjust Test Year Expenses (NC2080)	(15,735)	Direct	(15,735)
11	NCUC regulatory fee (NC2130)	6,369	Direct	6,369
12	Aviation expenses (NC2090)	2,734	68 2076% [8]	1,865
13	Adjust Nuclear Outage Levelization (NC2100)	51,390	Direct	51,390
14	Storm Normalization (NC7010)	37,035	Direct	37,035
15	Adjust Test Year Expenses - Rent (NC2150)	10,441	68 2076% [8]	7,121
16	Adjust NCUC Regulatory Fee Amortization (NC5080)	555	Direct	555
17				
18				
19				
20				
21				
22				
23	Total Proforma adjustments			\$ 266,719
24				
25	Total O&M to be adjusted including labor (L1 - L23)			\$ 926,147
26				
27	Net electric O&M salaries and wages - NC Retail			\$ 465,451 [10]
28	Fringe benefits contribution rate			10 01% [2]
29	Fringe benefits (L27 x L28)			\$ 46,592
30				
31	O&M salaries & wages and fringe benefits (L27 + L29)			\$ 512,043
32				
33	Total non-labor O&M to be adjusted (L25 - L31)			\$ 414,104
34	Average inflation rate			12.76% [3]
35	Impact to O&M - non-labor O&M adjustment to reflect end of period costs (L33 x L34)			\$ 52,823
36				
37	Statutory tax rate			23.3503% [4]
38	Impact to income taxes (-L35 x L37)			\$ (12,334)
39	Impact to operating Expense (L35 + L38)			\$ 40,489

[1] Bowman Exhibit 2 Page 1 Line 4 Per Books
[2] NC2050 - Normalize O&M Labor Expenses - DEC tab NC2050-1 Calculation line 37
[3] NC2110-2 Avg Price Indices line 21
[4] NC1010-4 - 2022 Calculation of Tax Rates, Line 10
[5] All - MWHs at Meter - Jur
[6] All - Dist Pft OH - Jur
[7] All - Transmission Demand - Jur
[8] All - Labor - Jur
[9] Proforma NC2030 - Adjust for Costs Recovered thru Non Fuel Riders - DEC tab NC2030-1 Calculation line 31
[10] NC Retail Labor Allocation per 2021 COS 12CP - E-1, Item 45

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E1-10
NC2110-2 Avg Price Indices
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Compliance

Average of Consumer Price Index and Producer Price Index

Line No.	Period	CPI [1] (a)	PPI [2]	PPI [3]	PPI Average (d)= Average of (b) and (c)
			Finished goods less food & energy (b)	Processed materials less food & energy (c)	
1	December-2020	260.5	211.6	204.1	
2	January-2021	261.6	212.2	207.8	
3	February-2021	263.0	213.0	211.8	
4	March-2021	264.9	213.8	217.5	
5	April-2021	267.1	215.0	224.0	
6	May-2021	269.2	216.2	230.1	
7	June-2021	271.7	217.7	234.6	
8	July-2021	273.0	219.1	237.9	
9	August-2021	273.6	220.2	240.6	
10	September-2021	274.3	221.6	242.8	
11	October-2021	276.6	222.8	246.8	
12	November-2021	277.9	224.1	250.2	
13	December-2021	278.8	225.3	251.8	
14					
15	13 month average	270.2	217.9	230.8	
16					
17	June, 2023 (will update through capital cut-off)	305.1	247.1	257.9	
18					
19	Increase from average to cutoff (L17 - L15)	34.9	29.2	27.1	
20	% increase from average to year end (L19 / L15)	12.94%	13.39%	11.76%	12.58%
21	Average inflation rate (Average, L20 Col. (a) and Col. (d))	12.76%			

Note: Totals may not foot due to rounding.

[1] NC2110-3 - Consumer Price Index - All Items

[2] NC2110-4 - Producer Price Index - Commodities - Finished goods less food and energy

[3] NC2110-5 - Producer Price Index - Commodities - Processed materials less food and energy

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E1-10
NC2110-3 All Items
Page 1 of 1
Compliance

Consumer Price Index - All Urban Consumers
Original Data Value

Series Id CUUR0000SA0
Not Seasonally Adjusted
Series All items in U.S. city average, all urban consumers,
Area U.S. city average
Item All items
Base 1982-84=100
Period
Years 2011 to 2021

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg
2009	211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	214.537
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	218.056
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	224.939
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	229.594
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.957
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.736
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	237.017
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	240.007
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	245.120
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	251.107
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	255.657
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	258.811
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	270.970
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	292.655
2023	299.17	300.84	301.836	303.363	304.127	305.109							302.408

Source: Bureau of Labor Statistics

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E1-10
NC2110-4 Finishd Goods
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Compliance

Producer Price Index-Commodities
Original Data Value

Series Id: WPSFD4131
Seasonally Adjusted
Series Title: PPI Commodity data for Final demand-
Group: Final demand
Item: Finished goods less foods and energy
Base Date: 198200
Years: 2011 to 2021

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg
2009	170.8	170.9	171.2	171.3	171.2	171.8	171.4	171.8	171.6	171.5	172.1	172.1	171.5
2010	172.5	172.6	172.9	172.9	173.4	173.6	173.7	173.9	174.3	174.3	174.3	174.6	173.6
2011	175.3	175.7	176.2	176.8	177.0	177.6	178.2	178.5	179.0	179.4	179.6	180.0	177.8
2012	180.7	181.0	181.3	181.6	181.8	182.1	182.9	183.2	183.2	183.3	183.7	183.7	182.4
2013	183.9	184.2	184.4	184.6	184.8	185.0	185.2	185.3	185.4	185.6	185.9	186.7	185.1
2014	187.5	187.7	187.7	187.9	188.2	188.5	188.7	189.0	189.2	189.7	189.7	189.8	188.6
2015	190.7	191.2	191.4	191.5	191.8	192.7	193.0	193.0	193.2	193.1	193.2	193.4	192.4
2016	193.9	194.1	194.3	194.6	194.8	195.4	195.4	195.6	195.8	196.1	196.3	196.7	195.3
2017	197.2	197.3	197.8	198.4	198.5	198.8	198.9	199.2	199.1	200.0	200.5	200.6	198.9
2018	200.9	201.3	201.8	202.2	202.7	203.1	203.7	204.1	204.5	205.2	205.6	205.8	203.4
2019	206.7	206.9	207.2	207.3	207.7	207.8	208.1	208.2	208.3	208.5	208.8	208.8	207.9
2020	208.8	209.4	209.4	209.9	209.9	209.9	210.4	210.7	210.8	210.8	211.4	211.6	210.3
2021	212.2	213.0	213.8	215.0	216.2	217.7	219.1	220.2	221.6	222.8	224.1	225.3	218.4
2022	227.3	229.6	231.1	233.5	235.4	237.1	238.4	239.6	240.3	241.0	242.2	242.7	236.5
2023	244.4	245.2	246.0	246.2	246.9	247.1							246.0

Note: Items highlighted green above are preliminary. All indexes are subject to revision four months after original publication.

Source: Bureau of Labor Statistics

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E1-10
NC2110-5 Processed Mtl
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Compliance

Producer Price Index-Commodities
Original Data Value

Series Id: WPSID69115
Seasonally Adjusted
Series: PPI Commodity data for Intermediate demand
Group: Intermediate demand by commodity type
Item: Processed materials less foods and energy
Base Date: 198200

Years: 2011 to 2021

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg
2009	174.8	173.5	172.7	171.8	171.4	171.8	172.2	173.2	174.2	174.5	174.9	175.9	173.4
2010	177.0	178.4	179.6	181.4	181.8	180.9	180.2	180.5	180.9	182.0	183.1	184.1	180.8
2011	186.6	188.8	190.2	192.4	193.5	193.7	194.2	194.2	194.2	193.0	192.3	191.3	192.0
2012	192.0	193.2	194.5	194.7	194.1	191.9	191.2	191.3	192.0	192.2	192.1	192.6	192.7
2013	193.7	194.7	194.4	193.9	193.6	193.5	193.3	193.7	193.7	193.6	193.6	194.0	193.8
2014	194.6	195.2	194.8	195.1	195.0	195.1	195.9	196.3	196.3	195.8	194.9	193.9	195.2
2015	191.7	191.1	190.5	190.1	190.1	190.2	190.1	189.2	188.1	187.6	187.1	186.5	189.4
2016	185.7	185.2	185.2	185.7	186.3	186.7	186.9	187.4	187.6	187.9	188.7	189.3	186.9
2017	189.9	191.3	192.1	193.0	192.9	193.1	192.9	193.5	194.1	195.0	195.9	196.2	193.3
2018	197.2	198.2	199.3	199.9	201.4	202.3	203.0	203.7	204.4	204.8	204.1	203.1	201.8
2019	203.0	202.6	202.4	202.2	201.8	201.1	200.7	200.0	199.7	200.2	199.8	199.4	201.1
2020	199.6	199.4	199.0	196.1	195.0	195.9	197.1	198.6	200.2	200.8	201.2	204.1	198.9
2021	207.8	211.8	217.5	224.0	230.1	234.6	237.9	240.6	242.8	246.8	250.2	251.8	233.0
2022	255.5	256.4	258.7	261.8	266.5	266.7	265.6	264.0	261.8	259.8	259.2	258.1	261.2
2023	258.4	258.9	258.3	259.0	259.0	257.9							258.6

Note: Items highlighted green above are preliminary. All indexes are subject to revision four months after original publication.

Source: Bureau of Labor Statistics

DUKE ENERGY CAROLINAS, LLC
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Adjust reserve for end of life nuclear costs
For the Test Period Ending December 31, 2021

E1-10
NC2120 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

Nuclear Fuel

The cost of the last nuclear fuel core is not captured in the costs of decommissioning and is not expected to have any salvage value. As this last core of nuclear fuel would benefit the ratepayers served prior to the end of life of the nuclear plant, a reserve is accrued so that there is a better matching of cost and benefit for ratemaking purposes. The annual amortization expense adjustment is determined by dividing the current projected remaining value of the last core of nuclear fuel at the end of life of each unit by the number of years remaining in the unit's life less the amount of amortization in the test year. The reserve is an offset to rate base in the cost of service.

Nuclear Materials and Supplies

Similar to the discussion above for the final nuclear fuel core, the Company accrues a reserve for end of life nuclear materials and supplies (M&S). The nuclear M&S inventory will have little or no salvage value at the time of decommissioning. The annual amortization expense adjustment was determined by dividing the projected inventory balance at the end of life of each unit by the number of years remaining in the unit's life less the amount of amortization in the test year. Duke Energy Carolinas assumed in its computations that the current test year balance of nuclear M&S would be the projected inventory balance at the end of life of each unit.

[S3] Settlement

Adjusted M&S inventory based on settlement for 5% salvage.

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NC2120 Summary
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Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total
			NC Retail	NC Retail	NC Retail
			Compliance	Application	Change
1	Sales of Electricity				-
2	Other Revenue				-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense				-
10	Depreciation and amortization	NC2120-1	\$ (7,091)	\$ (6,744)	(346)
11	General taxes				-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC2120-1	\$ 1,656	\$ 1,575	81
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ (5,435)	\$ (5,170)	(265)
17					
18	Operating income (L3-L16)		\$ 5,435	\$ 5,170	\$ 265
Line No	<u>Rate Base</u>	Source	Total	Total	Total
			NC Retail	NC Retail	NC Retail
			Compliance	Application	Change
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -

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NC2120-1 Calculation
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Compliance

<u>Line No.</u>	<u>Description</u>	<u>NC Retail</u>
1	<u>Impact to Income Statement Line Items</u>	
2	Adjustment to annual expense for end of life reserve for nuclear fuel	\$ (520) [1]
3	Adjustment to annual expense for end of life reserve for nuclear M&S	(6,571) [2]
4	Impact to depreciation and amortization (L2 + L3)	<u>\$ (7,091)</u>
5		
6	Statutory tax rate	<u>23.3503% [3]</u>
7	Impact to income taxes (-L4 x L6)	<u>\$ 1,656</u>
8	Impact to operating income (-L4 - L7)	<u>\$ 5,435</u>

[1] NC-2120-2 - Adjustment for End of Life Reserve for Nuclear Fuel, Line 34

[2] NC-2120-3 - Adjustment for End of Life Reserve for Nuclear Materials and Supplies, Line 24

[3] NC1010-4 2022 Calculation of Tax Rates, Line 10

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(Dollars in thousands)

E1-10
NC2120-2 Nuclear Fuel
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Compliance

Adjustment for End of Life Reserve for Nuclear Fuel

Line No.	Description	CNS 1	CNS 2	MNS 1	MNS 2	ONS 1	ONS 2	ONS 3	Total	
1	<u>Impact to Income Statement Line Items</u>									
2	Projection of core's end-of cycle value	\$ 72,999	\$ 68,103	\$ 70,025	\$ 72,133	\$ 57,236	\$ 61,652	\$ 63,727	\$ 465,876	[1]
3	as of date	10/25/2039	3/15/2036	3/7/2037	3/13/2038	10/2/2032	10/1/2033	4/4/2034		[1]
4	Joint ownership share of core's end-of-cycle value	80.754%	80.754%	-	-	-	-	-		[2]
5	Core's end-of-cycle value net of joint ownership estimate (L2 - (L2 x L4))	\$ 14,049	\$ 13,107	\$ 70,025	\$ 72,133	\$ 57,236	\$ 61,652	\$ 63,727	\$ 351,929	
6	Final refueling cycle months	12	12	12	12	18	18	18		[1]
7	Normal refueling cycle months	18	18	18	18	24	24	24		[1]
8	Adjustment ratio for shorter last cycle (L6 / L7)	66.67%	66.67%	66.67%	66.67%	75.00%	75.00%	75.00%		
9										
10	Adjustment ratio for last cycle loading & operating efficiencies	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%		[1]
11										
12	Adjusted end of cycle value (L5 x L8 x L10)	\$ 7,025	\$ 6,554	\$ 35,013	\$ 36,067	\$ 32,195	\$ 34,679	\$ 35,846	\$ 187,379	
13	Projected decommissioning date of plant	12/5/2063	12/5/2063	6/12/2061	3/3/2063	2/6/2053	10/6/2053	7/19/2054		[3]
14	Nuclear fuel annual escalation rate (applies to post forecast period)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%		[1]
15	Adjusted end of cycle value, escalated to decommissioning date									
16	(L12 x (1 + L14) ^ ((L13 - L3) / 365.25 days))	\$ 11,324	\$ 11,348	\$ 56,613	\$ 59,139	\$ 48,171	\$ 51,545	\$ 53,572	\$ 291,712	
17										
18	NC Retail Allocation Factor - All - MWHs at Generation - Jur	67.4869%	67.4869%	67.4869%	67.4869%	67.4869%	67.4869%	67.4869%	67.4869%	[4]
19	Adjusted end of cycle value, escalated to decommissioning date - NC Retail (L16 x L18)	\$ 7,642	\$ 7,659	\$ 38,206	\$ 39,911	\$ 32,509	\$ 34,786	\$ 36,154	\$ 196,868	
20										
21	Reserve balance - NC Retail at 12/31/2021	\$ 1,993	\$ 1,982	\$ 10,448	\$ 10,352	\$ 12,876	\$ 12,611	\$ 12,315	\$ 62,578	[5]
22	2021 annual expense for reserve - NC Retail	109	532	419	502	2,673	-	-	4,236	[5]
23	2021 monthly expense for reserve - NC Retail (L22 / 12 months)	9	44	35	42	223	-	-	353	
24	Number of months amortized at 12/31/2023	24	24	24	24	24	24	24	24	[6]
25	Expected reserve balance - NC Retail at 12/31/2023 (L21 + (L23 x L24))	\$ 2,212	\$ 3,047	\$ 11,286	\$ 11,356	\$ 18,223	\$ 12,611	\$ 12,315	\$ 71,050	
26										
27	Remaining reserve required at rates effective date - NC Retail (L19 - L25)	\$ 5,431	\$ 4,612	\$ 26,921	\$ 28,555	\$ 14,286	\$ 22,175	\$ 23,839	\$ 125,818	
28										
29	Date new rates effective	1/1/2024	1/1/2024	1/1/2024	1/1/2024	1/1/2024	1/1/2024	1/1/2024		
30	Years of remaining plant life (L13 - L29 / 365.25 days)	40	40	37	39	29	30	31		
31	Annual expense for reserve required at new rates effective date - NC Retail (L27 / L30)	\$ 136	\$ 116	\$ 719	\$ 729	\$ 491	\$ 745	\$ 780	\$ 3,716	
32										
33	Current annual expense for reserve - NC Retail (L22)	\$ 109	\$ 532	\$ 419	\$ 502	\$ 2,673	\$ -	\$ -	\$ 4,236	
34	Adjustment to annual expense for end of life reserve for nuclear fuel (L31 - L33)	\$ 27	\$ (417)	\$ 300	\$ 227	\$ (2,182)	\$ 745	\$ 780	\$ (520)	

[1] Information provided by Duke Energy Nuclear Fuel Supply

[2] NC-2050 - 3 Joint Owner - Catawba Project (Gross, Allocated \$), 12 Months Ended Dec 31, 2021, Non-ownership percentage in Catawba plant

[3] NC-2802 - End of Life Reserve for Nuclear M&S - Last Rate Case (Docket No. E-7, Sub 1214) - Decommissioning date + 20 years (based on SLRs)

[4] Allocation Factor - All - MWHs at Generation

[5] Provided by Accounting - DEC NF Last Core Res Details by Plant

[6] Monthly amortization begin date January 1, 2022 through rates effective date December 31, 2023 = 24 months

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust reserve for end of life nuclear costs
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2120-3 M&S
Page 1 of 1
Compliance

Adjustment for End of Life Reserve for Nuclear Materials and Supplies

Line No.	Description	McGuire	Oconee	Catawba	Total	
1	<u>Impact to Income Statement Line Items</u>					
2	Current inventory as of 12/31/2021	\$ 141,072	\$ 182,903	\$ 160,468	\$ 484,443	[1]
3	Catawba contra	-	-	(130,295)	(130,295)	[1]
4	End of life inventory value net of joint ownership estimate (L2 + L3)	\$ 141,072	\$ 182,903	\$ 30,172	\$ 354,147	
5						
6	Salvage %	5%	5%	5%		[7]
7	Net of Salvage	\$ 134,018	\$ 173,758	\$ 28,663	\$ 336,440	
8	NC Retail Allocation Factor - All Production Demand	66.9690%	66.9690%	66.9690%	66.9690%	[2]
9	Nuclear M&S inventory base for amortization - NC Retail (L4 x L8)	\$ 89,751	\$ 116,364	\$ 19,196	\$ 225,310	
10						
11	Reserve balance - NC Retail at 12/31/2021	\$ 24,354	\$ 45,410	\$ 4,547	\$ 74,312	[3]
12	2021 annual expense for reserve - NC Retail	3,474	6,228	612	10,314	
13	2021 monthly expense for reserve - NC Retail (L12 / 12 months)	290	519	51	860	
14	Number of months amortized at 12/31/2023	24	24	24	24	[4]
15	Expected reserve balance - NC Retail at 12/31/2023 (L11 + (L13 x L14))	\$ 31,302	\$ 57,866	\$ 5,771	\$ 94,940	
16						
17	Remaining reserve required at rates effective date - NC Retail (L9 - L15)	\$ 58,448	\$ 58,498	\$ 13,424	\$ 130,370	
18						
19	Projected decommissioning date of plant	3/3/2063	7/19/2054	12/5/2063		[5]
20	Date new rates effective	1/1/2024	1/1/2024	1/1/2024		[6]
21	Years of remaining plant life ((L19 - L20 / 365 25 days)	39	31	40		
22						
23	Annual expense for reserve required at rates effective date - NC Retail (L17 / L21)	\$ 1,492	\$ 1,915	\$ 336	\$ 3,743	
24						
25	Current annual expense for reserve - NC Retail (L12)	\$ 3,474	\$ 6,228	\$ 612	\$ 10,314	
26	Adjustment to annual expense for end of life reserve for nuclear M&S (L23 - L25)	\$ (1,982)	\$ (4,313)	\$ (276)	\$ (6,571)	

[1] Provided by Duke Energy Carolinas Accounting

[2] Allocation Factor - All Production Demand

[3] Provided by Accounting - DEC M&S Inventory by Plant Analysis

[4] Monthly amortization begin date January 1 2022 through rates effective date December 31, 2023 = 24 months

[5] NC-2120-2 - Adjustment for End of Life Reserve for Nuclear Fuel, Line 13

[6] NC-2120-2 - Adjustment for End of Life Reserve for Nuclear Fuel, Line 29

[7] Per settlement agreement and testimony of Public Staff Witness Dustin Metz

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021

E1-10
NC2130 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts other operation and maintenance expense for the impact of the change in the NCUC fee since the last rate case.

The impact to operation and maintenance expense is determined as follows:

The regulatory fee expense was recalculated using the base revenues subject to regulatory fee in the test period times the new rate of 0.0014 effective July 1, 2022.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(D) 3rd Supplemental Update

Updated for the new NCUC Regulatory Fee of .1475% in effect as of July 1, 2023

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2130 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity					-
2	Other Revenue					-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power					-
9	Other operation and maintenance expense	NC2130-1	\$ 857	\$ 857	\$ 490	\$ 367
10	Depreciation and amortization					-
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortization					-
14	Net income taxes	NC2130-1	(200)	(200)	(114)	(86)
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7:L15))		\$ 657	\$ 657	\$ 376	\$ 282
17						
18	Operating income (L3-L16)		\$ (657)	\$ (657)	\$ (376)	\$ (282)
19	<u>Rate Base</u>	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Application	Total NC Retail Change
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22 L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2130-1 Adjusted Reg Fee Calc
Page 1 of 1
Compliance

Line No.	Description	NC Retail
1	<u>Impact to Income Statement Line Items</u>	
2	<u>Other operation and maintenance expense:</u>	
3		
4	Revenues subject to regulatory fee in the test period	\$ 4,899,551 [1]
5	Statutory regulatory fee percentage rate	0.1475% [2]
6	Amount of annualized regulatory fee (L4 x L5)	\$ 7,227
7	Amount of regulatory fee booked in test period	6,369 [1]
8	Adjustment to O&M to annualize reg fee booked in the test period (L6 - L7)	\$ 857
9		
10	Statutory tax rate	23.3503% [3]
11		
12	Impact to income taxes (-L8 x L10)	\$ (200)
13		
14	Impact to operating income (-L8 - L12)	\$ (657)

[1] NC2130-2 - Test Period Expenses, Line 8
[2] NC2310-5 -NCUC Fee Update
[3] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROL NAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2130-2 Test Period Expenses
Page 1 of 1
Compliance

NCUC Base Rate Regulatory Fee in the Test Period

Line No.	Description	Total NC Retail (a)	[1] Less: Rider Revenue (b)	[2] Base Revenue (c) = (a)-(b)	Reg Fee % (d)	[3] Reg Fee (e) = (a)x(d)
1						
2	Impact to Income Statement Line Items					
3	Other operation and maintenance expense:					
4	Revenues subject to regulatory fee - Q4-2020	\$ 1,077,364	\$ (30,113)	\$ 1,107,476	0.1300%	\$ 1,440
5	Revenues subject to regulatory fee - Q1-2021	1,198,319	(37,232)	1,235,551	0.1300%	1,606
6	Revenues subject to regulatory fee - Q2-2021	1,054,131	(27,517)	1,081,647	0.1300%	1,406
7	Revenues subject to regulatory fee - Q3-2021	1,456,544	(18,333)	1,474,877	0.1300%	1,917
8	Revenues subject to reg fee for 2021 (Sum L4 L7)	\$ 4,786,358	\$ (113,194)	\$ 4,899,551		\$ 6,369

[1] NC2130-3 - Public Utility Regulatory Fee Reports - Revenues Subject to Regulatory Fee, Line 3 by Quarter
 [2] NC2130-4 - Total Billed Rider Revenue, Line 12, to exclude so as to adjust for Base Revenue fees only in this proceeding
 [3] NC2130-3 - Public Utility Regulatory Fee Reports - Statutory Regulatory Fee Percentage Rate, Line 4

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021

E1-10
NC2130-3 Reg Fee Filings
Page 1 of 4
Compliance

Public Utility Regulatory Fee Reports - Revenues Subject to Regulatory Fee

DATE: 2/5/2021
PERIOD: Q4 2020

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**PUBLIC UTILITY REGULATORY FEE REPORT
FOR THE QUARTER ENDED December 31, 2020
(Second Quarter of Fiscal Year 2020-2021)**

Docket Number: E-7
Duke Energy Carolinas, LLC
Attn: Nick Spero
550 S. Tryon Street - DEC43
Charlotte NC 28202

(Please Note Any Address Corrections)

Line No.	Description	Amount
1.	Total North Carolina Jurisdictional Revenues (See instruction No. 1 on reverse)	\$ 1,081,392,714.80
2.	Less revenues included on Line 1 determined to be uncollectible	\$ 4,028,727.00
3.	Revenues subject to regulatory fee (Line 1 minus Line2)	\$ 1,077,363,987.80
4.	Statutory regulatory fee percentage rate	0.00130
5.	Amount of regulatory fee due (See instruction Nos. 2 & 3 on reverse)	\$ 1,400,573.18
6a.	ADJUSTMENT: Plus Additional Amount Due on Account	\$ -
6b.	ADJUSTMENT: Minus Credit on Account	\$ -
7	FINAL AMOUNT PAID BY PAYMENT THIS QUARTER	\$ 1,400,573.18

CHECK NO. _____

If applicable, checks should be SIGNED and made payable to NC Dept of Commerce/Utilities Commission.

CERTIFICATION

I hereby certify that the information contained in this report is true to the best of my knowledge and belief.

CONTACT EMAIL ADDRESS

John T. Walters Jr., Sr. Financial Analyst
Authorized Signature and Title

John T. Walters Jr.
Contact Person (Please Print Clearly)

john.walters@duke-energy.com

2/5/21
Date

(704) 382-1387
Telephone Number

Note: This report and payment of the regulatory fees are due on or before February 15, 2021.

The Public Utility Regulatory Fee is Imposed pursuant to N.C. General Statute 62-302.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021

E1-10
NC2130-3 Reg Fee Filings
Page 2 of 4
Compliance

DATE: 5/10/2021
PERIOD: Q1 2021

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**PUBLIC UTILITY REGULATORY FEE REPORT
FOR THE QUARTER ENDED March 31, 2021
(Third Quarter of Fiscal Year 2020-2021)**

Docket Number: E-7
Duke Energy Carolinas, LLC
Attn: Nick Speros
550 S. Tryon Street - DEC43
Charlotte NC 28202

(Please Note Any Address Corrections)

Line No.	Description	Amount
1.	Total North Carolina Jurisdictional Revenues (See instruction No. 1 on reverse)	\$ 1,203,025,008.72
2.	Less revenues included on Line 1 determined to be uncollectible	\$ 4,706,226.00
3.	Revenues subject to regulatory fee (Line 1 minus Line2)	\$ 1,198,318,782.72
4.	Statutory regulatory fee percentage rate	0.00130
5.	Amount of regulatory fee due (See instruction Nos. 2 & 3 on reverse)	\$ 1,557,814.42
6a.	ADJUSTMENT: Plus Additional Amount Due on Account	\$ -
6b.	ADJUSTMENT: Minus Credit on Account	\$ -
7.	FINAL AMOUNT PAID BY PAYMENT THIS QUARTER	\$ 1,557,814.42

CHECK NO. _____

If applicable, checks should be SIGNED and made payable to NC Dept of Commerce/Utilities Commission.

CERTIFICATION

I hereby certify that the information contained in this report is true to the best of my knowledge and belief.

CONTACT EMAIL ADDRESS

john.walters@duke-energy.com

John T. Walters Jr., Sr. Financial Analyst
Authorized Signature and Title

5/10/2021
Date

John T. Walters Jr.
Contact Person (Please Print Clearly)

(704) 382-1387
Telephone Number

Note: This report and payment of the regulatory fees are due on or before May 15, 2021.

The Public Utility Regulatory Fee Is Imposed pursuant to N.C. General Statute 62-302.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021

E1-10
NC2130-3 Reg Fee Filings
Page 3 of 4
Compliance

DATE: 8/10/2021
PERIOD: Q2 2021

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**PUBLIC UTILITY REGULATORY FEE REPORT
FOR THE QUARTER ENDED June 30, 2021
(Fourth Quarter of Fiscal Year 2020-2021)**

Docket Number: E-7
Duke Energy Carolinas, LLC
Attn: Nick Speros
550 S. Tryon Street - DEC43
Charlotte NC 28202

(Please Note Any Address Corrections)

Line No.	Description	Amount
1.	Total North Carolina Jurisdictional Revenues (See instruction No. 1 on reverse)	\$ 1,054,051,998.04
2.	Less revenues included on Line 1 determined to be uncollectible	\$ (78,776.00)
3.	Revenues subject to regulatory fee (Line 1 minus Line2)	\$ 1,054,130,774.04
4.	Statutory regulatory fee percentage rate	0.00130
5.	Amount of regulatory fee due (See instruction Nos. 2 & 3 on reverse)	\$ 1,370,370.01
6a.	ADJUSTMENT: Plus Additional Amount Due on Account	\$ -
6b.	ADJUSTMENT: Minus Credit on Account	\$ -
7	FINAL AMOUNT PAID BY PAYMENT THIS QUARTER	\$ 1,370,370.01

CHECK NO. _____

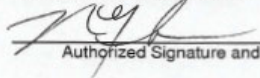
If applicable, checks should be SIGNED and made payable to NC Dept of Commerce/Utilities Commission.

CERTIFICATION

I hereby certify that the information contained in this report is true to the best of my knowledge and belief.

CONTACT EMAIL ADDRESS

Nicholas.Speros@duke-energy.com


Authorized Signature and Title

08/10/2021
Date

Nick Speros
Contact Person (Please Print Clearly)

(704) 382-2252
Telephone Number

Note: This report and payment of the regulatory fees are due on or before August 15, 2021.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021

E1-10
NC2130-3 Reg Fee Filings
Page 4 of 4
Compliance

DATE: 11/09/2021
PERIOD: Q3 2021

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

PUBLIC UTILITY REGULATORY FEE REPORT
FOR THE QUARTER ENDED September 30, 2021
(First quarter of Fiscal Year 2021-2022)

Docket Number: E-7
Duke Energy Carolinas, LLC
Attn: Nick Speros
550 S. Tryon Street - DEC43
Charlotte NC 28202

(Please Note Any Address Corrections)

Line No.	Description	Amount
1.	Total North Carolina Jurisdictional Revenues (See instruction No. 1 on reverse)	\$ 1,456,544,036.00
2.	Less revenues included on Line 1 determined to be uncollectible	\$ 0.01
3.	Revenues subject to regulatory fee (Line 1 minus Line2)	\$ 1,456,544,035.99
4.	Statutory regulatory fee percentage rate	0.00130
5.	Amount of regulatory fee due (See instruction Nos. 2 & 3 on reverse)	\$ 1,893,507.25
6a.	ADJUSTMENT: Plus Additional Amount Due on Account	\$ -
6b.	ADJUSTMENT: Minus Credit on Account	\$ -
7	FINAL AMOUNT PAID BY PAYMENT THIS QUARTER	\$ 1,893,507.25

CHECK NO. _____

If applicable, checks should be SIGNED and made payable to NC Dept of Commerce/Utilities Commission.

CERTIFICATION

I hereby certify that the information contained in this report is true to the best of my knowledge and belief.

CONTACT EMAIL ADDRESS

Nicholas.Speros@duke-energy.com


Authorized Signature and Title

11/09/2021
Date

Nicholas Speros
Contact Person (Please Print Clearly)

704 382-2252
Telephone Number

Note: This report and payment of the regulatory fees are due on or before November 15, 2021.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2130-4 Rider Revenues
Page 1 of 1
Compliance

Total Billed Rider Revenues

Line No.	Description	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Total
1						
2	<u>Fuel Rider Revenue [1]</u>					
3						
4	REPS	\$ 7,384	\$ 7,148	\$ 7,398	\$ 7,799	\$ 29,728
5	DSM/EE	47,624	56,144	46,611	62,779	213,158
6	BPM Rider	(2,225)	(2,475)	(2,280)	(2,150)	(9,130)
7	CPRE	826	941	825	1,435	4,027
8	Excess Deferred Income Tax - Federal	(50,620)	(60,262)	(52,503)	(83,948)	(247,332)
9	Excess Deferred Income Tax - State	(13,684)	(15,427)	(13,446)	(17,691)	(60,247)
10	Job Retention Rider	(4,603)	(5,191)	(3,873)	(107)	(13,774)
11	Fuel Increment/Decrement & EMF	(14,814)	(18,110)	(10,250)	13,551	(29,623)
12	Total Rider Revenue for exclusion	\$ (30,113)	\$ (37,232)	\$ (27,517)	\$ (18,333)	\$ (113,194)

[1] Duke Energy Carolinas Accounting

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for change in NCUC regulatory fee
For the Test Period Ending December 31, 2021

E1-10
NC2130-5 NCUC Fee Update
Page 1 of 1
Compliance

Notification of revised NCUC regulatory reporting fee [1]

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. M-100, SUB 142

At present, the Commission's regulatory fee for noncompetitive jurisdictional revenues is 0.14%. Pursuant to N.C.G.S. § 62-302(b)(3), the Commission has reviewed the estimated cost of operating the Commission and the Public Staff for the next fiscal year, including the reserve margin permitted under N.C.G.S. § 62-302(a), and has determined that the regulatory fee for noncompetitive jurisdictional revenues should be increased to 0.1475%, effective July 1, 2023.

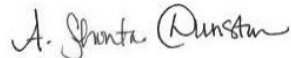
IT IS, THEREFORE, ORDERED as follows:

1. That the regulatory fee for noncompetitive jurisdictional revenues shall be, and is hereby, set at 0.1475%, effective July 1, 2023; and
2. That the Chief Clerk shall serve this Order on all utilities regulated by the Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the 30th day of June, 2023.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Chief Clerk

[1] Source: NCUC website

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust for non-residential credit card fees
For the Test Period Ending December 31, 2021

E1-10
NC2140 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts operation and maintenance expenses for non-residential credit card fees costs by using 2021 transactions and applying a unit cost per transaction.

(D) 3rd Supplemental Update

Updated transactions to align with more detailed analysis performed as part of PSDR 30-2

[S3] Settlement

Removed this request per the settlement agreement

DUKE ENERGY CAROL NAS, LLC
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Adjust for non-residential credit card fees
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2140 Summary
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Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total	Total
			NC Retail	NC Retail	NC Retail	NC Retail
			Compliance	Third Supplemental	Application	Change
1	Sales of Electricity					-
2	Other Revenue					-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power					-
9	Other operation and maintenance expense	NC2140-1	\$ -	\$ 1,513	\$ 1,507	(1,507)
10	Depreciation and amortization					-
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortization					-
14	Net income taxes	NC2140-1	-	(353)	(352)	352
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7:L15))		\$ -	\$ 1,160	\$ 1,155	(1,155)
17						
18	Operating income (L3-L16)		\$ -	\$ (1,160)	\$ (1,155)	\$ 1,155
19	<u>Rate Base</u>					
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25 L27))		\$ -	\$ -	\$ -	\$ -

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E1-10
NC2140-1 Calculation
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Compliance

Line No.	Description	Total NC Retail
1	<u>Impact to Income Statement Line Items</u>	
2	NC non-residential credit card fee costs	
3	Non-residential credit card fees	\$ - [1]
4	Adjustment to O&M transaction costs included in Cost of Service	- [1]
5	Impact to O&M (L3 + L4)	<u>\$ -</u>
6		
7	Statutory tax rate	<u>23.3503% [2]</u>
8	Impact to income taxes (-L5 x L7)	<u>\$ -</u>
9		
10	Impact to operating income (-L5 - L8)	<u><u>\$ -</u></u>

[1] Request has been removed as part of the Settlement agreement
[2] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
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Adjust test year rent expense for Duke Energy Plaza
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E1-10
NC2150 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts operating revenue, operation and maintenance expenses, depreciation expense, income taxes, electric plant in service, accumulated depreciation, working capital and accumulated deferred income taxes in the test period to adjust revenues, expenses and rate base based on the changes in the Charlotte real estate portfolio due to the new Duke Energy Plaza building.

December updates:

Updated the F. Facility Study workpaper to remove the estimated artwork costs from the cost of the building, which impacted NC2150-2 Rent Revenue and NC2150-3 Rent Expense for DE Plaza. Also removed a small amount of O&M allocated from DEBS in the test period related to the artwork on NC2150-1 Calculation.

Supplemental updates:

Updated the F. Facility Study workpaper to only include projected in service costs as of June 30, 2023, which impacted NC2150-2 Rent Revenue and NC2150-3 Rent Expense for DE Plaza.

Updated the F. Facility Study workpaper for updated insurance rate estimate per DR 85-25, which impacted NC2150-2 Rent Revenue and NC2150-3 Rent Expense for DE Plaza. In addition, updated NC2150-5 Property Insurance estimate based on how insurance is charged in the Test Period and Ongoing.

Updated F. Facility Study workpaper to include actual in-service costs as of June 30, 2023, which impacts the NC2150-2 Rent Revenue and NC2150-3 Rent Expense for DE Plaza.

Also removed entries to remove the asset impacts

[S3] Updated to flow through impact of settlement reduction of \$50M system plant (\$40M base case)

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E1-10
NC2150 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total	Total	Total
			NC Retail	NC Retail	NC Retail	NC Retail	NC Retail
			Compliance	Third Supplemental	Supplemental	Application	Change
1	Sales of Electricity						
2	Other Revenue	NC2150-1	22,513	25,460	26,339	29,649	(7,136)
3	Electric operating revenue (L1+L2)		\$ 22,513	\$ 25,460	\$ 26,339	\$ 29,648.93	\$ (7,136)
4							
5	<u>Electric operating expenses:</u>						
6	Operation and maintenance:						
7	Fuel used in electric generation						-
8	Purchased power						-
9	Other operation and maintenance expense	NC2150-1	\$ 1,403	\$ 2,145	\$ 2,509	\$ 3,646	(2,244)
10	Depreciation and amortization	NC2150-1	-	-	3,195	3,195	(3,195)
11	General taxes	NC2150-1	-	-	(31)	(31)	31
12	Interest on customer deposits						-
13	EDIT Amortization						-
14	Net income taxes	NC2150-1	\$ 4,929	\$ 5,444	\$ 4,826	\$ 5,333	(403)
15	Amortization of investment tax credit						-
16	Total electric operating expenses (sum(L7:L15))		\$ 6,332	\$ 7,589	\$ 10,499	\$ 12,144	\$ (5,811)
17							
18	Operating income (L3-L16)		\$ 16,181	\$ 17,871	\$ 15,840	\$ 17,505	\$ (1,324)
19	<u>Rate Base</u>						
20	Electric plant in service	NC2150-1	\$ -	\$ -	\$ (5,889)	\$ (5,889)	\$ -
21	Accumulated depreciation and amortization	NC2150-1	\$ -	\$ -	\$ 1,837	\$ 1,837	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ (4,052)	\$ (4,052)	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC2150-1	\$ 2,920	\$ 2,920	\$ 2,920	\$ 2,920	\$ -
25	Accumulated deferred income taxes	NC2150-1	\$ (682)	\$ (682)	\$ (682)	\$ (682)	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ 2,238	\$ 2,238	\$ (1,814)	\$ (1,814)	\$ -

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E1-10
NC2150-1 Calculation
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Compliance

Adjust test period for exiting older buildings and adding DE Plaza

Line No.	Description	Total System	NC Retail Allocation	Total NC Retail
1	<u>Impact to Income Statement Line Items</u>			
2	Increased inter-company rent revenue	\$ 33,007 [1]	68.2076% [8]	\$ 22,513
3				
4	Additional adjustment to remove impact of retirements on depr expense in case	\$ - [2]	68.1625% [9]	\$ -
5				
6	Additional adjustment to remove impact of retirements on property tax in case	- [2]	68.1625% [9]	-
7				
8	Increased rent expense	\$ 6,429 [3]	68.2076% [8]	\$ 4,385
9	Decreased DEBS allocated depr expense	(4,362) [4]	68.2076% [8]	(2,975)
10	Increased property insurance	11 [5]	68.2076% [8]	7
11	Remove test year DEBS allocated expenses related to artwork	(21) [11]	68.2076% [8]	(14)
12	Impact to operations and maintance expense (Sum L8: L10)	\$ 2,057		\$ 1,403
13				
14	Statutory tax rate	23.3503% [6]		23.3503%
15				
16	Impact to income taxes ((L2 - L4 - L6 - L12) x L14)	\$ 7,227		\$ 4,929
17				
18	Impact to operating income (L2 - L4 - L6 - L12 - L16)	\$ 23,723		\$ 16,181
19				
20	<u>Impact to Rate Base Line Items</u>			
21	Additional adjustment to remove impact of retirements on plant in service in case	\$ - [2]	68.1625% [9]	\$ -
22	Additional adjustment to remove impact of retirements on accumulated depreciation in case	- [2]	68.1625% [9]	-
23	Impact to Net Plant	\$ -		\$ -
24				
25	Remove building impairments included in account 0253920 in COS	\$ 6,066 [7]	48.1470% [10]	\$ 2,920
26				
27	Statutory tax rate	23.3503% [6]		23.3503%
28	Impact to accumulated deferred income taxes (-L25 x L27)	\$ (1,416)		\$ (682)
29				
30	Impact to rate base (L23 + L25 + L28)	\$ 4,649		\$ 2,238

- [1] NC2150-2 Rent Revenue
- [2] NC2150-6 Asset Impacts of exiting buildings
- [3] NC2150-3 Rent Expense
- [4] NC2150-4 DEBS Depr Expense
- [5] NC2150-5 Property Insurance
- [6] NC1010-4 2022 Calculation of Tax Rates, Line 10
- [7] Per Asset Accounting
- [8] NC Retail Allocation - All - Labor - Jur
- [9] NC Retail Allocation - All - General Plant - Jur
- [10] NC Retail Allocation - All - Transmission Demand - Jur
- [11] Per Real Estate support

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E1-10
NC2150-2 Rent Revenue
Page 1 of 1
Compliance

Adjust test period DEC Inter- Company revenue

Line No.	Description	2021 [1]	2023 [1]	Adjustment
1	DEBS - 526 S. Church, 401 S. College and Charlotte Cust Call Center	\$ 13,881	\$ 3,563 [2]	\$ (10,318)
2	DEBS - DE Plaza	-	36,048	36,048
3	Piedmont - DE Plaza	-	4,018	4,018
4	Comm Enterprise - DE Plaza	-	157	157
5	DE Florida - DE Plaza	-	94	94
6	DE Indiana - DE Plaza	-	141	141
7	DE Progress - DE Plaza	-	2,867	2,867
8	Total DEC Inter-Company Rent Revenue (Sum L1 : L7)	\$ 13,881 [3]	\$ 46,888	\$ 33,007
9				
10	Estimated increased in inter-company rent revenue due to the new DE Plaza building			\$ 33,007

[1] Per service company accounting

[2] DE Carolinas will still own the Charlotte Customer Call Center

[3] DEC inter-company rent revenue is charged to account 0454105

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E1-10
NC2150-3 Rent Expense
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Compliance

Adjust test period rent expense

Line No.	Description	DEBS Expense Acct 0931001 2021 [1]	DEBS OH Loader Acct 0930200 2021 [1]	DEBS Net Expense 2021	OU DERE DEC Allocation [3]	DEC Direct Net Rent Expense 2021	DEBS Expense Acct 0931001 2023 [1]	DEBS OH Loader Acct 0930200 2023 [1]	DEBS Net Expense 2023	OU DERE DEC Allocation [3]	DEC Direct Net Rent Expense 2023
1	DEBS Rent Expense										
2	400 South Tryon	\$ 12,051	\$ (8,074)	\$ 3,977	41.53%	\$ 1,652	\$ 9,386	\$ (6,288)	\$ 3,097	40.54%	\$ 1,256
3	526 S. Church, 401 S. College and Charlotte Cust Call Center	13,881	(9,300)	4,581	41.53%	1,902	3,563	(2,387)	1,176	40.54%	477
4	550 South Tryon	7,243	(4,853)	2,390	41.53%	993	-	-	-	40.54%	-
5	Piedmont Towncenter	1,716	(1,149)	566	41.53%	235	2,423	(1,624)	800	40.54%	324
6	Duke Energy Plaza	-	-	-	41.53%	-	42,379	(28,394)	13,985	40.54%	5,670
7	Charlotte Rent Expense (Sum L2 : L6)	\$ 34,891	\$ (23,377)	\$ 11,514		\$ 4,782	\$ 57,751	\$ (38,693)	\$ 19,058		\$ 7,726
8											
9			DEBS	DEBS	DEC	DEBS	DEBS	DEBS	DEBS	DEBS	DEC
10			OH Loader	Labor	Allocated	OH Loader	OH Loader	Labor	Labor	Allocated	Allocated
11			Various Accts.	Various Accts.	Various Accts.	Various Accts.	Various Accts.	Various Accts.	Various Accts.	Various Accts.	Various Accts.
12	DEBS Rent Expense		2021 [1]	Allocation [1]	2021	2023 [1]	Allocation [1]	2023			
13	400 South Tryon		\$ 8,074	41.53%	\$ 3,353	\$ 6,288	40.54%	\$ 2,549			
14	526 S. Church, 401 S. College and Charlotte Cust Call Center		9,300	41.53%	3,862	2,387	40.54%	968			
15	550 South Tryon		4,853	41.53%	2,016	-	40.54%	-			
16	Piedmont Towncenter		1,149	41.53%	477	1,624	40.54%	658			
17	Duke Energy Plaza		-	41.53%	-	28,394	40.54%	11,511			
18	Charlotte Rent Expense (Sum L13 : L17)		\$ 23,377		\$ 9,708	\$ 38,693		\$ 15,686			
19											
20	Percent of incurred labor costs charged to electric expense					58.29% [2]					58.29% [2]
21											
22	Estimated amount of rent expense allocated to DEC O&M as a labor overhead (L18 x L20)					\$ 5,659		\$ 9,143			
23											
24	Estimated amount of Charlotte rent expense (L7 + L22)					\$ 10,441		\$ 16,869			
25											
26	Rent expense adjustment							\$ 6,429			

[1] Per service company accounting
[2] NC2050-1 Normalize O&M labor expenses- DEC
[3] NC2150-7 - Service Company Cost Allocation Details

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E1-10
NC2150-4 DEBS Depr Expense
Page 1 of 1
Compliance

Adjust test period DEBS allocated depreciation expense

Line No.	Description	DEBS Depreciation Expense 2021	OU DDEP DEC [1] Allocation [1]	DEC DEBS Allocated Depr Expense 2021
1	<u>DEBS Depreciation Expense</u>			
2	526 S.Church	\$ 15	33.91% [2]	\$ 5
3	401 S. College	11,592	33.91%	3,931
4	Mint St. Garage	<u>1,256</u>	33.91%	<u>426</u>
5	DEBS Depreciation Expense (Sum L2 : L4)	\$ 12,862 [3]		\$ 4,362
6				
7	DEBS depreciation expense adjustment due to exiting Charlotte buildings			<u><u>\$ (4,362)</u></u>

[1] Per service company accounting
[2] NC2150-7 - Service Company Cost Allocation Details
[3] DEBS allocated depreciation expense is charged to account 0921980

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E1-10
NC2150-5 Property Insurance
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Supplemental

Adjust test period DEC Property Insurance

Line No.	Description	526 S. Church	401 S. College	Mint St. Garage	DE Plaza	Total
1	<u>2021 Insurance Premiums</u>					
2	DEBS	\$ 0	\$ 15	\$ 3	\$ -	
3	DEC	36	25	-	-	
4	Total Insurance Premium (L2 + L3)	\$ 36 [1]	\$ 40 [1]	\$ 3 [1]	\$ - [1]	
5						
6	DEC Allocation Factor (DGAC)	33.90% [2]	33.90% [2]	33.90% [2]	33.90% [2]	
7						
8	2021 Property Insurance Premium charged to DEC	\$ 36	\$ 30	\$ 1	\$ -	\$ 68
9						
10	<u>Pro Forma Insurance Premiums</u>					
11	DEBS	\$ -	\$ -	\$ -	\$ -	
12	DECS	-	-	-	78	
13	Total Insurance Premium	\$ -	\$ -	\$ -	\$ 78 [1]	
14						
15	DEC Allocation Factor (DGAC)	33.35% [3]	33.35% [3]	33.35% [3]	33.35% [3]	
16						
17	Pro Forma Insurance Premium charged to DEC	\$ -	\$ -	\$ -	\$ 78	\$ 78
18						
19	Estimated adjustment to property insurance	\$ (36)	\$ (30)	\$ (1)	\$ 78	\$ 11

[1] Per DR 85-25

[2] Per NC2150-7 CAM for 2021 DGAC

[3] Per NC2150-7 CAM for 2022 DGAC

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E1-10
NC2150-6 Asset Impacts
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Compliance

Asset Impacts of exiting buildings

Line No.	Description	Plant in Service 12/31/2021	Current Rate	Calculated Annual Accrual	Actual 12ME Depr Booked	Difference
1	<u>Impact to Income Statement Line items</u>					
2	General Plant - Non-depr Land	\$ 6,910 [1]	0.00% [2]	\$ -	\$ - [1]	\$ -
3	General Plant - Rights of Way	546 [1]	1.50% [2]	8	8 [1]	-
4	General Plant - Structures	183,690 [1]	3.06% [2]	5,621	5,107 [1]	514
5	Impact of old building assets to depr exp in NC3010 (Sum L2 : L4)	<u>\$ 191,146</u>		<u>\$ 5,629</u>	<u>\$ 5,115</u>	<u>\$ 514</u>
6						
7						
8						
9						
10		Plant in Service 12/31/2021	Current Rate	CURRENT Calculated Annual Accrual	PROPOSED Calculated Annual Accrual	Adjustment Amount
11	General Plant - Non-depr Land	\$ 6,910 [1]	0.00% [2]	\$ -	0.00% [3]	\$ -
12	General Plant - Rights of Way	546 [1]	1.50% [2]	8	1.31% [3]	7 (1)
13	General Plant - Structures	183,690 [1]	3.06% [2]	5,621	2.72% [3]	4,996 (625)
14	Impact of old building assets to depr exp in NC3040 (Sum L11 : L13)	<u>\$ 191,146</u>		<u>\$ 5,629</u>	<u>\$ 5,004</u>	<u>\$ (626)</u>
15						
16		Forecasted				
17		Net Change				
18		through				
19		<u>7/31/2023</u>			Proposed Rate	Depr. Exp
20	Impact of old building retirements to depr exp in NC3030	\$ (182,507) [4]			5.31% [5]	\$ (9,691)
21						
22	Actual test year depreciation expense of old buildings (L5)					\$ 5,115 [1]
23	Impact to depreciation and amortization (L5 + L14 + L20 + L22)					\$ (4,688)
24						
25	Additional adjustment needed for depr expense (-L23)					\$ 4,688
26						
27	Additional retirements needed (L33)					\$ (8,640)
28	Average property tax rate-Combined NC and SC					0.5223% [5]
29	Additional adjustment needed for property tax (L27 x L28)					\$ (45)
30						

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NC2150-6 Asset Impacts
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Compliance

Asset Impacts of exiting buildings

Line No.	Description	Forecasted Net Change through 7/31/2023			Forecasted 12ME Depr Booked	Adjustment Amount	Difference
31	<u>Impact to Rate Base Line Items</u>						
32	Impact of old buildings to electric plant in service in NC3030	\$ (182,507) [4]				\$ (182,507)	
33	Additional retirements needed to remove balance at 12/31/2021 (-L5 - L32)	(8,640)				(8,640)	
34	Impact of old building retirements to electric plant in service (L32 + L33)	\$ (191,146)				\$ (191,146)	
35							
36	Impact of old buildings to accumulated depreciation in NC3030-3	\$ 75,677 [4]				\$ 75,677	
37	Additional adjustments needed to remove balance at 12/31/2021	9,083 [4]				9,083	
38	Impact of old building retirements to accumulated depreciation (L36 + L37)	\$ 84,760				\$ 84,760	
39							
40							
41		Forecasted Plant in Service	Current Rate	Calculated Annual Accrual	Forecasted 12ME Depr Booked		Difference
42		7/31/2023					
43							
44	General Plant - Non-depr Land	\$ (3,575) [4]	0.00% [2]	\$ -		\$ -	
45	General Plant - Structures	(178,932) [4]	3.06% [2]	(5,475)	913 [6]	(6,388)	
46	Impact of old building retirements to accum depr in NC3030-5 (-L44 - L45)	\$ (182,507)		\$ (5,475)	\$ 913	\$ 6,388	
47							
48	Total additional adjustment needed for accumulated depreciation (L37 - L46)					\$ 2,695	
49							
50	Impact to accumulated depreciation (L36 + L46 + L48)					\$ 84,760	
51							
52	Total net plant - additional adjustments needed in this proforma (L33 + L48)					(5,945)	
53							
54	Total net plant impact of retiring old buildings (L32 + L50)					\$ (106,386)	

[1] Per Asset Accounting
 [2] NC3010-2 - Adjustment to Annualize Depreciation Expense at December 31, 2021
 [3] Spanos Exhibit 1, 2021 Depreciation Study
 [4] Provided by Financial Planning
 [5] NC3030-1 - Adjust for post test year additions to plant in service
 [6] Assumed retirements happened September 2022 in forecast, so only would include 2 months of depreciation expense

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E1-10
NC2150-7 CAM
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Compliance

Service Company Cost Allocation Details

Line No.	Description	Total DEC
1		
2	2021 CAM - DERE	41.53%
3	2021 CAM - DDEP	33.91%

2021 SERVICE COMPANY COST ALLOCATION DETAILS COST ALLOCATIONS IN SERVICE AGREEMENTS										Total DEC	Total DEP	Total DEF	DEI Total	DEK Total	DEO Total	Comm Trans-Elec	Total Electric Utilities
Function	Function Description	Allocation Method	Operating		Allocation		St Cd	Total DEC	Total DEP	Total DEF	DEI Total	DEK Total	DEO Total	Comm Trans-Elec	Total Electric Utilities		
			Unit (OU)	Function	OU Description	Pool											
Facilities	Operates and maintains office and service buildings. Provides security and housekeeping services for such buildings and procures office furniture and equipment.	Square Footage Ratio	GORE	Facilities	RE Facility Svcs CLT GO	CLTSQFFAC	S27	51.43	34.49	0.82	0.38	-	0.02	-	87.14		
			CNRE	Facilities	RE Fac Svcs - Cincinnati	CINSQFFAC	S50	21.52	14.43	-	7.48	-	13.35	-	56.78		
			PLRE	Facilities	RE Fac Svcs - Plainfield	PLDSQFFAC	S51	16.52	11.08	0.76	69.02	-	-	-	97.38		
			MWRE	Facilities	RE Facility Services MW Utility	UTMSQFFAC	S71	-	-	-	62.54	3.10	20.09	-	85.73		
			DERE	Facilities	RE Facility Services Ent DE	DENT3FFAC	D39	41.53	27.84	16.91	3.84	-	0.50	-	90.62		
Accounting	Maintains the books and records of Duke Energy Corporation and its affiliates, prepares financial and statistical reports, prepares tax filings and supervises compliance with the laws and regulations.	Three Factor Formula	DGAC	Accounting	Accounting Gvrnce	DGOV3FFACT	DG1	33.90	22.69	17.12	10.13	1.15	3.59	0.01	88.59		
			DGVP	Accounting	VSP - Governance DE	DGOV3FFVSP	DG3	36.08	24.12	18.20	10.78	1.22	3.81	0.01	94.22		
			PGVP	Accounting	VSP - Governance	PRGV3FFVSP	PG3	-	56.91	43.09	-	-	-	-	100.00		
			DEAC	Accounting	Accounting Svcs Ent DE	DENT3FFACT	D03	33.91	22.69	17.12	10.13	1.15	3.59	0.01	88.60		
			UTAC	Accounting	Acctg Svcs Utility	UTI3FFACT	S09	35.09	23.46	17.72	10.51	1.19	3.72	0.01	91.70		
			UMAC	Accounting	Acctg Svcs Util MW FE&G only	UTM3FFACT	S53	-	-	-	60.82	6.80	20.95	-	88.57		
			DDEP	Accounting	DEBS Depreciation DE	DENT3FFDEP	D49	33.91	22.69	17.12	10.13	1.15	3.59	0.01	88.60		

26	2022 CAM - DERE	40.54%
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2022 SERVICE COMPANY COST ALLOCATION DETAILS COST ALLOCATIONS IN SERVICE AGREEMENTS										Total DEC	Total DEP	Total DEF	DEI Total	DEK Total	DEO Total	Total Comm Trans-Elec	Total Electric Utilities
Function	Function Description	Allocation Method	Operating		Allocation		St Cd	Total DEC	Total DEP	Total DEF	DEI Total	DEK Total	DEO Total	Total Comm Trans-Elec	Total Electric Utilities		
			Unit (OU)	Function	OU Description	Pool											
Facilities	Operates and maintains office and service buildings. Provides security and housekeeping services for such buildings and procures office furniture and equipment.	Square Footage Ratio	GORE	Facilities	RE Facility Svcs CLT GO	CLTSQFFAC	S27	48.62	33.97	0.67	0.34	-	0.03	-	83.63		
			CNRE	Facilities	RE Fac Svcs - Cincinnati	CINSQFFAC	S50	18.49	12.92	-	9.45	-	10.27	-	51.13		
			PLRE	Facilities	RE Fac Svcs - Plainfield	PLDSQFFAC	S51	13.30	9.30	1.24	72.57	-	-	-	96.41		
			MWRE	Facilities	RE Facility Services MW Utility	UTMSQFFAC	S71	-	-	-	46.46	3.28	29.88	-	79.62		
			DERE	Facilities	RE Facility Services Ent DE	DENT3FFAC	D39	40.54	28.33	13.31	5.07	-	0.37	-	87.62		

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust O&M for Reliability Assurance
For the Test Period Ending December 31, 2021

E1-10
NC2160 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This proforma adjusts operation expense and income taxes for incremental O&M projects reliability assurance to guard against future impacts of severe weather events. The expense adjustment reflects a 3 year average expense level from 2023-2025 compared to the test year expense level.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update

New proforma to adjust operation expense and income taxes for incremental O&M projects reliability assurance to guard against future impacts of severe weather events.

(S3) Settlement

Adjusted O&M for reliability assurance based on settlement.

DUKE ENERGY CAROL NAS, LLC
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Adjust O&M for Reliability Assurance
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC2160 Summary
Page 1 of 1
Compliance

Line No	Impacted Income Statement Line Items	Source	Total	Total	Total	Total
			NC Retail	NC Retail	NC Retail	NC Retail
			Compliance	Supplemental	Application	Change
1	Sales of Electricity					-
2	Other Revenue					-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power					-
9	Other operation and maintenance expense	NC2130-1	\$ 4,500	\$ 5,943		4,500
10	Depreciation and amortization					-
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortization					-
14	Net income taxes	NC2130-1	(1,051)	(1,388)		(1,051)
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7:L15))		\$ 3,449	\$ 4,555	\$ -	\$ 3,449
17						
18	Operating income (L3-L16)		\$ (3,449)	\$ (4,555)	\$ -	\$ (3,449)
Line No	Rate Base	Source	Total	Total	Total	Total
			NC Retail	NC Retail	NC Retail	NC Retail
			Compliance	Supplemental	Application	Change
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		-	-	-	-
22	Net electric plant in service (L20 + L21)		-	-	-	-
23	Materials and supplies		-	-	-	-
24	Total Working Capital		-	-	-	-
25	Accumulated deferred income taxes		-	-	-	-
26	Operating reserves		-	-	-	-
27	Construction Work in Progress		-	-	-	-
28	Total Rate Base (sum(L22:L23,L24,L25 L27))		\$ -	\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
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E1-10
NC2160-1 Calculation
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Compliance

Line No.	Description	Total System	NC Retail Allocation	Total NC Retail
1	<u>Impact to Income Statement Line Items</u>			
2	<u>Other operation and maintenance expense:</u>			
3	Belews Creek	\$ 1,331 [1]	66.97% [3]	891
4	Cliffside	2,219 [1]	66.97% [3]	1,486
5	Marshall	5,325 [1]	66.97% [3]	3,566
6	Impact to O&M (Sum L3:L5)	<u>\$ 8,874</u>		<u>\$ 5,943</u>
7	Settlement Adjustment			<u>\$ (1,443)</u>
8	Adjusted Impact to O&M			<u>\$ 4,500 [4]</u>
9				
10	Statutory tax rate	23.3503% [2]		23.3503% [2]
11				
12	Impact to income taxes (-L6x L10)	<u>\$ (2,072)</u>		<u>\$ (1,051)</u>
13				
14	Impact to operating income (-L6 - L12)	<u>\$ (6,802)</u>		<u>\$ (4,892)</u>

[1] NC2160-2 - Forecasted Incremental O&M for reliability assurance.
[2] NC1010-4 - 2022 Calculation of Tax Rates - Statutory Tax Rate, Line 10
[3] All - Production Demand - Jur
[4] Per settlement with Public Staff

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Adjust O&M for Reliability Assurance
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E1-10
NC2160-2 Forecast O&M
Page 1 of 1
Compliance

Forecasted Incremental O&M projects for Reliability Assurance

Line No.	Category	2023 O&M	2024 O&M	2025 O&M	3 year Average
1	Belews Creek	\$ 1,245	\$ 1,262	\$ 1,487	\$ 1,331
2	Cliffside	\$ 2,075	\$ 2,103	\$ 2,478	\$ 2,219
3	Marshall	\$ 4,980	\$ 5,047	\$ 5,948	\$ 5,325
4	Total	\$ 8,299	\$ 8,411	\$ 9,913	[1] \$ 8,874

[1] Forecasted Incremental O&M to address Reliability Assurance provided by RRE to address items such as Threat analysis, Winterization O&M, Reliability Improvements

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Annualize Depreciation on year end plant balances
For the Test Period Ending December 31, 2021

E1-10
NC3010 Narrative
Compliance

E1-10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro-forma annualizes depreciation expense, income taxes, and amortization of investment tax credit to reflect a full year's level of depreciation on plant in service as of the end of the test period.

The impact to depreciation expense is determined by multiplying current depreciation rates times the level of plant in service as of the end of the test period and then subtracting actual depreciation expense booked during the test period.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

The impact to amortization of investment tax credit reflects the difference between actual amortization booked during the test period and the new annual level of amortization based on the new depreciation study.

(B) 1st Supplemental Update

Corrected calculation of distribution rate on tab NC3010-2, line 49

(B) 3rd Supplemental Update

This adjustment has been updated to remove transmission and distribution securitized assets related to storms.

DUKE ENERGY CAROLINAS, LLC
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Annualize Depreciation on year end plant balances
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(Dollars in thousands)

E1-10
NC3010 Summary
Page 1 of 1
Compliance

Line No	Impacted Income Statement Line Items	Source	Total	Total	Total	Total	Total
			NC Retail Compliance	NC Retail Third Supplemental	NC Retail Supplemental	NC Retail Application	NC Retail Change
1	Sales of Electricity						-
2	Other Revenue						-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -
4							-
5	Electric operating expenses:						
6	Operation and maintenance:						
7	Fuel used in electric generation						-
8	Purchased power						-
9	Other operation and maintenance expense						-
10	Depreciation and amortization	NC3010-1	(3,970)	(3,970)	(3,988)	(4,275)	305
11	General taxes						-
12	Interest on customer deposits						-
13	EDIT Amortization						-
14	Net income taxes	NC3010-1	\$ 927	\$ 927	\$ 931	\$ 998	(71)
15	Amortization of investment tax credit	NC3010-1	\$ 81	\$ 81	\$ 81	\$ 81	-
16	Total electric operating expenses (sum(L7:L15))		\$ (2,962)	\$ (2,962)	\$ (2,976)	\$ (3,196)	\$ 234
17							
18	Operating income (L3-L16)		\$ 2,962	\$ 2,962	\$ 2,976	\$ 3,196	(234)
19	Rate Base						
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
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Annualize Depreciation on year end plant balances
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E1-10
NC3010-1 Calculation
Page 1 of 1
Compliance

Line No.	Description	Total System	NC Retail Allocation	Total NC Retail
1	<u>Depreciation and amortization</u>			
2	Production (NC3010-2 Col E; Line 35) - L3 - L4	\$ (25,466)	66.9690% [1]	\$ (17,054)
3	Production Contra ADC - NC (NC3010-2 Col E; Line 33)	(1,052)	100.0000%	(1,052)
4	Production Contra ADC - SC (NC3010-2 Col E; Line 34)	(55)	0.0000%	-
5	Production Direct assigned to NC (NC3010-2 Col E; Line 4)	353	100.0000%	353
6	Production Direct assigned to SC (NC3010-2 Col E; Line 5)	2,413	0.0000%	-
7	Transmission (NC3010-2 Col E; Line 49) - L10 - L11	19,583	48.1470% [2]	9,429
8	Transmission Contra ADC - NC (NC3010-2 Col E; Line 44)	(1)	100.0000%	(1)
9	Transmission Contra ADC - SC (NC3010-2 Col E; Line 45)	(8)	0.0000%	-
10	Transmission Direct assigned to NC (NC3010-2 Col E; Line 41)	-	100.0000%	-
11	Transmission Direct assigned to SC (NC3010-2 Col E; Line 42)	1,034	0.0000%	-
12	NC Distribution (NC3010-2 Col E; Line 53) - L13	5,845	99.6277% [3]	5,823
13	Distribution Direct assigned to NC (NC3010-2 Col E; Line 51)	514	100.0000%	514
14	SC Distribution (NC3010-2 Col E; Line 57) - L15	2,183	0.0000% [8]	-
15	Distribution Direct assigned to SC (NC3010-2 Col E; Line 56)	3,189	0.0000%	-
16	General (NC3010-2 Col E; Line 77) - L17	(2,210)	68.1625% [4]	(1,506)
17	General Direct assigned to SC (NC3010-2 Col E; Line 74)	5,839	0.0000%	-
18	General Contra ADC - SC (NC3010-2 Col E; Line 76)	7	0.0000%	-
19	Intangible (NC3010-2 Col E; Line 84)	-	69.5124% [5]	-
20	Adjust to depreciation and amortization (Sum L2 through L19)	<u>\$ 12,169</u>		<u>\$ (3,495)</u>
21				
22	Adjust to deprec. and amort. for costs recovered in riders	\$ (694) [9]		\$ (474) [9]
23				
24	Impact to depreciation and amortization (L20 + L22)	<u>\$ 11,474</u>		<u>\$ (3,970)</u>
25				
26	Statutory tax rate	23.3503% [6]		23.3503% [6]
27				
28	Impact to income taxes (-L26 x L24)	<u>\$ (2,679)</u>		<u>\$ 927</u>
29				
30	Impact to amortization of investment tax credit	<u>\$ (102) [7]</u>		<u>\$ 81 [7]</u>
31				
32	Impact to operating income (-L24 - L28 - L30)	<u>\$ (8,693)</u>		<u>\$ 2,962</u>

[1] NC Retail Allocation Factor - All - Production Demand - Jur
 [2] NC Retail Allocation Factor - All - Transmission Demand - Jur
 [3] NC Retail Allocation Factor - NC - Dist Plant - Jur
 [4] NC Retail Allocation Factor - All - General Plant - Jur
 [5] NC Retail Allocation Factor - All - Intangible Plant - Jur
 [6] NC1010-4 2022 Calculation of Tax Rates, Line 10
 [7] NC3010-4 - Amortization of investment tax credit
 [8] NC Retail Allocation Factor - SC - Dist Plant - Jur
 [9] NC3010-3 Adjustment to Annualize Depreciation Expense at 12/31/21 - Costs recovered through riders

Note: Totals may not foot due to rounding

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Annualize Depreciation on year end plant balances
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E1-10
NC3010-2 Depreciation
Page 1 of 3
Compliance

Adjustment of Depreciation Expense to Reflect Plant in Service for 12 Months Ended December 31, 2021

Line No.	Function	(A) Gross Plant in Service 12/31/2021	(B) Depr Rate	(C) Current Rates Calculated Accrual	(D) Actual 12ME Depr Booked	(E) Difference
1	<u>STEAM</u> : [1]					
2	STEAM PLANT	\$ 8,596,811,934	3.85%	\$ 331,284,190	\$ 328,428,393	\$ 2,855,797
3	LAND RIGHTS - STEAM [2]	2,003,856	0.00%	-	-	-
4	NC DEFERRALS - STEAM	-	3.85%	-	(352,546)	352,546
5	SC DEFERRALS - STEAM	-	3.85%	-	(2,413,129)	2,413,129
6	Total Steam	<u>\$ 8,598,815,790</u>		<u>\$ 331,284,190</u>	<u>\$ 325,662,718</u>	<u>\$ 5,621,473</u>
7						
8	<u>NUCLEAR</u> : [1]					
9	NUCLEAR PLANT	\$ 9,130,612,875	2.13%	\$ 194,502,834	\$ 219,204,459	\$ (24,701,625)
10	LAND RIGHTS - NUCLEAR	956,542	1.69%	16,176	10,108	6,067
11	SC DEFERRALS - NUCLEAR	-	2.13%	-	-	-
12	Total Nuclear	<u>\$ 9,131,569,416</u>		<u>\$ 194,519,010</u>	<u>\$ 219,214,567</u>	<u>\$ (24,695,557)</u>
13						
14	<u>HYDRO</u> : [1]					
15	HYDRAULIC PLANT	\$ 2,508,338,881	2.00%	\$ 50,119,327	\$ 47,904,002	\$ 2,215,325
16	LAND RIGHTS - HYDRO	23,315,583	0.62%	144,192	144,696	(503)
17	SC DEFERRALS - HYDRO	-	2.00%	-	-	-
18	Total Hydro	<u>\$ 2,531,654,464</u>		<u>\$ 50,263,520</u>	<u>\$ 48,048,698</u>	<u>\$ 2,214,822</u>
19						

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NC3010-2 Depreciation
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Compliance

Line	(A) Gross Plant in Service 12/31/2021	(B) Depr Rate	(C) Current Rates Calculated Accrual	(D) Actual 12ME Depr Booked	(E) Difference
20	<u>OTHER PRODUCTION: [1]</u>				
21	OTHER (CT's)				
22	OTHER (SOLAR-Mocksville)				
23	OTHER (SOLAR-Monroe)				
24	OTHER (SOLAR-Woodleaf)				
25	OTHER (SOLAR-Gaston)				
26	OTHER (SOLAR-Maiden Creek)				
27	OTHER (SOLAR-OLD)				
28	OTHER NC DEFERRALS				
29	OTHER SC DEFERRALS				
30	Total Other Production				
31					
32	TOTAL PRODUCTION INCLUDING CONTRA				
33	PRODUCTION CONTRA ADC - NC				
34	PRODUCTION CONTRA ADC - SC				
35	TOTAL PRODUCTION EXCLUDING CONTRA				
36					
37	<u>TRANSMISSION: [1]</u>				
38	TRANSMISSION OTHER				
39	TRANSMISSION RIGHT OF WAY				
40	TEP [3]				
41	NC DEFERRALS - TRANSMISSION				
42	SC DEFERRALS - TRANSMISSION				
43	TOTAL TRANSMISSION INCLUDING CONTRA				
44	TRANSMISSION CONTRA ADC - NC				
45	TRANSMISSION CONTRA ADC - SC				
46	TOTAL TRANSMISSION EXCLUD NG CONTRA				
47					
48	<u>DISTRIBUTION: [1]</u>				
49	A. NC OTHER				
50	B. NC - R/W				
51	C. NC DEFERRALS				
52	NC Storm Securitization Asset				
53	Subtotal Distribution NC				
54	D. SC OTHER				
55	E. SC - R/W				
56	F. SC DEFERRALS				
57	Subtotal Distribution SC				
58	TOTAL DISTR BUTION INCLUDING CONTRA				
59	DISTRIBUTION CONTRA ADC - SC				
60	TOTAL DISTR BUTION EXCLUDING CONTRA				

DUKE ENERGY CAROLINAS, LLC
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Annualize Depreciation on year end plant balances
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E1-10
NC3010-2 Depreciation
Page 3 of 3
Compliance

Line No.	Function	(A) Gross Plant in Service 12/31/2021	(B) Depr Rate	(C) Current Rates Calculated Accrual	(D) Actual 12ME Depr Booked	(E) Difference	
61	GENERAL: [1]						
62	EDP COMPUTER	\$ 110,038,171	12.50%	13,754,771	\$ 16,317,264	\$ (2,562,492)	
63	STRUCTURES / LEASE IMPRVMT	733,020,112	3.06%	22,430,415	22,580,453	(150,037)	
64	VEHICLES [5]	15,532,602	2.30%	-	-	-	
65	CONST EQUIP [5]	19,658,993	0.18%	-	-	-	
66	DGENLAND	550,292	1.50%	8,254	8,277	(22)	
67	FURNITURE AND EQPMT	66,092,486	6.67%	4,408,369	4,355,259	53,110	
68	STORES EQUIPMENT	852,002	5.00%	42,600	39,976	2,624	
69	TOOLS, SHOPS & GARAGE EQPMT	128,793,457	5.00%	6,439,673	6,233,345	206,328	
70	LABORATORY EQUIPMENT	2,813,356	6.67%	187,651	323,244	(135,594)	
71	POWER OPERATED EQUIPMENT	14,611,554	0.18%	26,301	358,814	(332,513)	
72	COMMUNICATION EQU PMENT	255,017,410	10.00%	25,501,741	24,805,725	696,016	
73	MISCELLANEOUS EQU PMENT	15,146,583	5.00%	757,329	737,792	19,537	
74	SC DEFERRALS	-	0.00%	-	(5,839,333)	5,839,333	
75	TOTAL GENERAL PLANT INCLUD NG CONTRA	\$ 1,362,127,019		\$ 73,557,105	\$ 69,920,815	\$ 3,636,290	
76	GENERAL PLANT CONTRA ADC - SC	\$ (308,970)		\$ (20,608)	\$ (27,681)	\$ 7,073	
77	TOTAL GENERAL PLANT EXCLUD NG CONTRA	\$ 1,362,435,989		\$ 73,577,713	\$ 69,948,496	\$ 3,629,216	
78							
79	INTANG BLE [2]						
80	AIN T (Software)	\$ 978,611,836	various	\$ 64,218,331	\$ 64,218,331	\$ -	[4]
81	AIN T (Software)	192,308,418	various	5,332,016	5,332,016	-	[4]
82	AFCRNPL (Franchise Fees)	35,256,713	various	1,615,880	1,615,880	-	[4]
83	AFEANPL (Feasibility Study)	-	various	-	-	-	
84	TOTAL INTANG BLE PLANT NCLUDING CONTRA	\$ 1,206,176,967		\$ 71,166,227	\$ 71,166,227	\$ -	
85	INTANG BLE PLANT CONTRA ADC - SC	(9,048,331)		(404,598)	(404,598)	-	
86	TOTAL INTANG BLE PLANT EXCLUDING CONTRA	\$ 1,215,225,299		\$ 71,570,824	\$ 71,570,824	\$ -	
87							
88							
89							
90	TOTAL PLANT-IN-SERVICE	\$ 45,512,333,250		\$ 1,251,810,319	\$ 1,239,641,640	\$ 12,168,679	[7]
91	Total Contra ADC	\$ (234,451,415)		\$ (8,685,035)	\$ (7,575,283)	\$ (1,109,752)	
92	TOTAL PLANT-IN-SERVICE EXCLUDING CONTRA	\$ 45,746,784,666		\$ 1,260,495,353	\$ 1,247,216,922	\$ 13,278,431	[8]

[1] Total Plant-in Service excludes Non-Depreciable Assets and the Capitalized Asset Retirement Costs related to FAS 143.
 [2] Fossil land rights, along with some Intangible and Hydro assets are fully depreciated/amortized and no longer accrue any expense.
 [3] The TEP credit is due to an impairment recorded as part of the Progress Merger.
 [4] The per book intangible amount reflects a representative level of amortization expense on a go forward basis.
 [5] Depreciation expense on vehicles and construction equipment is recorded to 803 accounts, therefore it is excluded above.
 [6] The calculated accrual column above assumes 12 months of depreciation. If any assets were added during the 12 month period, depreciation would be calculated based on the in-service date in the actual 12me depr booked column above.
 [7] Sum of L32, L43, L58, L75, L84
 [8] Sum of L35, L46, L60, L77, L86

Source Asset Accounting

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E1-10
NC3010-3 Solar
Page 1 of 1
Compliance

Adjustment to Annualize Depreciation Expense at 12/31/21 - Costs recovered through riders

Line No.	Description	(A) Gross Plant in Service 12/31/2021	(B) Depr Rate	(C) Current Rates Calculated Accrual	(D) Actual 12ME Depr Booked	Difference	System Adjustment	NC Retail Allocation	Total NC Retail
1	Solar PVDG	\$ 29,046,186	5.76%	\$ 1,673,801	\$ 1,632,024	\$ 41,776 [1]	\$ (16,919)	66.9690% [8]	\$ (11,331)
2	Solar Monroe	107,411,596	5.06%	5,437,969	5,436,061	1,908 [2]	(78)	66.9690% [8]	(52)
3	Solar Mocksville	31,793,561	5.09%	1,619,077	1,593,626	25,451 [3]	(942)	66.9690% [8]	(631)
4	Solar Woodleaf	13,910,619	4.94%	687,174	609,275	77,899 [4]	(2,882)	66.9690% [8]	(1,930)
5	Solar Gaston	38,771,370	5.15%	1,996,560	1,915,651	80,908 [5]	(80,908)	66.9690% [8]	(54,183)
6	Solar Maiden Creek	86,457,280	5.14%	4,442,136	3,890,208	551,928 [6]	(551,928)	66.9690% [8]	(369,620)
7	CPRE - Transmission plant	3,244,496	2.23%	72,321	65,089	7,232 [7]	(7,232)	48.1470% [9]	(3,482)
8	CPRE - NC Distribution plant	3,553,058	2.19%	77,680	44,339	33,341 [7]	(33,341)	99.6277% [10]	(33,217)
9	Total Solar above (Sum L1:L6)	\$ 314,188,165		\$ 16,006,718	\$ 15,186,273	\$ 820,445	\$ (694,231)		\$ (474,447)

- [1] Per NC2030-3.1 REPS, 40.50% of Solar PVDG costs are collected in the REPS rider and should be excluded for purposes of his analysis.
- [2] Per NC2030-3.1 REPS, 4.10% of Solar Monroe costs are collected in the REPS rider and should be excluded for purposes of his analysis.
- [3] Per NC2030-3.1 REPS, 3.70% of Solar Mocksville costs are collected in the REPS rider and should be excluded for purposes of this analysis.
- [4] Per NC2030-3.1 REPS, 4.10% of Solar Woodleaf costs are collected in the REPS rider and should be excluded for purposes of this analysis.
- [5] Per NC2030-10.2 CPRE, 100% of Solar Gaston costs are collected in the CPRE rider and should be excluded for purposes of this analysis.
- [6] Per NC2030-10.2 CPRE, 100% of Solar Maiden Creek costs are collected in the CPRE rider and should be excluded for purposes of this analysis.
- [7] Per NC2030-10.2 CPRE, 100% of network upgrades related to late/advanced stage solar costs are collected in the CPRE rider and should be excluded for purposes of this analysis.
- [8] NC Retail Allocation Factor - All - Production Demand - Jur
- [9] NC Retail Allocation Factor - All - Transmission Demand - Jur
- [10] NC Retail Allocation Factor - NC - Dist Plant - Jur

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Annualize Depreciation on year end plant balances
For the Test Period Ending December 31, 2021
(Amounts in Dollars)

E1-10
NC3010-4 Amort of ITC
Page 1 of 1
Compliance

Amortization of Investment Tax Credit by Function

Line No.	Description	2021 Amortization	2022 Amortization	Adjustment	NC Retail Allocation	Total NC Retail
1	DISTRIBUTION	\$ (393,343)	\$ (375,006)	\$ 18,337	74.0820% [1]	\$ 13,584
2	HYDRO	(1,237,569)	(1,204,025)	33,544	66.9690% [2]	22,464
3	NUCLEAR	(869,985)	(823,825)	46,159	66.9690% [2]	30,912
4	OTHER PROD	(610)	(263)	347	66.9690% [2]	233
5	STEAM PROD	(13,590)	-	13,590	66.9690% [2]	9,101
6	TRANSMISSION	(357,709)	(347,874)	9,835	48.1470% [3]	4,735
7	SOLAR - CPRE NC Retail	(945,095)	(1,139,541)	(194,446)	0.0000% [4]	-
8	SOLAR - CPRE Wholesale	(141,721)	(170,878)	(29,158)	0.0000%	-
9	Total ITC (Sum L1:L8)	<u>\$ (3,959,621)</u>	<u>\$ (4,061,412)</u>	<u>\$ (101,792)</u>		<u>\$ 81,029</u>

[1] NC Retail Allocation Factor - All - Dist Plant - Jur

[2] NC Retail Allocation Factor - All - Production Demand - Jur

[3] NC Retail Allocation Factor - All - Transmission Demand - Jur

[4] The 2021 test year amortization amount of Solar CPRE NC Retail is removed from the test period in proforma NC2030 -

Adjust for Costs Recovered through Non Fuel Riders

[5] Provided by EY Tax department

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Annualize Property Tax on Test Year Plant Additions
For the Test Period Ending December 31, 2021

E1-10
NC3020 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro-forma annualizes general taxes and income taxes to reflect an annual level of expense for property taxes based on the end of the test period level of plant investment. The impact to general taxes is determined by calculating an annual level of property tax expense equal to estimated annualized property tax less property taxes booked during the test period.

The impact to income taxes was determined by multiplying taxable income by the tax rate.

DUKE ENERGY CAROLINAS, LLC
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Annualize Property Tax on Test Year Plant Additions
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(Dollars in thousands)

E1-10
NC3020 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity				-
2	Other Revenue				-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense				-
10	Depreciation and amortization				-
11	General taxes	NC3020-1	4,514	4,514	-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC3020-1	(1,054)	(1,054)	-
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ 3,460	\$ 3,460	\$ -
17					
18	Operating income (L3-L16)		\$ (3,460)	\$ (3,460)	\$ -
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
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Annualize Property Tax on Test Year Plant Additions
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E1-10
NC3020-1 Calculation
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Compliance

Line No.	Description	NC	SC	
	<u>12/31/2020 System Balances Subject to Property Tax</u>			
1	EPIS (101, 102 and 106 excl 101.1)	46,628,137,312	46,628,137,312	[1]
2	Less: Asset Retirement Obligation	(1,994,767,956)	(1,994,767,956)	[1]
3	Prop Under Capital Lease (101.1)	444,584,780	444,584,780	[1]
4	PHFFU (105)	66,745,782	66,745,782	[1]
5	CWIP (107)	1,635,152,997	-	[1]
6	Acquisition Adj (114)	284,106	284,106	[1]
7	Sub-Total Utility Plant (Sum L 1 through L 6)	46,780,137,020	45,144,984,024	
8				
9	Net Nuclear Fuel (120.1-5)	828,346,474	-	[1]
10	Fuel Stock (151)	226,369,006	-	[1]
11	Materials & Supplies (154)	494,085,154	243,482,966	[1]
12	M & S Burdens (163)	25,845,896	20,287,009	[1]
13	Other Materials & Supplies (156)	1,746	174	[1]
14	Reported Plant (L7 through L13)	48,354,785,296	45,408,754,173	
15				
16	2021 Net Property Tax Expense Paid	106,450,122	137,192,072	[2]
17	Average Property Tax Rate (L16/L14)	0.22014%	0.30213%	
18				
19	<u>12/31/2021 Balances</u>			
20	EPIS (101, 102 and 106 excl 101.1)	47,594,790,876	47,594,790,876	[3]
21	Less: Asset Retirement Obligation	(1,835,407,012)	(1,835,407,012)	[3]
22	Prop Under Capital Lease (101.1)	426,894,055	426,894,055	[3]
23	Held for Future Use (105)	61,761,813	61,761,813	[3]
24	CWIP (107)	2,074,674,520	-	[3]
25	Acquisition Adj (114)	284,106	284,106	[3]
26	Sub-Total Utility Plant (L20 through L25)	48,322,998,358	46,248,323,839	
27				
28	Net Nuclear Fuel (120.1-5)	792,380,477	-	[3]
29	Fuel Stock (151)	237,479,722	-	[3]
30	Materials & Supplies (154)	497,539,434	245,185,220	[3]
31	M & S Burdens (163)	25,909,265	20,336,749	[3]
32	Other Materials & Supplies (156)	(66,708)	(6,662)	[3]
33	Property Subject to Property Tax (L26 through L32)	49,876,240,549	46,513,839,145	
34				
35	Average Property Tax Rate (L17)	0.22014%	0.30213%	
36	Annualized Property Tax Expense (L33 x L35)	109,799,513	140,530,831	
37				
38	Test Year Property Tax Expense (excluding deferrals)	106,450,122	137,192,072	[4]
39	Property Tax Expense Adjustment (L36-L38)	3,349,391	3,338,759	
40				
41	Total Property Tax Adjustment (L37 NC plus SC)	6,688,151		
42	NC Allocation Factor - All -Gross Plant - Jur	67.4925%		[5]
43	Impact To General Taxes (L41 x L42)	4,514,001		
44				
45	Statutory tax rate	23.3503%		[6]
46	Impact to income tax (-L43 x L45)	\$ (1,054,030)		
47	Impact to operating income (-L43 - L46)	\$ (3,459,970)		

[1] 12/31/20 FERC Form 1 Balance Sheet
 [2] 2021 Property Taxes paid per EY Tax
 [3] 12/31/21 FERC Form 1 Balance Sheet
 [4] Line 16
 [5] NC Retail Allocation Factor - All - Gross Plant - Jur
 [6] NC1010-4 - 2021 Calculation of Tax Rates - Statutory Tax Rate, Line 10

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust for post test year additions to plant in service
For the Test Period Ending December 31, 2021

E1-10
NC3030 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts depreciation expense, general taxes, income taxes, electric plant in service, and accumulated depreciation to reflect net additions to plant in service.

The impact to operating income is determined as follows:

The adjustment to depreciation expense reflects a full year's level of depreciation on net additions to plant in service by multiplying the projected additions to net electric plant by depreciation rates based on the new depreciation study.

The adjustment to general taxes reflects estimated annual property tax expense related to the net additions to plant in service. Property taxes are estimated by multiplying the projected net additions to electric plant by a combined North Carolina and South Carolina property tax rate.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

The impact to rate base is determined as follows:

The adjustment to electric plant in service reflects projected updates to electric plant in service through June 2023.

The adjustment to accumulated depreciation reflects projected updates to the accumulated depreciation balance through June 2023 and annualized depreciation expense based on forecasted June 2023 electric plant in service balances.

(B) 1st Supplemental Update

Updated for actuals through April 2023 and for updated cutoff date of June 30, 2023.
Removed DE Plaza artwork and video wall.

(C) 2nd Supplemental Update

Updated for actuals through May 2023

(D) 3rd Supplemental Update

Updated for actuals through June 2023

(S3) Settlement

Estimated revised rate with other production interim net salvage change

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Adjust for post test year additions to plant in service
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E1-10
NC3030 Summary
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Compliance

Line No	Impacted Income Statement Line Items	Source	Total	Total	Total	Total	Total	Total
			NC Retail Compliance	NC Retail Third Supplemental	NC Retail Second Supplemental	NC Retail Supplemental	NC Retail Application	NC Retail Change
1	Sales of Electricity							-
2	Other Revenue							-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4								-
5	<u>Electric operating expenses:</u>							
6	Operation and maintenance:							
7	Fuel used in electric generation							-
8	Purchased power							-
9	Other operation and maintenance expense							-
10	Depreciation and amortization	NC3030-1	\$ 75,360	\$ 71,950	\$ 67,496	\$ 67,855	\$ 68,722	6,638
11	General taxes	NC3030-1	\$ 13,575	\$ 13,575	\$ 12,643	\$ 12,745	\$ 13,067	508
12	Interest on customer deposits							-
13	EDIT Amortization							-
14	Net income taxes	NC3030-1	\$ (20,767)	\$ (19,970)	\$ (18,713)	\$ (18,820)	\$ (19,098)	(1,669)
15	Amortization of investment tax credit							-
16	Total electric operating expenses (sum(L7:L15))		\$ 68,168	\$ 65,555	\$ 61,427	\$ 61,780	\$ 62,691	\$ 5,477
17								
18	Operating income (L3-L16)		\$ (68,168)	\$ (65,555)	\$ (61,427)	\$ (61,780)	\$ (62,691)	\$ (5,477)
19	<u>Rate Base</u>							
20	Electric plant in service	NC3030-1	\$ 2,654,622	\$ 2,654,622	\$ 2,473,430	\$ 2,492,839	\$ 2,555,185	99,437
21	Accumulated depreciation and amortization	NC3030-1	\$ (560,835)	\$ (562,195)	\$ (761,663)	\$ (760,765)	\$ (793,881)	\$ 233,046
22	Net electric plant in service (L20 + L21)		\$ 2,093,787	\$ 2,092,427	\$ 1,711,767	\$ 1,732,074	\$ 1,761,304	\$ 332,483
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ 2,093,787	\$ 2,092,427	\$ 1,711,767	\$ 1,732,074	\$ 1,761,304	\$ 332,483

DUKE ENERGY CAROLINAS, LLC
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Adjust for post test year additions to plant in service
For the Test Period Ending December 31, 2021
(Dollars in thousands)

Line No.	Description	Electric Plant	Depr Rate	Depr.	Total System	NC Retail Allocation	Total NC Retail
1	<u>Impact to Rate Base Line terms</u>						
2	<u>Total net additions to electric plant:</u>						
3	Steam plant	\$ 39,851	[1] 5.66%	[2] \$ 2,257			
4	Steam plant - Lee plant retirement	(91,535)	[14] 0.00%	[14] -			
5	Nuclear plant	234,692	[1] 2.21%	[2] 5,187			
6	Hydro plant	379,398	[1] 2.27%	[2] 8,612			
7	Other production plant	127,637	[1] 3.39%	[2] 4,327			
8	Transmission plant	667,512	[1] 2.43%	[2] 16,221			
9	Distribution plant	1,918,212	[1] 2.45%	[2] 46,996			
10	General plant	12,027	[1] 5.31%	[2] 639			
11	General plant - DE Plaza	567,036	[1] 1.85%	[12] 10,490			
12	Intangible plant	79,652	[1]	[13] 16,542			
13	Total net additions to depreciable electric plant (L3 through L12)	<u>\$ 3,934,482</u>		<u>\$ 111,270</u>			
14							
15	<u>Summary of impacts to rate base</u>						
16	<u>Net additions to total electric plant in service:</u>						
17	Production (Sum of L3 through L6)			\$ 690,043	66.9690% [5]	\$ 462,114	
18	Transmission (L7)			667,512	48.1470% [6]	321,387	
19	Distribution (L8)			1,918,212	74.0820% [7]	1,421,049	
20	General (L9 + L10)			579,063	68.1625% [8]	394,704	
21	Intangible (L11)			79,652	69.5124% [9]	55,368	
22	Impact to electric plant in service (Sum L17 through L21)			<u>\$ 3,934,482</u>		<u>\$ 2,654,622</u>	
23							
24	<u>Accumulated depreciation & amortization:</u>						
25	Production			\$ (711,446)	[3] 66.9690% [5]	\$ (476,448)	
26	Transmission			(91,787)	[3] 48.1470% [6]	(44,193)	
27	Distribution			25,894	[3] 74.0820% [7]	19,183	
28	General			45,412	[3] 68.1625% [8]	30,954	
29	Intangible			(81,255)	[3] 69.5124% [9]	(56,482)	
30	Adjustment to accumulated depreciation & amortization (Sum L25 through L29)			<u>\$ (813,183)</u>		<u>\$ (526,987)</u>	
31							
32	<u>Accumulated depreciation annualization adjustment</u>						
33	Production Plant			\$ (10,222)	[4]	\$ (6,543)	
34	Transmission			(7,986)	[4]	(3,845)	
35	Distribution			(16,334)	[4]	(15,513)	
36	General			(11,659)	[4]	(7,947)	
37	Intangible			-	[4]	-	
38	Adjustment to annualize accumulated depreciation (Sum L33 : L37)			<u>\$ (46,200)</u>		<u>\$ (33,848)</u>	
39							
40	Impact to accumulated depreciation and amortization (L30 + L38)			<u>\$ (859,384)</u>		<u>\$ (560,835)</u>	
41							
42	<u>Net electric plant:</u>						
43	Production (L16 + L24 + L32)			\$ (31,625)		\$ (20,877)	
44	Transmission (L17 + L25 +33)			567,739		273,349	
45	Distribution (L18 + L26 +34)			1,927,772		1,424,719	
46	General (L19 + L27+35)			612,815		417,710	
47	Intangible (L20 + L28 + 36)			(1,603)		(1,114)	
48	Adjustment to net plant (Sum L43 through L47)			<u>\$ 3,075,098</u>		<u>\$ 2,093,787</u>	

DUKE ENERGY CAROLINAS, LLC
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Adjust for post test year additions to plant in service
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Line No.	Total System	NC Retail Allocation	Total NC Retail
49	<u>Impact to Income Statement Line Items</u>		
50	<u>Depreciation and amortization:</u>		
51	\$ 20,383	66.9690% [5]	\$ 13,650
52	16,221	48.1470% [6]	7,810
53	46,996	74.0820% [7]	34,816
54	11,129	68.1625% [8]	7,586
55	16,542	69.5124% [9]	11,499
56	<u>\$ 111,270</u>		<u>\$ 75,360</u>
57			
58	<u>General taxes:</u>		
59	0.22014% [10]		
60	0.30213% [10]		
61	0.52227%		
62			
63	\$ 3,604	66.9690% [5]	\$ 2,413
64	3,486	48.1470% [6]	1,679
65	10,018	74.0820% [7]	7,422
66	3,024	68.1625% [8]	2,061
67	<u>\$ 20,133</u>		<u>\$ 13,575</u>
68			
69	\$ (131,403)		\$ (88,935)
70	23.3503% [11]		23.3503% [11]
71	<u>\$ (30,683)</u>		<u>\$ (20,767)</u>
72			
73	<u>\$ (100,720)</u>		<u>\$ (68,168)</u>

[1] NC3030-2 Net Plant Adds
 [2] NC3040-2 Comparison of Current and Proposed Depreciation as of December 31, 2021 - column d
 [3] NC3030-3 Accumulated Depreciation
 [4] NC3030-4 Accumulated Depreciation Annualization Adjustment
 [5] Allocation Factor - All Production Demand
 [6] Allocation Factor - All Transmission Demand
 [7] Allocation Factor - All - Dist Plant - DEC
 [8] Allocation Factor - All - General Plant - Jur
 [9] Allocation Factor - All - Intangible Plant - Jur
 [10] NC3020-1 Annualize Property Tax on Test Year Plant Additions - Line 17
 [11] NC1010-4 2022 Calculation of Tax Rates, Line 10
 [12] Per DEC 2021 Depreciation Study notes: Assets in Account 390.10 (Structures and Improvements - Duke Energy Plaza) will use an Accrual Rate of 1.85% based on a 100-S1 Survivor Curve, negative 5% Net Salvage and a 60-year Lifespan
 [13] Updated annualized depreciation on intangible additions per Asset Accounting.
 [14] Removing the Lee plant in service balance as of 12/31/2021 per the 2021 Depreciation Study. Per the settlement the steam composite excludes Lee, therefore the retirement activity shouldn't have an impact on depreciation expense in this proforma.

DUKE ENERGY CAROLINAS, LLC
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Adjust for post test year additions to plant in service
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Compliance

Net Plant Adds

Line No.	Item	Total System		Total Adjusted Net Change Plant in Service
		Forecasted [1] Net Change through 6/30/2023	Adjustments [8]	
1	<u>Electric Plant In Service</u>			
2	Steam plant	\$ (51,684)		\$ (51,684)
3	Nuclear plant	234,692		234,692
4	Hydro plant	379,398		379,398
5	Other production plant	132,646	(5,010)	127,637
6	Transmission plant	660,190	7,323	667,512
7	Distribution plant	1,920,478	(2,266)	1,918,212
8	General plant	579,063		579,063
9	Intangible plant	79,652		79,652
10	Total Electric Plant In Service (Sum L2 through L9)	\$ 3,934,435	\$ 47	\$ 3,934,482
11				
12	<u>Solar Plant in Service Included in Line 5 above:</u>			
13	Solar PVDG	\$ (8,554)	(3,464) [2]	
14	Solar Monroe - Production	\$ 142	6 [3]	
15	Solar Monroe - Transmission	\$ -	- [3]	
16	Solar Mocksville	\$ (79)	(3) [4]	
17	Solar Woodleaf	\$ 426	17 [5]	
18	Solar Gaston - Production	\$ 951	951 [6]	
19	Solar Gaston - Transmission	\$ (1,002)	(1,002) [6]	
20	Solar Maiden Creek - Production	\$ 7,502	7,502 [6]	
21	Solar Maiden Creek - Transmission	\$ (6,789)	(6,789) [6]	
22	CPRE - Transmission plant	\$ 469	469 [7]	
23	CPRE - NC Distribution plant	\$ 2,266	2,266 [7]	
24	Total Solar Included in Line 5 above (Sum L13 through L20)	\$ (4,668)	\$ (47)	
25				
26	<u>DE Plaza Included in Line 8 Above</u>			
27	DE Plaza	\$ 567,036		\$ 567,036

[1] NC3030-6 Plant in Service Balances

[2] Per NC2030-3.1 REPS, 40.50% of Solar PVDG costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[3] Per NC2030-3.1 REPS, 4.10% of Solar Monroe costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[4] Per NC2030-3.1 REPS, 3.70% of Solar Mocksville costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[5] Per NC2030-3.1 REPS, 4.10% of Solar Woodleaf costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[6] Per NC2030-10.2 CPRE, 100% of Solar Gaston and Maiden Creek costs are collected in the CPRE rider and should be excluded for purposes of this analysis.

[7] Per NC2030-10.2 CPRE, 100% of network upgrades related to late/advanced stage solar costs are collected in the CPRE rider and should be excluded for purposes of this analysis.

[8] Excluding the portion of net change related to Solar costs that are collected in the riders.

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Accumulated Depreciation

Line No.	Item	Total System		Total Adjusted Net Change Accumulated Depreciation
		Forecasted [1] Net Change through 6/30/2023	Adjustments [8]	
1	<u>Accumulated Depreciation</u>			
2	Steam plant	\$ (376,185)		\$ (376,185)
3	Nuclear plant	(178,532)		(178,532)
4	Hydro plant	(47,930)		(47,930)
5	Other production plant	(116,018)	7,219	(108,799)
6	Transmission plant	(92,041)	254	(91,787)
7	Distribution plant	25,703	191	25,894
8	General plant	45,412		45,412
9	Intangible plant	(81,255)		(81,255)
10	Total Accumulated Depreciation (Sum L2 through L9)	\$ (820,848)	\$ 7,664	\$ (813,183)
11				
12	<u>Solar Accumulated Depreciation Included above:</u>			
13	Solar PVDG	7,205	2,918 [2]	
14	Solar Monroe - Production	(8,105)	(332) [3]	
15	Solar Monroe - Transmission	(315)	(13) [3]	
16	Solar Mocksville	(2,349)	(87) [4]	
17	Solar Woodleaf	(807)	(33) [5]	
18	Solar Gaston - Production	(2,715)	(2,715) [6]	
19	Solar Gaston - Transmission	(11)	(11) [6]	
20	Solar Maiden Creek - Production	(6,970)	(6,970) [6]	
21	Solar Maiden Creek - Transmission	(100)	(100) [6]	
22	CPRE - Transmission plant	(130)	(130)	
23	CPRE - NC Distribution plant	(191)	(191)	
24	Total Solar Included above (Sum L13 through L23)	\$ (14,488)	\$ (7,664)	

[1] NC3030-7 Accumulated Depreciation Balances

[2] Per NC2030-3.1 REPS, 40.50% of Solar PVDG costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[3] Per NC2030-3.1 REPS, 4.10% of Solar Monroe costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[4] Per NC2030-3.1 REPS, 3.70% of Solar Mocksville costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[5] Per NC2030-3.1 REPS, 4.10% of Solar Woodleaf costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[6] Per NC2030-10.2 CPRE, 100% of Solar Gaston and Maiden Creek costs are collected in the CPRE rider and should be excluded for purposes of this analysis.

[7] Per NC2030-10.2 CPRE, 100% of network upgrades related to late/advanced stage solar costs are collected in the CPRE rider and should be excluded for purposes of this analysis.

[8] Excluding the portion of net change related to Solar costs that are collected in the riders.

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Accumulated Depreciation Annualization Adjustment

Line No.	Item	Total System [1]	Adjustments [8]	Total Adjusted System	NC Retail Allocation	Total NC Retail
1	<u>Accumulated Depreciation</u>					
2	Production (Line 28)	\$ (11,269)	\$ (72)	\$ (11,341)	66.9690% [9]	\$ (7,595)
3	Production Contra ADC - NC (Line 26)	1,052		1,052	100.0000%	1,052
4	Production Contra ADC - SC (Line 27)	67		67	0.0000%	-
5	Transmission (Line 38)	(7,980)	(6)	(7,986)	48.1470% [10]	(3,845)
6	Transmission Plant Contra ADC - NC (Line 36)	-		-	100.0000%	-
7	Transmission Plant Contra ADC - SC (Line 37)	-		-	0.0000%	-
8	NC Distribution (Line 41 + Line 42 + Line 43)	(15,562)	(9)	(15,571)	99.6277% [11]	(15,513)
9	SC Distribution (Line 44 + Line 45)	(763)		(763)	0.0000% [12]	-
10	Distribution Contra ADC - SC (Line 47)	-		-	0.0000%	-
11	General (Line 63)	(11,659)		(11,659)	68.1625% [13]	(7,947)
12	General Contra ADC - SC (Line 64)	-		-	0.0000%	-
13	Intangible (Line 69)	-		-	69.5124% [14]	-
14	Intangible Contra ADC - SC (Line 70)	-		-	0.0000%	-
15	Impact to accum. deprec. (Sum L2 through L14)	\$ (46,114)	\$ (87)	\$ (46,200)		\$ (33,848)
16						
17	Solar Accumulated Depreciation Included in above:					
18	Solar-Mocksville	\$ (22)	\$ (1) [2]			
19	Solar-Monroe	(1)	(0) [3]			
20	Solar-Woodleaf	(173)	(7) [4]			
21	Solar-Gaston	(45)	(45) [5]			
22	Solar-Maiden Creek	(60)	(60) [5]			
23	Solar-PVDG	453	184 [6]			
24	CPRE - Transmission plant	6	6 [7]			
25	CPRE - NC Distribution plant	9	9 [7]			
26	Total Solar Included inabove (Sum L17 through L25)	\$ 169	\$ 87			

[1] NC3030-5 Ann Cal - Adjustment to Accumulated Depreciation for Annualization of Depreciation Expense at July 31, 2023

[2] Per NC2030-3.1 REPS, 3.70% of Solar Mocksville costs are collected in the REPS rider and should be excluded for purposes of this analysis

[3] Per NC2030-3.1 REPS, 4.10% of Solar Monroe costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[4] Per NC2030-3.1 REPS, 4.10% of Solar Woodleaf costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[5] Per NC2030-10 2 CPRE, 100% of Solar Gaston and Maiden Creek costs are collected in the CPRE rider and should be excluded for purposes of this analysis.

[6] Per NC2030-3.1 REPS, 40.50% of Solar PVDG costs are collected in the REPS rider and should be excluded for purposes of this analysis.

[7] Per NC2030-10 2 CPRE, 100% of network upgrades related to late/advanced stage solar costs are collected in the CPRE rider and should be excluded for purposes of this analysis.

[8] Excluding the portion of net change related to Solar costs that are collected in the riders.

[9] Allocation Factor - All Production Demand - Jur

[10] Allocation Factor - All Transmission Demand - Jur

[11] Allocation Factor - NC - Dist Plant - DEC

[12] Allocation Factor - SC - Dist Plant - DEC

[13] Allocation Factor - All - General Plant - Jur

[14] Allocation Factor - All - Intangible Plt - Jur

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Adjustment to Accumulated Depreciation for Annualization of Depreciation Expense at Jun. 30, 2023

Line No.	Function	(A) Actual Gross Plant in Service 6/30/2023 [8]	(B) Depr Rate [9]	(C) Current Rates Calculated Accrual (C) = (A) * (B)	(D) Actual 12ME Depr Booked [10]	(E) Difference
1	<u>STEAM: [1]</u>					
2	STEAM PLANT	\$ 8,545,300	3.85%	\$ 329,299	\$ 328,922	\$ 377
3	LAND RIGHTS - STEAM [2]	2,001	0.00%	-	-	-
4	Total Steam	\$ 8,547,301		\$ 329,299	\$ 328,922	\$ 377
5						
6	<u>NUCLEAR: [1]</u>					
7	NUCLEAR PLANT	\$ 9,365,304	2.13%	\$ 199,502	\$ 197,231	\$ 2,271
8	LAND RIGHTS - NUCLEAR	957	1.69%	16	8	8
9	Total Nuclear	\$ 9,366,261		\$ 199,518	\$ 197,239	\$ 2,279
10						
11	<u>HYDRO: [1]</u>					
12	HYDRAULIC PLANT	\$ 2,886,923	2.00%	\$ 57,684	\$ 52,294	\$ 5,390
13	LAND RIGHTS - HYDRO	23,316	0.62%	144	144	0
14	Total Hydro	\$ 2,910,239		\$ 57,828	\$ 52,438	\$ 5,390
15						
16	<u>OTHER PRODUCTION: [1]</u>					
17	OTHER (CT's)	\$ 3,176,583	3.07%	\$ 97,409	\$ 95,152	\$ 2,257
18	OTHER (SOLAR-Mocksville)	31,714	5.09%	1,615	1,593	22
19	OTHER (SOLAR-Monroe)	107,546	5.06%	5,445	5,443	1
20	OTHER (SOLAR-Woodleaf)	14,337	4.94%	708	536	173
21	OTHER (SOLAR-Gaston)	39,723	5.15%	2,046	2,001	45
22	OTHER (SOLAR-Maiden Creek)	93,688	5.14%	4,814	4,754	60
23	OTHER (SOLAR-PVDG)	20,493	5.76%	1,181	1,634	(453)
24	Total Other Production	\$ 3,484,084		\$ 113,217	\$ 111,113	\$ 2,104
25	Total Production, Including Contra AFUDC	\$ 24,307,885		\$ 699,863	\$ 689,713	\$ 10,150
26	PRODUCTION CONTRA ADC - NC [7]	\$ (117,519)		\$ (4,654)	\$ (3,602)	(1,052)
27	PRODUCTION CONTRA ADC - SC [7]	\$ (104,410)		\$ (3,531)	\$ (3,464)	(67)
28	Total Production, Excluding Contra AFUDC	\$ 24,529,813		\$ 708,048	\$ 696,779	\$ 11,269
29						

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Line No.	Function	(A) Actual Gross Plant in Service 6/30/2023 [8]	(B) Depr Rate	(C) Current Rates Calculated Accrual	(D) Forecasted 12ME Depr Booked	(E) Difference
30	<u>TRANSMISSION: [1]</u>					
31	TRANSMISSION OTHER	\$ 5,435,509	2.23%	\$ 121,160	\$ 113,183	\$ 7,976
32	TRANSMISSION RIGHT OF WAY	169,159	1.03%	1,742	1,733	9
33	CPRE - Transmission plant	3,713	2.23%	83	89	(6)
34	TEP	(5,299)	0.00%	(623)	(623)	-
35	Transmission, Including Contra AFUDC	\$ 5,603,083		\$ 122,362	\$ 114,382	\$ 7,980
36	Transmission Contra AFUDC - NC [7]					
37	Transmission Contra AFUDC - SC [7]					
38	Transmission Excluding Contra AFUDC	<u>5,603,083</u>		<u>122,362</u>	<u>114,382</u>	<u>7,980</u>
39						
40	<u>DISTRIBUTION: [1]</u>					
41	A. NC OTHER	\$ 12,250,849	2.19%	\$ 267,837	\$ 252,307	\$ 15,531
42	B. NC - R/W	20,245	1.26%	254	214	40
43	C. CPRE - NC Distribution plant	5,819	2.19%	127	136	(9)
44	D. SC OTHER	4,043,742	2.19%	88,407	87,682	726
45	E. SC - R/W	7,812	1.26%	98	61	37
46	Total Distribution, Including Contra AFUDC	\$ 16,328,467		\$ 356,724	\$ 340,400	\$ 16,325
47	Distribution Contra AFUDC - SC [7]	\$ (812)				
48	Total Distribution, Excluding Contra AFUDC	\$ 16,329,279		\$ 356,724	\$ 340,400	\$ 16,325
49						
50	<u>GENERAL: [1]</u>					
51	EDP COMPUTER	\$ 143,403	12.50%	17,925	\$ 17,752	\$ 173
52	STRUCTURES / LEASE IMPRVMT	1,140,189	3.06%	34,890	29,572	5,318
53	VEHICLES [5]	16,119	2.30%	-	-	-
54	CONST EQUIP [5]	16,202	0.18%	-	-	-
55	DGENLAND	4	1.50%	0	5	(5)
56	FURNITURE AND EQPMT	102,036	6.67%	6,806	4,756	2,050
57	STORES EQUIPMENT	853	5.00%	43	40	3
58	TOOLS, SHOPS & GARAGE EQPMT	135,489	5.00%	6,774	6,665	109
59	LABORATORY EQUIPMENT	2,706	6.67%	180	170	10
60	POWER OPERATED EQUIPMENT	16,476	0.18%	30	22	8
61	COMMUNICATION EQUIPMENT	353,776	10.00%	35,378	31,410	3,968
62	MISCELLANEOUS EQUIPMENT	16,334	5.00%	817	793	24
63	Total General, Including Contra AFUDC	\$ 1,943,586		\$ 102,843	\$ 91,184	\$ 11,659

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Line No.	Function	(A) Actual Gross Plant in Service 6/30/2023 [8]	(B) Depr Rate	(C) Current Rates Calculated Accrual	(D) Forecasted 12ME Depr Booked	(E) Difference
64	General Plant Contra AFUDC - SC [7]	(366)				
65	Total General Plant, Excluding Contra	\$ 1,943,220		\$ 102,843	\$ 91,184	\$ 11,659
66						
67	INTANGIBLE [2]					
68	Intangible	\$ 1,285,829	various	\$ 75,066	\$ 75,066	\$ -
69	Total Intangible, Including Contra	\$ 1,285,829		\$ 75,066	\$ 75,066	\$ -
70	Intangible Plant, Contra AFUDC - SC [7]					
71	Total Intangible, Excluding Contra	1,285,829		75,066	75,066	-
72						
73	TOTAL PLANT-IN-SERVICE	\$ 49,468,850		\$ 1,356,858	\$ 1,310,744	\$ 46,114

[1] Total Plant-in Service excludes Non-Depreciable Assets and the Capitalized Asset Retirement Costs related to FAS 143.

[2] Fossil land rights, along with some Intangible and Hydro assets are fully depreciated/amortized and no longer accrue any expense.

[3] The TEP credit is due to an impairment recorded as part of the Progress Merger.

[4] The per book intangible amount reflects a representative level of amortization expense on a go forward basis.

[5] Depreciation expense on vehicles and construction equipment is recorded to 803 accounts, therefore it is excluded above.

[6] The calculated accrual column above assumes 12 months of depreciation. If any assets were added during the 12 month period, depreciation would be calculated based on the in-service date in the actual 12me depr booked column above.

[7] Forecasted Contra AFUDC balances are not available, these lines will be updated with June 30, 2023 actuals.

D1 [8] Forecasted amounts provided by Duke Energy Carolinas - Financial Planning

E1 [9] NC3010-2 Adjustment of Depreciation Expense to Reflect Plant in Service for 12 Months Ended December 31, 2021

[10] NC3030-8 Twelve Months of Depreciation Expense Actual Through June 30, 2023

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Plant in Service Balances

Line No.	Description	Dec-21 a	Jan-22 b	Feb-22 c	Mar-22 d	Apr-22 e	May-22 f	Jun-22 g
1	<u>Electric Plant in Service:</u>							
2	Elec - Steam Production Plant	\$ 8,876,973	\$ 8,888,004	\$ 8,886,966	\$ 8,800,244	\$ 8,807,034	\$ 8,815,413	\$ 8,818,218
3	Elec - Nuclear Production Plant	9,133,654	9,146,215	9,136,935	9,134,945	9,146,159	9,183,444	9,181,261
4	Elec - Hydraulic Production Plant	2,561,084	2,564,455	2,568,402	2,576,548	2,581,555	2,592,988	2,595,590
5	Elec - Other Production Plant	3,446,850	3,454,702	3,454,643	3,458,137	3,457,271	3,458,343	3,455,327
6	Elec - Transmission Plant	4,963,954	4,997,305	5,014,102	5,020,814	5,059,900	5,107,018	5,137,051
7	Elec - Distribution Plant	14,480,906	14,536,425	14,601,606	14,666,427	14,770,411	14,858,658	14,927,769
8	Elec - General Plant	1,395,975	1,401,689	1,407,896	1,409,673	1,420,770	1,418,858	1,428,592
9	Elec - Intangible Plant	1,206,177	1,180,360	1,187,374	1,191,074	1,204,028	1,205,243	1,212,255
10	Total Electric Plant in Service (Sum L2 through L9)	\$ 46,065,572	\$ 46,169,155	\$ 46,257,923	\$ 46,257,864	\$ 46,447,128	\$ 46,639,965	\$ 46,756,063
11								
12	<u>Solar Electric Plant in Service Included in above:</u>	\$ (3,403,277)						
13	Solar PVDG	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046
14	Solar Monroe - Production	107,412	107,475	107,475	107,488	107,488	107,504	107,505
15	Solar Monroe - Transmission	9,435	9,435	9,435	9,435	9,435	9,435	9,435
16	Solar Mocksville	31,794	31,820	31,702	31,702	31,702	31,702	31,702
17	Solar Woodleaf	13,911	13,914	13,914	13,920	13,920	13,923	13,923
18	Solar Gaston - Production	38,771	38,771	38,772	38,772	38,772	38,773	39,778
19	Solar Gaston - Transmission	1,002	1,002	1,002	1,002	1,002	1,002	-
20	Solar Maiden Creek - Production	86,457	86,475	86,475	86,788	86,788	86,788	93,650
21	Solar Maiden Creek - Transmission	7,517	7,517	7,517	7,544	7,544	7,544	729
22	CPRE - Transmission plant	3,244	3,244	3,258	3,256	4,250	3,254	3,256
23	CPRE - NC Distribution plant	3,553	3,593	3,604	5,766	5,802	5,824	5,832
24	Total Solar Included above (Sum L13 through L23)	\$ 332,143	\$ 332,293	\$ 332,201	\$ 334,720	\$ 335,751	\$ 334,796	\$ 334,857
25								
26	<u>DE Plaza Excluded in Line 8 Above [5]</u>							
27	DE Plaza Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	DE Plaza Land	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474
29	Total DE Plaza	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474

[1] Actual amounts provided by Duke Energy Carolinas - Asset Accounting
 [2] Forecasted amounts provided by Duke Energy Carolinas - Financial Planning
 [3] Amounts above do not include Asset Retirement Obligations (ARO)
 [4] Includes Lincoln CT U17 exclusions from NC3030- 9 Lincoln CT Unit 17 Estimated Balances
 [5] Cost related to art and the video wall equipment have been removed from DE Plaza - amounts to be removed provided by Administrative Services

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Plant in Service Balances

Line No.	Description	Actuals [1]							
		Jul-22 h	Aug-22 i	Sep-22 j	Oct-22 k	Nov-22 l	Dec-22 m	Jan-23 n	Feb-23 o
1	<u>Electric Plant in Service:</u>								
2	Elec - Steam Production Plant	\$ 8,821,003	\$ 8,784,662	\$ 8,783,895	\$ 8,784,569	\$ 8,786,706	\$ 8,793,496	\$ 8,794,277	\$ 8,794,291
3	Elec - Nuclear Production Plant	9,201,334	9,212,107	9,212,934	9,211,979	9,219,139	9,235,239	9,261,887	9,286,148
4	Elec - Hydraulic Production Plant	2,600,122	2,609,336	2,607,348	2,624,665	2,632,107	2,709,018	2,727,749	2,730,549
5	Elec - Other Production Plant	3,455,166	3,496,337	3,503,077	3,516,001	3,518,058	3,516,028	3,544,447	3,543,920
6	Elec - Transmission Plant	5,154,870	5,175,594	5,191,295	5,232,975	5,252,403	5,308,063	5,315,728	5,337,604
7	Elec - Distribution Plant	14,992,468	15,100,108	15,187,470	15,298,783	15,393,595	15,605,739	\$ 15,668,625	15,700,369
8	Elec - General Plant	1,492,572	1,500,302	1,488,010	1,345,538	1,352,659	1,439,197	1,476,607	1,441,306
9	Elec - Intangible Plant	1,221,382	1,232,076	1,235,164	1,240,575	1,249,252	1,250,620	1,255,526	1,256,878
10	Total Electric Plant in Service (Sum L2 through L9)	\$ 46,938,916	\$ 47,110,520	\$ 47,209,194	\$ 47,255,084	\$ 47,403,920	\$ 47,857,400	\$ 48,044,848	\$ 48,091,066
11									
12	<u>Solar Electric Plant in Service Included in above:</u>								
13	Solar PVDG	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046	\$ 29,046
14	Solar Monroe - Production	107,506	107,512	107,514	107,516	107,518	107,524	107,526	107,526
15	Solar Monroe - Transmission	9,435	9,435	9,435	9,435	9,435	9,435	9,435	9,435
16	Solar Mocksville	31,702	31,702	31,702	31,702	31,702	31,702	31,820	31,820
17	Solar Woodleaf	13,924	13,924	13,924	13,924	13,925	13,931	13,931	13,931
18	Solar Gaston - Production	39,697	39,697	39,697	39,697	39,697	39,723	39,723	39,723
19	Solar Gaston - Transmission	-	-	-	-	-	-	-	-
20	Solar Maiden Creek - Production	93,495	93,495	93,497	93,497	93,497	93,504	93,506	93,689
21	Solar Maiden Creek - Transmission	728	728	728	728	728	728	728	728
22	CPRE - Transmission plant	3,243	4,257	3,713	3,713	3,713	3,713	3,713	3,713
23	CPRE - NC Distribution plant	5,838	5,817	5,819	5,819	5,819	5,819	5,819	5,819
24	Total Solar Included above (Sum L13 through L23)	\$ 334,615	\$ 335,614	\$ 335,076	\$ 335,078	\$ 335,081	\$ 335,125	\$ 335,246	\$ 335,429
25									
26	<u>DE Plaza Excluded in Line 8 Above [5]</u>								
27	DE Plaza Building	\$ -	\$ -	\$ -	\$ 375,775	\$ 378,612	\$ 389,093	\$ 400,747	\$ 469,328
28	DE Plaza Land	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474
29	Total DE Plaza	\$ 28,474	\$ 28,474	\$ 28,474	\$ 404,249	\$ 407,086	\$ 417,567	\$ 429,221	\$ 497,802

[1] Actual amounts provided by Duke Energy Carolinas - Asset Accounting
 [2] Forecasted amounts provided by Duke Energy Carolinas - Financial Planning
 [3] Amounts above do not include Asset Retirement Obligations (ARO)
 [4] Includes Lincoln CT U17 exclusions from NC3030- 9 Lincoln CT Unit 17 Estimated Balances
 [5] Cost related to art and the video wall equipment have been removed from DE Plaza - amounts to be removed provided by Administrative Services

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Plant in Service Balances

Line No.	Description	Mar-23 p	Apr-23 q	May-23 r	Jun-23 s	Net Change u = t - a
1	<u>Electric Plant in Service:</u>					
2	Elec - Steam Production Plant	\$ 8,811,529	\$ 8,813,770	\$ 8,820,414	\$ 8,825,289	\$ (51,684)
3	Elec - Nuclear Production Plant	9,297,492	9,349,424	9,356,546	9,368,346	\$ 234,692
4	Elec - Hydraulic Production Plant	2,749,646	2,756,939	2,778,474	2,940,482	\$ 379,398
5	Elec - Other Production Plant	3,558,756	3,561,481	3,565,345	3,579,496	\$ 132,646
6	Elec - Transmission Plant	5,355,810	5,379,585	5,463,621	5,624,144	\$ 660,190
7	Elec - Distribution Plant	15,856,622	15,996,038	16,123,107	16,401,384	\$ 1,920,478
8	Elec - General Plant	1,493,031	1,510,179	1,392,749	1,408,002	\$ 12,027
9	Elec - Intangible Plant	1,273,293	1,278,516	1,279,394	1,285,829	\$ 79,652
10	Total Electric Plant in Service (Sum L2 through L9)	\$ 48,396,179	\$ 48,645,931	\$ 48,779,650	\$ 49,432,971	\$ 3,367,399
11						
12	<u>Solar Electric Plant in Service Included in above:</u>					
13	Solar PVDG	\$ 29,046	\$ 24,952	\$ 29,046	\$ 20,493	\$ (8,554)
14	Solar Monroe - Production	107,526	107,526	107,526	107,553	\$ 142
15	Solar Monroe - Transmission	9,435	9,435	9,435	9,435	\$ -
16	Solar Mocksville	31,820	31,820	31,702	31,714	\$ (79)
17	Solar Woodleaf	13,931	13,923	13,923	14,337	\$ 426
18	Solar Gaston - Production	39,723	39,723	39,723	39,723	\$ 951
19	Solar Gaston - Transmission	-	-	-	-	\$ (1,002)
20	Solar Maiden Creek - Production	93,689	93,916	93,916	93,959	\$ 7,502
21	Solar Maiden Creek - Transmission	728	728	728	728	\$ (6,789)
22	CPRE - Transmission plant	3,713	3,713	3,713	3,713	\$ 469
23	CPRE - NC Distribution plant	5,819	5,819	5,819	5,819	\$ 2,266
24	Total Solar Included above (Sum L13 through L23)	\$ 335,429	\$ 331,554	\$ 335,531	\$ 327,475	\$ (4,668)
25						
26	<u>DE Plaza Excluded in Line 8 Above [5]</u>					
27	DE Plaza Building	\$ 476,456	\$ 484,830	\$ 522,107	\$ 567,036	\$ 567,036
28	DE Plaza Land	\$ 28,474	\$ 28,474	\$ 28,474	\$ 28,474	\$ -
29	Total DE Plaza	\$ 504,930	\$ 513,304	\$ 550,581	\$ 595,510	\$ 567,036

[1] Actual amounts provided by Duke Energy Carolinas - Asset Accounting
 [2] Forecasted amounts provided by Duke Energy Carolinas - Financial Planning
 [3] Amounts above do not include Asset Retirement Obligations (ARO)
 [4] Includes Lincoln CT U17 exclusions from NC3030- 9 Lincoln CT Unit 17 Estimated Balances
 [5] Cost related to art and the video wall equipment have been removed from DE Plaza - amounts to be removed provided by Administrative Services

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Accumulated Depreciation Balances

Line No.	Description							
		Dec-21 a	Jan-22 b	Feb-22 c	Mar-22 d	Apr-22 e	May-22 f	Jun-22 g
1	<u>Electric Plant in Service:</u>							
2	Elec - Steam Production Plant	\$ (3,661,245)	\$ (3,694,536)	\$ (3,720,737)	\$ (3,660,005)	\$ (3,678,555)	\$ (3,706,014)	\$ (3,735,434)
3	Elec - Nuclear Production Plant	(4,069,737)	(4,092,855)	(4,094,412)	(4,107,046)	(4,115,469)	(4,124,421)	(4,132,874)
4	Elec - Hydraulic Production Plant	(960,548)	(963,159)	(965,798)	(970,620)	(974,314)	(975,538)	(981,598)
5	Elec - Other Production Plant	(1,181,421)	(1,185,546)	(1,194,830)	(1,205,225)	(1,213,179)	(1,235,269)	(1,228,955)
6	Elec - Transmission Plant	(1,440,993)	(1,472,317)	(1,476,926)	(1,464,008)	(1,457,743)	(1,457,283)	(1,463,841)
7	Elec - Distribution Plant	(5,110,132)	(5,112,267)	(5,122,066)	(5,114,036)	(5,127,215)	(5,150,079)	(5,157,911)
8	Elec - General Plant	(459,397)	(467,350)	(472,052)	(475,378)	(480,791)	(485,708)	(491,852)
9	Elec - Intangible Plant	(737,984)	(713,038)	(719,260)	(725,601)	(732,000)	(738,186)	(744,363)
10	Total Accumulated Depreciation (Sum L2 through L9)	\$ (17,621,458)	\$ (17,701,067)	\$ (17,766,081)	\$ (17,721,918)	\$ (17,779,264)	\$ (17,872,498)	\$ (17,936,827)
11								
12	<u>Solar Accumulated Depreciation Included above:</u>							
13	Solar PVDG	\$ (13,936)	\$ (14,076)	\$ (14,215)	\$ (14,355)	\$ (14,494)	\$ (14,634)	\$ (14,773)
14	Solar Monroe - Production	(23,574)	(24,027)	(24,481)	(24,934)	(25,386)	(25,839)	(26,292)
15	Solar Monroe - Transmission	(18)	(35)	(53)	(70)	(88)	(105)	(123)
16	Solar Mocksville	(7,848)	(7,982)	(8,116)	(8,249)	(8,382)	(8,514)	(8,647)
17	Solar Woodleaf	(1,816)	(1,859)	(1,906)	(1,952)	(1,998)	(2,043)	(2,089)
18	Solar Gaston - Production	(1,916)	(2,082)	(2,248)	(2,415)	(2,580)	(2,747)	(2,913)
19	Solar Gaston - Transmission	(2)	(4)	(6)	(7)	(9)	(11)	(13)
20	Solar Maiden Creek - Production	(3,890)	(4,260)	(4,631)	(5,001)	(5,372)	(5,744)	(6,116)
21	Solar Maiden Creek - Transmission	(14)	(28)	(42)	(56)	(70)	(84)	(98)
22	CPRE - Transmission plant	(71)	(78)	(84)	(91)	(98)	(106)	(113)
23	CPRE - NC Distribution plant	(44)	(51)	(58)	(65)	(77)	(88)	(99)
24	Total Solar Included above (Sum L13 through L23)	\$ (53,129)	\$ (54,482)	\$ (55,839)	\$ (57,195)	\$ (58,553)	\$ (59,915)	\$ (61,275)

[1] Actual amounts provided by Duke Energy Carolinas - Asset Accounting
 [2] Forecasted amounts provided by Duke Energy Carolinas - Financial Planning
 [3] Amounts above do not include Asset Retirement Obligations (ARO)
 [4] Includes Lincoln CT U17 exclusions from NC3030- 9 Lincoln CT Unit 17 Estimated Balances

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Accumulated Depreciation Balances

Line No.	Description	Actuals [1]						
		Jul-22 h	Aug-22 i	Sep-22 j	Oct-22 k	Nov-22 l	Dec-22 m	Jan-23 n
1	<u>Electric Plant in Service:</u>							
2	Elec - Steam Production Plant	\$ (3,762,621)	\$ (3,792,710)	\$ (3,816,166)	\$ (3,841,992)	\$ (3,869,051)	\$ (3,890,777)	\$ (3,918,554)
3	Elec - Nuclear Production Plant	(4,149,947)	(4,163,590)	(4,177,349)	(4,182,954)	(4,194,829)	(4,203,539)	(4,206,593)
4	Elec - Hydraulic Production Plant	(985,489)	(994,134)	(994,589)	(997,922)	(1,003,543)	(996,579)	(1,008,483)
5	Elec - Other Production Plant	(1,240,206)	(1,250,260)	(1,256,136)	(1,253,144)	(1,275,316)	(1,270,968)	(1,271,408)
6	Elec - Transmission Plant	(1,468,073)	(1,475,545)	(1,483,933)	(1,489,932)	(1,500,471)	(1,507,835)	(1,507,412)
7	Elec - Distribution Plant	(5,145,629)	(5,150,137)	(5,131,631)	(5,121,979)	(5,129,279)	(5,127,811)	(5,127,955)
8	Elec - General Plant	(496,247)	(500,327)	(488,705)	(493,980)	(500,626)	(369,901)	(376,709)
9	Elec - Intangible Plant	(750,648)	(756,692)	(762,349)	(768,372)	(774,240)	(780,465)	(786,612)
10	Total Accumulated Depreciation (Sum L2 through L9)	\$ (17,998,860)	\$ (18,083,395)	\$ (18,110,857)	\$ (18,150,275)	\$ (18,247,356)	\$ (18,147,874)	\$ (18,203,727)
11								
12	<u>Solar Accumulated Depreciation Included above:</u>							
13	Solar PVDG	\$ (14,913)	\$ (15,052)	\$ (15,192)	\$ (15,331)	\$ (15,471)	\$ (15,610)	\$ (15,750)
14	Solar Monroe - Production	(26,720)	(27,195)	(27,648)	(28,100)	(28,553)	(29,004)	(29,457)
15	Solar Monroe - Transmission	(140)	(158)	(175)	(193)	(210)	(228)	(245)
16	Solar Mocksville	(8,779)	(8,911)	(9,045)	(9,178)	(9,309)	(9,444)	(9,577)
17	Solar Woodleaf	(2,134)	(2,179)	(2,224)	(2,269)	(2,313)	(2,358)	(2,402)
18	Solar Gaston - Production	(3,079)	(3,246)	(3,412)	(3,579)	(3,746)	(3,912)	(4,079)
19	Solar Gaston - Transmission	(13)	(13)	(13)	(13)	(13)	(13)	(13)
20	Solar Maiden Creek - Production	(6,505)	(6,901)	(7,296)	(7,692)	(8,088)	(8,483)	(8,879)
21	Solar Maiden Creek - Transmission	(99)	(101)	(102)	(103)	(105)	(106)	(107)
22	CPRE - Transmission plant	(119)	(126)	(134)	(142)	(149)	(156)	(164)
23	CPRE - NC Distribution plant	(111)	(122)	(133)	(145)	(156)	(167)	(179)
24	Total Solar Included above (Sum L13 through L23)	\$ (62,612)	\$ (64,003)	\$ (65,376)	\$ (66,745)	\$ (68,112)	\$ (69,482)	\$ (70,851)

[1] Actual amounts provided by Duke Energy Carolinas - Asset Accounting
 [2] Forecasted amounts provided by Duke Energy Carolinas - Financial Planning
 [3] Amounts above do not include Asset Retirement Obligations (ARO)
 [4] Includes Lincoln CT U17 exclusions from NC3030- 9 Lincoln CT Unit 17 Estimated Balances

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Accumulated Depreciation Balances

Line No.	Description						Net Change u = t - a
		Feb-23 o	Mar-23 p	Apr-23 q	May-23 r	Jun-23 s	
1	<u>Electric Plant in Service:</u>						
2	Elec - Steam Production Plant	\$ (3,944,630)	\$ (3,966,371)	\$ (4,006,273)	\$ (4,026,498)	\$ (4,037,430)	\$ (376,185)
3	Elec - Nuclear Production Plant	(4,214,186)	(4,223,461)	(4,231,586)	(4,241,550)	(4,248,269)	(178,532)
4	Elec - Hydraulic Production Plant	(1,013,413)	(1,002,807)	(1,006,168)	(1,006,594)	(1,008,478)	(47,930)
5	Elec - Other Production Plant	(1,280,449)	(1,288,351)	(1,298,057)	(1,318,484)	(1,297,440)	(116,018)
6	Elec - Transmission Plant	(1,510,827)	(1,507,222)	(1,521,876)	(1,520,966)	(1,533,034)	(92,041)
7	Elec - Distribution Plant	(5,095,724)	(5,152,244)	(5,177,885)	(5,133,030)	(5,084,430)	25,703
8	Elec - General Plant	(381,517)	(388,211)	(411,691)	(408,218)	(413,986)	45,412
9	Elec - Intangible Plant	(792,807)	(799,165)	(806,137)	(812,729)	(819,239)	(81,255)
10	Total Accumulated Depreciation (Sum L2 through L9)	\$ (18,233,554)	\$ (18,327,832)	\$ (18,459,672)	\$ (18,468,069)	\$ (18,442,305)	\$ (820,848)
11							
12	<u>Solar Accumulated Depreciation Included above:</u>						
13	Solar PVDG	\$ (15,889)	\$ (16,028)	\$ (12,079)	\$ (12,199)	\$ (6,732)	\$ 7,205
14	Solar Monroe - Production	(29,911)	(30,364)	(30,818)	(31,265)	(31,679)	(8,105)
15	Solar Monroe - Transmission	(263)	(280)	(298)	(315)	(333)	(315)
16	Solar Mocksville	(9,709)	(9,842)	(9,975)	(10,064)	(10,197)	(2,349)
17	Solar Woodleaf	(2,447)	(2,491)	(2,535)	(2,579)	(2,623)	(807)
18	Solar Gaston - Production	(4,246)	(4,413)	(4,579)	(4,746)	(4,630)	(2,715)
19	Solar Gaston - Transmission	(13)	(13)	(13)	(13)	(13)	(11)
20	Solar Maiden Creek - Production	(9,274)	(9,671)	(10,068)	(10,485)	(10,860)	(6,970)
21	Solar Maiden Creek - Transmission	(109)	(110)	(111)	(113)	(114)	(100)
22	CPRE - Transmission plant	(171)	(179)	(186)	(193)	(201)	(130)
23	CPRE - NC Distribution plant	(190)	(201)	(213)	(224)	(235)	(191)
24	Total Solar Included above (Sum L13 through L23)	\$ (72,222)	\$ (73,593)	\$ (70,875)	\$ (72,198)	\$ (67,617)	\$ (14,488)

[1] Actual amounts provided by Duke Energy Carolinas - Asset Accounting
 [2] Forecasted amounts provided by Duke Energy Carolinas - Financial Planning
 [3] Amounts above do not include Asset Retirement Obligations (ARO)
 [4] Includes Lincoln CT U17 exclusions from NC3030- 9 Lincoln CT Unit 17 Estimated Balances

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Twelve Months of Depreciation Expense Forecasted through June 30, 2023

Line No.	Description	Actuals [1]												E1 12 MONTHS m = sum(a:l)		
		7/1/2022 a	8/1/2022 b	9/1/2022 c	10/1/2022 d	11/1/2022 e	12/1/2022 f	1/1/2023 g	2/1/2023 h	3/1/2023 i	4/1/2023 j	5/1/2023 k	6/1/2023 l			
1	Function															
2	Steam plant	\$ 27,568	\$ 27,448	\$ 27,456	\$ 27,461	\$ 27,410	\$ 27,416	\$ 27,437	\$ 27,305	\$ 27,305	\$ 27,366	\$ 27,375	\$ 27,377	\$ 328,922		
3	Steam plant - Right of Way	-	-	-	-	-	-	-	-	-	-	-	-	-		
4	Nuclear plant	16,291	16,328	16,347	16,348	16,346	16,358	16,387	16,439	16,485	16,503	16,584	16,814	197,231		
5	Nuclear plant - Right of Way	1	1	1	1	1	1	1	1	1	1	1	1	8		
6	Hydro plant	4,234	4,241	4,256	4,254	4,284	4,293	4,400	4,431	4,437	4,466	4,479	4,520	52,294		
7	Hydro plant - Right of Way	12	12	12	12	12	12	12	12	12	12	12	12	144		
8	Other production plant	7,695	7,791	7,796	7,808	7,851	7,857	7,656	8,083	8,069	8,171	8,178	8,197	95,152		
9	Other production plant - Mocksville	133	133	133	133	133	133	133	133	133	133	133	133	1,593		
10	Other production plant - Monroe	454	454	454	454	454	454	454	454	454	454	454	454	5,443		
11	Other production plant - Woodleaf	46	45	45	45	45	45	45	44	44	44	44	44	536		
12	Other production plant - Gaston	167	167	167	167	167	167	167	167	167	167	167	167	2,001		
13	Other production plant - Maiden Creek	397	396	396	396	396	396	396	396	396	397	397	397	4,754		
14	Other production plant - PVDG	139	139	139	139	139	139	139	139	139	139	139	120	1,634		
15	Transmission plant	9,178	9,208	9,247	9,285	9,360	9,368	9,496	9,515	9,551	9,613	9,631	9,820	113,272		
16	Transmission plant - Right of Way	143	144	144	144	144	145	145	145	145	145	145	145	1,733		
17	Transmission Expansion Projects (TEP)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(623)		
18	Distribution plant - NC	20,246	20,339	20,489	20,630	20,776	20,886	21,168	21,256	21,293	21,636	21,700	22,024	252,443		
19	Distribution plant - NC - Right of Way	12	13	18	18	18	18	18	18	20	21	21	21	214		
20	Distribution plant - SC	7,018	7,039	7,080	7,112	7,103	7,166	7,217	7,235	7,252	8,699	7,340	7,421	87,682		
21	Distribution plant - SC - Right of Way	1	4	4	4	4	4	7	7	7	7	7	7	61		
22	General Plant - EDP Computer	1,153	1,563	1,571	1,502	1,503	1,507	1,510	1,450	1,450	1,524	1,529	1,490	17,752		
23	General Plant - Structures/Lease Improvements	1,863	1,880	1,881	1,883	2,846	2,856	2,951	2,521	2,684	2,709	2,728	2,770	29,572		
24	General Plant - Vehicles [3]	62	62	62	62	62	62	62	62	62	0	0	61	621		
25	General Plant - Construction Equipment [3]	26	26	26	26	26	26	26	26	26	6	6	21	266		
26	General Plant - Depreciable Land	1	1	1	1	1	1	1	0	0	0	0	0	5		
27	General Plant - Furniture and Equipment	363	383	386	383	383	383	383	249	340	479	491	533	4,756		
28	General Plant - Stores Equipment	3	3	3	3	3	3	3	3	3	3	3	3	40		
29	General Plant - Tools, Shop and Garage Equipment	546	552	555	541	552	556	562	556	558	561	562	564	6,665		
30	General Plant - Laboratory Equipment	15	15	16	15	15	15	15	12	12	12	12	15	170		
31	General Plant - Power Operated Equipment	2	2	2	2	2	2	2	0	0	0	0	2	22		
32	General Plant - Communication Equipment	2,347	2,460	2,503	2,501	2,511	2,554	2,627	2,704	2,725	2,759	2,779	2,938	31,410		
33	General Plant - Miscellaneous Equipment	65	65	65	66	67	67	68	57	60	72	72	71	793		
34	Intangible plant	6,285	6,044	5,846	6,023	6,735	5,359	6,147	6,194	6,358	6,872	6,592	6,510	75,066		
35	Total Depreciation (Sum L2 through L34)	\$ 106,413	\$ 106,906	\$ 107,047	\$ 107,366	\$ 109,295	\$ 108,195	\$ 109,581	\$ 109,564	\$ 110,137	\$ 113,020	\$ 111,509	\$ 112,598	\$ 1,311,631		

[1] Actual amounts provided by Duke Energy Carolinas Asset Accounting
 [2] Forecasted amounts provided by Duke Energy Carolinas - Franchised Electric & Gas Planning and Forecasting
 [3] Amounts above do not include Asset Retirement Obligation (ARO) balances
 [4] Depreciation expense on vehicles and construction equipment is recorded to 803 accounts, therefore it is excluded above.

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Lincoln CT Unit 17 Estimated Balances

Line No.	Utility Account	Depreciation Group	Function	Depr Rate/ Amortz Period	Actual 9/30/2022	Actual 6/30/2023	Exclusion % [2]	Adjustment
1	Plant in Service							
2	34200 - Fuel Holders, Producers & A	A OTH 342 Cap IN RB IC Lease-20004	Elec - Other Production Plant	182	\$ 3,512	\$ 3,512	20%	\$ (702)
3								
4	35300 - Station Equipment	D TRN 353-20017	Elec - Transmission Plant	2.35%	\$ 6,129	\$ 6,129	100%	\$ (6,129)
5	35302 - Major Equipment	D TRN 353-20017	Elec - Transmission Plant	2.35%	5,393	5,393	100%	(5,393)
6	35500 - Poles and Fixtures	D TRN 355-20017	Elec - Transmission Plant	2.69%	113	113	100%	(113)
7	35600 - Overhead Conductors and Dev	D TRN 356-20017	Elec - Transmission Plant	2.02%	1,625	1,625	100%	(1,625)
8	35700 - Underground Conduit	D TRN 357-20017	Elec - Transmission Plant	1.09%	2	2	100%	(2)
9	Total Transmission				\$ 13,262	\$ 13,262		\$ (13,262)
10								
11	Total Lincoln CT Unit 17 Plant in Service				\$ 16,773	\$ 16,773		\$ (13,964)
12								
13	Accumulated Reserve							
14	34200 - Fuel Holders, Producers & A	A OTH 342 Cap IN RB IC Lease-20004	Elec - Other Production Plant	182	\$ (560)	\$ (733)	20%	\$ 147
15								
16	35300 - Station Equipment	D TRN 353-20017	Elec - Transmission Plant	2.35%	\$ (507)	\$ (615)	100%	\$ 615
17	35302 - Major Equipment	D TRN 353-20017	Elec - Transmission Plant	2.35%	(146)	(241)	100%	241
18	35500 - Poles and Fixtures	D TRN 355-20017	Elec - Transmission Plant	2.69%	(79)	(81)	100%	81
19	35600 - Overhead Conductors and Dev	D TRN 356-20017	Elec - Transmission Plant	2.02%	(35)	(60)	100%	60
20	35700 - Underground Conduit	D TRN 357-20017	Elec - Transmission Plant	1.09%	(0)	(0)	100%	0
21	Total Transmission				\$ (767)	\$ (997)		\$ 997
22								
23	Total Lincoln CT Unit 17 Accumulated Reserve				\$ (1,326)	\$ (1,730)		\$ 1,143

[1] The above balances are for the Lincoln CT pipeline as well as these transmission projects:

- W18010401 - Lincoln CT #17 230kV Bus Line
- W18010403 - Lincoln CT #17 GSU HT & Relaying
- W18010402 - Lincoln CT Sw Yd Expansion

[2] The Lincoln CT pipeline exclusion is calculated by dividing the approximate U17 MWs of 400 by the approximate total site MWs of 2000

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NC3040 Narrative
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E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts depreciation expense to reflect the updated depreciation rates resulting from a new depreciation study. Additionally this proforma is deferring 50% of the NC Retail annual impact of accelerating steam plant lives in the new depreciation study.

The impact to rate base is adjusting accumulated depreciation to reflect the updated depreciation rates resulting from a new depreciation study, creating a regulatory asset for one year of deferral and related ADIT.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update

Corrected calculation of distribution rate shown on tab NC3040-2, line 8. No dollar impact to this proforma.

(D) 3rd Supplemental Update

Updated for updated depreciation study

(S3) Settlement

Agreed to 75% deferral for Sub Critical Steam depreciation
Estimated revised rate with other production interim net salvage change
Added in an estimate for decrease in production dismantlement costs

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Line No	Impacted Income Statement Line Items	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity						-
2	Other Revenue						-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -
4							
5	<u>Electric operating expenses:</u>						
6	Operation and maintenance:						
7	Fuel used in electric generation						-
8	Purchased power						-
9	Other operation and maintenance expense						-
10	Depreciation and amortization	NC3040-1	\$ 106,849	\$ 153,976	\$ 145,660	\$ 145,660	(38,811)
11	General taxes						-
12	Interest on customer deposits						-
13	EDIT Amortization						-
14	Net income taxes	NC3040-1	\$ (24,950)	\$ (35,954)	\$ (34,012)	\$ (34,012)	9,062
15	Amortization of investment tax credit						-
16	Total electric operating expenses (sum(L7:L15))		\$ 81,900	\$ 118,023	\$ 111,648	\$ 111,648	(29,748)
17							
18	Operating income (L3-L16)		\$ (81,900)	\$ (118,023)	\$ (111,648)	\$ (111,648)	\$ 29,748
19	<u>Rate Base</u>						
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization	NC3040-1	\$ (145,786)	\$ (195,801)	\$ (188,019)	\$ (188,020)	\$ 42,233
22	Net electric plant in service (L20 + L21)		\$ (145,786)	\$ (195,801)	\$ (188,019)	\$ (188,020)	\$ 42,233
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC3040-1	\$ 38,937	\$ 41,825	\$ 42,360	\$ 42,360	\$ (3,423)
25	Accumulated deferred income taxes	NC3040-1	\$ (9,092)	\$ (9,766)	\$ (9,891)	\$ (9,891)	\$ 799
26	Operating reserves						\$ -
27	Construction Work in Progress						\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ (115,941)	\$ (163,743)	\$ (155,551)	\$ (155,551)	\$ 39,610

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Line No.	Description	Total System	NC Retail Allocation	Total NC Retail
1	<u>Impact to Income Statement Line Items</u>			
2	<u>Depreciation and amortization:</u>			
3	Production Plant (310-348)	\$ 168,535 [1]	66.9690% [2]	\$ 112,866
4	Transmission Plant (350-359)	9,531 [1]	48.1470% [3]	4,589
5	Distribution Plant (360-387)	37,386 [1]	74.0820% [4]	27,696
6	General Plant (389-399)	376 [1]	68.1625% [5]	256
7	Adjust deprec. and amort. for new rates (Sum L3 through L6)	\$ 215,828		\$ 145,407
8				
9	Adjust to deprec. and amort. for costs recovered in riders	\$ 565 [7]		\$ 379 [7]
10	Adjust to deprec. and amort. for the steam deferral			(34,161) [8]
11	Add amortization for Allen Unit 4 unrecovered reserve			(4,776) [9]
12				
13	Impact to depreciation and amortization (L7 + L9 + L10 + L11)			\$ 106,849
14				
15	Statutory tax rate			23.3503% [6]
16	Impact to income taxes (-L13 x L15)			\$ (24,950)
17				
18	Impact to operating income (-L13 - L16)			\$ (81,900)
19				
20	<u>Impact to Rate Base Line Items</u>			
21	<u>Accumulated depreciation and amortization:</u>			
22	Production (-L3 - NC3040-4 Sum L1-L6)			\$ (113,255)
23	Transmission (-L4 - NC3040-4 L7)			(4,586)
24	Distribution (-L5 - NC3040-4 L8)			(27,690)
25	General (-L6)			(256)
26	Adjust to accum. deprec. (Sum L22 through L25)			\$ (145,786)
27				
28	Reg Asset first year amortization steam deferral (-L10)			\$ 34,161
29	Reg Liability first year amortization Allen Unit 4 (-L11)			4,776
30	Impact to working capital investment (L28 + L29)			\$ 38,937
31				
32	Deferred Tax Rate			23.3503% [6]
33	Impact to accumulated deferred income tax (-L30 x L32)			\$ (9,092)
34				
35	Impact to rate base (L26 + L30 + L33)			\$ (115,941)

[1] NC3040-2 - Comparison of Current and Proposed Depreciation as of December 31, 2021
 [2] Allocation Factor - All Production Demand - Jur
 [3] Allocation Factor - All Transmission Demand - Jur
 [4] Allocation Factor - All - Dist Plant - DEC - Jur
 [5] Allocation Factor - All - General Plant - Jur
 [6] NC1010-4 2022 Calculation of Tax Rates, Line 10
 [7] NC3040-4 - Comparison of Current and Proposed Depreciation as of December 31, 2021 - Costs recovered through riders
 [8] NC3040-3 Sub Critical Steam Units Comparison of Accelerated Retirement Proposed Depreciation and Non-accelerated Retirement Depreciation as of December 31, 2021
 [9] E1-45 - COS line 254 ORL-NC NBV RETIRED PLANT-NCR - (\$47,285) divided by the composite Steam remaining life per the 2021 DEC Depr Study of 9.9

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Comparison of Current and Proposed Depreciation as of December 31, 2021

Line No.	Description	CURRENT		PROPOSED		Adjustment Amount e = c - a
		Calculated Annual Accrual a	Current Rate b	Calculated Annual Accrual c	Proposed Rate d	
1	TOTAL STEAM PRODUCTION PLANT (311-317)	\$ 329,660,335	3.85%	\$ 479,230,899	5.66%	\$ 149,570,564
2	TOTAL NUCLEAR PRODUCTION PLANT (321-326)	194,502,834	2.13%	202,087,899	2.21%	7,585,065
3	TOTAL HYDRAULIC PRODUCTION PLANT (331-337)	50,119,327	2.00%	57,012,468	2.27%	6,893,141
4	TOTAL OTHER PRODUCTION PLANT (341-348)	110,476,932	3.26%	114,974,712	3.39%	4,497,780
5	TOTAL PRODUCTION (Sum L1: L4)	<u>\$ 684,759,428</u>		<u>\$ 853,305,978</u>		<u>\$ 168,546,550</u>
6						
7	TOTAL TRANSMISSION PLANT (352-359)	\$ 106,292,693	2.23%	\$ 115,845,696	2.43%	\$ 9,553,003
8	TOTAL DISTRIBUTION PLANT (361-387)	314,376,824	2.19%	351,764,448	2.45%	37,387,624
9	TOTAL GENERAL PLANT (390-399)	74,714,155	5.49%	72,301,569	5.31%	(2,412,586)
10	GENERAL PLANT RESERVE AMORTIZATION	(13,907,418)		(11,071,465)		2,835,953
11						
12	TOTAL ACCOUNT 310	-	0.00%	-	-	-
13	TOTAL ACCOUNT 320	16,176	1.69%	7,955	0.83%	(8,221)
14	TOTAL ACCOUNT 330	144,192	0.62%	140,808	0.60%	(3,384)
15	LAND RIGHTS - ACCOUNT 340.00	383	4.98%	323	4.20%	(60)
16	RIGHTS OF WAY - ACCOUNT 350.00	1,687,998	1.03%	1,665,627	1.02%	(22,371)
17	RIGHTS OF WAY - ACCOUNT 360.00	116,612	1.25%	116,031	1.24%	(581)
18	LAND RIGHTS - ACCOUNT 360.20	7,637	1.36%	6,879	1.22%	(758)
19	LAND RIGHTS - ACCOUNT 389.00	2	1.50%	2	1.21%	(0)
20	RIGHTS OF WAY - ACCOUNT 389.20	6,657	1.21%	7,198	1.31%	541
21						
22	TOTAL DEPRECIABLE PLANT (Sum L5: L20)	<u>\$ 1,168,215,339</u>		<u>\$ 1,384,091,049</u>		<u>\$ 215,875,710</u>
23						
24	GENERAL PLANT - TRANSPORTATION EQUIPMENT [2]	\$ 430,135		\$ 478,142		\$ 48,007
25						
26	TOTAL DEPRECIABLE PLANT - ACCOUNT 403 (L22 - L24)	<u>\$ 1,167,785,204</u>		<u>\$ 1,383,612,907</u>		<u>\$ 215,827,703</u>

B1 [1] Information provided by Duke Energy Carolinas - Asset Accounting (Duke Energy Carolinas Depreciation Study)
[2] Depreciation expense on Vehicles is recorded to 803 accounts, rather than 403 accounts. Therefore the depreciation expense associated with these assets is excluded from the schedule above.

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Sub Critical Steam Units Comparison of Accelerated Retirement Proposed Depreciation and Non-accelerated Retirement Depreciation as of December 31, 2021

Line No.	Description	Updated to match settlement rates from Witness Spanos		Adjustment Amount c = b - a	NC Retail Allocation	Total NC Retail
		Non-accelerated Retirement Annual Accrual a	PROPOSED Accelerated Retirement Annual Accrual b			
1	Impact to Income Statement Line Items					
2						
3	MARSHALL UNIT 1	\$ 22,756,182 [1]	\$ 32,254,150 [1]	\$ 9,497,968		
4	MARSHALL UNIT 2	\$ 9,356,492 [1]	\$ 14,196,425 [1]	4,839,933		
5	ALLEN	\$ 69,413,747 [1]	\$ 116,588,425 [1]	47,174,678		
6	CLIFFSIDE UNIT 5 (J.E. ROGERS)	\$ 39,987,105 [1]	\$ 46,488,111 [1]	6,501,006		
7	Total Increase in Depreciation Expenses for Subcritical Units	\$ 141,513,526	\$ 209,527,111	\$ 68,013,585	66.9690% [2]	\$ 45,547,986
8		C1	B1			
9	Annual amount of proposed increase to be deferred to regulated asset (75%)					<u>\$ 34,160,990</u>

C1 [1] Information provided by Duke Energy Carolinas - Asset Accounting

D1 [2] Allocation Factor - All Production Demand

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Comparison of Current and Proposed Depreciation as of December 31 2021 - Costs recovered through riders

Line No.	Description	CURRENT		PROPOSED		Adjustment Amount	System Adjustment	NC Retail Allocation	Total NC Retail
		Calculated Annual Accrual [1]	Current Rate [1]	Calculated Annual Accrual [8]	Proposed Rate [8]				
1	Solar PVDG	\$ 1,673,801	5.76%	\$ 1,428,072	4.92%	\$ (245,729)	\$ 99,520 [2]	66.9690% [9]	\$ 66,648
2	Solar Monroe	5,437,969	5.06%	5,088,690	4.74%	(349,279)	14,320 [3]	66.9690% [9]	9,590
3	Solar Mocksville	1,619,077	5.09%	1,466,695	4.61%	(152,382)	5,638 [4]	66.9690% [9]	3,776
4	Solar Woodleaf	687,174	4.94%	646,326	4.65%	(40,848)	1,675 [5]	66.9690% [9]	1,122
5	Solar Gaston	1,996,560	5.15%	1,805,484	4.66%	(191,076)	191,076 [6]	66.9690% [9]	127,961
6	Solar Maiden Creek	4,442,136	5.14%	4,173,587	4.83%	(268,549)	268,549 [6]	66.9690% [9]	179,845
7	CPRE - Transmission plant	72,321	2.23%	78,841	2.43%	6,520	(6,520) [7]	48.1470% [10]	(3,139)
8	CPRE - NC Distribution plant	77,680	2.19%	87,050	2.45%	9,370	(9,370) [7]	74.0820% [11]	(6,942)
9	Total Solar above (Sum L1:L8)	\$ 16,006,718		\$ 14,774,745		\$ (1,231,973)	\$ 564,888		\$ 378,860

- E1** [1] NC3010-3 - Adjustment to Annualize Depreciation Expense at 12/31/21 - Costs recovered through riders
- [2] Per NC2030-3.1 REPS, 40.50% of Solar PVDG costs are collected in the REPS rider and should be excluded for purposes of this analysis.
- [3] Per NC2030-3.1 REPS, 4.10% of Solar Monroe costs are collected in the REPS rider and should be excluded for purposes of this analysis.
- [4] Per NC2030-3.1 REPS, 3.70% of Solar Mocksville costs are collected in the REPS rider and should be excluded for purposes of this analysis.
- [5] Per NC2030-3.1 REPS, 4.10% of Solar Woodleaf costs are collected in the REPS rider and should be excluded for purposes of this analysis.
- [6] Per NC2030-10.2 CPRE, 100% of Solar Gaston and Maiden Creek costs are collected in the CPRE rider and should be excluded for purposes of this analysis.
- [7] Per NC2030-10.2 CPRE, 100% of network upgrades related to late/advanced stage solar costs are collected in the CPRE rider and should be excluded for purposes of this analysis.
- B1** [8] Information provided by Duke Energy Carolinas - Asset Accounting (Duke Energy Carolinas Depreciation Study)
- D1** [9] Allocation Factor - All - Production Demand - Jur
- D1** [10] Allocation Factor - All - Transmission Demand - Jur
- D1** [11] Allocation Factor - All - Dist Plant - DEC - Jur

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E1-10
NC3070 Narrative
Compliance

E1-10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts income taxes, depreciation and amortization expense, electric plant in service and accumulated depreciation to remove the impact of the Progress merger costs included in other proformas.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update

Updated with actuals through April 2023 and for the change in cutoff to June 30, 2023.

(C) 2nd Supplemental Update

Updated with actuals through May 2023.

(D) 3rd Supplemental Update

Updated with actuals through June 2023.

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Line No	Impacted Income Statement Line Items	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity							
2	Other Revenue							
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4								
5	<u>Electric operating expenses:</u>							
6	Operation and maintenance:							
7	Fuel used in electric generation							
8	Purchased power							
9	Other operation and maintenance expense							
10	Depreciation and amortization	NC3070-1	\$ (40)	\$ (40)	\$ (36)	\$ (36)	\$ (10)	\$ (30)
11	General taxes							
12	Interest on customer deposits							
13	EDIT Amortization							
14	Net income taxes	NC3070-1	\$ 9	\$ 9	\$ 8	\$ 8	\$ 2	\$ 7
15	Amortization of investment tax credit							
16	Total electric operating expenses (sum(L7:L15))		\$ (31)	\$ (31)	\$ (27)	\$ (27)	\$ (8)	\$ (23)
17								
18	Operating income (L3-L16)		\$ 31	\$ 31	\$ 27	\$ 27	\$ 8	\$ 23
19	<u>Rate Base</u>	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
20	Electric plant in service	NC3070-1	\$ (562)	\$ (562)	\$ (389)	\$ (389)	\$ 655	\$ (1,217)
21	Accumulated depreciation and amortization	NC3070-1	\$ 471	\$ 471	\$ 471	\$ 471	\$ 470	\$ 0
22	Net electric plant in service (L20 + L21)	NC3070-1	\$ (91)	\$ (91)	\$ 82	\$ 82	\$ 1,125	\$ (1,216)
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ (91)	\$ (91)	\$ 82	\$ 82	\$ 1,125	\$ (1,216)

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<u>Line No.</u>	<u>Description</u>	<u>Total System</u>	<u>NC Retail Allocation</u>	<u>Total NC Retail</u>
1				
2	Remove Depreciation related to TEP assets	\$ (83) [1]	48.1470% [2]	\$ (40)
3	Impact to depreciation and amortization (L2)	\$ (83)		\$ (40)
4				
5	Statutory tax rate	23.3503% [3]		23.3503%
6	Impact to income taxes (-L3 x L5)	\$ 19		\$ 9
7				
8	Impact to operating income (-L3 - L6)	\$ 63		\$ 31
9				
10	Remove TEP assets electric plant in service	\$ (1,167) [1]	48.1470% [2]	\$ (562)
11	Remove TEP assets accumulated depreciation	977 [1]	48.1470% [2]	471
12	Impact to rate base (L10 + L11)	\$ (190)		\$ (91)

[1] NC3070-2 - Impacts
[2] NC Retail Allocation Factor - All Transmission Demand
[3] NC1010-4 2022 Calculation of Tax Rates, Line 10

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NC3070-2 Impacts
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Progress Cost to Achieve Asset Impacts

Line No.	Description	Plant in Service 12/31/2021	Current Rate	Calculated Annual Accrual	Actual 12ME Depr Booked	Difference
1	<u>Impact to Income Statement Line Items</u>					
2	Transmission - Gross Projects	\$ 28,849 [1]	2.23% [2]	\$ 643	\$ 647	\$ (4)
3	Transmission Expansion Projects (TEP) - Impairment Projects	(8,326) [1]	0.00% [2]	(647)	(647) [2]	-
4	Impact of TEP assets to depr exp in NC3010 (L2 + L3)	\$ 20,523		\$ (4)	\$ -	\$ (4)
5						
6						
7						
8						
9						
10	Transmission - Gross Projects	\$ 28,849 [1]	2.23% [2]	\$ 643	Proposed Rate 2.43% [3] \$ 701	Adjustment Amount \$ 58
11	Transmission Expansion Projects (TEP) - Impairment Projects	(8,326) [1]	0.00% [2]	-	0.00%	-
12	Impact of TEP assets to depr exp in NC3040 (L10 + L11)	\$ 20,523		\$ 643	\$ 701	\$ 58
13						
14						
15						
16						
17						
18	Impact of TEP assets to depr exp in NC3030	\$ 1,167 [1]			Proposed Rate 2.43% [3]	Depr. Exp \$ 28
19						
20	Impact to depreciation and amortization (L4 + L12 + L18)					\$ 83
21						
22						
23						
24						
25						
26	<u>Impact to Rate Base Line Items</u>					
27	Impact of TEP assets to electric plant in service in NC3030	\$ 1,167 [1]				\$ 1,167
28						
29	Impact of TEP assets to accumulated depreciation in NC3030-3	\$ (952) [1]				\$ (952)
30						
31						
32						
33						
34	Transmission - Gross Projects	\$ 26,807 [1]	2.23% [2]	\$ 598	Forecasted 12ME Depr Booked \$ 572 [1]	Difference \$ 26
35	Transmission Expansion Projects (TEP) - Impairment Projects	(5,117) [1]	0.00% [2]	(572)	(572) [1]	-
36	Impact of TEP assets to accum depr in NC3030-5 (L34 + L35)	\$ 21,690		\$ 26	\$ -	\$ (26)
37						
38	Impact to accumulated depreciation (L29 + L36)					\$ (977)
39						
40	Total net plant (L27 + L38)					\$ 190

[1] NC3070-3 - Balances

C1 [2] NC3010-2 - Adjustment to Annualize Depreciation Expense at December 31, 2021

B1 [3] NC3040-2 - Comparison of Current and Proposed Depreciation as of December 31, 2021

[4] Electric plant in service and accumulated depreciation balances at 12/31/2021 related to the Transmission Expansion Projects are excluded in COSS in lines 350-359 TRNSM PLANT-MITIGATION-EXCL and 108-111 AD-TRNSM-MITIGATION-EXCL.

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Progress Cost to Achieve - Monthly Asset Amounts

Line No.	Description	ACTUALS [1]														
		Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23
1																
2	<u>Electric Plant in Service - Balances</u>															
3	Transmission - Gross Projects	\$ 28,849	\$ 28,849	\$ 28,849	\$ 28,849	\$ 26,779	\$ 26,779	\$ 26,779	\$ 26,807	\$ 26,807	\$ 26,807	\$ 26,807	\$ 26,807	\$ 26,807	\$ 26,807	\$ 26,807
4	Transmission Expansion Projects (TEP) - Impairment Projects	(8,326)	(8,148)	(7,971)	(7,793)	(7,616)	(7,438)	(7,261)	(7,083)	(6,906)	(6,728)	(6,551)	(6,373)	(6,196)	(6,016)	(5,836)
5	Balance in Plant in Service related to Transmission Expansion Projects (TEP)	\$ 20,523	\$ 20,700	\$ 20,878	\$ 21,055	\$ 19,163	\$ 19,340	\$ 19,518	\$ 19,724	\$ 19,901	\$ 20,079	\$ 20,256	\$ 20,434	\$ 20,611	\$ 20,791	\$ 20,971
6																
7	<u>Accumulated Depreciation - Balances</u>															
8	Accumulated Depreciation related to Transmission Expansion Projects (TEP)	\$ (4,652)	\$ (4,708)	\$ (4,764)	\$ (4,820)	\$ (4,876)	\$ (4,928)	\$ (4,980)	\$ (5,032)	\$ (5,084)	\$ (5,136)	\$ (5,188)	\$ (5,240)	\$ (5,292)	\$ (5,344)	\$ (5,396)
9																
10	<u>Depreciation Expense - Activity</u>															
11	Depreciation Expense on Gross Projects	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52
12	Amortization of Impairment	(56)	(56)	(56)	(56)	(56)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(52)	(52)
13	Depreciation Expense related to Transmission Expansion Projects (TEP)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

A1 [1] Actual amounts provided by Duke Energy Carolinas - Asset Accounting
[2] Forecasted Plant in Service amounts provided by Duke Energy - Carolinas Planning and Forecasting

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust for Transmission Merger Mitigation Project
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC3070-3 Balances
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Compliance

Progress Cost to Achieve - Monthly Asset Amounts

Line No.	Description	Mar-23	Apr-23	May-23	Jun-23	Net Change
1						
2	<u>Electric Plant in Service - Balances</u>					
3	Transmission - Gross Projects	\$ 26,807	\$ 26,807	\$ 26,807	\$ 26,807	\$ (2,042)
4	Transmission Expansion Projects (TEP) - Impairment Projects	\$ (5,657)	\$ (5,477)	\$ (5,297)	\$ (5,117)	\$ 3,209
5	Balance in Plant in Service related to Transmission Expansion Projects (TEP)	\$ 21,151	\$ 21,330	\$ 21,510	\$ 21,690	\$ 1,167
6						
7	<u>Accumulated Depreciation - Balances</u>					
8	Accumulated Depreciation related to Transmission Expansion Projects (TEP)	\$ (5,448)	\$ (5,500)	\$ (5,552)	\$ (5,604)	\$ (952)
9						
10	<u>Depreciation Expense - Activity</u>					
11	Depreciation Expense on Gross Projects	\$ 52	\$ 52	\$ 52	\$ 52	\$ (4)
12	Amortization of Impairment	(52)	(52)	(52)	(52)	\$ 4
13	Depreciation Expense related to Transmission Expansion Projects (TEP)	\$ -	\$ -	\$ -	\$ -	

A1 [1] Actual amounts provided by Duke Energy Carolinas - Asset Accounting
[2] Forecasted Plant in Service amounts provided by Duke Energy - Carolinas Planning and Forecasting

DUKE ENERGY CAROLINAS, LLC
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Amortized Deferred Environmental ARO Costs
For the Test Period Ending December 31, 2021

E1-10
NC4010 Narrative
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E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro-forma adjusts amortization expense, income taxes and rate base for the amortization of deferred environmental costs related to the removal of coal ash.

The impact to depreciation expense reflects a 5 year amortization of deferred costs to remove coal ash costs. The balance of the deferral is projected through December 31, 2023 and includes a return during the deferral period.

The impact to Rate Base includes the additional deferred costs through December 31, 2022 and additional ADIT on the deferred balance change.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

- (A) December Update
Updated with actuals through December 2022.
- (B) 1st Supplemental Update
Updated with actuals through April 2023
- (C) 2nd Supplemental Update
Updated with actuals through May 2023 and changed cut off to June 2023
- (D) 3rd Supplemental Update
Updated with actuals through June 2023

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NC4010 Summary
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Line No	Impacted Income Statement Line Items	Source	[a]	[b]	[c]	[d]	[e]	[f]=[a]-[e]
			Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity							-
2	Other Revenue							-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4								-
5	<u>Electric operating expenses:</u>							
6	Operation and maintenance:							
7	Fuel used in electric generation							-
8	Purchased power							-
9	Other operation and maintenance expense							-
10	Depreciation and amortization	NC4010-1	\$ 33,853	\$ 33,853	\$ 34,152	\$ 37,049	\$ 39,914	(6,062)
11	General taxes							-
12	Interest on customer deposits							-
13	EDIT Amortization	NC4010-1	\$ (7,905)	\$ (7,905)	\$ (7,975)	\$ (8,651)	\$ (9,320)	1,415
14	Net income taxes							-
15	Amortization of investment tax credit							-
16	Total electric operating expenses (sum(L7:L15))		\$ 25,948	\$ 25,948	\$ 26,178	\$ 28,398	\$ 30,594	(4,646)
17								-
18	Operating income (L3-L16)		\$ (25,948)	\$ (25,948)	\$ (26,178)	\$ (28,398)	\$ (30,594)	4,646
19	<u>Rate Base</u>							
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC4010-1	\$ 135,411	\$ 135,411	\$ 136,610	\$ 148,197	\$ 159,657	(24,246)
25	Accumulated deferred income taxes	NC4010-1	\$ (31,619)	\$ (31,619)	\$ (31,899)	\$ (34,604)	\$ (37,280)	5,662
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ 103,792	\$ 103,792	\$ 104,711	\$ 113,592	\$ 122,377	(18,585)

DUKE ENERGY CAROLINAS, LLC
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Amortized Deferred Environmental ARO Costs
For the Test Period Ending December 31, 2021
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NC4010-1 Cal
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Compliance

Line No.	Description	Total Coal Ash ARO NC Retail
1		
2	Projected ending balance at December 31, 2023	\$ 338,971 [1]
3	Insurance Proceeds	(169,706) [3]
4	Balance for Amortization	<u>\$ 169,264</u>
5		
6	Years to Amortize	5
7		
8	Annual amortization (L4/L6)	\$ 33,853
9		
10	Statutory tax rate	23.35% [2]
11		
12	Impact to income taxes (-L8 x L10)	\$ (7,905)
13		
14	Impact to operating income (-L8 - L12)	<u>\$ (25,948)</u>
15		
16	<u>Impact to Rate Base</u>	
17		
18	Projected December 31, 2023 Balance for Rate Base (L4)	\$ 169,264
19	Less 12 months Coal Ash Deferral Amortization (-L8)	<u>(33,853)</u>
20	Projected coal ash def bal after one year of amortization (L18 + L19)	\$ 135,411
21		
22	Deferred tax rate	23.3503%
23	Impact to accumulated deferred income tax (-L20 x L22)	\$ (31,619)
24		
25	Impact to rate base (L20 + L23)	<u>\$ 103,792</u>

[1] NC4010-2 - ARO Deferral Col (k) line 48
[2] NC1010-4 2022 Calculation of Tax Rates, Line 10
[3] NC4010-6 Ins Proceeds Def Col (j) Line 48

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(Dollars in thousands)

E-7 Sub 1146 until Apr 2021
E-7 Sub 1214 from May 2021

After Tax
LTD Rate
0.140%
0.131%

After Tax
Equity Rate
0.429%
0.416%

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NC4010-2 ARO
Page 1 of 1
Compliance

Calculation of Deferral - Projected Ending Balance

Line No.	Month	System Spend (a)	% to NCR for Spend [1] (b)	E-7 Sub 1214 Settlement Agreement (c)	Beginning Balance (d)=(k) PM + (c)	Over Amort Tranche 1 (e)	NCR		Compounded Monthly		Total Return (j)=(h)+(i)	Ending Balance (k)=(d)+(e)+(f)+(j)
							NC Retail Spend (f)=(a)(x)(b)	Balance for Return (g)=(d)+(e)+(f)/2	Def. Cost of Debt (h)	Def. Cost of Equity (i)		
1	Jan-20	\$ -	0.668438		-		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Feb-20	12,910	0.668438		-		8,629	4,315	6	19	25	8,654
3	Mar-20	17,418	0.668438		8,654		11,643	14,475	20	62	82	20,379
4	Apr-20	15,840	0.668438		20,379		10,588	25,673	36	110	146	31,113
5	May-20	16,944	0.668438		31,113		11,326	36,776	52	158	209	42,649
6	Jun-20	12,471	0.668438		42,649		8,336	46,817	66	201	266	51,251
7	Jul-20	16,325	0.668438		51,251		10,912	56,707	79	243	323	62,486
8	Aug-20	12,958	0.668438		62,486		8,662	66,817	94	287	380	71,528
9	Sep-20	11,534	0.668438		71,528		7,710	75,382	106	323	429	79,666
10	Oct-20	11,266	0.668438		79,666		7,531	83,432	117	358	475	87,672
11	Nov-20	11,717	0.668438		87,672		7,832	91,588	128	393	521	96,025
12	Dec-20	12,522	0.668438		96,025		8,370	100,210	140	430	570	104,966
13	Jan-21	10,694	0.671865	(108,000) [3]	(3,034)		7,185	558	1	2	3	4,154
14	Feb-21	7,516	0.671865		4,154		5,050	6,679	9	29	38	9,241
15	Mar-21	15,026	0.671865		9,241		10,096	14,289	20	61	81	19,419
16	Apr-21	18,799	0.671865		19,419		12,630	25,734	36	110	146	32,195
17	May-21	18,001	0.671865		32,195		12,094	38,242	50	159	209	44,498
18	Jun-21	20,123	0.671865		44,498		13,520	51,259	67	213	280	58,299
19	Jul-21	11,906	0.671865		58,299		7,999	62,299	82	259	341	66,639
20	Aug-21	13,548	0.671865		66,639		9,102	71,190	93	296	389	76,131
21	Sep-21	13,290	0.671865		76,131		8,929	80,595	106	335	441	85,500
22	Oct-21	13,687	0.671865		85,500		9,196	90,098	118	375	493	95,189
23	Nov-21	17,850	0.671865		95,189		11,993	101,185	132	421	553	107,735
24	Dec-21	18,995	0.671865		107,735		12,762	114,116	149	475	624	121,122
25	Jan-22	10,258	0.672646		121,122		6,900	124,572	163	518	681	128,703
26	Feb-22	9,221	0.672646		128,703		6,203	131,804	173	548	721	135,626
27	Mar-22	16,236	0.672646		135,626		10,921	141,087	185	587	772	147,319
28	Apr-22	15,484	0.672646		147,319		10,415	152,527	200	635	834	158,569
29	May-22	15,780	0.672646		158,569		10,614	163,876	215	682	896	170,079
30	Jun-22	18,660	0.672646		170,079		12,552	176,355	231	734	965	183,595
31	Jul-22	18,745	[5]	0.672646	183,595		12,609	189,899	249	790	1,039	197,242
32	Aug-22	17,546	[5]	0.672646	197,242		11,803	203,144	266	845	1,111	210,156
33	Sep-22	15,379	[5]	0.672646	210,156		10,345	215,328	282	896	1,178	221,878
34	Oct-22	20,061	[5]	0.672646	221,878		13,494	228,425	299	950	1,249	236,421
35	Nov-22	17,253	[5]	0.672646	236,421		11,605	242,224	317	1,008	1,325	249,351
36	Dec-22	26,271	[5]	0.672646	249,351		17,671	258,187	338	1,074	1,412	268,434
37	Jan-23	9,237	[5]	0.672646	268,434		6,213	271,541	355	1,130	1,485	276,132
38	Feb-23	12,571	[5]	0.672646	276,132		8,456	280,360	367	1,166	1,533	286,122
39	Mar-23	14,734	[5]	0.672646	286,122		9,911	291,077	381	1,211	1,592	297,624
40	Apr-23	15,124	[5]	0.672646	297,624		10,173	302,711	396	1,259	1,656	309,453
41	May-23	17,370	[5]	0.672646	309,453		11,684	315,295	413	1,312	1,724	322,861
42	Jun-23	16,974	[5]	0.672646	322,861		11,417	328,569	430	1,367	1,797	336,075
43	Jul-23	-	[5]	0.672646	336,075		-	336,075	440	1,398	1,838	337,913
44	Aug-23	-			337,913	(8,062) [4]	-	329,851	432	1,372	1,804	331,655
45	Sep-23	-			331,655	[6]	-	331,655	434	1,380	1,814	333,469
46	Oct-23	-			333,469		-	333,469	437	1,387	1,824	335,293
47	Nov-23	-			335,293		-	335,293	439	1,395	1,834	337,127
48	Dec-23	-			337,127		-	337,127	441	1,402	1,844	338,971
47 Total		618,242		(108,000)		(8,062)	415,079				39,954	

[1] From NC4010-3 ARO Spend
 [2] Allocated based on Megawatt at generation from prior year as noted on NC4010-4 Alloc Factors
 [3] Docket E-7 Sub 1214 CCR Settlement DEC to forbear from seeking recovery of \$108 million on any regulatory asset it establishes and is found by the Commission to be prudently incurred and reasonable in order to defer for recovery Future CCR Costs
 [4] Docket E-7 Sub 1146 Proforma NC-1800 Amortization for Revenue Requirement
 [5] Forecast to be updated with actuals
 [6] Anticipated start of interim rates which would remove the amortization expense.

DUKE ENERGY CAROLINAS, LLC
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NC4010-3 ARO Spend
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Duke Energy Carolinas - System Spend - Coal Ash ARO [1]

Line No.	Month	2020 Actuals	2021 Actuals	2022 Actuals	2023 Actuals Thru June	2023 Forecast
1	January		10,694	10,258	9,237	
2	February	12,910	7,516	9,221	12,571	
3	March	17,418	15,026	16,236	14,734	
4	April	15,840	18,799	15,484	15,124	
5	May	16,944	18,001	15,780	17,370	
6	June	12,471	20,123	18,660	16,974	
7	July	16,325	11,906	18,745		
8	August	12,958	13,548	17,546		
9	September	11,534	13,290	15,379		
10	October	11,266	13,687	20,061		
11	November	11,717	17,850	17,253		
12	December	12,522	18,995	26,271		
13	Total	\$ 151,904	\$ 179,435	\$ 200,894	\$ 86,009	\$ -

Duke Energy Carolinas - System Spend - Coal Ash ARO by Station [1]

	2020 Actuals	2021 Actuals	2022 Actuals	2023 Actuals Thru June	Jun-23 Forecast
1 Allen	8,352	29,638	27,139	19,396	
2 Belews Creek	14,500	26,259	45,249	17,233	
3 Buck	63,397	14,017	14,577	5,284	
4 Cliffside	22,352	29,867	36,531	12,062	
5 Dan River	15,475	1,024	1,339	355	
6 WS Lee	6,509	22,258	33,854	7,472	
7 Marshall	18,566	55,836	41,846	24,009	
8 Riverbend	2,753	535	358	197	
Total	\$ 151,904	\$ 179,435	\$ 200,894	\$ 86,009	\$ -

[1] System spend excludes any amount for bottled water, and for any beneficial reuse recovered through the fuel clause.

Source: Duke Energy EHS & CCP Finance

DUKE ENERGY CAROLINAS, LLC
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NC4010-4 Alloc Factors
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Compliance

Allocation Factor - MWHs at Generation

		TOTAL SYSTEM	NORTH CAROLINA	SOUTH CAROLINA	WHOLESALE NORTH	WHOLESALE SOUTH
TOTAL KW Alloc %	2019	91,632,328	61,250,523 66.8438%	22,400,744 24.4463%	3,639,380 3.9717%	4,341,681 4.7382%
TOTAL KW Alloc %	2020	88,193,688	59,254,276 67.1865%	21,338,163 24.1947%	3,420,342 3.8782%	4,180,907 4.7406%
TOTAL KW Alloc %	2021	86,329,209	58,069,000 67.2646%	20,481,870 23.7253%	3,483,329 4.0349%	4,295,010 4.9752%

Source: Rates COS Study

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Amortized Deferred Environmental ARO Costs
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NC4010-5 Cost of Capital
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Weighted Average Cost of Capital

Duke Energy Carolinas, LLC
E-7, Sub 1146
For the test period ended December 31, 2016
Rates Effective August 2018

Description	Capital Structure	Cost/Return	Weighted Cost/Return	Income Taxes Factor	After Tax Return	Income Taxes Factor	Before Tax Return Excluding Gross Receipts Tax and Regulatory Fee
Long-term debt	48.00%	4.59%	2.20%	0.763381	1.68%	1.000000	2.2032%
Common equity	<u>52.00%</u>	9.90%	<u>5.15%</u>	1.000000	<u>5.15%</u>	0.763381	<u>6.7437%</u>
Total	<u>100.00%</u>		<u>7.35%</u>		<u>6.83%</u>		<u>8.95%</u>
Tax Rate 2020	23.662%						

Duke Energy Carolinas, LLC
E-7, Sub 1214
For the test period ended December 31, 2018
Rates Effective 6/1/2021

Description	Capital Structure	Cost/Return	Weighted Cost/Return	Income Taxes Factor	After Tax Return	Income Taxes Factor	Before Tax Return Excluding Gross Receipts Tax and Regulatory Fee
Long-term debt	48.00%	4.27%	2.05%	0.766497	1.57%	1.000000	2.0496%
Common equity	<u>52.00%</u>	9.60%	<u>4.99%</u>	1.000000	<u>4.99%</u>	0.766497	<u>6.5127%</u>
Total	<u>100.00%</u>		<u>7.04%</u>		<u>6.56%</u>		<u>8.56%</u>
Tax Rate 2021	23.350%						

*Effective date for application of new Capital structure **May 2021**

DUKE ENERGY CAROLINAS, LLC
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(dollars in thousands)

CONFIDENTIAL

After Tax
LTD Rate
2020 0.140%
2021 May 0.131%

After Tax
Equity Rate
0.429%
0.416%

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NC4010-6 Ins Proceeds Def
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Calculation of Insurance Proceeds to pass back to customers										Duke Energy Carolinas Coal Ash Deferral (North Carolina Retail)			
Line No.	Month	System Proceeds (a)	% to NCR [1] for Spend [2] (b)	NC Retail Proceeds (c)=(a)x(b)	NC Retail Cumulative Proceeds	Proceeds per Settlement (d)	Beginning Balance (e)=(k) PM + (d)	NCR Balance for Return (f)=(e)+(d)/2	Compounded		Total Return (i)=(g)+(h)	Ending Balance (j)=(d)+(e)+(i)	
									Monthly Def. Cost of Debt (g)	Def. Cost of Equity (h)			
1	Jan-20	\$ -	0.668438	\$ -	\$ -	-	-	-	-	-	-	-	
2	Feb-20	-	0.668438	-	-	-	-	-	-	-	-	-	
3	Mar-20	-	0.668438	-	-	-	-	-	-	-	-	-	
4	Apr-20	-	0.668438	-	-	-	-	-	-	-	-	-	
5	May-20	-	0.668438	-	-	-	-	-	-	-	-	-	
6	Jun-20	-	0.668438	-	-	-	-	-	-	-	-	-	
7	Jul-20	-	0.668438	-	-	-	-	-	-	-	-	-	
8	Aug-20	-	0.668438	-	-	-	-	-	-	-	-	-	
9	Sep-20	-	0.668438	-	-	-	-	-	-	-	-	-	
10	Oct-20	-	0.668438	-	-	-	-	-	-	-	-	-	
11	Nov-20	-	0.668438	-	-	-	-	-	-	-	-	-	
12	Dec-20	-	0.668438	-	-	-	-	-	-	-	-	-	
13	Jan-21	-	0.671865	-	-	-	-	-	-	-	-	-	
14	Feb-21	-	0.671865	-	-	-	-	-	-	-	-	-	
15	Mar-21	-	0.671865	-	-	-	-	-	-	-	-	-	
16	Apr-21	-	0.671865	-	-	-	-	-	-	-	-	-	
17	May-21	-	0.671865	-	-	-	-	-	-	-	-	-	
18	Jun-21	-	0.671865	-	-	-	-	-	-	-	-	-	
19	Jul-21	-	0.671865	-	-	-	-	-	-	-	-	-	
20	Aug-21	-	0.671865	-	-	-	-	-	-	-	-	-	
21	Sep-21	-	0.671865	-	-	-	-	-	-	-	-	-	
22	Oct-21	-	0.671865	-	-	-	-	-	-	-	-	-	
23	Nov-21	-	0.671865	-	-	-	(147,269)	(147,269)	(193)	(613)	(805)	(148,074)	
24	Dec-21	-	0.671865	-	-	-	(148,074)	(148,074)	(194)	(616)	(810)	(148,884)	
25	Jan-22	-	0.672646	-	-	-	(148,884)	(148,884)	(195)	(619)	(814)	(149,698)	
26	Feb-22	-	0.672646	-	-	-	(149,698)	(149,698)	(196)	(623)	(819)	(150,517)	
27	Mar-22	-	0.672646	-	-	-	(150,517)	(150,517)	(197)	(626)	(823)	(151,340)	
28	Apr-22	-	0.672646	-	-	-	(151,340)	(151,340)	(198)	(630)	(828)	(152,168)	
29	May-22	-	0.672646	-	-	-	(152,168)	(152,168)	(199)	(633)	(832)	(153,000)	
30	Jun-22	-	0.672646	-	-	-	(153,000)	(153,000)	(200)	(636)	(837)	(153,837)	

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortized Deferred Environmental ARO Costs
For the Test Period Ending December 31, 2021
(dollars in thousands)

CONFIDENTIAL

After Tax
LTD Rate
2020 0.000%
2021 May 0.000%

After Tax
Equity Rate
0.000%
0.000%

E1-10
NC4010-6 Ins Proceeds Def
Page 2 of 2
Compliance

Calculation of Insurance Proceeds to pass back to customers					Duke Energy Carolinas Coal Ash Deferral (North Carolina Retail)							
Line No.	Month	System Proceeds (a)	% to NCR [1] for Spend [2] (b)	NC Retail Proceeds (c)=(a)x(b)	NC Retail Cumulative Proceeds	Proceeds per Settlement (d)	Beginning Balance	NCR Balance for Return	Compounded Monthly Def. Cost of Debt	Def. Cost of Equity	Total Return	Ending Balance
							(e)=(k) PM + (d)	(f)=(e)+(d)/2	(g)	(h)	(i)=(g)+(h)	(j)=(d)+(e)+(i)
31	Jul-22		0.672646	-			(153,837)	(153,837)	(201)	(640)	(841)	(154,678)
32	Aug-22		0.672646	-			(154,678)	(154,678)	(203)	(643)	(846)	(155,524)
33	Sep-22		0.672646	-			(155,524)	(155,524)	(204)	(647)	(851)	(156,375)
34	Oct-22		0.672646	-			(156,375)	(156,375)	(205)	(651)	(855)	(157,230)
35	Nov-22		0.672646	-			(157,230)	(157,230)	(206)	(654)	(860)	(158,090)
36	Dec-22		0.672646	-			(158,090)	(158,090)	(207)	(658)	(865)	(158,955)
37	Jan-23			-			(158,955)	(158,955)	(208)	(661)	(869)	(159,824)
38	Feb-23			-			(159,824)	(159,824)	(209)	(665)	(874)	(160,698)
39	Mar-23			-			(160,698)	(160,698)	(210)	(669)	(879)	(161,577)
40	Apr-23			-			(161,577)	(161,577)	(212)	(672)	(884)	(162,461)
41	May-23			-			(162,461)	(162,461)	(213)	(676)	(889)	(163,349)
42	Jun-23			-			(163,349)	(163,349)	(214)	(680)	(893)	(164,243)
43	Jul-23			-			(164,243)	(164,243)	(215)	(683)	(898)	(165,141)
44	Aug-23			-			(165,141)	(165,141)	(216)	(687)	(903)	(166,044)
45	Sep-23			-			(166,044)	(166,044)	(217)	(691)	(908)	(166,952)
46	Oct-23			-			(166,952)	(166,952)	(219)	(695)	(913)	(167,865)
47	Nov-23			-			(167,865)	(167,865)	(220)	(698)	(918)	(168,783)
48	Dec-23			-			(168,783)	(168,783)	(221)	(702)	(923)	(169,706)
47 Total											(23,624)	

[1] From NC4010-7 Insurance Proceeds
[2] Allocated based on Megawatt at generation from prior year as noted on NC4010-4 Alloc Factors

DUKE ENERGY CAROLINAS, LLC
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Remove Expiring Amortizations
For the Test Period Ending December 31, 2021

E1-10
NC5010 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

The impact to other O&M, and depreciation and amortization reflects the elimination of test year costs for regulatory assets that will be fully amortized before the anticipated rates effective date of January 1, 2024.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

The adjustment to working capital eliminates the expiring regulatory assets balances as of 12/31/2021.

The adjustment to accumulated deferred taxes adjusts the tax effect recorded in the test period for the changes in the regulatory assets.

DUKE ENERGY CAROLINAS, LLC
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E1-10
NC5010 Summary
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Compliance

Line No	Impacted Income Statement Line Items	Source	[a]		[b]		[c] = [a] - [b]	
			Total NC Retail	ARO CCR Total NC Retail	Total NC Retail	ARO CCR Total NC Retail	Total NC Retail	ARO CCR Total NC Retail
			Compliance		Application		Change	
1	Sales of Electricity		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenue							
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4								
5	<u>Electric operating expenses:</u>							
6	Operation and maintenance:							
7	Fuel used in electric generation							
8	Purchased power							
9	Other operation and maintenance expense	NC5010-1	(22,142)		(22,142)		-	-
10	Depreciation and amortization	NC5010-1	(5,220)	(110,743)	(5,220)	(110,743)	-	-
11	General taxes							
12	Interest on customer deposits							
13	EDIT Amortization							
14	Net income taxes	NC5010-1	6,389	25,859	6,389	25,859	-	-
15	Amortization of investment tax credit							
16	Total electric operating expenses (sum(L7:L15))		\$ (20,973)	\$ (84,884)	\$ (20,973)	\$ (84,884)	\$ -	\$ -
17								
18	Operating income (L3-L16)		\$ 20,973	\$ 84,884	\$ 20,973	\$ 84,884	\$ -	\$ -
			Total NC Retail	Total NC Retail	Total NC Retail	Total NC Retail	Total NC Retail	Total NC Retail
			Compliance	Application	Change	Change	Change	Change
19	<u>Rate Base</u>							
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC5010-1	\$ -	(175,343)	\$ -	(175,343)	\$ -	\$ -
25	Accumulated deferred income taxes	NC5010-1	\$ -	40,943	\$ -	40,943	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	(134,400)	\$ -	(134,400)	\$ -	\$ -

DUKE ENERGY CAROL NAS, LLC
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Remove Expiring Amortizations
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E1-10
NC5010-1 Calculation
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Compliance

Line No	Description	NC5010-2 Severance	NC5010-3 Buck	NC5010-4 Rate Case Costs	NC5010-5 CCR ARO	Total NC Retail
1	<u>Impact to Income Statement Line items</u>					
2	Other operations and maintenance expense	\$ (21,685)		\$ (457)		\$ (22,142)
3						
4	Depreciation and amortization		\$ (5,220)		\$ (110,743)	\$ (115,963)
5						
6	Taxable income (-L2 - L4)	\$ 21,685	\$ 5,220	\$ 457	\$ 110,743	\$ 138,105
7	Statutory tax rate	23.3503% [1]	23.3503%	23.3503%	23.3503%	23.3503%
8	Impact to income taxes (L6 x L7)	\$ 5,063	\$ 1,219	\$ 107	\$ 25,859	\$ 32,248
9						
10	Impact to operating income (L6 - L8)	\$ 16,621	\$ 4,001	\$ 350	\$ 84,884	\$ 105,857
11						
12	<u>Impact to Rate Base Line Items</u>					
13	Severance					\$ -
14	Buck					-
15	Rate Case Costs					-
16	CCR ARO				\$ (175,343)	(175,343)
17	Impact to working capital (Sum L13 : L16)	\$ -	\$ -	\$ -	\$ (175,343)	\$ (175,343)
18						
19	Deferred tax rate	23.3503% [1]	23.3503%	23.3503%	23.3503%	
20	Impact to accumulated deferred income tax (-L17 x 19)	\$ -	\$ -	\$ -	\$ 40,943	\$ 40,943
21						
22	Impact to rate base (L17 + L20)	\$ -	\$ -	\$ -	\$ (134,400)	\$ (134,400)

[1] NC1010-4 - 2022 Calculation of Tax Rates - Statutory Tax Rate, Line 10

DUKE ENERGY CAROLINAS, LLC
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Remove Expiring Amortizations
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E1-10
NC5010-2 Severance
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Compliance

Severance

<u>Line No.</u>	<u>Line item</u>	<u>Account</u>	<u>Test year Amortization</u>
1	E-7 Sub 1214 Severance Amortization	0920002 - NC O&M Labor Deferral	\$ 21,685 [1]
2			
3			
4			
5	<u>Remaining Balance as of</u>		<u>12/31/2021</u>
6	E-7 Sub 1214 Severance	0182587 - Deferred Severance Charges	35,675 [2] [3]

[1] E-7 Sub 1214 Proforma NC2000 Amortize Severance Costs.
[2] Per E-7 Sub 1214 settlement agreement, balance was not included in rate base.
[3] Over amortization was applied against Rate case costs. See proforma NC5020 Amortize rate case costs. Balance Fully Amortizes August 2023.

DUKE ENERGY CAROLINAS, LLC
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E1-10
NC5010-3 Buck
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Compliance

E-7 Sub 1026 Buck Early Retired plant

Line No.	Account	Test year Amortization
1	0407381 - Retired Plant Amort - Retail	\$ 4,701 [1]
2	0407369 - Buck Retired Plant Amort-NC	520 [1]
3	Total Amortization	\$ 5,220
4		
5		<u>12/31/2021</u>
6	0182236 - Early Retired Plant	5,876 [1] [2]

[1] Trial balance

[2] Amortization expires in March, 2023. Over amortization was applied to Allen (see proforma NC5060 Amortize Allen NBV). Balance is not in rate base due to levelized recovery.

DUKE ENERGY CAROLINAS, LLC
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(Dollars in thousands)

E1-10
NC5010-4 Rate Case
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Compliance

Rate Case Expense and Regulatory Fee Amortizations

Line No.	Description	Annual Amortization	
1	<u>Rate Case</u>		
2	E7- Sub 989	\$ 247	[1] Expiring
3	E7- Sub 1026	210	[1] Expiring
4	E7 - Sub 1146	525	Not expiring
5	E7 - Sub 1214	801	Not expiring
6	Rate Case Cost Amortization	\$ 1,783	
7			
8	<u>Remaining Balance as of</u>	<u>12/31/2021</u>	
9	<u>Rate Case</u>		
10	E7- Sub 989	\$ -	Expiring
11	E7- Sub 1026	-	Expiring
12	E7 - Sub 1146	5,017	[2] Not expiring
13	E7 - Sub 1214	2,920	Not expiring / not in rate base
14	Total Rate case Deferred Balance	\$ 7,937	[3]

[1] Amortization expired February 2021. Over amortization was applied to E-7 Sub 1146.

[2] Ties to COS account 182 ORA-RATE CASE COSTS-D/A NC Retail

[3] Ties to the Trial Balance sum of accounts 0182323 and 0182433

DUKE ENERGY CAROLINAS, LLC
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Remove Expiring Amortizations
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E1-10
NC5010-5 CCR ARO
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Compliance

ARO Coal Ash Amortization

Line No.	Docket	Test year Amortization	
1	E-7 Sub 1146	\$ 110,743	[1] Expiring
2	E-7 Sub 1214	19,778	[2] Not expiring
3	0407324 - NC & MW Coal As Amort Exp	\$ 130,521	[3]
4			
5			
6	<u>Remaining Rate Base Balance as of</u>	<u>12/31/2021</u>	
7	E-7 Sub 1146	\$ 175,343	Expiring
8	E-7 Sub 1214	149,750	Not Expiring
9	0182506 - Spend RA Amortization (NC&MW)	\$ 325,093	[3]

- [1] Docket E-7 Sub 1146 NC1800(F) - Update Amortize deferred environmental costs
- [2] Docket E-7 Sub 1214 Proforma NC1100(CA) - Amortize deferred environmental costs
- [3] Trial balance

Note: Over amortization was applied against balance being requested in this case. See proforma NC4010 - Amortized Deferred Environmental Cost tab NC4010-2 ARO Deferral column (e).

Balance fully amortized July 2023.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize Rate Case Costs
For the Test Period Ending December 31, 2021

E1-10
NC5020 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This proforma adjusts operation and maintenance expense and income taxes for the amortization of rate case costs for Docket No. E-7, Sub 1214 and for Docket E-7, Sub 1276.

The rate case costs requested for recovery are offset by applying over-amortization of severance to reduce the balance.

Rate case costs associated with Docket E-7 Sub 1276 include actual costs incurred through September 2022 and a projection of costs through rates effective date.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update
Updated actuals through April 2023

(C) 2nd Supplemental Update
Updated actuals through May 2023
Updated to include over amortizations

(D) 3rd Supplemental Update
Updated actuals through June 2023
Updated projection.

(S4) Supplemental Partial Settlement
Removed application of severance over-amortization
Removed rate case expense from rate base

(CO) Compliance
Updated for actuals through the Supplemental Proposed Order

DUKE ENERGY CAROLINAS, LLC
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E1-10
NC5020 Summary
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Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Supplemental Partial Settlement	Total NC Retail Third Supplemental	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenue		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4									
5	<u>Electric operating expenses</u>								
6	Operation and maintenance								
7	Fuel used in electric generation								
8	Purchased power								
9	Other operation and maintenance expense	NC5020-1	\$ 5,415	\$ 6,485	\$ 6,329	\$ 4,815	\$ 5,200	\$ 3,701	\$ 1,713
10	Depreciation and amortization								
11	General taxes								
12	Interest on customer deposits								
13	EDIT Amortization								
14	Net income taxes	NC5020-1	\$ (1,264)	\$ (1,514)	\$ (1,478)	\$ (1,124)	\$ (1,214)	\$ (864)	\$ (400)
15	Amortization of investment tax credit								
16	Total electric operating expenses (sum(L7 L15))		\$ 4,150	\$ 4,971	\$ 4,852	\$ 3,691	\$ 3,986	\$ 2,837	\$ 1,313
17									
18	Operating income (L3-L16)		\$ (4,150)	\$ (4,971)	\$ (4,852)	\$ (3,691)	\$ (3,986)	\$ (2,837)	\$ (1,313)
19	<u>Rate Base</u>								
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC5020-1	\$ (7,687)	\$ (7,687)	\$ 4,972	\$ 1,944	\$ 2,714	\$ (284)	\$ (7,402)
25	Accumulated deferred income taxes	NC5020-1	\$ 1,795	\$ 1,795	\$ (1,161)	\$ (454)	\$ (634)	\$ 66	\$ 1,728
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22 L23,L24,L25 L27))		\$ (5,892)	\$ (5,892)	\$ 3,811	\$ 1,490	\$ 2,080	\$ (218)	\$ (5,674)

DUKE ENERGY CAROLINAS, LLC
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NC5020-1 Calc
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Line No.	Description	Total NC Retail
1	NC Retail actual expenses incurred - Docket No. E-7 Sub 1214	\$ 6,990 [1]
2	NC Retail actual expenses incurred - Docket No. E-7 Sub 1276	10,409 [2]
3	NC Retail Projection remaining through rates effective date	- [2]
4	NC Retail rate case expenses total	\$ 17,399
5		
6	Severance - over-amortiza ion	-
7	Docket No. E-7 Sub 989 - over-amortization	(620) [3]
8	Docket No. E-7 Sub 1026 - over-amortiza ion	(535) [3]
9	Total over-amortization	\$ (1,155)
10		
11	Adjusted NC Retail rate case expenses (L4 + L9)	\$ 16,244
12	Amortization period in years	3
13	Impact to O&M (L11 / L12)	\$ 5,415
14		
15	Statutory tax rate	23.3503% [4]
16	Impact to income taxes (-L13 x L15)	\$ (1,264)
17		
18	Impact to operating income (-L13 - L16)	\$ (4,150)
19		
20	<u>Impact to Rate Base</u>	<u>NC Retail</u>
21		
22	Deferral of NC Retail rate case expenses (L11)	\$ -
23	Less amounts included in 12/31/2021 rate base balance	(7,687)
24	Less first year of amortization (-L13)	-
25	Projected Working Capital after first year of amor ization (L22 + L23 + L24)	\$ (7,687)
26		
27	Adjustment to Working Capital (L25)	\$ (7,687)
28		
29	Change in ADIT on Working Capital (-L27 x L15)	\$ 1,795

[1] NC5020-3 - NC Retail Rate Case Expenses Incurred - Docket No. E-7 Sub 1214
[2] NC5020-2 - NC Retail Rate Case Expenses Incurred - Docket No. E-7 Sub 1276
[3] NC5020-4 - Over Amortization
[4] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
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Amortize Rate Case Costs
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NC5020-2 E-7 Sub 1276
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NC Retail Rate Case Expenses Incurred - Docket No. E-7 Sub 1276

Account & Descr: 0186195 - DEFERRED RATE CASE EXPENSE
OU & Descr: NCRD - Carolinas Rates - DEC
Process: NCRC19

Line	No.	Year	NCRC19	
	1	2020 Expenses	\$ 28,912	[1]
	2	2021 Expenses	\$ 430,416	[1]
	3			
	4	Jan 2022	29,240	[1]
	5	Feb 2022	101,895	[1]
	6	Mar 2022	306,419	[1]
	7	Apr 2022	70,382	[1]
	8	May 2022	85,644	[1]
	9	Jun 2022	76,950	[1]
	10	Jul 2022	623,288	[1]
	11	Aug 2022	368,958	[1]
	12	Sep 2022	391,248	[1]
	13	Oct 2022	287,706	[1]
	14	Nov 2022	301,557	[1]
	15	Dec 2022	332,569	[1]
	16	<i>Subtotal 2022 expenses</i>	\$ 2,975,857	
	17	Jan 2023	\$ 112,782	
	18	Feb 2023	\$ 316,932	
	19	Mar 2023	\$ 229,215	
	20	Apr 2023	\$ 304,942	
	21	May 2023	\$ 416,001	
	22	Jun 2023	\$ 556,074	
	23	Jul 2023	\$ 820,330	
	24	Aug 2023	\$ 1,424,442	
	25	Sep 2023	\$ 862,404	
	26	Oct 2023	\$ 1,769,814	
	27	Nov 2023	\$ 160,657	
	28	<i>Subtotal 2023 expenses</i>	\$ 6,973,596	
	29			
	30	Actuals Total (L1 + L2 + L13)	\$ 10,408,781	
	31			
	32	<i>Projected expenses remaining through supplemental proposed order</i>	-	[1]
	33			
	34	Total NC rate case expenses	<u>\$ 10,408,781</u>	

[1] Duke Energy Carolinas - Rate Case Charges and Projection Summary

DUKE ENERGY CAROLINAS, LLC
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Amortize Rate Case Costs
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Calculation of Additional Rate Case Expenses associated with Docket No. E-7 Sub 1214

Account & Descr: 0186195 - DEFERRED RATE CASE EXPENSE
OU & Descr: NCRD - Carolinas Rates - DEC
Process: NCRC18 and NCRTCSE

Line No.	Year		
1		Total actual North Carolina rate case expenses for Docket No. E-7 Sub 1214 through January 2020 capital cutoff - per NCUC Order	\$ 3,185,504 [1]
2		Additional 2020 Expenses incurred	6,996,314 [2]
3		Additional 2021 Expenses incurred	<u>812,933 [2]</u>
4		Total NC rate case expenses for rate case Docket No. E-7 Sub 1214 from inception (L1 + L2 + L3)	\$ 10,994,751
5		Less: Revenue requirement for rate case costs in Docket No E-7, Sub 1214 per Order	<u>\$ (4,005,000) [3]</u>
6		Total remaining requested for recovery for rate case expenses incurred for Docket No. E-7 Sub 1214 - February 2020 through December 2021, excludes accruals	<u>\$ 6,989,751</u>

[1] Docket No. E-7 Sub 1214 proforma NC1600(g) Amortize rate case cost NC Retail expenses incurred through January 2020

[2] Represents rate case costs since the capital cutoff in Docket No E-7 Sub 1214

[3] Docket No. E-7 Sub 1214 proforma NC1600(g) Amortize rate case cost NC Retail rate case expenses total

DUKE ENERGY CAROL NAS, LLC
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Amortize Rate Case Costs
For the Test Period Ending December 31, 2021
(Amounts in dollars)

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NC5020-4 Over Amortization
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NC Retail Calculation of Over-amortizations

	E-7 Sub 989 Rate Case Costs [1]		E-7 Sub 1026 Rate Case Costs [2]	
	Amortization	Balance	Amortization	Balance
1		285,827		235,210
2				
3				
4	12/31/2019			
5	1/31/2020	(20,583)	(17,500)	217,710
6	2/29/2020	(20,583)	(17,500)	200,210
7	3/31/2020	(20,583)	(17,500)	182,710
8	4/30/2020	(20,583)	(17,500)	165,210
9	5/31/2020	(20,583)	(17,500)	147,710
10	6/30/2020	(20,583)	(17,500)	130,210
11	7/31/2020	(20,583)	(17,500)	112,710
12	8/31/2020	(20,583)	(17,500)	95,210
13	9/30/2020	(20,583)	(17,500)	77,710
14	10/31/2020	(20,583)	(17,500)	60,210
15	11/30/2020	(20,583)	(17,500)	42,710
16	12/31/2020	(20,583)	(17,500)	25,210
17	1/31/2021	(20,583)	(17,500)	7,710
18	2/28/2021	(20,583)	(17,500)	(9,790)
19	3/31/2021	(20,583)	(17,500)	(27,290)
20	4/30/2021	(20,583)	(17,500)	(44,790)
21	5/31/2021	(20,583)	(17,500)	(62,290)
22	6/30/2021	(20,583)	(17,500)	(79,790)
23	7/31/2021	(20,583)	(17,500)	(97,290)
24	8/31/2021	(20,583)	(17,500)	(114,790)
25	9/30/2021	(20,583)	(17,500)	(132,290)
26	10/31/2021	(20,583)	(17,500)	(149,790)
27	11/30/2021	(20,583)	(17,500)	(167,290)
28	12/31/2021	(20,583)	(17,500)	(184,790)
29	1/31/2022	(20,583)	(17,500)	(202,290)
30	2/28/2022	(20,583)	(17,500)	(219,790)
31	3/31/2022	(20,583)	(17,500)	(237,290)
32	4/30/2022	(20,583)	(17,500)	(254,790)
33	5/31/2022	(20,583)	(17,500)	(272,290)
34	6/30/2022	(20,583)	(17,500)	(289,790)
35	7/31/2022	(20,583)	(17,500)	(307,290)
36	8/31/2022	(20,583)	(17,500)	(324,790)
37	9/30/2022	(20,583)	(17,500)	(342,290)
38	10/31/2022	(20,583)	(17,500)	(359,790)
39	11/30/2022	(20,583)	(17,500)	(377,290)
40	12/31/2022	(20,583)	(17,500)	(394,790)
41	1/31/2023	(20,583)	(17,500)	(412,290)
42	2/28/2023	(20,583)	(17,500)	(429,790)
43	3/31/2023	(20,583)	(17,500)	(447,290)
44	4/30/2023	(20,583)	(17,500)	(464,790)
45	5/31/2023	(20,583)	(17,500)	(482,290)
46	6/30/2023	(20,583)	(17,500)	(499,790)
47	7/31/2023	(20,583)	(17,500)	(517,290)
48	8/31/2023	(20,583)	(17,500)	(534,790)

[1] Calculation of the Docket No. E-7 Sub 989 rate case costs overamortization balance as of the anticipated date of implementing interim rates.

[2] Calculation of the Docket No. E-7 Sub 1026 rate case costs overamortization balance as of the anticipated date of implementing interim rates.

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NC5030 Narrative
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E1- Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts rate base for the deferred asset resulting from NC Non-ARO environmental costs in service from 2/1/2020 until new rates are effective 1/1/2024.

The impact to amortization expense is determined by dividing the NC Retail asset by the amortization period of 6 years.

The impact to rate base is determined by reducing the asset for one year of amortization and related ADIT.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update
Updated to reflect actuals through April 2023.

(C) 2nd Supplemental Update
Updated to reflect actuals through May 2023.

(D) 3rd Supplemental Update
Updated to reflect actuals through June 2023.

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NC5030 Summary
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Line No	Impacted Income Statement Line Items	Source	Total	Total	Total	Total	Total	Total
			NC Retail	NC Retail	NC Retail	NC Retail	NC Retail	NC Retail
			Compliance	Third Supplemental	Second Supplemental	Supplemental	Application	Change
1	Sales of Electricity							-
2	Other Revenue							-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4								-
5	<u>Electric operating expenses:</u>							
6	Operation and maintenance:							
7	Fuel used in electric generation							-
8	Purchased power							-
9	Other operation and maintenance expense							-
10	Depreciation and amortization	NC5030-1	\$ 1,214	\$ 1,214	\$ 1,214	\$ 1,214	\$ 1,214	0
11	General taxes							-
12	Interest on customer deposits							-
13	EDIT Amortization							-
14	Net income taxes	NC5030-1	(283)	(283)	(283)	(283)	(283)	(0)
15	Amortization of investment tax credit							-
16	Total electric operating expenses (sum(L7:L15))		\$ 930	\$ 930	\$ 930	\$ 930	\$ 930	0
17								
18	Operating income (L3-L16)		\$ (930)	\$ (930)	\$ (930)	\$ (930)	\$ (930)	(0)
19	<u>Rate Base</u>							
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC5030-1	\$ 6,070	\$ 6,070	\$ 6,070	\$ 6,070	\$ 6,070	0
25	Accumulated deferred income taxes	NC5030-1	\$ (1,417)	\$ (1,417)	\$ (1,417)	\$ (1,417)	\$ (1,417)	(0)
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ 4,652	\$ 4,652	\$ 4,652	\$ 4,652	\$ 4,652	0

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Line No.	Description	Total NC Retail
1		
2	<u>Impact to income statement line items</u>	
3	Projected ending balance at December 31, 2023 - Tranche 2	\$ 8 [1]
4	Projected ending balance at December 31, 2023 - Tranche 3	<u>7,276 [2]</u>
5	Total balance for deferral (L3 + L4)	\$ 7,284
6	Years to amortize	<u>6</u>
7	Impact to depreciation and amortization (L5 / L6)	\$ 1,214
8		
9	Statutory tax rate	<u>23.3503% [3]</u>
10	Impact to income taxes (-L7 x L9)	\$ (283)
11		
12	Impact to operating income (-L7 - L10)	<u>\$ (930)</u>
13		
14	<u>Impact to rate base line items</u>	
15	Regulatory asset for new deferral (L5)	\$ 7,284
16	Less first year of amortization (-L7)	<u>(1,214)</u>
17	Impact to working capital investment (L15 + L16)	\$ 6,070
18		
19	Deferred tax rate	<u>23.3503% [3]</u>
20	Impact to accumulated deferred income tax (-L17 x L19)	\$ (1,417)
21		
22	Impact to rate base (L17 + L20)	<u>\$ 4,652</u>

[1] NC5030-2 NC Retail Deferred Non-ARO Environmental Costs Regulatory Asset - Tranche 2, Line 54
[2] NC5030-3 NC Retail Deferred Non-ARO Environmental Costs Regulatory Asset - Tranche 3, Line 75
[3] NC1010-4 2022 Calculation of Tax Rates, Line 10

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	Pre Tax LTD Rate r	Pre Tax Equity Rate s
Eff. Through 3/2021 [5]	2.20%	6.72%
Effective 4/2021 [5]	2.05%	6.51%

NC Retail Deferred Non-ARO Environmental Costs Return on Plant - Tranche 2

Line No.	Month	System				Net Plant d=PMd+a-b-c	NC Retail Allocation e [4]	Net Plant f=d*e	Balance for Return g=(PMf+f)/2	Pre Tax Debt Return h=g*r/12	Pre Tax Equity Return i=g*s/12	Total Return on Investment j=h+i
		Plant Additions a [1]	Depreciation Expense b [2]	Bonus Depr Deferred Tax c [3]								
1	Feb-2020	163,171	-	10,356	152,815	67.0007%	102,387	51,194	94	287	381	
2	Mar-2020	12,635	446	1,178	163,826	67.0007%	109,765	106,076	195	594	788	
3	Apr-2020	1,501	481	0	164,846	67.0007%	110,448	110,107	202	616	818	
4	May-2020	129	485	(0)	164,490	67.0007%	110,210	110,329	203	617	820	
5	Jun-2020	-	485	-	164,005	67.0007%	109,885	110,047	202	616	818	
6	Jul-2020	-	485	-	163,520	67.0007%	109,559	109,722	201	614	816 [6]	

NC Retail Deferred Non-ARO Environmental Costs Regulatory Asset - Tranche 2

Line No.	Month	NC Retail						After Tax LTD Rate t	After Tax Equity Rate u		
		Beginning Balance k=PMq	Return on Investment l=j	Depreciation Expense m=b*e	Balance for Return n=k+(l+m)/2	After Tax Debt Return o=n*t/12	After Tax Equity Return p=n*u/12			Ending Balance q=k+l+m+o+p	
7	Feb-2020	-	381	-	190	0	1	382	Eff. Thru 3/2021 [1]	1.69%	5.15%
8	Mar-2020	382	788	299	925	1	4	1,474	Effective 4/2021 [1]	1.57%	4.99%
9	Apr-2020	1,474	818	322	2,044	3	9	2,626			
10	May-2020	2,626	820	325	3,199	5	14	3,790			
11	Jun-2020	3,790	818	325	4,361	6	19	4,957			
12	Jul-2020	4,957	816	325	5,528	8	24	6,130			
13	Aug-2020	6,130			6,130	9	26	6,165			
14	Sep-2020	6,165			6,165	9	26	6,200			
15	Oct-2020	6,200			6,200	9	27	6,235			
16	Nov-2020	6,235			6,235	9	27	6,271			
17	Dec-2020	6,271			6,271	9	27	6,306			
18	Jan-2021	6,306			6,306	9	27	6,342			
19	Feb-2021	6,342			6,342	9	27	6,378			
20	Mar-2021	6,378			6,378	9	27	6,415			
21	Apr-2021	6,415			6,415	8	27	6,450			
22	May-2021	6,450			6,450	8	27	6,485			
23	Jun-2021	6,485			6,485	8	27	6,520			
24	Jul-2021	6,520			6,520	9	27	6,556			
25	Aug-2021	6,556			6,556	9	27	6,592			
26	Sep-2021	6,592			6,592	9	27	6,628			
27	Oct-2021	6,628			6,628	9	28	6,664			
28	Nov-2021	6,664			6,664	9	28	6,701			
29	Dec-2021	6,701			6,701	9	28	6,737			
30	Jan-2022	6,737			6,737	9	28	6,774			
31	Feb-2022	6,774			6,774	9	28	6,811			
32	Mar-2022	6,811			6,811	9	28	6,849			
33	Apr-2022	6,849			6,849	9	28	6,886			
34	May-2022	6,886			6,886	9	29	6,924			
35	Jun-2022	6,924			6,924	9	29	6,962			

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NC Retail Deferred Non-ARO Environmental Costs Regulatory Asset - Tranche 2 continued

Line No.	Month	NC Retail							After Tax LTD Rate t	After Tax Equity Rate u
		Beginning Balance k=PMq	Return on Investment l=j	Depreciation Expense m=b*e	Balance for Return n=k+(l+m)/2	After Tax Debt Return o=n*t/12	After Tax Equity Return p=n*u/12	Ending Balance q=k+l+m+o+p		
36	Jul-2022	6,962			6,962	9	29	7,000		
37	Aug-2022	7,000			7,000	9	29	7,038		
38	Sep-2022	7,038			7,038	9	29	7,076		
39	Oct-2022	7,076			7,076	9	29	7,115	Eff. Thru 3/2021 [5]	
40	Nov-2022	7,115			7,115	9	30	7,154	Effective 4/2021 [5]	
41	Dec-2022	7,154			7,154	9	30	7,193		
42	Jan-2023	7,193			7,193	9	30	7,232		
43	Feb-2023	7,232			7,232	9	30	7,272		
44	Mar-2023	7,272			7,272	10	30	7,312		
45	Apr-2023	7,312			7,312	10	30	7,352		
46	May-2023	7,352			7,352	10	31	7,392		
47	Jun-2023	7,392			7,392	10	31	7,432		
48	Jul-2023	7,432			7,432	10	31	7,473		
49	Aug-2023	7,473			7,473	10	31	7,514		
50	Sep-2023	7,514			7,514	10	31	7,555		
51	Oct-2023	7,555			7,555	10	31	7,596		
52	Nov-2023	7,596			7,596	10	32	7,638		
53	Dec-2023	7,638			7,638	10	32	7,680		
54			\$ 4,441	\$ 1,596		\$ 396	\$ 1,247	\$ 7,680		

[1] NC5030-4 Environmental Non-ARO Plant in Service and Depreciation Expense Detailed Activity - Tranche 2, Line 9
 [2] NC5030-4 Environmental Non-ARO Plant in Service and Depreciation Expense Detailed Activity - Tranche 2, Line 19
 [3] NC5030-4 Environmental Non-ARO Plant in Service and Depreciation Expense Detailed Activity - Tranche 2, Line 28
 [4] NC5030-7 Cost of Service Allocations Factors
 [5] NC5030-6 Cost of debt and equity for deferral periods
 [6] In Docket No. E-7, Sub 1214, the regulatory asset calculated in NC-1104 - Coal Ash Non ARO Retail Return on Plant, only included additions through 1/31/2020. Tranche 2 includes the impacts of additions 2/1/2020 through 5/31/2020, which was the capital cutoff in the prior case. Interim rates for Docket No. E-7, Sub 1214 were effective 8/24/2020 and included plant in service through 5/31/2020 at current depreciation rates, so deferred return on investment and depreciation expense would stop 8/1/2020.

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Pre Tax LTD Rate r 2.20%
Pre Tax Equity Rate s 6.72%
Eff. Through 3/2021 [5] 2.05%
Effective 4/2021 [5] 6.51%

NC Retail Deferred Non-ARO Environmental Costs Return on Plant - Tranche 3

Line No.	Month	System				Net Plant	NC Retail Allocation [4]	NC Retail				
		Plant Additions [1]	Depreciation Expense [2]	Bonus Depr Deferred Tax [3]				Net Plant f=d'e	Balance for Return g=(PMf+f)/2	Pre Tax Debt Return h=g*r/12	Pre Tax Equity Return i=g*s/12	Total Return on Investment j=h+i
1	Oct-2020	3,744	-	350		3,394	67.0007%	2,274	1,137	2	6	8
2	Nov-2020	(0)	10	(0)		3,384	67.0007%	2,267	2,271	4	13	17
3	Dec-2020	-	10	-		3,373	67.0007%	2,260	2,264	4	13	17
4	Jan-2021	-	10	-		3,363	66.8973%	2,250	2,255	4	13	17
5	Feb-2021	-	10	-		3,353	66.8973%	2,243	2,246	4	13	17
6	Mar-2021	-	10	-		3,343	66.8973%	2,236	2,240	4	13	17
7	Apr-2021	-	10	-		3,333	66.8973%	2,229	2,233	4	12	16
8	May-2021	-	10	-		3,322	66.8973%	2,223	2,226	4	12	16
9	Jun-2021	-	12	-		3,310	66.8973%	2,215	2,219	4	12	16
10	Jul-2021	-	12	-		3,299	66.8973%	2,207	2,211	4	12	16
11	Aug-2021	37,463,032	12	-		37,466,319	66.8973%	25,063,956	12,533,081	21,407	68,021	89,427
12	Sep-2021	155,095	129,884	-		37,491,531	66.8973%	25,080,822	25,072,389	42,824	136,075	178,899
13	Oct-2021	595,900	130,421	-		37,957,009	66.8973%	25,392,214	25,236,518	43,104	136,966	180,070
14	Nov-2021	473,146	132,487	-		38,297,668	66.8973%	25,620,106	25,506,160	43,565	138,429	181,994
15	Dec-2021	1,376,001	134,127	-		39,539,541	66.8973%	26,450,886	26,035,496	44,469	141,302	185,771
16	Jan-2022	5,985	138,897	-		39,406,629	66.5858%	26,239,217	26,345,051	44,997	142,982	187,979
17	Feb-2022	23,100	138,918	-		39,290,811	66.5858%	26,162,098	26,200,658	44,751	142,198	186,949
18	Mar-2022	16,832	138,998	-		39,168,645	66.5858%	26,080,753	26,121,426	44,615	141,768	186,384
19	Apr-2022	17,852	139,057	-		39,047,439	66.5858%	26,000,048	26,040,400	44,477	141,329	185,806
20	May-2022	5,529	139,119	-		38,913,850	66.5858%	25,911,096	25,955,572	44,332	140,868	185,200
21	Jun-2022	30,744	139,138	-		38,805,456	66.5858%	25,838,921	25,875,008	44,195	140,431	184,626
22	Jul-2022	27	139,244	-		38,666,238	66.5858%	25,746,222	25,792,571	44,054	139,984	184,037
23	Aug-2022	-	139,244	-		38,526,994	66.5858%	25,653,505	25,699,863	43,895	139,480	183,376
24	Sep-2022	-	139,244	-		38,387,749	66.5858%	25,560,788	25,607,146	43,737	138,977	182,714
25	Oct-2022	-	139,244	-		38,248,505	66.5858%	25,468,071	25,514,429	43,579	138,474	182,053
26	Nov-2022	-	139,244	-		38,109,261	66.5858%	25,375,354	25,421,712	43,420	137,971	181,391
27	Dec-2022	-	139,244	-		37,970,016	66.5858%	25,282,637	25,328,995	43,262	137,468	180,730
28	Jan-2023	-	139,244	-		37,830,772	66.5858%	25,189,920	25,236,278	43,104	136,964	180,068
29	Feb-2023	-	139,244	-		37,691,527	66.5858%	25,097,203	25,143,561	42,945	136,461	179,406
30	Mar-2023	-	139,244	-		37,552,283	66.5858%	25,004,486	25,050,844	42,787	135,958	178,745
31	Apr-2023	-	139,244	-		37,413,039	66.5858%	24,911,769	24,958,127	42,628	135,455	178,083
32	May-2023	-	139,244	-		37,273,794	66.5858%	24,819,052	24,865,410	42,470	134,952	177,422
33	Jun-2023	-	139,244	-		37,134,550	66.5858%	24,726,335	24,772,693	42,312	134,448	176,760
34	Jul-2023	-	139,244	-		36,995,305	66.5858%	24,633,618	24,679,976	42,153	133,945	176,099
35	Aug-2023	-	139,244	-		36,856,061	66.5858%	24,540,901	24,587,259	41,995	133,442	175,437

[1] NC5030-5 Environmental Non-ARO Plant in Service and Depreciation Expense Detailed Activity - Tranche 3, Line 7
 [2] NC5030-5 Environmental Non-ARO Plant in Service and Depreciation Expense Detailed Activity - Tranche 3, Line 15
 [3] NC5030-5 Environmental Non-ARO Plant in Service and Depreciation Expense Detailed Activity - Tranche 3, Line 22
 [4] NC5030-7 Cost of Service Allocations Factors
 [5] NC5030-6 Cost of debt and equity for deferral periods

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	After Tax <u>LTD Rate</u> t	After Tax <u>Equity Rate</u> u
Eff. Through 3/2021 [1]	1.69%	5.15%
Effective 4/2021 [1]	1.57%	4.99%

NC Retail Deferred Non-ARO Environmental Costs Regulatory Asset - Tranche 3

Line No.	Month	NC Retail						Ending Balance
		Beginning Balance k=PMq	Return on Investment l=j	Depreciation Expense m=b'e	Balance for Return n=k+(l+m)/2	After Tax Debt Return o=n*t/12	After Tax Equity Return p=n*u/12	
36	Oct-2020	-	8	-	4	0	0	8
37	Nov-2020	8	17	7	20	0	0	32
38	Dec-2020	32	17	7	44	0	0	56
39	Jan-2021	56	17	7	68	0	0	80
40	Feb-2021	80	17	7	92	0	0	104
41	Mar-2021	104	17	7	116	0	0	128
42	Apr-2021	128	16	7	140	0	1	152
43	May-2021	152	16	7	163	0	1	176
44	Jun-2021	176	16	8	188	0	1	200
45	Jul-2021	200	16	8	212	0	1	225
46	Aug-2021	225	89,427	8	44,943	59	187	89,906
47	Sep-2021	89,906	178,899	86,889	222,800	292	927	356,912
48	Oct-2021	356,912	180,070	87,248	490,571	642	2,041	626,913
49	Nov-2021	626,913	181,994	88,630	762,225	998	3,171	901,706
50	Dec-2021	901,706	185,771	89,728	1,039,455	1,361	4,324	1,182,889
51	Jan-2022	1,182,889	187,979	92,486	1,323,122	1,732	5,504	1,470,591
52	Feb-2022	1,470,591	186,949	92,500	1,610,315	2,108	6,699	1,758,847
53	Mar-2022	1,758,847	186,384	92,553	1,898,315	2,485	7,897	2,048,166
54	Apr-2022	2,048,166	185,806	92,592	2,187,365	2,864	9,099	2,338,527
55	May-2022	2,338,527	185,200	92,633	2,477,444	3,243	10,306	2,629,910
56	Jun-2022	2,629,910	184,626	92,646	2,768,546	3,625	11,517	2,922,323
57	Jul-2022	2,922,323	184,037	92,717	3,060,700	4,007	12,733	3,215,817
58	Aug-2022	3,215,817	183,376	92,717	3,353,863	4,391	13,952	3,510,253
59	Sep-2022	3,510,253	182,714	92,717	3,647,968	4,776	15,176	3,805,635
60	Oct-2022	3,805,635	182,053	92,717	3,943,020	5,162	16,403	4,101,970
61	Nov-2022	4,101,970	181,391	92,717	4,239,024	5,550	17,634	4,399,262
62	Dec-2022	4,399,262	180,730	92,717	4,535,985	5,938	18,870	4,697,517
63	Jan-2023	4,697,517	180,068	92,717	4,833,909	6,328	20,109	4,996,739
64	Feb-2023	4,996,739	179,406	92,717	5,132,801	6,720	21,352	5,296,935
65	Mar-2023	5,296,935	178,745	92,717	5,432,666	7,112	22,600	5,598,109
66	Apr-2023	5,598,109	178,083	92,717	5,733,509	7,506	23,851	5,900,267
67	May-2023	5,900,267	177,422	92,717	6,035,336	7,901	25,107	6,203,414
68	Jun-2023	6,203,414	176,760	92,717	6,338,153	8,298	26,367	6,507,556
69	Jul-2023	6,507,556	176,099	92,717	6,641,964	8,696	27,631	6,812,697
70	Aug-2023	6,812,697	175,437	92,717	6,946,775	9,095	28,899	7,118,845
71	Sep-2023	7,118,845	[2]	[2]	7,118,845	9,320	29,614	7,157,779
72	Oct-2023	7,157,779			7,157,779	9,371	29,776	7,196,926
73	Nov-2023	7,196,926			7,196,926	9,422	29,939	7,236,287
74	Dec-2023	7,236,287			7,236,287	9,474	30,103	7,275,864
75								
		<u>\$ 4,449,581</u>	<u>\$ 2,206,014</u>			<u>\$ 148,476</u>	<u>\$ 471,793</u>	<u>\$ 7,275,864</u>

[1] NC5030-6 Cost of debt and equity for deferral periods
[2] Projecting to include plant in service, and depreciation at current rates in interim rates, so the deferral of these items would stop 9/1/2023.

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Environmental Non-ARO Plant in Service and Depreciation Expense Detailed Activity - Tranche 2

Line No.	Description	2 2020 Feb-2020	3 2020 Mar-2020	4 2020 Apr-2020	5 2020 May-2020	6 2020 Jun-2020	7 2020 Jul-2020	8 2020 Aug-2020
1								
2		Actuals [1]						
3	<u>System Plant in Service Additions</u>							
4	<u>Depreciation Group</u>	<u>Feb-2020</u>	<u>Mar-2020</u>	<u>Apr-2020</u>	<u>May-2020</u>	<u>Jun-2020</u>	<u>Jul-2020</u>	<u>Aug-2020</u>
5	D FOS 311 Cliffside 5&6-20003	38	-	0	(0)	-	-	-
6	D FOS 312 Allen-20003	-	804	0	-	-	-	-
7	D FOS 312 Marshall-20003	110,837	11,805	-	-	-	-	-
8	D FOS 312 Marshall-20003	52,296	25	1,501	129	-	-	-
9	Total System Plant Additions (Sum L5 : L8)	163,171	12,635	1,501	129	-	-	-
10								
11								
12								
13	<u>System Depreciation Expense</u>							
14	<u>Depreciation Group</u>	<u>Feb-2020</u>	<u>Mar-2020</u>	<u>Apr-2020</u>	<u>May-2020</u>	<u>Jun-2020</u>	<u>Jul-2020</u>	<u>Aug-2020</u>
15	D FOS 311 Cliffside 5&6-20003		0	0	0	0	0	0
16	D FOS 312 Allen-20003		-	2	2	2	2	2
17	D FOS 312 Marshall-20003		303	335	335	335	335	335
18	D FOS 312 Marshall-20003		143	143	147	147	147	147
19	Total System Depreciation Expense (Sum L15 : L18)	-	446	481	485	485	485	485
20								
21								
22	<u>System Calculated ADIT [3]</u>	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%
23	<u>Depreciation Group</u>	<u>Feb-2020</u>	<u>Mar-2020</u>	<u>Apr-2020</u>	<u>May-2020</u>	<u>Jun-2020</u>	<u>Jul-2020</u>	<u>Aug-2020</u>
24	D FOS 311 Cliffside 5&6-20003	4	-	0	(0)	-	-	-
25	D FOS 312 Allen-20003	-	75	0	-	-	-	-
26	D FOS 312 Marshall-20003	10,352	1,103	-	-	-	-	-
27	D FOS 312 Marshall-20003	-	-	-	-	-	-	-
28	Total System Calculated ADIT (Sum L24 : L27)	10,356	1,178	0	(0)	-	-	-

[1] Non-ARO environmental actual plant additions per Asset Accounting

[2] Calculated deferred income tax due to bonus depreciation per Asset Accounting

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Environmental Non-ARO Plant in Service and Depreciation Expense Detailed Activity

Line No.	Description	6 2020 Jun-2020	7 2020 Jul-2020	8 2020 Aug-2020	9 2020 Sep-2020	10 2020 Oct-2020	11 2020 Nov-2020	12 2020 Dec-2020	1 2021 Jan-2021	2 2021 Feb-2021	3 2021 Mar-2021	4 2021 Apr-2021	5 2021 May-2021	6 2021 Jun-2021
Actuals [1]														
3	System Plant in Service Additions													
4	Depreciation Group	Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Jan-2021	Feb-2021	Mar-2021	Apr-2021	May-2021	Jun-2021
5	D FOS 312 Marshall-20003	-	-	-	-	3,744	(0)	-	-	-	-	-	-	-
6	D FOS 312 Cliffside 5-20003	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Total System Plant Additions (Sum L5 : L6)	-	-	-	-	3,744	(0)	-	-	-	-	-	-	-
11	System Depreciation Expense													New Depr Rates Eff.
12	Depreciation Group	Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Jan-2021	Feb-2021	Mar-2021	Apr-2021	May-2021	Jun-2021
13	D FOS 312 Marshall-20003	-	-	-	-	-	10	10	10	10	10	10	10	12
14	D FOS 312 Cliffside 5-20003	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Total System Depreciation Expense (Sum L13 : L14)	-	-	-	-	-	10	10	10	10	10	10	10	12
18	System Calculated ADIT [3]	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%
19	Depreciation Group	Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Jan-2021	Feb-2021	Mar-2021	Apr-2021	May-2021	Jun-2021
20	D FOS 312 Marshall-20003	-	-	-	-	350	(0)	-	-	-	-	-	-	-
21	D FOS 312 Cliffside 5-20003	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Total System Calculated ADIT (Sum L20 : L21)	-	-	-	-	350	(0)	-	-	-	-	-	-	-

[1] Non-ARO environmental actual plant additions per Asset Accounting
[2] Non-ARO environmental forecasted plant additions per Financial Planning
[3] Calculated deferred income tax due to bonus depreciation per Asset Accounting

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Line No.	Description	7 2021 Jul-2021	8 2021 Aug-2021	9 2021 Sep-2021	10 2021 Oct-2021	11 2021 Nov-2021	12 2021 Dec-2021	1 2022 Jan-2022	2 2022 Feb-2022	3 2022 Mar-2022	4 2022 Apr-2022	5 2022 May-2022	6 2022 Jun-2022
Actuals [1]													
3	System Plant in Service Additions												
4	Depreciation Group												
5	D FOS 312 Marshall-20003	-	-	-	-	-	-	-	-	-	-	-	-
6	D FOS 312 Cliffside 5-20003	-	37,463,032	155,095	595,900	473,146	1,376,001	5,985	23,100	16,832	17,852	5,529	30,744
7	Total System Plant Additions (Sum L5 : L6)	-	37,463,032	155,095	595,900	473,146	1,376,001	5,985	23,100	16,832	17,852	5,529	30,744
11	System Depreciation Expense												
12	Depreciation Group												
13	D FOS 312 Marshall-20003	12	12	12	12	12	12	12	12	12	12	12	12
14	D FOS 312 Cliffside 5-20003	-	-	129,872	130,410	132,475	134,116	138,886	138,906	138,986	139,045	139,107	139,126
15	Total System Depreciation Expense (Sum L13 : L14)	12	12	129,884	130,421	132,487	134,127	138,897	138,918	138,998	139,057	139,119	139,138
18	System Calculated ADIT [3]	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%
19	Depreciation Group												
20	D FOS 312 Marshall-20003	-	-	-	-	-	-	-	-	-	-	-	-
21	D FOS 312 Cliffside 5-20003	-	-	-	-	-	-	-	-	-	-	-	-
22	Total System Calculated ADIT (Sum L20 : L21)	-	-	-	-	-	-	-	-	-	-	-	-

[1] Non-ARO environmental actual plant additions per Asset Accounting
[2] Non-ARO environmental forecasted plant additions per Financial Planning
[3] Calculated deferred income tax due to bonus depreciation per Asset Accounting

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Line No.	Description	7 2022 Jul-2022	8 2022 Aug-2022	9 2022 Sep-2022	10 2022 Oct-2022	11 2022 Nov-2022	12 2022 Dec-2022	1 2023 Jan-2023	2 2023 Feb-2023	3 2023 Mar-2023	4 2023 Apr-2023	5 2023 May-2023	6 2023 Jun-2023	7 2023 Jul-2023
1														
2		Actuals [1]						Forecasted [2]						
3	System Plant in Service Additions													
4	Depreciation Group	Jul-2022	Aug-2022	Sep-2022	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023
5	D FOS 312 Marshall-20003	-	-	-	-	-	-	-	-	-	-	-	-	-
6	D FOS 312 Cliffside 5-20003	27	-	-	-	-	-	-	-	-	-	-	-	-
7	Total System Plant Additions (Sum L5 : L6)	27	-	-	-	-	-	-	-	-	-	-	-	-
8														
9														
10														
11	System Depreciation Expense													
12	Depreciation Group	Jul-2022	Aug-2022	Sep-2022	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023
13	D FOS 312 Marshall-20003	12	12	12	12	12	12	12	12	12	12	12	12	12
14	D FOS 312 Cliffside 5-20003	139,232	139,233	139,233	139,233	139,233	139,233	139,233	139,233	139,233	139,233	139,233	139,233	139,233
15	Total System Depreciation Expense (Sum L13 : L14)	139,244	139,244	139,244	139,244	139,244	139,244	139,244	139,244	139,244	139,244	139,244	139,244	139,244
16														
17														
18	System Calculated ADIT [3]	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%
19	Depreciation Group	Jul-2022	Aug-2022	Sep-2022	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023
20	D FOS 312 Marshall-20003	-	-	-	-	-	-	-	-	-	-	-	-	-
21	D FOS 312 Cliffside 5-20003	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Total System Calculated ADIT (Sum L20 : L21)	-	-	-	-	-	-	-	-	-	-	-	-	-

[1] Non-ARO environmental actual plant additions per Asset Accounting
[2] Non-ARO environmental forecasted plant additions per Financial Planning
[3] Calculated deferred income tax due to bonus depreciation per Asset Accounting

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Line No.	Description	8 2023 Aug-2023	9 2023 Sep-2023	10 2023 Oct-2023	11 2023 Nov-2023	12 2023 Dec-2023
1						
2		Forecasted [2]				
3	<u>System Plant in Service Additions</u>					
4	<u>Depreciation Group</u>	<u>Aug-2023</u>	<u>Sep-2023</u>	<u>Oct-2023</u>	<u>Nov-2023</u>	<u>Dec-2023</u>
5	D FOS 312 Marshall-20003					
6	D FOS 312 Cliffside 5-20003					
7	Total System Plant Additions (Sum L5 : L6)	-	-	-	-	-
8						
9						
10						
11	<u>System Depreciation Expense</u>					
12	<u>Depreciation Group</u>	<u>Aug-2023</u>	<u>Sep-2023</u>	<u>Oct-2023</u>	<u>Nov-2023</u>	<u>Dec-2023</u>
13	D FOS 312 Marshall-20003	12	12	12	12	12
14	D FOS 312 Cliffside 5-20003	139,233	139,233	139,233	139,233	139,233
15	Total System Depreciation Expense (Sum L13 : L14)	139,244	139,244	139,244	139,244	139,244
16						
17						
18	<u>System Calculated ADIT [3]</u>	23.3503%	23.3503%	23.3503%	23.3503%	23.3503%
19	<u>Depreciation Group</u>	<u>Aug-2023</u>	<u>Sep-2023</u>	<u>Oct-2023</u>	<u>Nov-2023</u>	<u>Dec-2023</u>
20	D FOS 312 Marshall-20003	-	-	-	-	-
21	D FOS 312 Cliffside 5-20003	-	-	-	-	-
22	Total System Calculated ADIT (Sum L20 : L21)	-	-	-	-	-

[1] Non-ARO environmental actual plant additions per Asset Accounting
 [2] Non-ARO environmental forecasted plant additions per Financial Planning
 [3] Calculated deferred income tax due to bonus depreciation per Asset Accounting

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NC5030-6 WACC
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Cost of debt and equity for deferral periods

Line

Effective through March 2021						
Line No	Capitalization Ratio [1]	Approved Cost Rate [1]	Weighted Cost of Capital (WACC)			
			After Tax	Before Tax		
5	Long Term Debt	48.00%	4.59%	2.20%	1.69%	2.20%
6	Equity	52.00%	9.90%	5.15%	5.15%	6.72%
7	Total	100.00%		7.35%	6.84%	8.92%
9	Effective State and Federal Income Tax Rate			23.3503%		
Effective April 2021						
Line No	Capitalization Ratio [2]	Approved Cost Rate [2]	Weighted Cost of Capital (WACC)			
			After Tax	Before Tax		
15	Long Term Debt	48.00%	4.27%	2.05%	1.57%	2.05%
16	Equity	52.00%	9.60%	4.99%	4.99%	6.51%
17	Total	100.00%		7.04%	6.56%	8.56%
19	Effective State and Federal Income Tax Rate			23.3503%		

[1] Cost of capital rates from Docket No. E-7, Sub 1146

[2] Cost of capital rates from Docket No. E-7, Sub 1214

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NC5030-7 Factors
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Cost of Service Allocations Factors

Line		All - Production
<u>No</u>	<u>Allocation Factor</u>	<u>Demand - Jur</u>
1	COS 2019 - Effective 2020	67.0007%
2	COS 2020 - Effective 2021	66.8973%
3	COS 2021 - Effective 2022	66.5858%

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Amortize deferred grid costs
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NC5040 Narrative
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E1-10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts amortization expense and income taxes for the amortization of the deferred asset resulting from NC Grid costs in service 6/1/2020 until new rates are effective 1/1/2024.

The impact to amortization expense is determined by dividing the NC Retail asset by the amortization period of 3 years.

The impact to rate base is determined by reducing the asset for one year of amortization and related ADIT.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(A) December Update

Updated tabs NC5040-3 Plant Detail and NC5040-4 OM Detail with actuals through December 2022. Also updated tab NC5040-4 OM Detail to add in the 2018 installation O&M included in Docket E-7 Sub 1214 as an annual threshold to defer the incremental installation O&M over the test year level once rates went into effective June 1, 2021.

(B) 1st Supplemental Update

No additional updates were made

[S3] Settlement

Agreed to 100% debt and no equity return and an 18 year amortization period.

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NC5040 Summary
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Line No	Impacted Income Statement Line Items	Source	Total NC Retail Compliance	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity						-
2	Other Revenue						-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -
4							
5	<u>Electric operating expenses:</u>						
6	Operation and maintenance:						
7	Fuel used in electric generation						-
8	Purchased power						-
9	Other operation and maintenance expense						-
10	Depreciation and amortization	NC5040-1	\$ 3,951	\$ 34,921	\$ 34,921	\$ 33,496	(29,545)
11	General taxes						-
12	Interest on customer deposits						-
13	EDIT Amortization						-
14	Net income taxes	NC5040-1	(923)	(8,154)	(8,154)	(7,821)	6,899
15	Amortization of investment tax credit						-
16	Total electric operating expenses (sum(L7:L15))		\$ 3,029	\$ 26,767	\$ 26,767	\$ 25,675	(22,646)
17							
18	Operating income (L3-L16)		\$ (3,029)	\$ (26,767)	\$ (26,767)	\$ (25,675)	\$ 22,646
19	<u>Rate Base</u>						
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC5040-1	\$ 67,170	\$ 69,841	\$ 69,841	\$ 66,993	\$ 177
25	Accumulated deferred income taxes	NC5040-1	(15,684)	(16,308)	(16,308)	(15,643)	(41)
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ 51,486	\$ 53,533	\$ 53,533	\$ 51,350	\$ 136

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NC5040-1 Calculation
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Line No.	<u>Description</u>	Total NC Retail
1		
2	<u>Impact to income statement line items</u>	
3	Projected ending balance at December 31, 2023	\$ 71,121 [1]
4	Years to amortize	<u>18</u>
5	Impact to depreciation and amortization (L3 / L4)	<u>\$ 3,951</u>
6		
7	Statutory tax rate	<u>23.3503% [2]</u>
8	Impact to income taxes (-L5 x L7)	<u>\$ (923)</u>
9		
10	Impact to operating income (-L5 - L8)	<u>\$ (3,029)</u>
11		
12	<u>Impact to rate base line items</u>	
13	Regulatory asset for new deferral (L3)	\$ 71,121
14	Less first year of amortization (-L5)	<u>(3,951)</u>
15	Impact to working capital investment (L13 + L14)	<u>\$ 67,170</u>
16		
17	Deferred tax rate	<u>23.3503% [2]</u>
18	Impact to accumulated deferred income tax (-L15 x L17)	<u>\$ (15,684)</u>
19		
20	Impact to rate base (L15 + L18)	<u>\$ 51,486</u>

[1] NC5040-1 NC Retail Deferred Grid Regulatory Asset, Line 81

[2] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize deferred grid costs
For the Test Period Ending December 31, 2021
(Amounts in dollars)

E1-10
NC5040-2 Deferral
Page 1 of 2
Compliance

Pre Tax LTD Rate
s
Eff. Through 3/2021 [3] 4.59% [3]
Effective 4/2021 [3] 4.27% [3]

Pre Tax Equity Rate
t
0.00% [3]
0.00% [3]

NC Retail Deferred Grid Return on Plant

NC Retail												
Line No.	Month	Plant Additions	[1]	Plant Balance	Depreciation Expense	[2]	Accumulated Depreciation	Net Plant	Balance for Return	Pre Tax Debt Return	Pre Tax Equity Return	Total Return on Investment
		a		b=PM+a	c		d=PM-c	e=b+d	f=(PM+e)/2	g=f*s/12	h=f*t/12	i=g+h
1												
2	Jun-2020	6,418,097		6,418,097	-		-	6,418,097	3,209,049		12,275	12,275
3	Jul-2020	6,512,535		12,930,633	11,099	(11,099)	12,919,534	9,668,816	36,983	36,983		36,983
4	Aug-2020	4,959,345		17,889,977	24,452	(35,551)	17,854,427	15,386,980	58,855	58,855		58,855
5	Sep-2020	5,869,343		23,759,320	35,186	(70,737)	23,688,584	20,771,505	79,451	79,451		79,451
6	Oct-2020	7,826,896		31,586,216	45,592	(116,329)	31,469,887	27,579,235	105,491	105,491		105,491
7	Nov-2020	7,104,595		38,690,811	58,869	(175,197)	38,515,613	34,992,750	133,847	133,847		133,847
8	Dec-2020	9,318,319		48,009,129	73,024	(248,222)	47,760,908	43,138,260	165,004	165,004		165,004
9	Jan-2021	5,126,643		53,135,772	89,082	(337,304)	52,798,469	50,279,688	192,320	192,320		192,320
10	Feb-2021	6,064,952		59,200,725	98,475	(435,779)	58,764,946	55,781,707	213,365	213,365		213,365
11	Mar-2021	16,570,341		75,771,066	108,746	(544,526)	75,226,541	66,995,743	256,259	256,259		256,259
12	Apr-2021	6,421,459		82,192,526	248,023	(792,549)	81,399,977	78,313,259	278,665	278,665		278,665
13	May-2021	5,015,748		87,208,273	260,817	(1,053,366)	86,154,908	83,777,442	298,108	298,108		298,108
14	Jun-2021	4,070,357		91,278,630	279,230	(1,332,596)	89,946,034	88,050,471	313,313	313,313		313,313
15	Jul-2021	5,509,865		96,788,495	286,281	(1,618,877)	95,169,618	92,557,826	329,352	329,352		329,352
16	Aug-2021	5,431,961		102,220,456	296,061	(1,914,938)	100,305,518	97,737,568	347,783	347,783		347,783
17	Sep-2021	9,188,774		111,409,230	305,671	(2,220,608)	109,188,621	104,747,070	372,725	372,725		372,725
18	Oct-2021	9,887,640		121,296,870	322,099	(2,542,708)	118,754,162	113,971,392	405,548	405,548		405,548
19	Nov-2021	8,230,798		129,527,668	394,820	(2,937,528)	126,590,140	122,672,151	436,508	436,508		436,508
20	Dec-2021	19,909,495		149,437,163	415,624	(3,353,152)	146,084,011	136,337,075	485,133	485,133		485,133
21	Jan-2022	11,236,620		160,673,783	453,001	(3,806,153)	156,867,630	151,475,820	539,001	539,001		539,001
22	Feb-2022	11,040,873		171,714,656	475,785	(4,281,938)	167,432,718	162,150,174	576,984	576,984		576,984
23	Mar-2022	13,450,925		185,165,581	501,888	(4,783,826)	180,381,755	173,907,237	618,820	618,820		618,820
24	Apr-2022	18,538,671		203,704,251	526,833	(5,310,659)	198,393,593	189,387,674	673,904	673,904		673,904
25	May-2022	20,172,311		223,876,562	559,012	(5,869,671)	218,006,891	208,200,242	740,846	740,846		740,846
26	Jun-2022	13,352,905		237,229,467	594,314	(6,463,985)	230,765,483	224,386,187	798,441	798,441		798,441
27	Jul-2022	17,253,428		254,482,896	626,705	(7,090,690)	247,392,206	239,078,844	850,722	850,722		850,722
28	Aug-2022	29,380,885		283,863,780	657,478	(7,748,167)	276,115,613	261,753,909	931,408	931,408		931,408
29	Sep-2022	33,254,763		317,118,544	710,018	(8,458,186)	308,660,358	292,387,985	1,040,414	1,040,414		1,040,414
30	Oct-2022	28,890,187		346,008,731	766,745	(9,224,931)	336,783,800	322,722,079	1,148,353	1,148,353		1,148,353
31	Nov-2022	26,128,079		372,136,810	816,898	(10,041,829)	362,094,981	349,439,391	1,243,422	1,243,422		1,243,422
32	Dec-2022	82,707,213		454,844,022	864,779	(10,906,608)	443,937,415	403,016,198	1,434,066	1,434,066		1,434,066
33	Jan-2023	454,844,022		454,844,022	1,008,504	(11,915,112)	442,928,911	443,433,163	1,577,883	1,577,883		1,577,883
34	Feb-2023	454,844,022		454,844,022	1,008,504	(12,923,616)	441,920,407	442,424,659	1,574,294	1,574,294		1,574,294
35	Mar-2023	454,844,022		454,844,022	1,008,504	(13,932,120)	440,911,903	441,416,155	1,570,706	1,570,706		1,570,706
36	Apr-2023	454,844,022		454,844,022	1,008,504	(14,940,624)	439,903,399	440,407,651	1,567,117	1,567,117		1,567,117
37	May-2023	454,844,022		454,844,022	1,008,504	(15,949,128)	438,894,895	439,399,147	1,563,529	1,563,529		1,563,529
38	Jun-2023	454,844,022		454,844,022	1,008,504	(16,957,631)	437,886,391	438,390,643	1,559,940	1,559,940		1,559,940
39	Jul-2023	454,844,022		454,844,022	1,008,504	(17,966,135)	436,877,887	437,382,139	1,556,351	1,556,351		1,556,351
40	Aug-2023	454,844,022		454,844,022	1,008,504	(18,974,639)	435,869,383	436,373,635	1,552,763	1,552,763		1,552,763

[1] NC5040-3 NC Grid Plant in Service and Depreciation Expense Detailed Activity, Line 7
[2] NC5040-3 NC Grid Plant in Service and Depreciation Expense Detailed Activity, Line 14
[3] NC5040-5 Cost of debt and equity for deferral periods

DUKE ENERGY CAROLINAS, LLC
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Amortize deferred grid costs
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(Amounts in dollars)

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NC5040-2 Deferral
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Compliance

NC Retail Deferred Grid Regulatory Asset

Eff. Through 3/2021
Effective 4/2021

After Tax
LTD Rate
u
3.52% [3]
3.27% [3]

After Tax
Equity Rate
v
0.00% [3]
0.00% [3]

Line No.	Month	NC Retail									
		Beginning Balance j=PMr	Return on Investment k = i	Depreciation Expense l = c	Property Tax m	[1]	Installation O&M n	[2]	Balance for Return o=j+(k+l+m+n)/2	After Tax Debt Return p=o*u/12	After Tax Equity Return q=o*v/12
41	Jun-2020	-	12,275	-	-	-	432,725	222,500	652	-	445,652
42	Jul-2020	445,652	36,983	11,099	-	-	85,180	512,283	1,502	-	580,416
43	Aug-2020	580,416	58,855	24,452	-	-	182,912	713,525	2,092	-	848,727
44	Sep-2020	848,727	79,451	35,186	-	-	368,739	1,090,415	3,197	-	1,335,300
45	Oct-2020	1,335,300	105,491	45,592	-	-	466,103	1,643,892	4,820	-	1,957,305
46	Nov-2020	1,957,305	133,847	58,869	-	-	439,347	2,273,336	6,665	-	2,596,032
47	Dec-2020	2,596,032	165,004	73,024	-	-	694,778	3,062,435	8,979	-	3,537,817
48	Jan-2021	3,537,817	192,320	89,082	26,269	294,914	3,839,110	11,256	-	-	4,151,658
49	Feb-2021	4,151,658	213,365	98,475	26,269	247,228	4,444,326	13,030	-	-	4,750,025
50	Mar-2021	4,750,025	256,259	108,746	26,269	282,426	5,086,875	14,914	-	-	5,438,639
51	Apr-2021	5,438,639	278,665	248,023	26,269	408,815	5,919,525	16,145	-	-	6,416,556
52	May-2021	6,416,556	298,108	260,817	26,269	484,425	6,951,365	18,960	-	-	7,505,135
53	Jun-2021	7,505,135	313,313	279,230	26,269	533,058	8,081,070	22,041	-	-	8,679,046
54	Jul-2021	8,679,046	329,352	286,281	26,269	474,830	9,237,411	25,195	-	-	9,820,972
55	Aug-2021	9,820,972	347,783	296,061	26,269	451,399	10,381,728	28,316	-	-	10,970,799
56	Sep-2021	10,970,799	372,725	305,671	26,269	508,013	11,577,138	31,576	-	-	12,215,053
57	Oct-2021	12,215,053	405,548	322,099	26,269	16,078	12,600,051	34,366	-	-	13,019,414
58	Nov-2021	13,019,414	436,508	394,820	26,269	707,398	13,801,912	37,644	-	-	14,622,054
59	Dec-2021	14,622,054	485,133	415,624	26,269	352,839	15,261,987	41,626	-	-	15,943,546
60	Jan-2022	15,943,546	539,001	453,001	75,530	341,728	16,648,176	45,407	-	-	17,398,214
61	Feb-2022	17,398,214	576,984	475,785	75,530	560,248	18,242,487	49,756	-	-	19,136,517
62	Mar-2022	19,136,517	618,820	501,888	75,530	693,592	20,081,431	54,771	-	-	21,081,117
63	Apr-2022	21,081,117	673,904	526,833	75,530	992,665	22,215,584	60,592	-	-	23,410,642
64	May-2022	23,410,642	740,846	559,012	75,530	932,087	24,564,379	66,998	-	-	25,785,115
65	Jun-2022	25,785,115	798,441	594,314	75,530	786,887	26,912,701	73,403	-	-	28,113,690
66	Jul-2022	28,113,690	850,722	626,705	75,530	940,344	29,360,341	80,079	-	-	30,687,070
67	Aug-2022	30,687,070	931,408	657,478	75,530	933,797	31,986,176	87,241	-	-	33,372,523
68	Sep-2022	33,372,523	1,040,414	710,018	75,530	1,198,169	34,884,589	95,146	-	-	36,491,801
69	Oct-2022	36,491,801	1,148,353	766,745	75,530	995,343	37,984,787	103,602	-	-	39,581,374
70	Nov-2022	39,581,374	1,243,422	816,898	75,530	931,314	41,114,956	112,139	-	-	42,760,677
71	Dec-2022	42,760,677	1,434,066	864,779	75,530	1,276,747	44,586,238	121,607	-	-	46,533,406
72	Jan-2023	46,533,406	1,577,883	1,008,504	244,190	-	47,948,695	130,778	-	-	49,494,761
73	Feb-2023	49,494,761	1,574,294	1,008,504	244,190	-	50,908,255	138,850	-	-	52,460,600
74	Mar-2023	52,460,600	1,570,706	1,008,504	244,190	-	53,872,300	146,934	-	-	55,430,934
75	Apr-2023	55,430,934	1,567,117	1,008,504	244,190	-	56,840,840	155,031	-	-	58,405,776
76	May-2023	58,405,776	1,563,529	1,008,504	244,190	-	59,813,888	163,140	-	-	61,385,139
77	Jun-2023	61,385,139	1,559,940	1,008,504	244,190	-	62,791,456	171,261	-	-	64,369,034
78	Jul-2023	64,369,034	1,556,351	1,008,504	244,190	-	65,773,556	179,394	-	-	67,357,474
79	Aug-2023	67,357,474	1,552,763	1,008,504	244,190	-	68,760,202	187,540	-	-	70,350,471
80	Sep-2023	70,350,471	[4]	[4]	[4]	-	70,350,471	191,878	-	-	70,542,349
81	Oct-2023	70,542,349				-	70,542,349	192,401	-	-	70,734,749
82	Nov-2023	70,734,749				-	70,734,749	192,926	-	-	70,927,675
83	Dec-2023	70,927,675				-	70,927,675	193,452	-	-	71,121,127
81		<u>\$ 27,639,948</u>	<u>\$ 18,974,639</u>	<u>\$ 3,175,114</u>	<u>\$ 18,014,126</u>			<u>\$ 3,317,299</u>	<u>\$ -</u>	<u>\$ 71,121,127</u>	

[1] NC5040-3 NC Grid Plant in Service and Depreciation Expense Detailed Activity, Line 22
 [2] NC5040-4 NC Grid installation O&M Detailed Activity, Line 7
 [3] NC5040-5 Cost of debt and equity for deferral periods
 [4] Projecting to include plant in service, property tax and depreciation at current rates in interim rates, so the deferral of these items would stop 9/1/2023.

DUKE ENERGY CAROL, NAS, LLC
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For the Test Period Ending December 31, 2021
(Amounts in dollars)

E1-10
NC50 0-3 Plant Detail
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NC Grid Plant in Service and Depreciation Expense Detail Activity

Line No.	Description	6	7	8	9	10	11	12	1	2	3
		2020	2020	2020	2020	2020	2020	2020	2021	2021	2021
		Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020	Jan-2021	Feb-2021	Mar-2021
1		Actuals (1)									
2	Sum of NC Retail Plant in Service (L27 through L69)	\$ 115,019	\$ (13,319)	\$ 1,600	\$ 20,918	\$ 7,961	\$ 93,551	\$ 3,305,99	\$ 1,395,962	\$ 103,537	\$ 2,222,973
3	Transmission plant in service	6,273.8	6,330	1,090.77	5,511.615	6,888.832	6,832.269	5,950.199	3,582.7	5,767.636	6,939.570
4	Distribution plant in service	.081	55.300	33.9	1,911	90.102	167.631	62.125	1,863	133.779	162.95
5	General plant in service	11.0	9	370.063	-	-	1.5	-	-	(127)	72.85
6	Intangible patent in service	\$ 6,18.097	\$ 6,512.535	\$ 959.3	\$ 5,869.33	\$ 7,826.896	\$ 7,110.595	\$ 9,318.319	\$ 5,126.63	\$ 6,006.952	\$ 16,570.31
7	Total NC Retail Plant in Service (Sum L3,L6)										
8											
9	Sum of NC Retail Depreciation Expense (L70 through L112)										
10	Transmission depreciation expense	\$ -	\$ 205	\$ (33)	\$ 226	\$ 590	\$ 2,095	\$ 2,261	\$ 8,368	\$ 10,86	\$ 11,136
11	Distribution depreciation expense	-	103.2	20.853	27.968	38.762	7.783	60.363	69.798	75.46	8.33
12	General depreciation expense	-	367	828	1,107	2,356	3,106	513	5,039	6,277	7,392
13	Intangible depreciation expense	-	18	2.80	5.885	5.885	5.885	5.887	5.886	5.88	5.88
14	Total NC Retail Depreciation Expense (Sum L10,L13)	\$ -	\$ 11,099	\$ 2,152	\$ 35,189	\$ 5,992	\$ 58,869	\$ 13,002	\$ 89,692	\$ 98,75	\$ 108,976
15											
16	Property taxes										
17	Property tax rate - Combined (3)	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
18	Transmission property tax expense (PY TTD L3 x L17/L12)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.53	\$ 2.53	\$ 2.53
19	Distribution property tax expense (PY TTD L4 x L17/L12)	-	-	-	-	-	-	-	23.01	23.01	23.01
20	General property tax expense (PY TTD L5 x L17/L12)	-	-	-	-	-	-	-	333	333	333
21	Intangible property tax expense (NA)	-	-	-	-	-	-	-	-	-	-
22	Total NC Retail Property Tax (Sum L18,L21)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,269	\$ 26,269	\$ 26,269
23											
24	NC Retail Plant in Service Additions										
25											
26											
27	A NT 303 Software-2007	11.0	9	157,213	(1,063)	-	-	1.5	-	(127)	7.2
28	A NT 3010 Software 10YR-2007	-	-	-	371,756	-	-	-	-	-	-
29	N DIS 362 NC-2007	-	-	-	-	-	-	-	-	-	-
30	D DIS 361 NC-2007	21,532	3,715	202	6	8	9	(387)	-	(0)	-
31	D DIS 362 NC-2007	67,007	116,57	1	12.0	2	(1,104)	293.99	(21,052)	233	3.9
32	D DIS 362 NC-20093	-	550.77	-	-	-	-	-	-	-	-
33	D DIS 36 NC-20017	526,661	221.6	187,790	261.17	389,862	378.91	55,365	183.76	1,206	289.67
34	D DIS 36 NC-20093	19	6,885	365	6,810	23,833	6,911	(577)	3.2	9	896
35	D DIS 365 NC-20017	9,953	55,967	3,876,503	0.3,960	2,6,856	3,773.6	2,12.03	2,11.651	18.7.13	
36	D DIS 365 NC-20093	590	13,989	105,197	210,857	6,7,105	667	5,506	102,852	7,313	57.12
37	D DIS 366 NC-20017	3.35	830,535	(1,8)	825	117	(3,59)	232.37	671	1,752,695	95,895
38	D DIS 366 NC-20093	2	18	186	238	125	(26)	6	16	71	83
39	D DIS 367 NC-20017	(981)	(9,651)	251	8,757	19,635	318,667	300.73	17,11	830,616	97.79
0	D DIS 367 NC-20093	-	-	-	-	-	-	-	-	-	-
1	D DIS 368 NC-20017	271,040	115.03	215,625	923,223	1,122,817	739,989	951.35	806,802	521,766	592,617
2	D DIS 368 NC-20093	193	5,727	881	36,386	23,971	38.83	95,925	66,983	2,989	(29)
3	D DIS 369 NC-20017	1	(677)	-	7,772	9.77	82	17	53	(181)	1,183
4	D DIS 369 NC-20093	-	-	-	-	-	-	-	-	-	-
5	D DIS 370 NC-20017	3,891	.951	3,110	1.05	6,563	1,250	1,377	7,091	0.31	6,778

DUKE ENERGY CAROL, N.A.S., LLC
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 For the Test Period Ending December 31, 2021
 (Amounts in dollars)
 NC Grid Plant in Service and Depreciation Expense Detail Activity

E1-10
 NC50 0-3 Plant Detail
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Line No.	Description	Actuals (\$)																		
		2020	Jan-2020	Feb-2020	Mar-2020	Apr-2020	May-2020	Jun-2020	Jul-2020	Aug-2020	Sep-2020	Oct-2020								
6	D DIS 370 NC-20093	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	D DIS 371 NC-20017	-	(287)	192	1,226	2 23	-	-	-	-	-	-	-	-	-	-	-	-	-	(161)
8	D DIS 371 NC-20093	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	D DIS 373 NC-20017	-	-	(77)	-	-	66	-	-	-	-	-	-	-	-	-	-	-	-	(1 9)
50	D DIS 373 NC-20093	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	D GEN 391 EDP-20017	-	-	-	(35)	-	-	7	5,8 1	-	-	-	-	-	-	-	-	-	-	72, 1
52	D GEN 391-20017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	D GEN 395-20017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54	D GEN 397-20017	.081	55,300	33, 9	1 6,881	90,102	160,165	6,692	1 6,723	133,772	90,705	-	-	-	-	-	-	-	-	-
55	D GEN 397-20093	-	-	-	2,985	-	2,722	7,692	1,911	-	-	-	-	-	-	-	-	-	-	(165)
56	D TRN 352-20017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	D TRN 353-20017	11,953	(13,869)	1 5,365	203,768	8 7,397	93,563	3 305,997	1,395,082	163,6 0	36 535	-	-	-	-	-	-	-	-	-
58	D TRN 353-20093	686	8 7	715	1,150	563	(13)	(3)	579	(103)	(103)	-	-	-	-	-	-	-	-	(103)
59	D TRN 35 -20017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60	D TRN 355-20017	-	-	(265)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	D TRN 356-20017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 858 5 0
62	D TRN 357-20017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
63	D TRN 358-20017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
64	D TRN 359-20017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65	Distributors to Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
66	Transmission to Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
67	Advanced DMS Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
68	Communications Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	Enterprise Applications Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

DUKE ENERGY CAROL, NAS, LLC
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Line No.	Description	Actuals [1]									
		2020	1-2020	2-2020	3-2020	Oct-2020	Nov-2020	Dec-2020	Jan-2021	Feb-2021	Mar-2021
70	A NT 303 Software-20017	-	18	2,80	-	2,787	2,787	2,789	2,789	2,787	2,787
71	A NT 30310 Software 10YR-20017	-	-	-	3,068	3,068	3,068	3,068	3,068	3,068	3,068
72	N DIS 360 NC-20017	-	-	-	-	-	-	-	-	-	-
73	D DIS 361 NC-20017	-	35	1	1	1	1	1	1	1	
74	D DIS 362 NC-20017	-	1,008	1,258	1,267	1,293	1,28	7,637	7,592	7,530	7,531
75	D DIS 362 NC-20093	-	-	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188
76	D D S 36 NC-20017	-	869	1,235	1,5	1,976	2,019	3,2	1,59	78	5,162
77	D D S 36 NC-20093	-	0	12	19	30	69	80	86	91	
78	D D S 365 NC-20017	-	8,002	15,206	21,73	28,010	3,876	38,798	488	8,768	52,217
79	D D S 365 NC-20093	-	7	225	02	7,3	1,789	1,790	1,876	2,0	2,121
80	D DIS 368 NC-20017	-	0	1,091	1,089	1,090	1,090	1,086	1,390	1,391	3,736
81	D DIS 368 NC-20093	-	0	0	0	1	1	1	1	1	
82	D D S 367 NC-20017	-	(2)	(18)	(11)	-	703	1,235	1,736	1,76	3,19
83	D D S 367 NC-20093	-	-	-	-	-	-	-	-	-	-
84	D D S 368 NC-20017	-	00	570	888	2,29	3,906	997	6,00	7,590	8,360
85	D D S 368 NC-20093	-	0	9	16	09	105	162	303	02	07
86	D D S 369 NC-20017	-	0	(1)	(1)	8	18	18	19	19	19
87	D D S 369 NC-20093	-	-	-	-	-	-	-	-	-	-
88	D D S 370 NC-20017	-	17	39	53	57	86	92	98	129	308
89	D DIS 370 NC-20093	-	-	-	-	-	-	-	-	-	-
90	D DIS 371 NC-20017	-	-	(1)	(0)	2	6	6	6	6	6
91	D DIS 371 NC-20093	-	-	-	-	-	-	-	-	-	-
92	D DIS 373 NC-20017	-	-	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
93	D DIS 373 NC-20093	-	-	-	-	-	-	-	-	-	-
94	D GEN 391 EDP-20017	-	-	-	-	(0)	(0)	9	110	110	110
95	D GEN 391-20017	-	-	-	-	-	-	-	-	-	-
96	D GEN 395-20017	-	-	-	-	-	-	-	-	-	-
97	D GEN 397-20017	-	367	828	1,107	2,331	3,082	17	819	6,01	7,156
98	D GEN 397-20093	-	-	-	-	25	25	7	111	126	127
99	D TRN 352-20017	-	-	-	-	-	-	-	-	-	-
100	D TRN 353-20017	-	20	(35)	223	58	2,088	2,255	8,362	10,838	11,128
101	D TRN 353-20093	-	1	3	-	6	7	7	8	8	8
102	D TRN 35 20017	-	-	-	-	-	-	-	-	-	-
103	D TRN 355-20017	-	-	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
104	D TRN 356-20017	-	-	-	-	-	-	-	-	-	-
105	D TRN 357-20017	-	-	-	-	-	-	-	-	-	-
106	D TRN 358-20017	-	-	-	-	-	-	-	-	-	-
107	N TRN 350-20017	-	-	-	-	-	-	-	-	-	-
108	Distributon to Plant in Service	-	-	-	-	-	-	-	-	-	-
109	Transmission to Plant in Service	-	-	-	-	-	-	-	-	-	-
110	Advanced DMS Plant in Service	-	-	-	-	-	-	-	-	-	-
111	Communications Plant in Service	-	-	-	-	-	-	-	-	-	-
112	Enterprise Applications Plant in Service	-	-	-	-	-	-	-	-	-	-

[1] Grid actual plant additions per Finance
[2] Grid forecasted plant additions per Financial Planning
[3] NC50 0-3 Effective property tax rates
[] NC50 0-7 Cost of Service Allocations Factors

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Line No.	Description	Actuals [1]											
		2021 Apr-2021	2021 May-2021	2021 Jun-2021	2021 Jul-2021	2021 Aug-2021	2021 Sep-2021	2021 Oct-2021	2021 Nov-2021	2021 Dec-2021	2022 Jan-2022	2022 Feb-2022	2022 Mar-2022
2	Sum of NC Re all Plant in Service (L27 through L69)												
3	Transmission plant in service	\$ 893,378	\$ 69,071	\$ 18,763	\$ 1,33,770	\$ 1,057,785	\$ (211,503)	\$ 1,252,518	\$ 2,17,581	\$ 103,02	\$ 170,178		
4	Distribution plant in service	5,291,829	325,825	3,970,350	655,352	371,200	9,37,59	901,967	5,05,735	19,778,983	10,725,130		
5	General plant in service	1,5293	179,68	117,96	20,73	698	25,898	5,170	8,20	28,823	185,269		
6	Intangible plant in service	90,980	1,187	(26,721)	-	(3,973)	-	3,687,956	399,692	(1,336)	156,03		
7	Total NC Retail Plant in Service (Sum L3,L6)	\$ 6,21,59	\$ 5,015,78	\$ 4,070,357	\$ 5,509,865	\$ 5,31,961	\$ 9,188,77	\$ 9,887,60	\$ 8,230,798	\$ 19,900,95	\$ 11,236,620		
8	Sum of NC Re all Depreciation Expense (L70 through L112)												
10	Transmission depreciation expense	\$ 1,880	\$ 16,56	\$ 17,975	\$ 18,008	\$ 20,816	\$ 22,887	\$ 22,73	\$ 2,921	\$ 29,573	\$ 28,879		
11	Distribution depreciation expense	97,610	106,101	11,116	120,793	127,592	135,138	151,746	300,198	169,627	206,08		
12	General depreciation expense	8,901	10,112	11,609	12,592	12,765	12,823	13,039	13,15	13,85	13,722		
13	Intangible depreciation expense	128,632	128,18	125,500	13,888	13,888	13,888	13,822	13,822	196,288	202,939	20,315	
14	Total NC Retail Depreciation Expense (Sum L10,L13)	\$ 2,8023	\$ 290,917	\$ 279,230	\$ 298,281	\$ 296,991	\$ 306,971	\$ 322,699	\$ 39,490	\$ 19,62	\$ 53,901		
15	Property taxes												
17	Property tax rate - Combined [3]	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%		
18	Transmission property tax expense (PY TTD L3 x L17/H2)	\$ 2,53	\$ 2,53	\$ 2,53	\$ 2,53	\$ 2,53	\$ 2,53	\$ 2,53	\$ 2,53	\$ 2,53	\$ 8,8		
19	Distribution property tax expense (PY TTD L x L17/H2)	23,01	23,01	23,01	23,01	23,01	23,01	23,01	23,01	23,01	23,01	66,150	
20	General property tax expense (PY TTD L5 x L17/H2)	333	333	333	333	333	333	333	333	333	333	896	
21	Intangible property tax expense (WA)												
22	Total NC Retail Property Tax (Sum L18,L21)	\$ 26,269	\$ 26,269	\$ 26,269	\$ 26,269	\$ 26,269	\$ 26,269	\$ 26,269	\$ 26,269	\$ 26,269	\$ 75,530		
23	NC Retail Plant in Service Additions												
24													
25													
26													
27	A NT 303 Software-2007	90,980	1,167	(36,721)	-	(3,973)	-	3,687,956	399,692	(1,336)	156,03		
28	A NT 30310 Software 10YR-2007	-	-	-	-	-	-	-	-	-	-	-	-
29	D DIS 362 NC-20017	-	-	-	-	-	-	-	-	-	-	-	-
30	D DIS 361 NC-20017	-	-	-	-	-	-	-	-	-	-	-	-
31	D DIS 362 NC-20093	(10,159)	1,	(2,800)	8,89	599,329	3,369,390	578,627	1,312,807	11,900,068	802,47		
32	D DIS 362 NC-20093												
33	D DIS 36 NC-20017	718,860	512,185	263,137	326,751	380,071	333,181	178,862	388,6	58,32	756,992		
34	D DIS 36 NC-20093	(5,3)	21,706	12,056	166	21,796	7,197	31,577	(6,850)	1,627	25,2		
35	D DIS 365 NC-20017	3,073,990	2,833,960	2,119,6	2,112,5	1,295,628	3,86,767	1,660,5	2,07,658	3,85,195	372,82		
36	D DIS 365 NC-20093	(1,03)	36,028	1,183	123,30	103,93	38,568	108,395	107,190	15,629	100,715		
37	D DIS 366 NC-20017	202,205	29	19,596	11,71	21,02	297	1,262	2,169	.009	592		
38	D DIS 366 NC-20093	(71)	2	(238)	1	73	(5)	737	1	(7)	13		
39	D DIS 367 NC-20017	2,316	2,77	70,833	28,589	12,68	699	(523)	2,701	8,759	760		
0	D DIS 367 NC-20093					2,18		220		1,071	235		
1	D DIS 368 NC-20017	1,233,36	1,052,809	1,300,811	1,09,38	1,871,181	2,02,811	2,168,596	1,398,76	3,562,59	820,599		
2	D DIS 368 NC-20093	1,37	3,203	7,76	1,09	53,65	0,765	1,152,9	66,270	(11,087)	27,59		
3	D DIS 369 NC-20017	26	1,02	67	322	1,71	1,2	17	3	(156)	369		
4	D DIS 369 NC-20093	-	-	-	-	-	-	-	-	-	169		
5	D DIS 370 NC-20017	5,821	19,300	1,62	(5,26)	3,068	1,167	9,763	(13,282)	(9,852)	9,1		

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Line No.	Description	Actuals (\$)									
		2021	Mar-2021	2021	1-2021	Q-2021	Apr-2021	Oct-2021	Nov-2021	Dec-2021	Jan-2022
6	D DIS 370 NC-20093	-	-	-	-	65	2,786	25	6,535	2,555	32
7	D DIS 371 NC-20017	67	28	(8)	1,817	3,233	2,069	697	75	15	2,191
8	D DIS 371 NC-20093	-	-	-	-	-	-	-	666	(2)	70
9	D DIS 373 NC-20017	-	933	963	1,227	(92)	622	(111)	(60)	233	1,332
50	D DIS 373 NC-20093	-	-	-	-	-	-	-	-	-	16
51	D GEN 391 EDP-20017	-	-	(72)	-	-	-	-	-	-	-
52	D GEN 391-20017	-	-	-	-	-	-	-	-	-	-
53	D GEN 395-20017	-	-	-	-	-	-	-	-	-	-
5	D GEN 397-20017	1,5293	176,731	117,803	20,665	6,938	25,883	5,161	285	29,609	183,730
55	D GEN 397-20093	-	2,96	233	89	13	15	8	135	(797)	1,539
56	D TRN 352-20017	-	-	-	-	-	-	1,301	282	92	575
57	D TRN 353-20017	263,18	8,887	2,357	1,39,366	1,057,685	(212,890)	1,228,711	2,133,033	98,59	169,72
58	D TRN 353-20093	5,0001	12,170	1,009	5,660	802	-	121	1,082	828	-
59	D TRN 35-20017	-	-	-	-	-	-	-	-	-	-
60	D TRN 355-20017	-	-	-	-	-	-	-	-	-	-
61	D TRN 356-20017	90,193	8,01	15,396	(1,256)	(502)	1,307	(585)	99	(839)	-
62	D TRN 357-20017	-	-	-	-	-	-	-	-	-	-
63	D TRN 358-20017	-	-	-	-	-	-	-	-	-	-
6	N TRN 350-20017	-	-	-	-	-	-	-	-	-	-
65	Distribution to Plant in Service	-	-	-	-	-	-	-	-	-	-
66	Transmission to Plant in Service	-	-	-	-	-	-	-	-	-	-
67	Advanced DMS Plant in Service	-	-	-	-	-	-	-	-	-	-
68	Communications Plant in Service	-	-	-	-	-	-	-	-	-	-
69	Enterprise Applications Plant in Service	-	-	-	-	-	-	-	-	-	-

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NC Grid Plant in Service and Depreciation Expense Detail of Activity

Line No.	Description	New Depreciation Expense											
		2021	Mar-2021	2021	1-2021	Q-2021	Sep-2021	Oct-2021	Nov-2021	Dec-2021	Jan-2022		
70	A NT 303 Software-2007	123.53	125.050	132.03	131.791	131.791	131.725	131.725	193.191	199.82	201.196		
71	A NT 30310 Software 10YR-20017	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,119		
72	N DIS 360 NC-20017	-	-	-	-	-	-	-	-	-	-		
73	D DIS 361 NC-20017	-	-	-	-	-	-	-	-	-	-		
74	D DIS 362 NC-20017	16,050	16,028	1,83	1,78	1,95	15,66	22,23	23,362	25,922	9,127		
75	D DIS 362 NC-20093	1,188	1,188	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073		
76	D DIS 36 NC-20017	5.6	6,826	8,21	8,679	9,256	9,929	10,517	10,933	11,517	12,327		
77	D DIS 36 NC-20093	99	93	138	160	160	198	211	267	257	259		
78	D DIS 365 NC-20017	55,203	60,172	65,27	68,93	72,59	7,586	80,310	83,099	86,31	92,73		
79	D DIS 365 NC-20093	2,213	2,207	2,300	2,532	2,75	2,916	2,979	3,15	3,41	3,87		
80	D DIS 366 NC-20017	3,862	.126	3,601	3,623	3,637	3,661	3,666	3,667	3,670	3,67		
81	D DIS 366 NC-20093	1	1	0	0	0	1	2	2	2	2		
82	D DIS 367 NC-20017	3,312	3,352	3,290	3,05	3,52	3,73	3,56	3,55	3,585	3,600		
83	D DIS 367 NC-20093	-	-	-	-	-	-	-	-	-	-		
84	D DIS 368 NC-20017	9,23	11,053	1,672	16,905	19,32	22,536	26,03	29,796	32,151	38,927		
85	D DIS 368 NC-20093	08	08	5,9	562	58	656	726	969	1,083	1,06		
86	D DIS 369 NC-20017	20	20	23	23	2	25	26	26	26	26		
87	D DIS 369 NC-20093	-	-	-	-	-	-	-	-	-	-		
88	D DIS 370 NC-20017	337	580	326	357	3,6	353	355	376	3,6	326		
89	D DIS 370 NC-20093	-	-	-	-	0	6	6	6	20	26		
90	D DIS 371 NC-20017	6	6	6	6	10	16	20	21	22	22		
91	D DIS 371 NC-20093	-	-	-	-	-	-	-	-	-	-		
92	D DIS 373 NC-20017	(1)	(1)	1	3	6	6	7	7	7	7		
93	D DIS 373 NC-20093	-	-	-	-	-	-	-	-	-	-		
94	D GEN 391 ESP-20017	86	86	86	863	863	863	863	863	863	863		
95	D GEN 391-20017	-	-	-	-	-	-	-	-	-	-		
96	D GEN 395-20017	-	-	-	-	-	-	-	-	-	-		
97	D GEN 397-20017	7,912	9,123	10,595	11,577	11,79	11,807	12,023	12,399	12,35	12,678		
98	D GEN 397-20093	125	125	150	152	152	153	153	187	187	181		
99	D TRN 352-20017	-	-	-	-	-	-	-	2	95	87		
100	D TRN 353-20017	11,775	12,23	13,52	13,529	16,328	16,00	17,983	20,08	2,586	2,033		
101	D TRN 353-20093	8	866	1,090	1,062	1,103	1,10	1,10	1,107	1,107	1,075		
102	D TRN 35-20017	-	-	-	-	-	-	-	-	-	-		
103	D TRN 355-20017	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)		
104	D TRN 356-20017	3,098	3,28	3,361	3,387	3,386	3,38	3,386	3,386	3,387	3,38		
105	D TRN 357-20017	-	-	-	-	-	-	-	-	-	-		
106	D TRN 358-20017	-	-	-	-	-	-	-	-	-	-		
107	N TRN 350-20017	-	-	-	-	-	-	-	-	-	-		
108	Distrib ion to Plant in Service	-	-	-	-	-	-	-	-	-	-		
109	Transmission to Plant in Service	-	-	-	-	-	-	-	-	-	-		
110	Advanced DMS Plant in Service	-	-	-	-	-	-	-	-	-	-		
111	Communications Plant in Service	-	-	-	-	-	-	-	-	-	-		
112	Enterprise Applications Plant in Service	-	-	-	-	-	-	-	-	-	-		

[1] Grid actual plant additions per Finance
[2] Grid forecasted plant additions per Financial Planning
[3] NC50 0-3 Effective property tax rates
[] NC50 0-7 Cost of Service Allocations Factors

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NC Grid Plant in Service and Depreciation Expense Detail Activity

Line No.	Description	2	3	4	5	6	7	8	9	10	11
		2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Actuals (1)											
1	Sum of NC Retail Plant in Service (L27 through L69)	\$ 1,161.3	\$ 6,083	\$ 36,932	\$ 1,776,111	\$ 316,502	\$ 233,362	\$ (17,589)	\$ 7,300	\$ 268,911	\$ 29,370
2	Transmission plant in service	9,111.25	13,177.9	18,562.13	18,300.6	12,90,190	17,025.06	29,135.95	33,295.07	28,521.212	25,807.673
3	Distribution plant in service	3,885	226,898	5,530	(50,107)	(61,317)	(7,291)	263,700	(7,631)	100,035	291,035
4	Intangible plant in service	53,320	(6)	(6)	(6)	605,531	1,735	(1,392)	-	-	-
5	Total NC Retail Plant in Service (Sum L3,L6)	\$ 11,008.73	\$ 13,509.25	\$ 18,538.671	\$ 20,172,311	\$ 13,352,905	\$ 17,253,28	\$ 29,340,885	\$ 33,257,763	\$ 28,890,187	\$ 26,128,079
6	Sum of NC Retail Depreciation Expense (L70 through L112)	\$ 29,212	\$ 31,896	\$ 31,983	\$ 32,050	\$ 35,632	\$ 36,25	\$ 36,710	\$ 36,682	\$ 36,696	\$ 37,222
7	Transmission depreciation expense	22,391	239,966	202,333	29,465	326,903	3,890	379,333	29,958	67,068	535,961
8	Distribution depreciation expense	15,266	15,555	17,6	17,825	17,08	16,897	16,838	18,809	18,12	19,26
9	Intangible depreciation expense	208,916	21,771	21,771	21,771	21,771	22,563	22,592	22,569	22,569	22,569
10	Total NC Retail Depreciation Expense (Sum L10,L13)	\$ 75,795	\$ 501,698	\$ 526,633	\$ 589,012	\$ 59,31	\$ 626,105	\$ 691,78	\$ 710,018	\$ 766,75	\$ 816,988
11	Property taxes										
12	Property tax rate - Combined (3)	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
13	Transmission property tax expense (PY TTD L3 x L17/L12)	\$ 8,8	\$ 8,8	\$ 8,8	\$ 8,8	\$ 8,8	\$ 8,8	\$ 8,8	\$ 8,8	\$ 8,8	\$ 8,8
14	Distribution property tax expense (PY TTD L x L17/L12)	66,150	66,150	66,150	66,150	66,150	66,150	66,150	66,150	66,150	66,150
15	General property tax expense (PY TTD L5 x L17 L2)	896	896	896	896	896	896	896	896	896	896
16	Intangible property tax expense (WA)	-	-	-	-	-	-	-	-	-	-
17	Total NC Retail Property Tax (Sum L16,L21)	\$ 75,530	\$ 75,530	\$ 75,530	\$ 75,530	\$ 75,530	\$ 75,530	\$ 75,530	\$ 75,530	\$ 75,530	\$ 75,530
18	NC Retail Plant in Service Additions										
19	Debit to G o										
20	A NT 303 Software-20017	53,320	(6)	(6)	605,531	1,735	(1,392)	-	-	-	-
21	A NT 30310 Software 10YR-20017	-	-	-	-	-	-	-	-	-	-
22	N DIS 362 NC-20017	-	-	-	-	-	-	-	-	-	-
23	D DIS 361 NC-20017	-	-	-	-	-	-	-	-	-	-
24	D DIS 362 NC-20017	1,176,711	2,167,571	2,98,259	67,378	696,905	7,075,70	5,2878	2,367,629	2,203,15	658,122
25	D DIS 362 NC-20093	-	-	-	-	-	-	-	3,753	(2,103)	17
26	D DIS 36 NC-20017	373,105	1,770,210	1,21,850	1,027,953	1,007,268	780,017	2,10,280	3,18,253	3,330,031	2,250,378
27	D DIS 36 NC-20093	55,631	36,5	77,575	6,21	9,465	(1,90,35)	51,207	150,093	66,697	13,021
28	D DIS 365 NC-20017	803,070	(9,765)	9,806,311	8,879,518	3,951,103	6,51,353	16,00,72	20,225,795	16,19,70	13,068,178
29	D DIS 365 NC-20093	6,20	22,230	281,982	209,311	35,712	551,306	197,860	500,85	265,336	91,170
30	D DIS 366 NC-20017	7,22	272,355	10,609	21,118	(57,215)	396,919	558	(131,000)	13,609	721
31	D DIS 366 NC-20093	6	1	9	31	19	16,890	10	2	6	6
32	D DIS 367 NC-20017	17,91	1,785,787	112,838	50,106	(2,811)	(50,862)	73,69	837,521	96,11	380,86
33	D DIS 367 NC-20093	3	251	560	509	2,265	21,195	(1)	(22)	182	182
34	D DIS 368 NC-20017	2,579,806	6,778,722	3,715,966	3,533,10	2,910,081	2,162,672	3,961,68	128,552	5,41,961	2,191
35	D DIS 368 NC-20093	33,808	21,95	138,90	28,33	86,993	1,129,720	5,527	299,958	13,29	10,269
36	D DIS 369 NC-20017	290	102,793	22	36	(2,53)	(80,76)	6,398	(139,329)	6,56	703
37	D DIS 369 NC-20093	216	181	273	187	130	(87)	-	-	36	7
38	D DIS 370 NC-20017	15,221	162,082	111,55	162,966	39,271	08,398	952,227	1,381,008	823,798	880,93

DUKE ENERGY CAROL, N.A.S., LLC
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NC Retail Plant in Service Additions continued

Line No.	Description	Actuals (\$)									
		Fe -2022	Ma -2022	-2022	Ma -2022	-2022	g-2022	Se -2022	Oct-2022	No -2022	
6	D DIS 370-NC-20093	326	(8)	18,607	10,751	1,771	21,076	20,718	910	5,957	3,878
7	D DIS 371-NC-20017	87	152,118	1,201	3,973	3,192	(28,256)	3,26	(1,8357)	(13,060)	2,903
8	D DIS 371-NC-20093	130	123	353	(71)	7	2,595	229	132	297	72
9	D DIS 373-NC-20017	383	(2,230)	567	1,236	2,317	(28,291)	878	6,556	2,777	238
50	D DIS 373-NC-20093	30	25	38	26	17	36,666	-	-	-	-
51	D GEN 391-EDP-20017	-	-	-	-	-	-	-	-	-	2,6995
52	D GEN 391-20017	-	-	-	-	-	-	-	-	-	-
53	D GEN 395-20017	-	-	-	-	-	80,99	-	-	-	-
54	D GEN 397-20017	3,30	226,903	5,985	(50,661)	(61,788)	(7,676)	180,259	(8,556)	98,531	3,717
55	D GEN 397-20093	295	()	(5)	65	71	382	5,87	925	1,50	32
56	D TRN 352-20017	76,352	11,96	15,882	(291,083)	3,88	(13,302)	9,2	1,1	1,597	-
57	D TRN 353-20017	965,261	3,587	21,051	2,066,391	31,65	(1,655)	1,012	3,956	5,5	273,5
58	D TRN 353-20093	-	-	-	-	291,880	(32,12)	1,950	261,890	2,025	-
59	D TRN 35 -20017	-	-	-	-	-	-	-	-	-	-
60	D TRN 355-20017	-	-	-	2,81	-	-	-	-	-	-
61	D TRN 356-20017	-	-	-	(21,191)	-	-	-	-	-	-
62	D TRN 357-20017	-	-	-	813	-	-	-	-	-	-
63	D TRN 358-20017	-	-	-	-	-	-	-	-	-	-
64	N TRN 350-20017	-	-	-	-	-	-	-	-	-	-
65	Distributions to Plant in Service	-	-	-	-	-	-	-	-	-	-
66	Transmission to Plant in Service	-	-	-	-	-	-	-	-	-	-
67	Advanced DMS Plant in Service	-	-	-	-	-	-	-	-	-	-
68	Communications Plant in Service	-	-	-	-	-	-	-	-	-	-
69	Enterprise Applications Plant in Service	-	-	-	-	-	-	-	-	-	-

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NC Grid Plant in Service and Depreciation Expense Detail of Activity

Line No.	Description	Actuals [1]											
		Feb-2022	Mar-2022	Apr-2022	May-2022	Jun-2022	Jul-2022	Aug-2022	Sep-2022	Oct-2022	Nov-2022	Dec-2022	
70	A NT 303 Software-2007	203,797	211,352	211,352	211,352	211,352	221	221, 73	221, 50	221, 50	221, 50	221, 50	
71	A NT 30310 Software 10YR-2007	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	
72	N DIS 360 NC-20017	-	-	-	-	-	-	-	-	-	-	-	
73	D DIS 361 NC-20017	1	1	1	1	1	1	1	1	1	1	1	
74	D DIS 362 NC-20017	50,892	52,987	57,21	63,033	71,7	79,71	93,511	10, 125	108,7 2	113,038		
75	D DIS 362 NC-20093	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,752	1,7 7		
76	D DIS 36 NC-20017	13,66	1, 323	17, 51	10,997	21, 13	23,392	2, 572	28,930	3, 969	0,762		
77	D DIS 36 NC-20093	30	02	70	607	689	856	(1,777)	(1,686)	(1, 21)	(1,268)		
78	D DIS 365 NC-20017	96,622	107,807	107,651	123,750	138,327	1, 81	156, 05	181,679	21, 383	2 1, 69		
79	D DIS 365 NC-20093	3,652	3,728	3,765	19	537	5, 120	6,025	6,3 9	7,172	7,509		
80	D DIS 366 NC-20017	3,675	3,683	3,99	006	031	3,965	18	19	269	285		
81	D DIS 366 NC-20093	2	2	2	2	2	2	21	22	22	22		
82	D DIS 367 NC-20017	3,607	3,636	6,553	6,737	6,819	6,81	6,078	6,198	7,566	7,723		
83	D DIS 367 NC-20093	13	13	1	15	15	17	52	52	52	52		
84	D DIS 368 NC-20017	6,198	50,627	62,26	66,6 3	7, 708	79,70	81, 66	90,999	97,356	106,763		
85	D DIS 368 NC-20093	1,111	1,169	1,207	1, 5	1, 9	1,6 3	3,583	3,592	107	130		
86	D DIS 369 NC-20017	26	27	1 6	1 6	1 7	1	73	81	(81)	(73)		
87	D DIS 369 NC-20093	0	0	1	1	1	1	()	()	()	()		
88	D DIS 370 NC-20017	3 7	380	731	972	1,326	1, 11	2,296	359	7,351	9,136		
89	D DIS 370 NC-20093	26	26	26	67	80	122	168	213	319	18		
90	D DIS 371 NC-20017	26	27	323	325	333	339	28	291	3	(22)		
91	D DIS 371 NC-20093	1	2	2	3	2	3	8	8	8	9		
92	D DIS 373 NC-20017	10	11	6	7	10	1	()	(3)	(20)	31		
93	D DIS 373 NC-20093	0	0	0	0	0	0	82	82	82	82		
94	D GEN 391 EDP-20017	863	863	863	863	863	863	863	863	863	863		
95	D GEN 391-20017	-	-	-	-	-	-	-	-	-	-		
96	D GEN 395-20017	-	-	-	-	-	-	-	50	50	50		
97	D GEN 397-20017	1, 210	1, 96	16,387	16,787	16,3 5	15,830	15,768	17,288	16,86	17,685		
98	D GEN 397-20093	193	196	196	195	200	20	207	228	235	2 8		
99	D TRN 352-20017	86	1,262	1,301	1,328	8 3	8 9	927	629	831	83		
100	D TRN 353-20017	2, 385	26,255	26,323	26,36	30, 11	31,027	30,9 0	30,967	30,975	30,986		
101	D TRN 353-20093	1,075	1,075	1,075	1,075	1,075	1,075	1,6 8	1,583	1,587	2,100		
102	D TRN 35 20017	-	-	-	-	-	-	-	-	-	-		
103	D TRN 355-20017	(1)	(1)	(1)	(1)	5	5	5	5	5	5		
104	D TRN 356-20017	3,28	3,28	3,28	3,28	3,2 8	3,2 8	3,2 8	3,2 8	3,2 8	3,2 8		
105	D TRN 357-20017	-	-	-	-	1	1	1	1	1	1		
106	D TRN 358-20017	-	-	-	-	-	-	-	-	-	-		
107	N TRN 350-20017	-	-	-	-	-	-	-	-	-	-		
108	Distrib ution to Plant in Service	-	-	-	-	-	-	-	-	-	-		
109	Transmission to Plant in Service	-	-	-	-	-	-	-	-	-	-		
110	Advanced DMS Plant in Service	-	-	-	-	-	-	-	-	-	-		
111	Communications Plant in Service	-	-	-	-	-	-	-	-	-	-		
112	Enterprise Applications Plant in Service	-	-	-	-	-	-	-	-	-	-		

[1] Grid actual plant additions per Finance
[2] Grid forecasted plant additions per Financial Planning
[3] NC50 0-3 Effective property tax rates
[] NC50 0-7 Cost of Service Allocation Factors

DUKE ENERGY CAROLINAS, LLC
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NC Grid Plant in Service and Depreciation Expense Detail of Activity

Line No.	Description	12	1	2	3	4	5	6	7	8	9
		2022	2023	2023	2023	2023	2023	2023	2023	2023	2023
		Actuals (T)	Calculated								
1											
2	Sum of NC Retail Plant in Service (L27 through L69)	\$ 1,367,077	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Transmission plant in service	80,928	32	-	-	-	-	-	-	-	-
4	Distribution plant in service	11,13	-	-	-	-	-	-	-	-	-
5	General plant in service	-	-	-	-	-	-	-	-	-	-
6	Intangible plant in service	-	-	-	-	-	-	-	-	-	-
7	Total NC Retail Plant in Service (Sum L3,L6)	\$ 82,707,213	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8											
9	Sum of NC Retail Depreciation Expense (L70 through L112)										
10	Transmission depreciation expense	\$ 37,280	\$ 39,95	\$ 39,95	\$ 39,95	\$ 39,95	\$ 39,95	\$ 39,95	\$ 39,95	\$ 39,95	\$ 39,95
11	Distribution depreciation expense	5807	718,387	718,387	718,387	718,387	718,387	718,387	718,387	718,387	718,387
12	General depreciation expense	22,186	25,59	25,59	25,59	25,59	25,59	25,59	25,59	25,59	25,59
13	Intangible depreciation expense	22,569	22,569	22,569	22,569	22,569	22,569	22,569	22,569	22,569	22,569
14	Total NC Retail Depreciation Expense (Sum L10,L13)	\$ 86,779	\$ 1,008,50	\$ 1,008,50	\$ 1,008,50	\$ 1,008,50	\$ 1,008,50	\$ 1,008,50	\$ 1,008,50	\$ 1,008,50	\$ 1,008,50
15											
16	Property taxes										
17	Property tax rate - Combined [3]	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
18	Transmission property tax expense (PY TTD L3 x L17(12))	\$ 8	\$ 11,665	\$ 11,665	\$ 11,665	\$ 11,665	\$ 11,665	\$ 11,665	\$ 11,665	\$ 11,665	\$ 11,665
19	Distribution property tax expense (PY TTD L x L17(12))	66,150	230,855	230,855	230,855	230,855	230,855	230,855	230,855	230,855	230,855
20	General property tax expense (PY TTD L5 x L17(12))	896	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671
21	Intangible property tax expense (WA)	-	-	-	-	-	-	-	-	-	-
22	Total NC Retail Property Tax (Sum L18,L21)	\$ 75,530	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190
23											
24	NC Retail Plant in Service Additions										
25		Actuals (T)	Calculated								
26		Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023
27	A NT 303 Software-20017	-	-	-	-	-	-	-	-	-	-
28	A NT 30310 Software 10YR-20017	-	-	-	-	-	-	-	-	-	-
29	N DIS 362 NC-20017	-	-	-	-	-	-	-	-	-	-
30	D DIS 361 NC-20017	-	-	-	-	-	-	-	-	-	-
31	D DIS 362 NC-20017	2,78,669	-	-	-	-	-	-	-	-	-
32	D DIS 362 NC-20093	10,289	-	-	-	-	-	-	-	-	-
33	D DIS 36 NC-20017	10,620,387	-	-	-	-	-	-	-	-	-
34	D DIS 36 NC-20093	9,825	-	-	-	-	-	-	-	-	-
35	D DIS 365 NC-20017	53,50,88	-	-	-	-	-	-	-	-	-
36	D DIS 365 NC-20093	1,052,766	-	-	-	-	-	-	-	-	-
37	D DIS 366 NC-20017	8,699	-	-	-	-	-	-	-	-	-
38	D DIS 366 NC-20093	6	-	-	-	-	-	-	-	-	-
39	D DIS 367 NC-20017	9,2,019	-	-	-	-	-	-	-	-	-
0	D DIS 367 NC-20093	-	-	-	-	-	-	-	-	-	-
1	D DIS 368 NC-20017	777,62	-	-	-	-	-	-	-	-	-
2	D DIS 368 NC-20093	18,787	-	-	-	-	-	-	-	-	-
3	D DIS 369 NC-20017	19,56	-	-	-	-	-	-	-	-	-
4	D DIS 369 NC-20093	1,325	-	-	-	-	-	-	-	-	-
5	D DIS 370 NC-20017	3,715,716	-	-	-	-	-	-	-	-	-

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NC Grid Plant in Service and Depreciation Expense Detail

Line No.	Description	NC Retail Plant in Service Additions continued											
		Actuals (1)	Calculated										
		Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023	Oct-2023	Nov-2023
6	D DIS 370-NC-20093	228,671	-	-	-	-	-	-	-	-	-	-	-
7	D DIS 371-NC-20017	5,962	-	-	-	-	-	-	-	-	-	-	-
8	D DIS 371-NC-20093	63	-	-	-	-	-	-	-	-	-	-	-
9	D DIS 373-NC-20017	6,127	-	-	-	-	-	-	-	-	-	-	-
50	D DIS 373-NC-20093	-	-	-	-	-	-	-	-	-	-	-	-
51	D GEN 391-EDP-20017	-	-	-	-	-	-	-	-	-	-	-	-
52	D GEN 391-20017	-	-	-	-	-	-	-	-	-	-	-	-
53	D GEN 395-20017	6,515	-	-	-	-	-	-	-	-	-	-	-
54	D GEN 397-20017	396,72	-	-	-	-	-	-	-	-	-	-	-
55	D GEN 397-20093	91,7	-	-	-	-	-	-	-	-	-	-	-
56	D TRN 352-20017	1,237	-	-	-	-	-	-	-	-	-	-	-
57	D TRN 353-20017	1,363,026	-	-	-	-	-	-	-	-	-	-	-
58	D TRN 353-20093	38	-	-	-	-	-	-	-	-	-	-	-
59	D TRN 35 -20017	-	-	-	-	-	-	-	-	-	-	-	-
60	D TRN 355-20017	-	-	-	-	-	-	-	-	-	-	-	-
61	D TRN 356-20017	-	-	-	-	-	-	-	-	-	-	-	-
62	D TRN 357-20017	-	-	-	-	-	-	-	-	-	-	-	-
63	D TRN 358-20017	-	-	-	-	-	-	-	-	-	-	-	-
64	D TRN 350-20017	-	-	-	-	-	-	-	-	-	-	-	-
65	Distribution to Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-
66	Transmission to Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-
67	Advanced DMS Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-
68	Communications Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-
69	Enterprise Applications Plant in Service	-	-	-	-	-	-	-	-	-	-	-	-

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NC Grid Plant in Service and Depreciation Expense Detail of Activity

Line No.	Description	Actuals [1]					Calculated				
		Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	Sep-2023
70	A NT 303 Software-2007	221,50	221,50	221,50	221,50	221,50	221,50	221,50	221,50	221,50	221,50
71	A NT 30310 Software 10YR-20017	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119
72	N DIS 360 NC-20017	-	-	-	-	-	-	-	-	-	-
73	D DIS 361 NC-20017	-	-	-	-	-	-	-	-	-	-
74	D DIS 362 NC-20017	122,122	126,955	126,955	126,955	126,955	126,955	126,955	126,955	126,955	126,955
75	D DIS 362 NC-20093	1,78	1,788	1,788	1,788	1,788	1,788	1,788	1,788	1,788	1,788
76	D DIS 36 NC-20017	728	63,90	63,90	63,90	63,90	63,90	63,90	63,90	63,90	63,90
77	D DIS 36 NC-20093	(12,5)	(630)	(630)	(630)	(630)	(630)	(630)	(630)	(630)	(630)
78	D DIS 365 NC-20017	262,622	350,670	350,670	350,670	350,670	350,670	350,670	350,670	350,670	350,670
79	D DIS 365 NC-20093	7,668	9,387	9,387	9,387	9,387	9,387	9,387	9,387	9,387	9,387
80	D DIS 366 NC-20017	288	.3 1	.3 1	.3 1	.3 1	.3 1	.3 1	.3 1	.3 1	.3 1
81	D DIS 366 NC-20093	22	22	22	22	22	22	22	22	22	22
82	D DIS 367 NC-20017	83,6	9,88	9,88	9,88	9,88	9,88	9,88	9,88	9,88	9,88
83	D DIS 367 NC-20093	52	52	52	52	52	52	52	52	52	52
84	D DIS 368 NC-20017	11,09	127,755	127,755	127,755	127,755	127,755	127,755	127,755	127,755	127,755
85	D DIS 368 NC-20093	1,8	.65	.65	.65	.65	.65	.65	.65	.65	.65
86	D DIS 369 NC-20017	(72)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)
87	D DIS 369 NC-20093	()	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
88	D DIS 370 NC-20017	110,3	19,09	19,09	19,09	19,09	19,09	19,09	19,09	19,09	19,09
89	D DIS 370 NC-20093	27	923	923	923	923	923	923	923	923	923
90	D DIS 371 NC-20017	(17)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
91	D DIS 371 NC-20093	9	9	9	9	9	9	9	9	9	9
92	D DIS 373 NC-20017	0	135	135	135	135	135	135	135	135	135
93	D DIS 373 NC-20093	62	62	62	62	62	62	62	62	62	62
94	D GEN 391 EDP-20017	3,36	3,36	3,36	3,36	3,36	3,36	3,36	3,36	3,36	3,36
95	D GEN 391-20017	-	-	-	-	-	-	-	-	-	-
96	D GEN 395-20017	50	86	86	86	86	86	86	86	86	86
97	D GEN 397-20017	180,9	21,3 5	21,3 5	21,3 5	21,3 5	21,3 5	21,3 5	21,3 5	21,3 5	21,3 5
98	D GEN 397-20093	250	327	327	327	327	327	327	327	327	327
99	D TRN 352-20017	63	657	657	657	657	657	657	657	657	657
100	D TRN 353-20017	31,039	33,689	33,689	33,689	33,689	33,689	33,689	33,689	33,689	33,689
101	D TRN 353-20093	2,10	2,10	2,10	2,10	2,10	2,10	2,10	2,10	2,10	2,10
102	D TRN 35 20017	-	-	-	-	-	-	-	-	-	-
103	D TRN 355-20017	-	-	-	-	-	-	-	-	-	-
104	D TRN 356-20017	32,8	3,2 8	3,2 8	3,2 8	3,2 8	3,2 8	3,2 8	3,2 8	3,2 8	3,2 8
105	D TRN 357-20017	1	1	1	1	1	1	1	1	1	1
106	D TRN 358-20017	-	-	-	-	-	-	-	-	-	-
107	N TRN 350-20017	-	-	-	-	-	-	-	-	-	-
108	Distribu ion to Plant in Service	-	-	-	-	-	-	-	-	-	-
109	Transmission to Plant in Service	-	-	-	-	-	-	-	-	-	-
110	Advanced DMS Plant in Service	-	-	-	-	-	-	-	-	-	-
111	Communications Plant in Service	-	-	-	-	-	-	-	-	-	-
112	Enterprise Applications Plant in Service	-	-	-	-	-	-	-	-	-	-

[1] Grid actual plant additions per Finance
[2] Grid forecasted plant additions per Financial Planning
[3] NC50 0-3 Effective property tax rates
[] NC50 0-7 Cost of Service Allocations Factors

DUKE ENERGY CAROL NAS, LLC
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NC Grid installation O&M Detailed Activity

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Line No.	Description	6 2020 Jun-2020	7 2020 Jul-2020	8 2020 Aug-2020	9 2020 Sep-2020	10 2020 Oct-2020	11 2020 Nov-2020	12 2020 Dec-2020	1 2021 Jan-2021	2 2021 Feb-2021	3 2021 Mar-2021	4 2021 Apr-2021	5 2021 May-2021	6 2021 Jun-2021
2	Sum of NC Retail Installation O&M (L26 : L36)	Actuals [1]												
3	Transmission O&M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Distribution O&M	263,261	141,856	115,091	341,924	430,607	357,243	659,068	247,663	178,003	182,029	328,095	443,950	419,856
5	General O&M	38,557	17,649	19,380	13,694	22,484	21,526	13,570	25,826	39,960	81,363	12,198	9,427	-
6	Intangible O&M	130,908	(74,325)	48,441	13,122	13,012	60,577	22,140	21,426	29,265	19,034	68,521	31,049	113,202
7	Total NC Retail Installation O&M (Sum L3 : L6)	\$ 432,725	\$ 85,180	\$ 182,912	\$ 368,739	\$ 466,103	\$ 439,347	\$ 694,778	\$ 294,914	\$ 247,228	\$ 282,426	\$ 408,815	\$ 484,425	\$ 533,058
9	System Installation O&M													
10	Depreciation Group	<u>Jun-2020</u>	<u>Jul-2020</u>	<u>Aug-2020</u>	<u>Sep-2020</u>	<u>Oct-2020</u>	<u>Nov-2020</u>	<u>Dec-2020</u>	<u>Jan-2021</u>	<u>Feb-2021</u>	<u>Mar-2021</u>	<u>Apr-2021</u>	<u>May-2021</u>	<u>Jun-2021</u>
11	ADMS	56,527	25,875	28,412	20,076	32,964	31,559	19,894	37,894	58,633	119,385	17,899	13,832	-
12	Communication	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Enterprise Application	189,673	(108,340)	67,780	18,610	17,858	86,892	31,418	27,886	38,565	23,991	93,532	37,590	153,406
14	Energy Storage (Software)	343	456	2,533	436	1,029	1,037	719	3,217	3,919	3,640	5,938	7,483	10,927
15	Distribution NC	263,261	141,856	115,091	341,924	430,607	357,243	659,068	247,663	178,003	182,029	328,095	443,950	475,883
16	Distribution SC	(19,042)	(88,996)	25,170	(2,746)	79,015	44,573	31,224	64,387	52,457	74,316	81,316	83,910	79,311
17	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Distribution O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Transmission O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Advanced DMS O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Communications O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Enterprise Applications O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
23														
24	NC Retail Installation O&M													
25	Depreciation Group	<u>Jun-2020</u>	<u>Jul-2020</u>	<u>Aug-2020</u>	<u>Sep-2020</u>	<u>Oct-2020</u>	<u>Nov-2020</u>	<u>Dec-2020</u>	<u>Jan-2021</u>	<u>Feb-2021</u>	<u>Mar-2021</u>	<u>Apr-2021</u>	<u>May-2021</u>	<u>Jun-2021</u>
26	ADMS	38,557	17,649	19,380	13,694	22,484	21,526	13,570	25,826	39,960	81,363	12,198	9,427	-
27	Communication	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Enterprise Application	130,672	(74,639)	46,696	12,821	12,303	59,863	21,645	19,209	26,566	16,527	64,431	25,894	105,675
29	Energy Storage (Software)	236	314	1,745	300	709	715	495	2,216	2,700	2,507	4,090	5,155	7,527
30	Distribution NC	263,261	141,856	115,091	341,924	430,607	357,243	659,068	247,663	178,003	182,029	328,095	443,950	475,883
31	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Distribution O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Transmission O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
34	Advanced DMS O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Communications O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
36	Enterprise Applications O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
37														
38	2018 test year installation O&M - Distribution [3]													(56,027)

[1] Grid actual plant additions per Finance
[2] Grid forecasted plant additions per Financial Planning
[3] Per McManeus Exhibit 3 Grid Deferral Settlement in Docket E-7 Sub 1214

DUKE ENERGY CAROL NAS, LLC
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Line No.	Description	7 2021 Jul-2021	8 2021 Aug-2021	9 2021 Sep-2021	10 2021 Oct-2021	11 2021 Nov-2021	12 2021 Dec-2021	1 2022 Jan-2022	2 2022 Feb-2022	3 2022 Mar-2022	4 2022 Apr-2022	5 2022 May-2022	6 2022 Jun-2022
2	Sum of NC Retail Installation O&M (L26 : L36)	Actuals [1]											
3	Transmission O&M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Distribution O&M	406,651	403,030	452,987	(19,176)	688,836	323,034	325,766	524,102	663,821	918,723	856,970	724,046
5	General O&M	-	-	-	82	1,742	18,477	646	718	1,595	39,455	6,094	17,434
6	Intangible O&M	68,179	48,370	55,026	35,172	16,820	11,328	15,316	35,428	28,176	34,487	69,022	45,406
7	Total NC Retail Installation O&M (Sum L3 : L6)	\$ 474,830	\$ 451,399	\$ 508,013	\$ 16,078	\$ 707,398	\$ 352,839	\$ 341,728	\$ 560,248	\$ 693,592	\$ 992,665	\$ 932,087	\$ 786,887
9	System Installation O&M												
10	<u>Depreciation Group</u>	<u>Jul-2021</u>	<u>Aug-2021</u>	<u>Sep-2021</u>	<u>Oct-2021</u>	<u>Nov-2021</u>	<u>Dec-2021</u>	<u>Jan-2022</u>	<u>Feb-2022</u>	<u>Mar-2022</u>	<u>Apr-2022</u>	<u>May-2022</u>	<u>Jun-2022</u>
11	ADMS	-	-	-	120	2,556	27,112	948	1,054	2,341	57,907	8,945	25,588
12	Communication	-	-	-	-	-	-	-	-	-	-	-	-
13	Enterprise Application	85,584	60,210	66,790	43,201	16,571	15,618	20,313	51,078	40,622	49,722	99,513	65,464
14	Energy Storage (Software)	13,389	10,007	13,090	7,857	7,846	827	1,768	-	-	-	-	-
15	Distribution NC	406,651	403,030	452,987	(19,176)	688,836	323,034	421,812	524,102	663,821	918,723	856,970	724,046
16	Distribution SC	79,316	68,832	143,142	108,061	161,762	180,105	154,206	168,110	108,355	204,954	163,742	183,992
17	Transmission	-	-	-	-	-	-	-	-	-	-	-	-
18	Distribution O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
19	Transmission O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
20	Advanced DMS O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
21	Communications O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
22	Enterprise Applications O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
23													
24	NC Retail Installation O&M												
25	<u>Depreciation Group</u>	<u>Jul-2021</u>	<u>Aug-2021</u>	<u>Sep-2021</u>	<u>Oct-2021</u>	<u>Nov-2021</u>	<u>Dec-2021</u>	<u>Jan-2022</u>	<u>Feb-2022</u>	<u>Mar-2022</u>	<u>Apr-2022</u>	<u>May-2022</u>	<u>Jun-2022</u>
26	ADMS	-	-	-	82	1,742	18,477	646	718	1,595	39,455	6,094	17,434
27	Communication	-	-	-	-	-	-	-	-	-	-	-	-
28	Enterprise Application	58,955	41,476	46,009	29,760	11,415	10,758	14,089	35,428	28,176	34,487	69,022	45,406
29	Energy Storage (Software)	9,223	6,894	9,017	5,413	5,405	570	1,227	-	-	-	-	-
30	Distribution NC	406,651	403,030	452,987	(19,176)	688,836	323,034	421,812	524,102	663,821	918,723	856,970	724,046
31	Transmission	-	-	-	-	-	-	-	-	-	-	-	-
32	Distribution O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
33	Transmission O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
34	Advanced DMS O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
35	Communications O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
36	Enterprise Applications O&M Spend	-	-	-	-	-	-	-	-	-	-	-	-
37													
38	2018 test year installation O&M - Distribution [3]							(96,045)					

[1] Grid actual plant additions per Finance
[2] Grid forecasted plant additions per Financial Planning
[3] Per McManeus Exhibit 3 Grid Deferral Settlement in Docket E-7 Sub 1214

DUKE ENERGY CAROL NAS, LLC
Docket No. E-7 Sub 1276
Amortize deferred grid costs
For the Test Period Ending December 31, 2021
(Amounts in dollars)
NC Grid installation O&M Detailed Activity

Line No.	Description	7 2022 Jul-2022	8 2022 Aug-2022	9 2022 Sep-2022	10 2022 Oct-2022	11 2022 Nov-2022	12 2022 Dec-2022
2	Sum of NC Retail Installation O&M (L26 : L36)	Actuals [1]					
3	Transmission O&M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Distribution O&M	839,552	874,995	1,084,897	920,315	839,312	1,236,350
5	General O&M	49,299	52,286	54,242	37,571	56,598	28,381
6	Intangible O&M	51,493	6,516	59,030	37,458	35,405	12,015
7	Total NC Retail Installation O&M (Sum L3 : L6)	\$ 940,344	\$ 933,797	\$ 1,198,169	\$ 995,343	\$ 931,314	\$ 1,276,747
9	System Installation O&M						
10	<u>Depreciation Group</u>	<u>Jul-2022</u>	<u>Aug-2022</u>	<u>Sep-2022</u>	<u>Oct-2022</u>	<u>Nov-2022</u>	<u>Dec-2022</u>
11	ADMS	72,354	76,737	79,609	55,142	83,066	41,654
12	Communication	-	-	-	-	-	-
13	Enterprise Application	74,722	8,983	85,107	54,005	51,044	17,323
14	Energy Storage (Software)	(482)	412	-	-	-	-
15	Distribution NC	839,552	874,995	1,084,897	920,315	839,312	1,236,350
16	Distribution SC	220,394	247,090	170,753	155,868	327,493	611,501
17	Transmission	-	-	-	-	-	-
18	Distribution O&M Spend	-	-	-	-	-	-
19	Transmission O&M Spend	-	-	-	-	-	-
20	Advanced DMS O&M Spend	-	-	-	-	-	-
21	Communications O&M Spend	-	-	-	-	-	-
22	Enterprise Applications O&M Spend	-	-	-	-	-	-
23							
24	NC Retail Installation O&M						
25	<u>Depreciation Group</u>	<u>Jul-2022</u>	<u>Aug-2022</u>	<u>Sep-2022</u>	<u>Oct-2022</u>	<u>Nov-2022</u>	<u>Dec-2022</u>
26	ADMS	49,299	52,286	54,242	37,571	56,598	28,381
27	Communication	-	-	-	-	-	-
28	Enterprise Application	51,827	6,230	59,030	37,458	35,405	12,015
29	Energy Storage (Software)	(334)	286	-	-	-	-
30	Distribution NC	839,552	874,995	1,084,897	920,315	839,312	1,236,350
31	Transmission	-	-	-	-	-	-
32	Distribution O&M Spend	-	-	-	-	-	-
33	Transmission O&M Spend	-	-	-	-	-	-
34	Advanced DMS O&M Spend	-	-	-	-	-	-
35	Communications O&M Spend	-	-	-	-	-	-
36	Enterprise Applications O&M Spend	-	-	-	-	-	-
37							
38	2018 test year installation O&M - Distribution [3]						

[1] Grid actual plant additions per Finance
[2] Grid forecasted plant additions per Financial Planning
[3] Per McManeus Exhibit 3 Grid Deferral Settlement in Docket E-7 Sub 1214

DUKE ENERGY CAROLINAS, LLC
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NC5040-5 WACC
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Cost of debt and equity for deferral periods

Line
No

Effective through March 2021						
	Capitalization	Approved	Weighted Cost of Capital (WACC)			
	Ratio [1]	Cost Rate [1]	After Tax	Before Tax		
5	Long Term Debt	100.00%	4.59%	4.59%	3.52%	4.59%
6	Equity	0.00%	9.90%	0.00%	0.00%	0.00%
7	Total	<u>100.00%</u>		<u>4.59%</u>	<u>3.52%</u>	<u>4.59%</u>
9	Effective State and Federal Income Tax Rate			23.3503%		
Effective April 2021						
	Capitalization	Approved	Weighted Cost of Capital (WACC)			
	Ratio [2]	Cost Rate [2]	After Tax	Before Tax		
15	Long Term Debt	100.00%	4.27%	4.27%	3.27%	4.27%
16	Equity	0.00%	9.60%	0.00%	0.00%	0.00%
17	Total	<u>100.00%</u>		<u>4.27%</u>	<u>3.27%</u>	<u>4.27%</u>
19	Effective State and Federal Income Tax Rate			23.3503%		

[1] Cost of capital rates from Docket No. E-7, Sub 1146

[2] Cost of capital rates from Docket No. E-7, Sub 1214

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize deferred grid costs
For the Test Period Ending December 31, 2021

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NC5040-6 Property Taxes
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Effective property tax rates

Line No	FOR THE 2020 TAX YEAR PAY 2021		
1	FOR THE 2020 TAX YEAR PAY 2021		
2	BASED ON PROPERTY COSTS AND VALUES AT DECEMBER 31, 2019		
3			
4			Effective Tax
5	<u>Company</u>	<u>States</u>	<u>Rate Cost</u>
6	Duke Energy Carolinas, LLC	North Carolina	0.40%
7	Duke Energy Carolinas, LLC	South Carolina	1.34%
8	Combined		0.66%
9			
Line No	FOR THE 2021 TAX YEAR PAY 2022		
10	FOR THE 2021 TAX YEAR PAY 2022		
11	BASED ON PROPERTY COSTS AND VALUES AT DECEMBER 31, 2020		
12			
13			Effective Tax
14	<u>Company</u>	<u>States</u>	<u>Rate Cost</u>
15	Duke Energy Carolinas, LLC	North Carolina	0.40%
16	Duke Energy Carolinas, LLC	South Carolina	1.34%
17	Combined		0.66%

[1] Effective property tax rates per Tax department

DUKE ENERGY CAROLINAS, LLC
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Amortize deferred grid costs
For the Test Period Ending December 31, 2021

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NC5040-7 Factors
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Compliance

Cost of Service Allocations Factors

Line No	Allocation Factor	COS 2019	COS 2020	COS 2021
		Used for 2020 <u>NC Retail</u>	Used for 2021 <u>NC Retail</u>	Used for 2022 <u>NC Retail</u>
1	All - Transmission Demand - Jur	48.8348%	50.2714%	48.7596%
2	All - General Plant - Jur	68.2098%	68.1517%	68.1356%
3	All - Intangible Plant - Jur	68.8933%	68.8858%	69.3605%

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize Allen Unit 4 unrecovered net book value costs
For the Test Period Ending December 31, 2021

E1-10
NC5060 Narrative
Compliance

E1-10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts income taxes, depreciation and amortization expense, for the amortization of the retired Allen Unit 4 unrecovered net book value. It also adjusts for the regulatory asset established as a result of the early retirement.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update

Revised to reflect updated cutoff date of June 30, 2023.

(C) 2nd Supplemental Update

Revised to end Buck application of over amortization at interim rates effective date (9/1/23), rather than rates effective date (1/1/24) since that amortization will be removed with interim rates.

(S3) Settlement

Updated Decommissioning Cost for Allen Unit 4 based on settlement

DUKE ENERGY CAROL NAS, LLC
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Amortize Allen Unit 4 unrecovered net book value costs
For the Test Period Ending December 31, 2021
(Dollars in thousands)

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NC5060 Summary
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Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity						-
2	Other Revenue						-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -
4							
5	<u>Electric operating expenses:</u>						
6	Operation and maintenance:						
7	Fuel used in electric generation						-
8	Purchased power						-
9	Other operation and maintenance expense						-
10	Depreciation and amortization	NC5060-1	4,697	5,290	4,842	4,842	(144)
11	General taxes						-
12	Interest on customer deposits						-
13	EDIT Amortization						-
14	Net income taxes	NC5060-1	(1,097)	(1,235)	(1,131)	(1,131)	34
15	Amortization of investment tax credit						-
16	Total electric operating expenses (sum(L7 L15))		\$ 3,600	\$ 4,055	\$ 3,711	\$ 3,711	\$ (111)
17							
18	Operating income (L3-L16)		\$ (3,600)	\$ (4,055)	\$ (3,711)	\$ (3,711)	\$ 111
19							
20	<u>Rate Base</u>	Source	Total NC Retail Compliance	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
21	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -
22	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -
23	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -
24	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -
25	Total Working Capital	NC5060-1	\$ (15,727)	\$ (15,727)	\$ (15,727)	\$ (17,049)	\$ 1,322
26	Accumulated deferred income taxes	NC5060-1	\$ 3,672	\$ 3,672	\$ 3,672	\$ 3,981	\$ (309)
27	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -
28	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -
29	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ (12,054)	\$ (12,054)	\$ (12,054)	\$ (13,068)	\$ 1,013

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E1-10
NC5060-1 Calculation
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Line No.	Description	Total NC Retail
1		
2	Amortize retired Allen Unit 4 NBV	4,697 [1]
3	Impact to Depreciation and Amortization (L2)	\$ 4,697
4		
5	Statutory tax rate	23.3503% [2]
6	Impact to income taxes (-L3 x L5)	\$ (1,097)
7		
8	Impact to operating income (-L3 - L6)	\$ (3,600)
9		
10	<u>Rate Base investment:</u>	
11	Allen regulatory asset in COS	\$ 47,285 [3]
12	Allen regulatory asset as of 6/30/2023	31,558 [1]
13	Impact to working capital investment (L12 - L11)	\$ (15,727)
14		
15	Deferred tax rate	23.3503% [2]
16	Impact to accumulated deferred income tax (-L13 x L15)	\$ 3,672
17		
18	Impact to rate base (L13 + L16)	\$ (12,054)

[1] NC5060-2 Retired Allen Unit 4 Regulatory Asset and Amortization Calculation

E1 [2] NC1010-4 2022 Calculation of Tax Rates, Line 10

A1 [3] E1-45 - COS line 182 ORA-NC NBV RETIRED PLANT-NCR

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NC5060-2 Reg Asset
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Retired Allen Unit 4 Regulatory Asset and Amortization Calculation

Line No.	Description	NC Allen Unit 4	NC Buck Coal	Total NC Retail
1				
2	Current monthly amortization	\$ (783,994) [1]	\$ (538,214) [3]	
3				
4	Balance at 12/31/2021	\$ 47,284,520 [2]		\$ 47,284,520
5	1/31/2022	46,500,526		46,500,526
6	2/28/2022	45,716,532		45,716,532
7	3/31/2022	44,932,538		44,932,538
8	4/30/2022	44,148,544		44,148,544
9	5/31/2022	43,364,550		43,364,550
10	6/30/2022	42,580,556		42,580,556
11	7/31/2022	41,796,561		41,796,561
12	8/31/2022	41,012,567		41,012,567
13	9/30/2022	40,228,573		40,228,573
14	10/31/2022	39,444,579		39,444,579
15	11/30/2022	38,660,585		38,660,585
16	12/31/2022	37,876,591		37,876,591
17	1/31/2023	37,092,597		37,092,597
18	2/28/2023	36,308,602		36,308,602
19	3/31/2023	35,524,608		35,524,608
20	4/30/2023	34,740,614	(538,214) [4]	34,202,400
21	5/31/2023	33,418,406	(538,214) [4]	32,880,192
22	6/30/2023	32,096,198	(538,214) [4]	31,557,984
23	7/31/2023	30,773,990	(538,214) [4]	30,235,776
24	8/31/2023	29,451,782	(538,214) [4]	28,913,568
25	9/30/2023	28,129,574	[4]	28,129,574
26	10/31/2023	27,345,579	[4]	27,345,579
27	11/30/2023	26,561,585	[4]	26,561,585
28	12/31/2023	25,777,591	[4]	25,777,591
29				
30	Total estimated dismantlement costs	\$ 3,593,000 [6]		\$ 3,593,000
31	NC Retail Allocation			66.9690% [5]
32	NC Retail estimated dismantlement costs			\$ 2,406,194
33				
34	Remaining amount to be amortized at 1/1/2024			\$ 28,183,786
35	Amortization period			6
36	Proposed amortization expense			\$ 4,697,298

- B1** [1] Provided by Asset Accounting
- A1** [2] E1-45 - COS line 182 ORA-NC NBV RETIRED PLANT-NCR
- D1** [3] Per Docket No. E-7, Sub 1026, NC-2901(C)-Update adjustment for retirement of generation plants
- [4] The Buck coal unrecovered NBV regulatory asset will be fully amortized 3/31/2023, therefore 5 months of over amortization will be applied to the Allen regulatory asset balance since this amortization will be removed with interim rates effective 9/1/2023.
- C1** [5] NC Retail Allocation All - Production Demand - Jur
- [6] NC5060-3 - Decommissioning Cost Estimate Study - Allen Unit 4

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E1-10
NC5060-3 Dismantlement
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Decommissioning Cost Estimate Study - Allen

Line No.	Description	Total Cost	Project Indirects (10%)	Contingency (20%)	Scrap Value	Net Inventory [2]	Total Net Project Cost
1	Unit 1	6,196,000	620,000	1,239,000	(5,308,000)	704,000	3,451,000
2	Unit 2	6,389,000	639,000	1,278,000	(5,486,000)	723,000	3,543,000
3	Unit 3	8,615,000	861,000	1,723,000	(7,318,000)	994,000	4,875,000
4	Unit 4	8,621,000	862,000	1,724,000	(7,318,000)	997,000	4,886,000
5	Unit 5	7,932,000	793,000	1,586,000	(6,571,000)	958,000	4,698,000
6	Common/Handling	13,309,000	1,331,000	2,662,000	(1,519,000)	4,044,000	19,827,000
7	Allen Generating Station	51,062,000	5,106,000	10,212,000	(33,520,000)	8,420,000	41,280,000
8							
9							
10							
11	<u>Settlement Update</u>						
12	Unit 4	8,621,000	862,000	1,724,000	(7,318,000)	997,000	4,886,000
13			(431,000.0)	(862,000.0)			(1,293,000.0)
14		8,621,000	431,000	862,000	(7,318,000)	997,000	3,593,000

[1] Per the Decommissioning Cost Estimate Study performed by 1898 Co. (a part of Burns and McDonnell) for Duke Energy Carolinas

[2] The inventory adjustment is not broken down by unit, so allocating using the percent to total of the remaining costs.

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NC5080 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts other O&M, depreciation and amortization, income taxes, working capital and accumulated deferred taxes in the test period for approved regulatory assets and liabilities.

The impact to other O&M, and depreciation and amortization reflects the annualization of new amortizations out of docket E-7 Sub 1214 which began June 1, 2021, and changes to existing amortizations.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

The adjustment to working capital adjusts the balance for the regulatory assets to reflect what the balance will be as of the end of the update period of July 31, 2023.

The adjustment to accumulated deferred taxes adjust the tax effect recorded in the test period for the changes in the regulatory assets.

(B) 1st Supplemental Update

The adjustment to working capital adjusts the balance for the regulatory assets to reflect what the balance will be as of the end of the update period of June 30, 2023.

(S4) Supplemental Partial Settlement

Removed docket E-7 Sub 1146 rate case costs from rate base

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E1-10
NC5080 Summary
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Line No	Source	Total	Total	Total	Total	Total	Total	Total	Total
		NC Retail Compliance	NC Retail CCR ARO	NC Retail Supplemental	NC Retail CCR ARO	NC Retail Application	NC Retail CCR ARO	NC Retail Change	NC Retail Change
Impacted Income Statement Line Items									
1	Sales of Electricity								
2	Other Revenue								
3	Electric operating revenue (L1+L2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4									
5	Electric operating expenses:								
6	Operation and maintenance:								
7	Fuel used in electric generation								
8	Purchased power								
9	Other operation and maintenance expense								
10	Depreciation and amortization	NC5080-1	(969)	14,127	(969)	14,127	(969)	14,127	-
11	General taxes								
12	Interest on customer deposits								
13	EDIT Amortization								
14	Net income taxes	NC5080-1	946	(3,299)	946	(3,299)	946	(3,299)	
15	Amortization of investment tax credit								
16	Total electric operating expenses (sum(L7:L15))	\$	(23)	\$ 10,829	\$ (23)	\$ 10,829	\$ (23)	\$ 10,829	\$ -
17									
18	Operating income (L3-L16)	\$	23	\$ (10,829)	\$ 23	\$ (10,829)	\$ 23	\$ (10,829)	\$ -
Rate Base									
19									
20	Electric plant in service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC5080-1	(23,529)	(50,858)	(20,378)	(50,858)	(21,515)	(53,684)	(2,014)
25	Accumulated deferred income taxes	NC5080-1	5,494	11,876	4,758	11,876	5,024	12,535	470
26	Operating reserves								
27	Construction Work in Progress								
28	Total Rate Base (sum(L22:L23,L24,L25:L27))	\$	(18,035)	\$ (38,983)	\$ (15,620)	\$ (38,983)	\$ (16,491)	\$ (41,149)	\$ (1,544)

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NC5080-1 Calculation
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Compliance

Line No.	Description	Test Year Amount	Annualized Amount	Adjustment Amount	NC Retail Allocation	Total NC Retail
1	<u>Depreciation and amortization</u>					
2	0403500 - Depr of General Plant - System	(12,346) [1]	(13,907)	(1,562)	68.1625% [3]	\$ (1,065)
3	0407305 - Regulatory Debits - Hydro	1,257 [1]	1,138	(118)	100.0000%	(118)
4	0407115 - Non AMI Meters	7,689 [1]	7,903	214	100.0000%	214
5	Total Depreciation and Amortization	\$ (3,400)	\$ (4,866)	\$ (1,466)		\$ (969)
6						
7						
8	<u>NC Retail Customers - ARAM on Protected</u>					
9	0411115 - DFIT: Federal Excess DIT Amort	(24,092) [1]	(23,372)	720	100.0000%	\$ 720
10	Income Taxes (-L5 * L10)	23.3503% [4]				226
11	Total Income Taxes					\$ 946
12						
13	Total Operating Expense (Non CCR) (L5 + L11)					\$ (23)
14						
15	<u>Amortization of Tranche 2 CCR Coal Ash spend</u>					
16	0407324 - NC & MW Coal As Amort Exp	19,778 [1]	33,906	14,127	100.0000%	14,127
17	Income Taxes (-L16 * L17)	23.3503% [4]				\$ (3,299)
18	Total Operating Expense (CCR) (L16 + L17)					\$ 10,829
19						
20						
21	<u>Rate Base Adjustments</u>	<u>Dec-21 Balance</u>	<u>Jun-23 Balance</u>	<u>Adjustment Amount</u>	<u>Rate Base Allocation</u>	<u>Total Adjustment NC Retail</u>
22	Cost of Removal - 0182551	51,019 [2]	47,956	(3,063)	100.0000%	\$ (3,063)
23	NC Regulatory Fee - 0182484	1,515 [2]	682	(833)	100.0000%	(833)
24	Non ARO Coal Ash E-2 Sub 1219 - 0182544	75,799 [2]	58,689	(17,110)	100.0000%	(17,110)
25	Sale of Hydro - 0182530	21,022 [2]	19,314	(1,708)	100.0000%	(1,708)
26	Retired Non AMI Meters - 0182525	91,452 [2]	79,684	(11,768)	100.0000%	(11,768)
27	Rate Case Costs - 0182323/0182433	4,624 [2]	-	(4,624)	100.0000%	(4,624)
28	Nuclear Fuel Last Core - 0254021	(62,578) [2]	(66,588)	(4,010)	100.0000%	(4,010)
29	M&S Inventory Reserve - 0254022	(74,312) [2]	(89,783)	(15,471)	100.0000%	(15,471)
30	Protected EDIT	(1,085,447) [2]	(1,050,388)	35,058	100.0000%	35,058
31	Total Working Capital (Non CCR)	(976,906)	(1,000,435)	(23,529)		\$ (23,529)
32						
33	ADIT (-L31 * L33)	23.3503% [4]				5,494
34	Total Rate Base (Non CCR) (L31 + L33)					\$ (18,035)
35						
36	CCR Rate Base Adjustment	149,750 [2]	98,891	(50,858)	100.0000%	(50,858)
37	ADIT (-L36 * L37)	23.3503% [4]				11,876
38	Total Rate Base (CCR) (L36 + L37)					\$ (38,983)

[1] NC5080-2 Operating Expense
[2] NC5080-3 Rate Base
[3] NC Retail Allocation Factor - All - General Plant - Jur
[4] NC1010-4 2022 Calculation of Tax Rates, Line 10

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NC5080-2 Operating Expense
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Adjustments to test year amortizations

Line No.	Description	Test Year Amount	Annualized Amount
1	General Plant Reserve Adjustment		
2	0403500 - Depr of General Plant - System	(12,346) [1]	(13,907) [2]
3	The general plant reserve adjustment amortization was updated based on the 2018 Depreciation Study,		
4	which was implemented 6/1/2021. This amortization is not included in the NC3010 Annualize depreciation		
5	expense proforma. The rate base balance related to the General Plant Reserve Adjustment is updated		
6	in the NC3030 Post test year additions proforma.		
7			
8	Amortization of loss on sale of Hydro plants		
9	0407305 - Regulatory Debits - Hydro	1,257 [3]	1,138 [4]
10	Prior to the ruling in Docket E-7 Sub 1214, the balance was amortizing based on depreciation rates. The		
11	amortization of the loss on hydro sale was updated to an annual amount of \$1,138k in Docket E-7 Sub		
12	1214. Amortization at the new rate was implemented on 6/1/2021.		
13			
14	Non AMI Meters		
15	North Carolina - 0407115 - Meter Amortization	\$ 7,689 [8]	\$ 7,903 [9]
16	The final accounting to reclass the net book value of the retired Non AMI Meters out of the asset		
17	accounts into the regulatory asset account occurred in June 2022. Therefore in the test year, the		
18	amortization/depreciation expense related to these meters was partially in depreciation expense and		
19	partially in amortization expense. Since as of the assets were retired prior to the capital cut off, proforma		
20	NC3030 Adjust for Post test year additions, removes the depreciation associated with those retired		
21	meters. This adjustment is to capture the full amortization expense. Amortization began 8/1/2018 and		
22	was to be over 15 years. To calculate annual amortization the adjustment took the NC Retail balance as		
23	of 6/30/2022 and divided it by 133 which is the number of months remaining of the amortization period,		
24	and multiplied that by 12.		
25	June 30, 2022 Balance	\$ 87,586	
26	Number of months remaining	133	
27	Monthly Amortization	\$ 659	
28	Annual Amortization	\$ 7,903	
29			
30	Amortization of Protected EDIT at ARAM		
31	0411115 - DFIT: Federal Excess DIT Amortn (NC Retail Customers - ARAM on Protected)	(24,092) [5]	(23,372) [5]
32	In 2021 there was a true up to the 2020 ARAM amortization.		
33			
34	Amortization of CCR Coal Ash Spend		
35	0407324 - NC & MW Coal As Amort Exp Amortization of Tranche 2 CCR Coal Ash spend.	19,778 [6]	33,906 [7]
36	Tranche 2 amortization as approved in Docket E-7 Sub 1214 was implemented beginning 6/1/2021.		

[1] Per Asset Accounting
 [2] Per the 2018 Depreciation Study the RESERVE ADJUSTMENT FOR AMORTIZATION line
 [3] Trial Balance
 [4] E-7 Sub 1214 Proforma NC3200(L) - Adjust for Hydro Stations Sale-DEC
 [5] Per E&Y Tax accounting
 [6] Accounting detail
 [7] E-7 Sub 1214 Proforma NC1100(K-CA) - Amortize deferred environmental costs-DEC
 [8] COS Study - 407 REG DRS & CRS-METERS-D/A
 [9] Calculated by taking the balance as of 6/30/22 divided by the number of months remaining in the 15 year amortization and multiplying the monthly amortization by 12

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NC5080-3 Rate Base
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Line No	Rate Base item	Dec-21 Balance		Annual Amortization		Docket
1	COR Giveback - 0182551	51,019	[1]	(2,042)	[3]	E-7 Sub 1146
2	NC Regulatory Fee - 0182484	1,515	[1]	(555)	[3]	E-7 Sub 1146
3	Non ARO Coal Ash E-2 Sub 121 - 0182544	75,799	[1]	(11,407)	[3]	E-7 Sub 1214
4	Sale of Hydro - 0182270	21,022	[1]	(1,138)	[3]	E-7 Sub 1214
5	Retired Non AMI Meters - 0182525	91,452	[1]	(7,903)	[4]	E-7 Sub 1146
6	Rate Case Costs - 0182323/0182433	4,624	[1]	(982)	[5]	E-7 Sub 1146
7	Nuclear Fuel Last Core - 0254021	(62,578)	[1]	(2,673)	[3]	E-7 Sub 1214
8	M&S Inventory Reserve - 0254022	(74,312)	[1]	(10,314)	[3]	E-7 Sub 1214
9	Protected EDIT	(1,085,447)	[3]	23,372	[6]	E-7 Sub 1214
10	CCR ARO Tranche 2	149,750	[2]	(33,906)	[3]	E-7 Sub 1214

[1] DEC COSS

[2] Provided by accounting

[3] Amortization per docket noted

[4] NC5080-2 Operating Expense - Beginning July 2022

[5] Includes the overamortization from Dockets E-7 Sub 989 and E-7 Sub 1026. See NC5010-4 Rate Case

[6] Provided by Tax accounting based on ARAM amortization.

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Adjust for COVID impacts
For the Test Period Ending December 31, 2021

E1-10
NC5090 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma calculates the COVID deferral amortization expense as of the rates effective date. Also included are adjustments to the test period to normalize late fees after the Governor's order was lifted on August 15, 2022 and O&M expenses to account for ongoing COVID expenses.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(A) December Update

The COVID deferral has been updated for actuals for incremental bad debt and expenses through December 2022. There was also a formula error in the April 2021 line, which has been corrected and flowed through the proforma.

(B) 1st Supplemental Update

The COVID deferral has been updated for actuals for incremental bad debt and expenses through April 2023. The ongoing adjustment for safety in NC5090-4 has been reduced to \$0. In the 2022 expense support, deferred O&M for call center overtime has been moved to the Return to Work line - it had been inadvertently shifted to "Other".

(C) 2nd Supplemental Update

The COVID deferral has been updated for actuals for incremental bad debt and expenses through May 2023.

(D) 3rd Supplemental Update

The COVID deferral has been updated for actuals for incremental bad debt and expenses through June 2023.

(E) Compliance Adjustments:

- The direct savings deemed attributable to the pandemic (\$6.2 million);

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NC5090 Summary
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Line No	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change	
Impacted Income Statement Line Items								
1	Sales of Electricity						-	
2	Other Revenue	14,591	14,591	14,591	14,591	14,591	-	
3	Electric operating revenue (L1+L2)	\$ 14,591	\$ 14,591	\$ 14,591	\$ 14,591	\$ 14,591	\$ -	
4								
5	Electric operating expenses:							
6	Operation and maintenance:							
7	Fuel used in electric generation						-	
8	Purchased power						-	
9	Other operation and maintenance expense	1,680	1,680	1,680	1,680	4,097	(2,417)	
10	Depreciation and amortization	\$ 58,896	\$ 60,967	\$ 64,992	\$ 64,795	\$ 61,796	(2,900)	
11	General taxes						-	
12	Interest on customer deposits						-	
13	EDIT Amortization						-	
14	Net income taxes	\$ (10,738)	\$ (11,221)	\$ (12,161)	\$ (12,115)	\$ (11,979)	1,241	
15	Amortization of investment tax credit						-	
16	Total electric operating expenses (sum(L7:L15))	\$ 49,838	\$ 51,426	\$ 54,511	\$ 54,360	\$ 53,914	\$ (4,075)	
17								
18	Operating income (L3-L16)	\$ (35,247)	\$ (36,835)	\$ (39,920)	\$ (39,769)	\$ (39,322)	\$ 4,075	
Rate Base								
19								
20	Electric plant in service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
21	Accumulated depreciation and amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
22	Net electric plant in service (L20 + L21)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
23	Materials and supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
24	Total Working Capital	\$ 117,792	\$ 121,934	\$ 129,984	\$ 129,590	\$ 123,592	\$ (5,800)	
25	Accumulated deferred income taxes	\$ (27,505)	\$ (28,472)	\$ (30,352)	\$ (30,260)	\$ (28,859)	\$ 1,354	
26	Operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
27	Construction Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
28	Total Rate Base (sum(L22:L23,L24,L25:L27))	\$ 90,287	\$ 93,462	\$ 99,633	\$ 99,331	\$ 94,733	\$ (4,446)	

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Line No.	Description	Total NC Retail
1	<u>Impacts to Operating Income:</u>	
2	Waived fees in 2021 - adjust test period	\$ 14,591 [1]
3	Impact to Other revenue (L2)	<u>\$ 14,591</u>
4		
5	<u>Amortize COVID deferral</u>	
6	Projected Ending Balance - rates effective date	\$ 176,688 [2]
7	Years to Amortize	<u>3</u>
8	Annual amortization (L6/L7)	<u>\$ 58,896</u>
9		
10	Impact to Depreciation and Amortization (L8)	<u>\$ 58,896</u>
11		
12	Normalize test year O&M for deferred call center overtime	\$ 1,680 [3]
13	Impact to Operations and Maintenance expense (L12)	<u>\$ 1,680</u>
14		
15	Taxable income (L13 + L10 - L3)	\$ 45,985
16	Statutory tax rate	23.3503% [4]
17	Impact to income taxes (-L15 x L16)	<u>\$ (10,738)</u>
18		
19	Impact to operating income (-L15-L17)	<u>\$ (35,247)</u>
20		
21		
22	<u>Impact to Rate Base:</u>	
23		
24	Projected COVID deferral balance for Rate Base - at rates effective date (L2)	\$ 176,688
25	Less One year Amortization (-L8)	<u>(58,896)</u>
26	Adjusted COVID deferral balance in rate base	<u>\$ 117,792</u>
27		
28	Impact to Covid Deferral (L22-L18)	\$ 117,792
29		
30	Impact to accumulated deferred income tax (-L 24 x L10)	<u>(27,505)</u>
31		
32	Impact to Rate Base [L24+L26]	<u>\$ 90,287</u>

[1] NC5090-3 - Normalize test year revenue for late fees , Line 13
[2] NC5090-2 - Calculation of Projected Deferral - COVID Impacts , Line 49
[3] NC5090-4 - Normalize test year for ongoing COVID expenses, Line 13
[4] NC1010-4 - 2022 Calculation of Tax Rates - Statutory Tax Rate, Line 10

Note: Totals may not foot due to rounding

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NC5090-2 COVID Deferral Detail
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Calculation of Projected Deferral - COVID Impacts

Duke Energy Carolinas COVID Deferral (North Carolina Retail)											
Line No.	Month	Beginning Balance (a)=(h) PM	NC Retail Customer Fees Waived [1][4][6] (b1)	NC Retail Incremental Bad Debt [2][4] (b2)	NC Retail COVID Expenses [3][4] (b3)	Ending Balance (c)=(a)+(b)	NCR Balance for Return (d)=(a)+(b)/2	Def. Cost of Debt [5] (e) = (d) x cost of debt	Def. Cost of Equity [5] (f) = (d) x cost of equity	Total Return (g)=(e)+(f)	Total Ending Balance (h)= (c)+(g)
1											
2	Jan-20	-	-	-	-	-	-	-	-	-	-
3	Feb-20	-	-	-	-	-	-	-	-	-	-
4	Mar-20	-	908,369	-	1,466,319	2,374,688	1,187,344	1,664	5,094	6,758	2,381,446
5	Apr-20	2,381,446	1,770,543	-	1,466,319	5,618,308	3,999,877	5,606	17,159	22,766	5,641,073
6	May-20	5,641,073	2,131,931	774,476	1,885,542	10,433,021	8,037,047	11,264	34,479	45,743	10,478,765
7	Jun-20	10,478,765	1,783,336	1,621,913	1,153,955	15,037,969	12,758,367	17,882	54,733	72,615	15,110,584
8	Jul-20	15,110,584	1,831,915	513,892	253,878	17,710,269	16,410,426	23,000	70,401	93,401	17,803,670
9	Aug-20	17,803,670	2,467,741	3,503,627	(921,836)	22,853,201	20,328,435	28,492	87,209	115,701	22,968,902
10	Sep-20	22,968,902	1,739,117	517,041	596,559	25,821,618	24,395,260	34,192	104,656	138,847	25,960,466
11	Oct-20	25,960,466	1,915,926	905,298	298,996	29,080,685	27,520,576	38,572	118,063	156,635	29,237,321
12	Nov-20	29,237,321	951,898	482,120	513,094	31,184,433	30,210,877	42,343	129,605	171,947	31,356,380
13	Dec-20	31,356,380	730,145	158,428	600,734	32,845,687	32,101,034	44,992	137,713	182,705	33,028,393
14	Jan-21	33,028,393	975,550	946,274	397,095	35,347,312	34,187,852	47,917	146,666	194,582	35,541,894
15	Feb-21	35,541,894	777,498	1,277,212	389,903	37,986,507	36,764,201	51,528	157,718	209,246	38,195,753
16	Mar-21	38,195,753	893,039	7,999,834	351,653	47,440,278	42,818,016	60,012	183,689	243,702	47,683,980
17	Apr-21	47,683,980	861,977	(1,370,386)	419,868	47,595,439	47,639,709	62,369	198,181	260,550	47,855,989
18	May-21	47,855,989	796,118	(1,899,564)	361,756	47,114,298	47,485,143	62,166	197,538	259,705	47,374,003
19	Jun-21	47,374,003	1,008,445	5,777,102	284,904	54,444,454	50,909,228	66,649	211,782	278,432	54,722,885
20	Jul-21	54,722,885	1,228,772	(224,958)	63,918	55,790,617	55,256,751	72,341	229,868	302,209	56,092,826
21	Aug-21	56,092,826	1,585,849	127,900	315,502	58,122,078	57,107,452	74,764	237,567	312,331	58,434,408
22	Sep-21	58,434,408	1,512,434	(59,012)	276,138	60,163,969	59,299,189	77,633	246,685	324,318	60,488,287
23	Oct-21	60,488,287	1,959,407	1,087,582	227,124	63,762,401	62,125,344	81,333	258,441	339,775	64,102,175
24	Nov-21	64,102,175	1,479,905	1,341,349	738,437	67,661,866	65,882,021	86,251	274,069	360,320	68,022,187
25	Dec-21	68,022,187	1,512,337	2,826,355	270,415	72,631,294	70,326,740	92,070	292,559	384,629	73,015,923
26	Jan-22	73,015,923	1,668,823	1,301,771	665,951	76,652,468	74,834,196	97,971	311,310	409,282	77,061,749
27	Feb-22	77,061,749	1,784,890	925,396	195,359	79,967,393	78,514,571	102,790	326,621	429,410	80,396,804
28	Mar-22	80,396,804	1,625,177	8,992,933	129,382	91,144,296	85,770,550	112,289	356,805	469,094	91,613,390
29	Apr-22	91,613,390	2,089,714	3,827,989	193,663	97,724,756	94,669,073	123,939	393,823	517,762	98,242,518
30	May-22	98,242,518	1,637,262	2,222,276	211,588	102,313,644	100,278,081	131,282	417,157	548,439	102,862,083
31	Jun-22	102,862,083	1,353,674	2,467,445	69,587	106,752,789	104,807,436	137,212	435,999	573,210	107,325,999
32	Jul-22	107,325,999	1,726,365	2,361,522	175,060	111,588,946	109,457,472	143,299	455,343	598,642	112,187,588
33	Aug-22	112,187,588	1,557,591	4,143,483	252,703	118,141,365	115,164,477	150,771	479,084	629,855	118,771,220
34	Sep-22	118,771,220	1,443,437	12,468,579	141,351	132,824,588	125,797,904	164,692	523,319	688,011	133,512,599
35	Oct-22	133,512,599	-	11,753,631	45,253	145,311,484	139,412,041	182,515	579,954	762,469	146,073,953
36	Nov-22	146,073,953	-	3,576,139	66,225	149,716,317	147,895,135	193,621	615,244	808,865	150,525,182
37	Dec-22	150,525,182	-	7,380,508	65,105	157,970,796	154,247,989	201,938	641,672	843,610	158,814,405
38	Jan-23	158,814,405	-	5,806,048	168,586	164,789,039	161,801,722	211,827	673,095	884,922	165,673,962
39	Feb-23	165,673,962	-	2,345,801	(3,701)	168,016,061	166,845,011	218,430	694,075	912,505	168,928,566
40	Mar-23	168,928,566	-	3,402,814	87,778	172,419,158	170,673,862	223,442	710,003	933,446	173,352,603
41	Apr-23	173,352,603	-	3,564,410	84,626	177,001,640	175,177,122	229,338	728,737	958,075	177,959,715
42	May-23	177,959,715	-	4,341,161	22,341	182,323,216	180,141,465	235,837	749,388	985,226	183,308,442
43	Jun-23	183,308,442	-	(7,278,256)	(359)	176,029,827	179,669,134	235,219	747,424	982,642	177,012,469
44	Jul-23	177,012,469	-	-	-	177,012,469	177,012,469	231,741	736,372	968,113	177,980,582
45	Aug-23	177,980,582	-	-	-	177,980,582	177,980,582	233,008	740,399	973,407	178,953,989
46	Sep-23	178,953,989	-	-	-	178,953,989	178,953,989	234,283	744,449	978,731	179,932,720
47	Oct-23	179,932,720	-	-	-	179,932,720	179,932,720	235,564	748,520	984,084	180,916,804
48	Nov-23	180,916,804	-	-	-	180,916,804	180,916,804	236,852	752,614	989,466	181,906,271
49	Dec-23	181,906,271	-	-	-	181,906,271	181,906,271	238,148	756,730	994,878	182,901,148
50	Less: COVID Direct Savings	-	-	-	-	-	-	-	-	-	(6,213,456)
51											
52			45,709,185	99,910,134	13,980,768			5,589,046	17,712,015	23,301,061	176,687,692

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56 For the Test Period Ending December 31, 2021
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63 Docket No. E-2, Sub 1214
64 Cost of Capital
65

	Assumed Capital Structure	Cost Rates	Weighted Rates	Tax Rate		
				Tax Rate	Pre-Tax	After-Tax
66 Long-Term Debt	48.0000%	4.27%	2.0496%		2.0496%	1.5710%
67 Common Equity	52.0000%	9.60%	4.9920%	23.35%	6.5127%	4.9920%
68 Total	100.0000%		7.0416%		8.5623%	6.5630%

70
71
72 Docket No. E-7, Sub 1146
73 Cost of Capital
74

	Approved Capital Structure	Cost Rates	Weighted Rates	Tax Rate		
				Tax Rate	Pre-Tax	After-Tax
75 Long-Term Debt	48.0000%	4.59%	2.2032%		2.2032%	1.6819%
76 Common Equity	52.0000%	9.90%	5.1480%	23.66%	6.7437%	5.1480%
77 Total		14.49%	7.3512%		8.9469%	6.8299%

[1] Source: Customer Services
[2] Source: DEC Accounting
[3] Source: Finance
[4] All items are recorded to the general ledger on a month lag, except incremental bad debt expense.
[5] Weighted Cost of Capital Rates per Docket No. E-7 Sub 1146 and as of April 2021, Docket No. E-7 Sub 1214
[6] North Carolina Governor's Emergency Order lifted as of August 15, 2022

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NC5090-3 Late Fees
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Normalize test year for late fees

Line		NC Retail
<u>No.</u>		<u>Waived Fees</u>
1	Jan-21	975,550
2	Feb-21	777,498
3	Mar-21	893,039
4	Apr-21	861,977
5	May-21	796,118
6	Jun-21	1,008,445
7	Jul-21	1,228,772
8	Aug-21	1,585,849
9	Sep-21	1,512,434
10	Oct-21	1,959,407
11	Nov-21	1,479,905
12	Dec-21	1,512,337
13	Total	<u>\$ 14,591,331</u> [1]

[1] There were no test period late fees collected in North Carolina during the Governor's emergency order. The Governor's emergency order was lifted August 15, 2022 and collection of fees will resume.

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NC5090-4 Ongoing COVID Expense
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Normalize test year for ongoing COVID expenses

Line No.		Safety and PP&E	Call center overtime	Total
1	Jan-21		150,879	
2	Feb-21		136,034	
3	Mar-21		119,713	
4	Apr-21		291,836	
5	May-21		172,619	
6	Jun-21		192,085	
7	Jul-21		(20,400)	
8	Aug-21		208,177	
9	Sep-21		67,035	
10	Oct-21		99,514	
11	Nov-21		91,472	
12	Dec-21		171,105	
13	Total	\$ -	\$ 1,680,070	\$ 1,680,070 [1][2]

[1] Represents actual expenses for the test year that were deferred and thus are not reflected in operating expenses. Costs will continue on an ongoing basis and this adjustment normalizes those expenses.

[2] These costs have been reported in the semi-annual COVID filing in Docket No. E-7, Sub 1241

DUKE ENERGY CAROLINAS, LLC
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Amortize Customer Connect
For the Test Period Ending December 31, 2021

E1-10
NC5120 Narrative
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E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts depreciation and amortization expense associated with the regulatory asset related to Customer Connect. The Company was allowed to accrue a return on the regulatory asset in the same manner that CWIP balances accrue AFUDC through the project in-service date (4/5/2021). As of March 31, 2021, the return accrual ended and amortization over a 15-year period began.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(B) 1st Supplemental Update

The deferral detail has been updated to reflect continued existing amortization through the updated capital cut off.

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NC5120 Summary
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Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity		-	-	-	-
2	Other Revenue		-	-	-	-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power					-
9	Other operation and maintenance expense					-
10	Depreciation and amortization	NC5120-1	1,215	1,215	1,215	0
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortization					-
14	Net income taxes	NC5120-1	\$ (284)	\$ (284)	\$ (284)	(0)
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7 L15))		\$ 932	\$ 932	\$ 932	\$ 0
17						
18	Operating income (L3-L16)		\$ (932)	\$ (932)	\$ (932)	\$ (0)
19	<u>Rate Base</u>					
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC5120-1	\$ (6,531)	\$ (6,531)	\$ (6,894)	\$ 363
25	Accumulated deferred income taxes	NC5120-1	\$ 1,525	\$ 1,525	\$ 1,610	\$ (85)
26	Operating reserves		\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ (5,006)	\$ (5,006)	\$ (5,284)	\$ 278

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NC5120-1 Cust Connect Amort
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Line No.	Description	Total NC Retail
1		
2	Projected Ending Balance - capital cutoff	\$ 55,513 [1]
3		
4	Balance for Amortization	\$ 55,513
5		
6	Years remaining to Amortize	12.8 [2]
7		
8	Annual amortization (L4/L6)	\$ 4,354
9		
10	Test Year Amortization - 9 months	\$ (3,139) [3]
11		
12	Adjustment to Depreciation and Amortization (L8 + L10)	\$ 1,215
13		
14	Statutory tax rate	23.3503% [4]
15		
16	Impact to income taxes (-L12 x L14)	\$ (284)
17		
18	Impact to operating income (-L12 - L16)	\$ (932)
19		
20	<u>Impact to Rate Base</u>	
21		
22	Cost of Service Customer Connect Deferral in Rate Base 12/31/2021	\$ 62,044 [5]
23		
24	Projected Customer Connect for Rate Base - at capital cutoff date (L2)	55,513
25		
26	Adjusted Customer Connect Deferral Balance in rate base	55,513
27		
28	Impact to working capital investment (L26-L22)	\$ (6,531)
29		
30	Impact to accumulated deferred income tax (-L 28 x L14)	\$ 1,525
31		
32	Impact to Rate Base [L28+L30]	\$ (5,006)

[1] NC5120-2 - Calculation of Deferral - Projected Ending Balance - Customer Connect - Line 69
 [2] NC5120-2 - Calculation of Deferral - Projected Ending Balance - Customer Connect - Footnote 5
 [3] NC5120-2 - Calculation of Deferral - Projected Ending Balance - Customer Connect
 [4] NC1010-4 - 2022 Calculation of Tax Rates - Statutory Tax Rate, Line 10
 [5] Account 0182524 balance included in rate base in December 31, 2021 Cost of Service

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Amortize Customer Connect
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E1-10
NC5120-2 Deferral Calc
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Calculation of Deferral - Projected Ending Balance - Customer Connect

Line No.	Date	Beginning Base	Monthly Charges [1]	Balance for AFUDC	Debt Rate [2] [3]	Equity Rate [2] [3]	Debt AFUDC	Equity AFUDC	Total AFUDC	Amortization [4]	Ending Balance
				C = J (PM) + B/2	D	E	F = C x D	G = D x E	H = F + G	I	J = (PM) + B + H + I
1		A	B								
2	Jan-18	-	1,539,140	769,570	0.001679	0.003796	1,292	2,921	4,213		1,543,353
3	Feb-18	1,543,353	369,492	1,728,099	0.001679	0.003796	2,901	6,559	9,460		1,922,306
4	Mar-18	1,922,306	888,366	2,366,489	0.001679	0.003796	3,973	8,982	12,955		2,823,628
5	Apr-18	2,823,628	1,418,007	3,532,631	0.001679	0.003796	5,931	13,408	19,339		4,260,974
6	May-18	4,260,974	788,700	4,655,324	0.001679	0.003796	7,816	17,669	25,486		5,075,159
7	Jun-18	5,075,159	762,317	5,456,318	0.001679	0.003796	9,161	20,709	29,871		5,867,347
8	Jul-18	5,867,347	818,815	6,276,755	0.001828	0.003598	11,474	22,583	34,057		6,720,219
9	Aug-18	6,720,219	625,448	7,032,943	0.001828	0.003493	12,853	24,565	37,418		7,383,085
10	Sep-18	7,383,085	1,327,371	8,046,770	0.001828	0.003493	14,706	28,106	42,812		8,753,268
11	Oct-18	8,753,268	623,284	9,064,910	0.001828	0.003493	16,567	31,662	48,229		9,424,780
12	Nov-18	9,424,780	510,258	9,679,909	0.001828	0.003493	17,691	33,810	51,501		9,986,540
13	Dec-18	9,986,540	1,217,780	10,595,430	0.001828	0.003493	19,364	37,008	56,372		11,260,692
14	Jan-19	11,260,692	1,920,577	12,220,980	0.001833	0.003122	22,405	38,149	60,554		13,241,823
15	Feb-19	13,241,823	(251,176)	13,116,235	0.001833	0.003122	24,046	40,944	64,990		13,055,637
16	Mar-19	13,055,637	1,703,080	13,907,177	0.001833	0.003122	25,496	43,413	68,909		14,827,625
17	Apr-19	14,827,625	1,059,476	15,357,363	0.001833	0.003122	28,155	47,940	76,094		15,963,195
18	May-19	15,963,195	1,152,674	16,539,532	0.001833	0.003122	30,322	51,630	81,952		17,197,820
19	Jun-19	17,197,820	598,435	17,497,038	0.001833	0.003122	32,077	54,619	86,696		17,882,952
20	Jul-19	17,882,952	976,865	18,371,385	0.001834	0.002755	33,695	50,606	84,301		18,944,118
21	Aug-19	18,944,118	793,869	19,341,052	0.001863	0.003222	36,025	62,323	98,347		19,836,334
22	Sep-19	19,836,334	1,098,623	20,385,646	0.001863	0.003222	37,970	65,689	103,659		21,038,617
23	Oct-19	21,038,617	889,088	21,483,161	0.001863	0.003222	40,015	69,225	109,240		22,036,945
24	Nov-19	22,036,945	899,559	22,486,724	0.001863	0.003222	41,884	72,459	114,343		23,050,847
25	Dec-19	23,050,847	1,335,703	23,718,698	0.001863	0.003222	44,178	76,429	120,607		24,507,157
26	Jan-20	24,507,157	629,111	24,821,713	0.001789	0.004042	44,406	100,329	144,735		25,281,004
27	Feb-20	25,281,004	349,660	25,455,833	0.001789	0.004042	45,540	102,892	148,433		25,779,096
28	Mar-20	25,779,096	1,212,225	26,385,209	0.001789	0.004042	47,203	106,649	153,852		27,145,173
29	Apr-20	27,145,173	1,328,671	27,809,509	0.001789	0.004042	49,751	112,406	162,157		28,636,002
30	May-20	28,636,002	711,182	28,991,593	0.001789	0.004042	51,866	117,184	169,050		29,516,234
31	Jun-20	29,516,234	1,487,467	30,259,968	0.001789	0.004042	54,135	122,311	176,446		31,180,147
32	Jul-20	31,180,147	1,621,993	31,991,144	0.001740	0.004034	55,677	129,049	184,726		32,986,867
33	Aug-20	32,986,867	1,076,729	33,525,231	0.001740	0.004034	58,347	135,237	193,585		34,257,180
34	Sep-20	34,257,180	1,137,494	34,825,927	0.001740	0.004034	60,611	140,484	201,095		35,595,769
35	Oct-20	35,595,769	2,741,268	36,966,404	0.001740	0.004034	64,336	149,119	213,455		38,550,493
36	Nov-20	38,550,493	2,769,589	39,935,287	0.001740	0.004034	69,503	161,095	230,598		41,550,680
37	Dec-20	41,550,680	4,244,701	43,673,030	0.001740	0.004034	76,009	176,173	252,181		46,047,562
38	Jan-21	46,047,562	1,394,440	46,744,782	0.001684	0.003896	78,718	182,113	260,831		47,702,833
39	Feb-21	47,702,833	2,476,408	48,941,037	0.001684	0.003896	82,417	190,669	273,086		50,452,327
40	Mar-21	50,452,327	5,120,225	53,012,439	0.001684	0.003896	89,273	206,531	295,804		55,868,356
41	Apr-21	55,868,356	1,897,457							(310,380)	57,455,433 [3]
42	May-21	57,455,433	3,940,895							(310,380)	61,085,948
43	Jun-21	61,085,948	3,475,812							(346,458)	64,215,301
44	Jul-21	64,215,301								(360,014)	63,855,287
45	Aug-21	63,855,287								(360,014)	63,495,273
46	Sep-21	63,495,273								(362,830)	63,132,443
47	Oct-21	63,132,443								(362,830)	62,769,612
48	Nov-21	62,769,612								(362,830)	62,406,782
49	Dec-21	62,406,782								(362,830)	62,043,952
50	Jan-22	62,043,952								(362,830)	61,681,122
51	Feb-22	61,681,122								(362,830)	61,318,292
52	Mar-22	61,318,292								(362,830)	60,955,462
53	Apr-22	60,955,462								(362,830)	60,592,632
54	May-22	60,592,632								(362,830)	60,229,802
55	Jun-22	60,229,802								(362,830)	59,866,971
56	Jul-22	59,866,971								(362,830)	59,504,141
57	Aug-22	59,504,141								(362,830)	59,141,311
58	Sep-22	59,141,311								(362,830)	58,778,481
59	Oct-22	58,778,481								(362,830)	58,415,651
60	Nov-22	58,415,651								(362,830)	58,052,821
61	Dec-22	58,052,821								(362,830)	57,689,991
62	Jan-23	57,689,991								(362,830)	57,327,160
63	Feb-23	57,327,160								(362,830)	56,964,330
64	Mar-23	56,964,330								(362,830)	56,601,500
65	Apr-23	56,601,500								(362,830)	56,238,670
66	May-23	56,238,670								(362,830)	55,875,840
67	Jun-23	55,875,840								(362,830)	55,513,010
68			60,681,079				1,447,793	3,053,648	4,501,440	(9,669,509)	55,513,010 [5]

[1] NC5120-3 - Summary of Monthly Expenditures for Customer Connect
 [2] AFUDC debt and equity rates provided by Asset Accounting. AFUDC rates are calculated semi-annually in January and July and upon any rate case updates.
 [3] Customer Connect in-service date - 4/05/2021 - AFUDC ends as of March 31, 2021
 [4] Per Docket No. E-7 Sub 1146, 15-year amortization began when asset was placed in service.
 [5] Remaining amount to be amortized at capital cutoff date - 153 months = 12.8 years

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize Customer Connect
For the Test Period Ending December 31, 2021
(Amounts in dollars)

E1-10
NC5120-3 Cust Connect Exp
Page 1 of 1
Compliance

Summary of Monthly Expenditures for Customer Connect [1][2]

Line No.		<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
1						
2	<u>Month</u>					
3						
4	January	1,539,140	1,920,577	629,111	1,394,440	
5	February	369,492	(251,176)	349,660	2,476,408	
6	March	888,366	1,703,080	1,212,225	5,120,225	
7	April	1,418,007	1,059,476	1,328,671	1,897,457	
8	May	788,700	1,152,674	711,182	3,940,895	
9	June	762,317	598,435	1,487,467	3,475,812	
10	July	818,815	976,865	1,621,993	-	
11	August	625,448	793,869	1,076,729	-	
12	September	1,327,371	1,098,623	1,137,494	-	
13	October	623,284	889,088	2,741,268	-	
14	November	510,258	899,559	2,769,589	-	
15	December	1,217,780	1,335,703	4,244,701	-	
16	Annual Total	\$ 10,888,978	\$ 12,176,775	\$ 19,310,090	\$ 18,305,236	\$ 60,681,079

[1] Actuals provided by DEC Accounting

[2] The three month warranty period ended in June 2021, therefore the deferral of Customer Connect costs ended.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize Deferred Billing
For the Test Period Ending December 31, 2021

E1-10
NC5130 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

In the E-7, Sub 1026 Commission Order Granting General Rate Increase, Findings of Fact and Conclusions - Item 40 (page 15), the Commission approved the deferral of the costs to effectuate the lighting audit and billing system change agreed to in paragraph 8.L. of the Stipulation between the Public Staff and the Company. On June 12, 2013, the Public Staff filed a Notice of Settlement in Principle with Duke Energy Carolinas. On June 17, 2013, Duke Energy Carolinas and the Public Staff entered into and filed the Stipulation resolving all of the issues in this proceeding between the two parties. The Stipulation provided that the Company shall conduct an audit and modify its billing system to effectuate the Company's proposed reduction in the extra facilities rate for all customers, including the additional facilities charges for existing lighting customers.

This pro forma adjusts depreciation and amortization expense associated with the regulatory asset related to these costs.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(S4) Supplemental Partial Settlement
Removed lighting audit deferral from this case

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize Deferred Billing
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC5130 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity				-
2	Other Revenue		-	-	-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense				-
10	Depreciation and amortization	NC5120-1	-	219	(219)
11	General taxes				-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC5120-1	\$ -	-51	51
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ -	\$ 168	\$ (168)
17					
18	Operating income (L3-L16)		\$ -	\$ (168)	\$ 168
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital	NC5120-1	\$ -	(219)	\$ 219
25	Accumulated deferred income taxes	NC5120-1	\$ -	51	\$ (51)
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22 L23,L24,L25:L27))		\$ -	\$ (168)	\$ 168

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize Deferred Billing
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC5130-1 Calculation
Page 1 of 1
Compliance

Line No.	Description	Total NC Retail
1		
2	Projected Ending Balance - capital cutoff	\$ 656 [1]
3		
4	Balance for Amortization (L2)	\$ -
5		
6	Years remaining to Amortize	3.0
7		
8	Annual amortization (L4/L6)	\$ -
9		
10	Adjustment to Depreciation and Amortization (L8)	\$ -
11		
12	Statutory tax rate	23.3503% [2]
13		
14	Impact to income taxes (-L10 x L12)	\$ -
15		
16	Impact to operating income (-L10 - L14)	\$ -
17		
18	<u>Impact to Rate Base</u>	
19		
20	Cost of Service Deferral in Rate Base 12/31/2021	\$ - [3]
21		
22	Less 1 years amortization (-L10)	-
23		
24	Adjusted Customer Connect Deferral Balance in rate base (L20 + L22)	-
25		
26	Impact to working capital investment (L24 - L20)	\$ -
27		
28	Impact to accumulated deferred income tax (-L26 x L12)	\$ -
29		
30	Impact to Rate Base (L26+L28)	\$ -

[1] NC5130-2 - Deferral Calc - Ending Balance - Line 31

[2] NC1010-4 2022 Calculation of Tax Rates, Line 10

[3] Trial Balance - account 0182438

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Amortize Deferred Billing
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC5130-2 Deferral Calc
Page 1 of 1
Compliance

Calculation of Deferral

Line No.	Month	Beginning Balance A	NC Retail Deferral [1] B	Ending Balance C = A+B
1				
2				
3				
4				
5	Oct-13	-	6,010	6,010
6	Nov-13	6,010	21,255	27,264
7	Dec-13	27,264	29,026	56,290
8	Jan-14	56,290	33,937	90,227
9	Feb-14	90,227	53,830	144,056
10	Mar-14	144,056	56,764	200,821
11	Apr-14	200,821	52,568	253,389
12	May-14	253,389	45,541	298,929
13	Jun-14	298,929	52,835	351,765
14	Jul-14	351,765	31,304	383,069
15	Aug-14	383,069	30,866	413,935
16	Sep-14	413,935	33,093	447,028
17	Oct-14	447,028	38,098	485,126
18	Nov-14	485,126	26,478	511,604
19	Dec-14	511,604	29,128	540,732
20	Jan-15	540,732	22,416	563,148
21	Feb-15	563,148	24,264	587,412
22	Mar-15	587,412	23,407	610,819
23	Apr-15	610,819	12,468	623,287
24	May-15	623,287	6,679	629,966
25	Jun-15	629,966	12,479	642,444
26	Jul-15	642,444	8,075	650,519
27	Aug-15	650,519	2,493	653,013
28	Sep-15	653,013	2,327	655,339
29	Oct-15	655,339	688	656,028
30	Nov-15	656,028	-	656,028
31	Dec-15	656,028	-	656,028
32			656,028	[2]

[1] Provided by DEC Accounting
[2] Trial Balance - account 0182438

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Coal Inventory
For the Test Period Ending December 31, 2021

E1-10
NC6010 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjustment reflects the Company's requirement for a level of coal inventory equal to the coal needed for a 40 day full load burn priced at the projected average delivered coal cost for the fuel billing period as discussed by Witness Verderame in Docket No. E-7, Sub 1263 plus the fixed transportation cost.

Days of coal inventory on the storage piles refers to "full load burn days". Therefore, one "day" of supply is equal to how much coal would be burned at any given generating unit if it was to run at full load for 24 hours straight. The projected full load burn for the entire coal-fired fleet in the Carolinas is 51,746 tons per day which means that if there are 40 days of supply on the system, then there are 2.1 tons ($40 * 51,746$) on the storage piles.

The Company does not use "average" burn to report how many "days" of inventory are in storage because the average burn for any given period can vary greatly due to many factors and it can over-state the amount of inventory in storage. For example, the biggest risk would be to run out of coal during a hot summer when the entire coal-fired fleet is needed to run at full load. By reporting the inventory using "full load burn", we have stated how many days our units can run during a critical time when they are all expected to be running at full load.

[S3] Settlement
Agreed to 35 days inventory.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Coal Inventory
For the Test Period Ending December 31, 2021

E1-10
NC6010 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total
			NC Retail	NC Retail	NC Retail
			Compliance	Application	Change
1	Sales of Electricity				-
2	Other Revenue				-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense				-
10	Depreciation and amortization				-
11	General taxes				-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes				-
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ -	\$ -	\$ -
17					
18	Operating income (L3-L16)		\$ -	\$ -	\$ -
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies	NC6010-1	\$ (19,302)	\$ (3,257)	\$ (16,045)
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ (19,302)	\$ (3,257)	\$ (16,045)

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Coal Inventory
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6010-1 Calculation
Page 1 of 1
Compliance

Line No.	Description	Total Carolinas	NC Retail Allocation	Total NC Retail
1				
2	Estimated full load burn (December 2023)	51,746 [1]		
3	Target number of days inventory	35 [5]		
4	Target coal inventory balance at Dec.31, 2023 (tons) (L2 x L3)	1,811,110		
5	Projected average delivered coal costs per ton	\$ 91.89 [2]		
6	Projected coal inventory balance (L4 x L5) / 1,000	\$ 166,423	67.4869% [3]	\$ 112,314
7				
8	Toal Coal Inventory Balance (L6)	\$ 166,423		\$ 112,314
9				
10	Actual coal inventory balance	\$ 195,023 [4]	67.4869% [3]	\$ 131,615
11				
12	Impact to materials and supplies (coal inventory) (L8 - L10)	\$ (28,600)		\$ (19,302)

[1] E-1 Item 46E. Coal Consumption and Inventory Data
[2] NC6010-2 - Docket No. E-7, Sub 1263, Direct Testimony - Verderame, Page 8, Line 24
[3] NC Retail Allocation Factor - All MWHs at Generation - Jur
[4] E-1 Item 2, Trial Balance - Accounts 0151130, 0151131 and 0151132
[5] Per Partial Settlement - 35 days of full load burn inventory

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Coal Inventory
For the Test Period Ending December 31, 2021

E1-10
NC6010-2 Testimony
Page 1 of 1
Compliance

John Verderame Direct Testimony - Docket No. E-7, Sub 1263

16 **Q. WHAT ARE THE PROJECTED COAL AND NATURAL GAS**
17 **CONSUMPTIONS AND COSTS FOR THE BILLING PERIOD?**

18 A. DEC's current coal burn projection for the billing period is 3.3 million tons,
19 compared to 5.3 million tons consumed during the test period. DEC's billing
20 period projections for coal generation may be impacted due to changes from, but
21 not limited to, the following factors: (1) delivered natural gas prices versus the
22 average delivered cost of coal; (2) volatile power prices; and (3) electric demand.
23 Combining coal and transportation costs, DEC projects average delivered coal
24 costs of approximately \$91.89 per ton for the billing period compared to \$78.22

DIRECT TESTIMONY OF JOHN A. VERDERAME
DUKE ENERGY CAROLINAS, LLC

Page 8
Docket No. E-7, Sub 1263

1 per ton in the test period. This increase in delivered costs is primarily driven by
2 increased coal commodity costs due to limited coal supply and increased domestic
3 and international demand. This includes an average projected total transportation
4 cost of \$29.63 per ton for the billing period, compared to \$31.68 per ton in the test
5 period. This projected delivered cost, however, is subject to change based on, but
6 not limited to, the following factors: (1) exposure to market prices and their impact
7 on open coal positions; (2) the amount of Central Appalachian coal DEC is able
8 to purchase and deliver and the non-Central Appalachian coal DEC is able to
9 consume; (3) changes in transportation rates; (4) performance of contract
10 deliveries by suppliers and railroads which may not occur despite DEC's strong
11 contract compliance monitoring process; and (5) potential additional costs
12 associated with suppliers' compliance with legal and statutory changes, the effects
13 of which can be passed on through coal contracts.

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Dec 20 2023

DUKE ENERGY CAROL NAS, LLC
Docket No. E-7 Sub 1276
Adjust cash working capital for present revenue annualized and proposed revenue
For the Test Period Ending December 31, 2021

E1-10
NC6020 Narrative
Compliance

E-1 tem 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts cash working capital to incorporate the impact of the other pro forma adjustments. It also calculates the additional cash working capital required as a result of the proposed increase in rates. The adjustment is in accordance with the Commission's March 21, 2016 order in Docket No. M-100 Sub 137.

(B) 1st Supplemental Update

Processed updated Cash working capital based on changes from Supplemental updates

Updated Lincoln Siemens lead/lag days from (15 21) to 36.03 on 'COS-920 Rev & Exp LL Detail' tab - see PSDR 102-2

Incorporated Lead Lag Correction

(C) 2nd Supplemental Update

Processed updated Cash working capital based on changes from Supplemental updates

Made revisions and corrections as noted in PSDR 152 and PSDR 155.

(D) 3rd Supplemental Update

Processed updated Cash working capital based on changes from Supplemental updates

(S3) Settlement

Processed updated Cash working capital based on changes from Settlement updates

(S4) Supplemental Partial Settlement

Processed updated Cash working capital based on changes from Settlement updates

(S5) Supplemental Revenue Requirement Stipulation

Processed updated Cash working capital based on changes from Settlement updates

(CO) Compliance

Processed updated Cash working capital based on changes from the Order

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust cash working capital for present revenue annualized and proposed revenue
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6020 Summary
Page 1 of 1
Compliance

Line No	Impacted Income Statement Line Items	Source	[a] Total NC Retail		[b] Total NC Retail		[c] Total NC Retail		[d] Total NC Retail		[e] Total NC Retail		[f] Total NC Retail		[g] [a] - [f] Total NC Retail		
			Present	Proposed	Present	Proposed	Present	Proposed	Present	Proposed	Present	Proposed	Present	Proposed	Present	Proposed	Change
1	Sales of Electricity															-	-
2	Other Revenue															-	-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4																	
5	<u>Electric operating expenses</u>																
6	Operation and maintenance																
7	Fuel used in electric generation															-	-
8	Purchased power															-	-
9	Other operation and maintenance expense															-	-
10	Depreciation and amortization															-	-
11	General taxes															-	-
12	Interest on customer deposits															-	-
13	EDIT Amortization															-	-
14	Net income taxes	NC6020-1 & NC6020-2	(116)	(137)	(116)	(156)	(116)	(156)	(115)	(157)	(119)	(197)	(84)	398	(31)	(535)	
15	Amortization of investment tax credit																
16	Total electric operating expenses (sum(L7-L15))		\$ (116)	\$ (137)	\$ (116)	\$ (156)	\$ (116)	\$ (156)	\$ (115)	\$ (157)	\$ (119)	\$ (197)	\$ (84)	\$ 398	\$ (31)	\$ (535)	
17																	
18	Operating income (L3-L16)		116	137	116	156	116	156	115	157	119	197	84	(398)	31	535	
19	<u>Rate Base</u>																
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC6020-1 & NC6020-2	\$ 23,156	\$ 27,358	\$ 23,220	\$ 31,097	\$ 23,179	\$ 31,166	\$ 23,046	\$ 31,396	\$ 23,792	\$ 39,279	\$ 17,856	\$ (84,143)	\$ 5,301	\$ 111,500	
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
28	Total Rate Base (sum(L22-L23,L24,L25-L27))		23,156	27,358	23,220	31,097	23,179	31,166	23,046	31,396	23,792	39,279	17,856	(84,143)	5,301	111,500	

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Line No.	Description	NC Retail					NC Retail		
		Financials		Iteration 1			Iteration 2		
		Adjusted with CWC (a)	Lead Lag Days (b)	Increase (c) = (d) - (a)	With Increase (d) = (a) + (c)	CWC Change (e) = (c)/365 * (b)	Increase (f) = (g) - (d)	With Increase (g) = (d) + (f)	CWC Change (h) = (f)/365 * (b)
1	Total Adjusted Present Revenue	\$ 5,173,309 [1]	40.21 [1]		5,173,309	-			
2	Revenue Increase (L3)		39.58 [1]	323,449 [2]	323,449	35,073	2,497	325,946	271
3	Revenues (L1 + L2)	5,173,309		323,449	5,496,758	35,073	2,497	5,499,256 [12]	271
4									
5	Operating Expenses:								
6	Fuel Used in Electric Generation	1,143,856 [1]	25 50 [1]		1,143,856	-		1,143,856	-
7	Purchased Power	33,754 [1]	127 00 [1]		33,754	-		33,754	-
8									
9	Operation & Maintenance Expense	1,133,802 [1]	36.13 [1]		1,133,802	-		1,133,802	-
10	Other adjustments to reg fees and uncollectibles			2,366 [4]	2,366	236	18 [5]	2,384	2
11	Operation and Maintenance Expense with Increase (L9 + L10)	1,133,802	36.49 [3]	2,366	1,136,168	236	18	1,136,166	2
12									
13	Total Adjusted Depreciation and Amortization	1,218,049 [1]	- [1]		1,218,049	-		1,218,049	-
14	Total Adjusted General Taxes	211,446 [1]	179 81 [1]		211,446	-		211,446	-
15	Total Adjusted Interest on Customer Deposits	5,652 [1]	218.40 [1]		5,652	-		5,652	-
16									
17	Net Income Taxes	238,746 [1]	37 50 [1]		238,746	-		238,746	-
18	Revenue Increase		37 50 [1]	74,974 [6]	74,974	7,704	442 [6]	75,417	45
19	Income Taxes with Increase (L17 + L18)	238,746		74,974	313,721	7,704	442	314,163	45
20									
21	EDIT Amortization	(24,092) [1]	- [1]		(24,092)	-		(24,092)	-
22	Amortization of Investment Tax Credit	(1,804) [1]	- [1]		(1,804)	-		(1,804)	-
23	Total Operating Expense	3,959,409		77,340	4,036,749	7,940	461	4,037,210	47
24									
25	Interest Expense	417,424 [1]	85.20 [1]	-	417,424	-		418,006 [8]	136
26	Return for Equity	796,476 [1]	- [1]	246,112	1,042,587 [7]	-	1,452	1,044,040 [7]	-
27	Net operating income for return (L25 + L26)	1,213,900		246,112	1,460,012	27,133 [9]	2,034	1,462,046	224
28									
29	Total requirement (L23 + L27)	5,173,309		323,452	5,496,761	27,133 [10]	2,495	5,499,256	224
30									
31	Cumulative change in working capital (Prior Iteration Cumulative CWC Change + L29)					27,133			27,356
32	Rate base under present rates (Col (a) L33)					19,476,693			19,476,693
33	Rate base after rate increase (L31 + L32)	19,476,693 [1]				19,503,825			19,504,049
34									
35	Overall rate of return (L27 / L33)	6 23%				7.49%			7 50%
36	Target rate of return	7 50% [11]				7.50% [11]			7 50% [11]

[1] NC6020-2 - Adjustment to cash working capital for present revenue annualized
 [2] L26/ Equity Retention Rate
 [3] E-1 tem 14, Lead Lag Study, Total O&M Excl. Fuel and Purch. Power
 [4] L3*(Uncollectibles rate + Net statutory regulatory fee percentage rate)
 [5] (Uncollectibles rate + Net statutory regulatory fee percentage rate) * (L19+L27)/
 (1-Uncollectibles rate - Net statutory regulatory fee percentage rate)
 [6] L26/ (1-Statutory tax rate)*(1-Statutory tax rate)
 [7] L33*Equity Rate*Equity Ratio
 [8] L33*Debt Rate*Debt Ratio
 [9] L3-L23
 [10] L27
 [11] NC6020-4 Cost of Capital - Total Rate of Return
 [12] Revenue solved through iteration (L23 + L27)

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Line No.	Description	NC Retail Iteration 3			NC Retail After Increase	
		Increase (i) = (j) - (g)	With Increase (j) = (g) + (i)	CWC Change (k) = (j)/365 * (b)	Cumulative Increase (l) = (c) + (f) + (i)	After Increase (m) = (a) + (l)
1	Total Adjusted Present Revenue		5,173,309	-	-	5,173,309
2	Revenue Increase (L3)	21	325,967	2	325,967	325,967
3	Revenues (L1 + L2)	21	5,499,276	2	325,967	5,499,276
4						
5	Operating Expenses:					
6	Fuel Used in Electric Generation		1,143,856	-	-	1,143,856
7	Purchased Power		33,754	-	-	33,754
8						
9	Operation & Maintenance Expense		1,133,802	-	-	1,133,802
10	Other adjustments to reg fees and uncollectibles	0 [5]	2,384	0	2,384	2,384
11	Operation and Maintenance Expense with Increase (L9 + L10)	0	1,136,186	0	2,384	1,136,186
12						
13	Total Adjusted Depreciation and Amortization		1,218,049	-	-	1,218,049
14	Total Adjusted General Taxes		211,446	-	-	211,446
15	Total Adjusted Interest on Customer Deposits		5,652	-	-	5,652
16						
17	Net Income Taxes		238,746	-	-	238,746
18	Revenue Increase	4 [6]	75,420	0	75,420	75,420
19	Income Taxes with Increase (L17 + L18)	4	314,167	0	75,420	314,167
20						
21	EDIT Amortization		(24,092)	-	-	(24,092)
22	Amortization of Investment Tax Credit		(1,804)	-	-	(1,804)
23	Total Operating Expense	4	4,037,214	0	77,804	4,037,214
24						
25	Interest Expense	5	418,011	1	586	418,011
26	Return for Equity	12	1,044,052	-	247,576	1,044,052
27	Net operating income for return (L25 + L26)	17	1,462,062	2 [9]	248,162	1,462,062
28						
29	Total requirement (L23 + L27)	21	5,499,276	2 [10]	325,967	5,499,276
30						
31	Cumulative change in working capital (Prior Iteration Cumulative CWC Change + L29)			27,358		27,358
32	Rate base under present rates (Col (a) L33)			19,476,693		19,476,693
33	Rate base after rate increase (L31 + L32)			19,504,051		19,504,051
34						
35	Overall rate of return (L27 / L33)			7.50%		7.50%
36	Target rate of return			7.50% [11]		7.50% [11]

[1] NC6020-2 - Adjustment to cash working capital for present revenue annualized
 [2] L26/ Equity Retention Rate
 [3] E-1 tem 14, Lead Lag Study, Total O&M Excl. Fuel and Purch. Power
 [4] L3*(Uncollectibles rate + Net statutory regulatory fee percentage rate)
 [5] (Uncollectibles rate + Net statutory regulatory fee percentage rate) * (L19+L27)/
 (1-Uncollectibles rate - Net statutory regulatory fee percentage rate)
 [6] L26/ (1-Statutory tax rate)*(1-Statutory tax rate)
 [7] L33*Equity Rate*Equity Ratio
 [8] L33*Debt Rate*Debt Ratio
 [9] L3-L23
 [10] L27
 [11] NC6020-4 Cost of Capital - Total Rate of Return
 [12] Revenue solved through iteration (L23 + L27)

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Line No.	Description	NC Retail									
		Financials				Lead Lag Cash Working Capital					
		Per Books (a)	[1] Adjustments (b)	[2] Adjusted w/o CWC (c) = (a) + (b)	[2] Change in CWC (d)	Adjusted with CWC (e) = (c) + (d)	Lead/Lag Days (f)	[1] Per Book Working Capital (g) = (a)/365 * (f)	Total Adjusted Working Capital (h) = (c)/365 * (f)		
1	Rate Schedule Revenue:										
2	Rate Revenues	\$ 4,711,565		\$ 4,711,565			39.58	510,893		510,893	
3	Total Revenue Lag Sales for Resale	46,066		46,066			35.44	4,473		4,473	
4	Total Miscellaneous Rider Revenue	(65,229)		(65,229)			-	-		-	
5	Provisions For Rate Refunds	34,393		34,393			39.58	3,730		3,730	
6	Forfeited Discounts	3,355		3,355			70.00	643		643	
7	Miscellaneous Revenues	3,422		3,422			76.00	712		712	
8	Rent - Joint Use	816		816			45.21	101		101	
9	Total Acct 454.1 Extra Facilities	23,937		23,937			30.13	1,976		1,976	
10	Pole & Line Attachments	27,824		27,824			143.39	10,931		10,931	
11	454 RENT-TOWER LEASE REVENUE-TRANS	18		18			(93.97)	(5)		(5)	
12	454 RENT-TOWER LEASE REVENUE-LABOR	9,468		9,468			(93.97)	(2,437)		(2,437)	
13	454 RENT-TOWER LEASE REVENUE	3,809		3,809			(93.97)	(981)		(981)	
14	454 RENT-REAL ESTATE	3,383		3,383			45.21	419		419	
15	454 RENT-LABOR REL	10,091		10,091			(15.21)	(421)		(421)	
16	Other Electric Revenues - Profit Or Loss on Sale of M&S	15		15							
17	Other Electric Revenues	1,468		1,468			36.03	145		145	
18	Gross Up-Contr in Aid of Const	1,061		1,061			(15.21)	(44)		(44)	
19	Lincoln Siemens Billing	167		167			36.03	16		16	
20	Steam Sales Revenue (Clemson CHP)	1,109		1,109			25.50	77		77	
21	Deferred DSM Costs	(657)		(657)			-	-		-	
22	Other Transmission Revenues	1,535		1,535			-	-		-	
23	Total Revenues from Transm of Electricity to Others	6,343		6,343			40.41	702		702	
24	NC1010-Revenue Annualization		220,249	220,249			39.58	-		23,882	
25	NC1020 - Eliminate unbilled		8,126	8,126			39.58	-		881	
26	NC1030 - Adjust other Revenue		(3,748)	(3,748)			76.00	-		(780)	
27	NC1040 - Customer Growth		53,669	53,669			39.58	-		5,820	
28	NC1050 - Weather Normalization		4,807	4,807			39.58	-		521	
29	NC2030 - Adjust for costs recovered through Non Fuel riders		25,150	25,150			39.58	-		2,727	
30	NC2080 - Adjust EFC revenue		3,992	3,992			36.03	-		394	
31	NC2150 - Adjust test year rent expense for DE Plaza		22,513	22,513			45.21	-		2,789	
32	NC5090 - COVID Deferral		14,591	14,591			70.00	-		2,798	
33	Rounding		0	0			-	-		-	
34	Revenue - Adjustments (Sum L24 through L33)	-	349,350	349,350			-	-		39,032	
35											
36	Total Adjusted Revenue (Sum L2: L23 + L34)	\$ 4,823,959	\$ 349,350	\$ 5,173,309	\$ -	\$ 5,173,309	40.21	\$ 530,931	\$ 569,963		
37											
38	Operating Expenses:										
39	Fuel Used in Electric Generation										
40	OM Prod Energy - Fuel	\$ 1,023,187		1,023,187			25.50	71,496		71,496	
41	NC1040 - Customer Growth		8,715	8,715			25.50	-		609	
42	NC1050 - Weather Normalization		891	891			25.50	-		62	
43	NC2010 - Update Fuel costs to approved rates		140,824	140,824			25.50	-		9,840	
44	NC2030 - Adjust for Costs Recovered thru Non Fuel Riders		(29,761)	(29,761)			25.50	-		(2,080)	
45	Rounding		-	-			25.50	-		-	
46	Fuel Used in Electric Generation - Adjustments (Sum L41 through L45)	-	120,669	120,669			-	-		8,432	
47											
48	Total Adjusted Fuel Used in Electric Generation (Sum L40:L40 + L46)	\$ 1,023,187	\$ 120,669	\$ 1,143,856	\$ -	\$ 1,143,856	25.50	\$ 71,496	\$ 79,928		

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		NC Retail				Lead Lag Cash Working Capital	
		Financials					
49	Purchased Power						
50	Purchased Power	\$ 279,049	279,049		39.00	29,816	29,816
51	Deferred Fuel	(220,117)	(220,117)		25.50	(15,381)	(15,381)
52	NC2010 - Update Fuel costs to approved rates	(42,101)	(42,101)		39.00	-	(4,498)
53	NC2020 - Adjust Purchase Power	(1,860)	(1,860)		39.00	-	(199)
54	NC2030 - Adjust for Costs Recovered thru Non Fuel Riders	(968)	(968)		39.00	-	(103)
55	NC2080 - Adjustments to test year expenses	19,749	19,749		39.00	-	2,110
56	Rounding	-	-		-	-	-
57	Purchased Power - Adjustments (Sum L52 through L56)	-	-		-	-	(2,690)
58	Total Adjusted Purchased Power (Sum L50:L51 + L57)	\$ 58,933	\$ (25,178)	\$ 33,754	\$ -	\$ 33,754	127.00
59						\$ 14,435	\$ 11,745
60							
61	Operation & Maintenance Expense						
62	Total Labor Expense	\$ 465,451	465,451		36.37	46,380	46,380
63	Pension and Benefits	54,175	54,175		12.21	1,812	1,812
64	Regulatory Commission Expense	8,889	8,889		89.82	2,187	2,187
65	Property Insurance	(3,412)	(3,412)		(474.55)	4,436	4,436
66	Injuries & Damages - Workman's Compensation	6,091	6,091		(145.50)	(2,428)	(2,428)
67	Uncollectible Accounts	18,913	18,913		-	-	-
68	Remaining Other Oper & Maint Expense	642,759	642,759		36.49	64,252	64,252
69	NC1010 - Revenue Annualization	1,611	1,611		35.69	-	158
70	NC1030 - Adjust other Revenue	(27)	(27)		35.69	-	(3)
71	NC1040 - Customer Growth	2,767	2,767		35.69	-	271
72	NC1050 - Weather Normalization	110	110		35.69	-	11
73	NC2010 - Update Fuel costs to approved rates	(18,112)	(18,112)		35.69	-	(1,771)
74	NC2030 - Adjust for Costs Recovered thru Non Fuel Riders	(81,295)	(81,295)		35.69	-	(7,949)
75	NC2040 - Adj Executive Comp	(4,463)	(4,463)		36.37	-	(445)
76	NC2050 - Labor Annualization	(883)	(883)		36.37	-	(88)
77	NC2060 - Benefits adjustment	(641)	(641)		12.21	-	(21)
78	NC2070 - Vegetation Management	3,011	3,011		36.49	-	301
79	NC2080 - Adjustments to test year expenses	(4,015)	(4,015)		35.69	-	(393)
80	NC2090 - Adjust Aviation Expense	(1,865)	(1,865)		35.69	-	(182)
81	NC2100 - Adjust Nuclear Outage levelation	5,013	5,013		35.69	-	490
82	NC2110 - Annualize non labor O&M (Inflation)	52,823	52,823		32.50	-	4,703
83	NC2130 - Adjust for change in NCUC Regulatory fee	857	857		89.82	-	211
84	NC2140 - Adjust for Non-Residential Credit Card Fees	-	-		36.49	-	-
85	NC2150 - Adjust test year rent expense for DE Plaza	1,403	1,403		36.49	-	140
86	NC2160 - Adjust O&M for Reliability Assurance	4,500	4,500		36.49	-	450
87	NC5010 - Remove Expiring Amortizations	(22,142)	(22,142)		-	-	-
88	NC5020 - Amortize Rate Case Cost	5,415	5,415		-	-	-
89	NC5090 - Adjust for COVID impacts	1,680	1,680		35.69	-	164
90	NC7010 - Storm Normalization	(4,810)	(4,810)		35.69	-	(470)
91	Rounding	0	0		-	-	-
92	Operation & Maintenance Expense - Adjustments (Sum L69 through L91)	(59,064)	(59,064)		-	-	(4,423)
93							
94	Total Adjusted Operation & Maintenance Expense (Sum L62:L68 + L92)	\$ 1,192,866	\$ (59,063.64)	\$ 1,133,802	\$ -	\$ 1,133,802	36.13
95						\$ 116,640	\$ 112,216
96	Depreciation and Amortization	\$ 1,033,226	1,033,226		-	-	-
97	NC2030 - Adjust for Costs Recovered thru Non Fuel Riders	14,321	14,321		-	-	-
98	NC2080 - Adjustments to test year expenses	(1,429)	(1,429)		-	-	-
99	NC2120 - Adjust EOL Nuclear Costs	(7,091)	(7,091)		-	-	-
100	NC2150 - Adjust for Duke Energy Plaza	-	-		-	-	-
101	NC3010 - Annualize Depreciation on Test Year End Plant	(3,970)	(3,970)		-	-	-
102	NC3030 - Adjust for Post Test year additions	75,360	75,360		-	-	-
103	NC3040 - Adjust New Depreciation Rates	106,849	106,849		-	-	-
104	NC3070 - Transmission Merger	(40)	(40)		-	-	-
105	NC5010 - Remove Expiring Amortizations	(5,220)	(5,220)		-	-	-
106	NC5030 - CCR Non ARO	1,214	1,214		-	-	-

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		NC Retail			Lead Lag Cash Working Capital		
		Financials			Lead Lag Cash Working Capital		
107	NC5040 - Grid next tranche	3,951	3,951	-	-	-	-
108	NC5060 - Amortize Allen NBV	4,697	4,697	-	-	-	-
109	NC5080 - Adjust for approved regulatory assets and liabilities	(969)	(969)	-	-	-	-
110	NC5090 - COVID Deferral	58,896	58,896	-	-	-	-
111	NC5120 - Customer Connect Amortization	1,215	1,215	-	-	-	-
112	NC5130 - Amortize Deferred Billing	-	-	-	-	-	-
113	NC7040 - Storm Securitization Regulatory Asset	(199)	(199)	-	-	-	-
114	NC4010 - Amortized Deferred Environmental Cost	33,853	33,853	-	-	-	-
115	NC5010-CCR - Remove Expiring Amortizations	(110,743)	(110,743)	-	-	-	-
116	NC5080-CCR - Adjust for approved regulatory assets and liabilities	14,127	14,127	-	-	-	-
117	Rounding	-	-	-	-	-	-
118	Depreciation and Amortization - Adjustments (Sum L97 through L117)	-	184,822	-	-	-	-
119			184,822				
120	Total Adjusted Depreciation and Amortization (L96 + L118)	\$ 1,033,226	\$ 184,822	\$ 1,218,049	\$ -	\$ 1,218,049	-
121							
122	<u>General Taxes</u>						
123	Payroll Taxes	\$ 26,503		26,503	51.17	3,716	3,716
124	North Carolina Property Tax	97,922		97,922	186.50	50,034	50,034
125	South Carolina Property Tax	96,571		96,571	196.50	51,990	51,990
126	Other Non-Income Taxes	(8,506)		(8,506)	21.04	(490)	(490)
127	NC2030 - Adjust for Costs Recovered thru Non Fuel Riders		(940)	(940)	180.79	-	(466)
128	NC2050 - Labor Annualization		1,553	1,553	51.17	-	218
129	NC2090 - Adjust Aviation Expense		(34)	(34)	51.17	-	(5)
130	NC2150 - Adjust for Duke Energy Plaza		-	-	186.50	-	-
131	NC3020 - Annualize Property Tax on Test Year End Plant		4,514	4,514	186.50	-	2,306
132	NC3030 - Adjust for Post Test year additions		13,575	13,575	186.50	-	6,936
133	NC6040 - NC Tax Rate and Franchise Tax Rate changes		(19,712)	(19,712)	186.50	-	(10,072)
134	Rounding		0.00	0	-	-	-
135	General Taxes - Adjustments (Sum L127 through L134)	-	(1,045)	(1,045)	-	-	(1,082)
136							
137	Total Adjusted General Tax (Sum L123:L126 + L135)	\$ 212,490	\$ (1,045)	\$ 211,446	\$ -	\$ 211,446	179.81
138						\$ 105,249	\$ 104,167
139	<u>Interest on Customer Deposits</u>	\$ 5,652		5,652	218.40	3,382	3,382
140	Interest on Customer Deposits - Adjustments			-	-	-	-
141	Rounding			-	-	-	-
142	Total Adjusted Interest on Customer Deposits (L140 + L141)	\$ 5,652	\$ -	\$ 5,652	\$ -	\$ 5,652	218.40
143						\$ 3,382	\$ 3,382
144	<u>Income Taxes</u>						
145	Federal Income Tax	\$ 166,397		166,397	44.75	20,401	20,401
146	State Income Tax	18,237		18,237	44.75	2,236	2,236
147	Income Tax - Deferred	35,671		35,671	-	-	-
148	PF INC TAX-Adjust Income Taxes		32,295	32,295	37.50	-	3,318
149	NC6030 - Interest Sync		(13,738)	(13,738)	37.50	-	(1,412)
150	Rounding		-	-	-	-	-
151	Income Taxes - Adjustments (Sum L148 through L150)	-	18,558	18,558	-	-	1,907
152							
153	Total Adjusted Income Taxes (Sum L145:L147 + L151)	\$ 220,304	\$ 18,558	\$ 238,862	\$ (116) (3)	\$ 238,746	37.50
154						\$ 22,637	\$ 24,543
155	<u>EDIT Amortization</u>	\$ (204,469)		(204,469)	-	-	-
156	NC2030 - Adjust for Costs Recovered thru Non Fuel Riders		180,377	180,377	-	-	-
157	Rounding		-	-	-	-	-
158	EDIT Amortization (Sum L156 through L157)	-	180,377	180,377	-	-	-
159							
160	Total Adjusted EDIT Amortization (L155 + L158)	\$ (204,469)	\$ 180,377	\$ (24,092)	\$ -	\$ (24,092)	-

E1-10
NC6020-2 Present
Page 4 of 4
Compliance

Adjustment to Cash Working Capital for Present Revenue Annualized

	NC Retail					
	Financials			Lead Lag Cash Working Capital		
161						
162	\$ (2,830)		(2,830)			
163		945	945			
164		81	81			
165		-	-			
166		-	-			
167		1,026	1,026			
168						
169	\$ (2,830)	\$ 1,026	\$ (1,804)	\$ -	\$ (1,804)	\$ -
170						
171	\$ 3,539,360	\$ 420,165	\$ 3,959,525	\$ (116)	\$ 3,959,409	\$ 333,838
172						
173	\$ 358,096 [1]	\$ 58,832	\$ 416,928 [4]	\$ 496 [4]	\$ 417,424	\$ 83,588
174	\$ 926,503	\$ (129,647)	\$ 796,856	\$ (380)	\$ 796,476	\$ -
175	\$ 1,284,599	\$ (70,814)	\$ 1,213,784	\$ 116	\$ 1,213,900	\$ 83,588
176						
177	\$ 4,823,959	\$ 349,350	\$ 5,173,309		\$ 5,173,309	\$ 433,302
178						
179						\$ 113,504
180						\$ 6,939 [5]
181						\$ 120,444
182						\$ 136,661
183	\$ 17,596,163 [2]	1,857,373	\$ 19,453,536 [2]	\$ 23,156 [6]	\$ 19,476,693	\$ 6,939 [5]
184						\$ 143,600
185	Overall Rate of Return (L175 / L183)	7.30%	6.24%		6.23%	

[1] E-1 Item 14, Lead Lag Study
 [2] Bowman Exhibit 2
 [3] Interest Expense: - L173 x NC6020-4 Tax Rate, Line 5
 [4] Rate Base x NC6020-4 - Line 1
 [5] NC6020-3 - Cash Working Capital for NC Retail Operations - Lead Lag Summary - E-1 Item 14, Line 20
 [6] Change in Cash Working Capital: L181, Column (h) - Column (g)

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust cash working capital for present revenue annualized and proposed revenue
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6020-3 Lead Lag
Page 1 of 1
Compliance

Cash Working Capital for NC Retail Operations - Lead Lag Summary - E-1 Item 14

Line No.	Description	Actual Annual Expense [A]	Lead (Lag) Days [B]	Weighted Amount [C]
1	Calculation of NC Retail Amount:			
2				
3	Total Revenue Lag	\$ 4,823,959	40.17	\$ 193,789,910
4				
5	Operation & Maintenance Expense	\$ 2,274,985	32.50	\$ 73,938,507
6	Depreciation and Amortization	1,033,226	-	-
7	Taxes Other Than Income Taxes	212,490	180.79	38,415,863
8	Interest on Customer Deposits	5,652	218.40	1,234,302
9	Net Income Taxes	220,304	37.50	8,262,351
10	Income Taxes - EDIT Amortization	(204,469)	-	-
11	ITC	(2,830)	-	-
12	Income for Return	<u>1,284,599</u>	23.75	<u>30,509,761</u>
13	Total Requirements (Sum L5:L12)	<u>\$ 4,823,959</u>	31.58	<u>\$ 152,360,784</u>
14				
15	Revenue Lag Days (L3)		40.17	
16	Requirements Lead Days (-L13)		(31.58)	
17	Net Lag Days (L15 + L16)		<u>8.59</u>	
18	Daily Requirements (L13, Col. A divided by 365)			\$ 13,216
19				
20	Estimated Cash Working Capital Requirements (L17 x L18)			\$ 113,504
21	Add: Cash Working Capital Related to NC Sales Tax			6,939
22	Total Cash Working Capital Requirements (L20 + L21)			<u>\$ 120,444</u>
23				
24	Calculation of Total Company and Jurisdictional Amounts:			
25	NC Retail Factor			68.2877% [1]
26				
27	Total Company Cash Working Capital Requirements (L22 / L25)			\$ 176,377

[1] NC Retail Allocation Factor - All - Rate Base x CWC - Jur

DUKE ENERGY CAROLINAS, LLC
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Adjust cash working capital for present revenue annualized and proposed revenue
For the Test Period Ending December 31, 2021

E1-10
NC6020-4 Cost of Capital
Page 1 of 1
Compliance

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Rate</u>	<u>Ratio</u>	<u>Weighted</u>
1	Debt	4.56% [1]	47.00% [1]	2.14% [2]
2	Equity	10.10% [1]	53.00% [1]	5.35% [3]
3	Total Rate of Return (L1 + L2)			7.50%
4				
5	Statutory tax rate	23.3503% [4]		
6	Net statutory regulatory fee percentage rate	0.1466% [5]		
7	Uncollectibles rate	0.5847% [6]		
8				
9	Debt Retention Rate $((1-L6)*(1-L7))$	99.2695%		
10	Equity Retention Rate $(L9*(1-L5))$	76.0898%		

[1] Bowman Exhibit 2, Page 2

[2] Debt Rate x Debt Ratio

[3] ROE x Equity Ratio

[4] NC1010-4 2022 Calculation of Tax Rates, Line 10

[5] NC1010-3 - NCUC Statutory Regulatory Fee Percentage Rate, Line 3

[6] NC1010-5 - Development of Uncollectibles Rate, Line 3

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Synchronize interest expense with end of period rate base
For the Test Period Ending December 31, 2021

E1-10
NC6030 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro-forma adjusts income taxes to reflect the tax impact that results from annualizing interest expense based on the end-of-period, adjusted rate base.

The impact to income taxes was determined as follows:

First, multiply rate base after all pro-forma adjustments have been made by the long-term debt ratio to calculate an adjusted long-term debt balance. Second, multiply the adjusted long-term debt balance by the end of year cost of long-term debt to calculate annualized interest expense. Third, subtract interest expense incurred during the test period from annualized interest expense and multiply the difference by the statutory tax rate.

(B) 1st Supplemental Update

Updated Interest Synchronization based on changes from the supplemental updates and the debt rate as of April 2023.

(C) 2nd Supplemental Update

Updated Interest Synchronization based on changes from the supplemental updates and the debt rate as of May 2023.

(D) 3rd Supplemental Update

Updated Interest Synchronization based on changes from the supplemental updates and the debt rate as of June 2023.

[S3] Settlement

Updated Interest Synchronization based on changes from the Settlement updates

[S4] Supplemental Partial Settlement

Updated Interest Synchronization based on changes from the Settlement updates

[S5] Supplemental Revenue Requirement Stipulation

Updated Interest Synchronization based on changes from the Settlement updates

[CO] Compliance

Updated Interest Synchronization based on changes from the Order

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Synchronize interest expense with end of period rate base
For the Test Period Ending December 31, 2021

E1-10
NC6030 Summary
Page 1 of 1
Compliance

Line No.	Impacted Income Statement Line Items	Source	Total	Total	Total	Total	Total	Total	Total
			NC Retail	NC Retail	NC Retail	NC Retail	NC Retail	NC Retail	NC Retail
			Compliance	Supplemental Revenue Requirement Stipulation	Supplemental Partial Settlement	Partial Settlement	Third Supplemental	Application	Change
1	Sales of Electricity								
2	Other Revenue								
3	Electric operating revenue (L1 L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Electric operating expenses:								
6	Operation and maintenance:								
7	Fuel used in electric generation								
8	Purchased power								
9	Other operation and maintenance expense								
10	Depreciation and amortization								
11	General taxes								
12	Interest on customer deposits								
13	EDT Amortization								
1	Net income taxes	NC6030-1	(13,738)	(13,753)	(13,773)	(13,866)	(13,87)	(7,055)	(6,683)
15	Amortization of investment tax credit								
16	Total electric operating expenses (sum(L7:L15))		\$ (13,738)	\$ (13,753)	\$ (13,773)	\$ (13,866)	\$ (13,87)	\$ (7,055)	\$ (6,683)
17									
18	Operating income (L3-L16)		13,738	13,753	13,773	13,866	13,87	7,055	6,683
19	Rate Base								
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23 L2 L25:L27))		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Synchronize interest expense with end of period rate base
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6030-1 Calculation
Page 1 of 1
Compliance

Line No.	Description	Total System Col [a]	NC Retail Allocation Col [b]	Total NC Retail Col [c]
1				
2	Rate base before pro forma adjustments	\$ 25,767,684 [1]	68.2877% [2]	\$ 17,596,163 [1]
3				
4	Total Adjusted rate base before working capital adjustment	\$ 28,487,607 [3]		\$ 19,453,536 [4]
5				
6	Long-term debt ratio	47.00% [5]		47.00% [5]
7	Calculated long-term debt (L4 x L6)	\$ 13,389,175		\$ 9,143,162
8				
9	End of year cost of long-term debt	4.56% [5]		4.56% [5]
10	Annualized interest expense (L7 x L9)	\$ 610,546		\$ 416,928
11				
12	Incurred interest expense	524,393 [6]	68.2877% [7]	358,096
13				
14	Increase / <decrease> to interest costs (L10 - L12)	\$ 86,154		\$ 58,832
15				
16	Statutory tax rate	23.3503% [8]		23.3503% [9]
17	Impact to income taxes (-L14 x L16)	\$ (20,117)		\$ (13,738)
18				
19	Impact to operating income (-L17)	\$ 20,117		\$ 13,738

[1] Bowman Exhibit 2, Page 1, Line 13
 [2] NC Retail Allocation Factor - Calculation: L2, Col [c] / L2, Col [a]
 [3] Calculation: L4, Col [c] / L2, Col [b]
 [4] Calculation: L2 + (Bowman Exhibit 2 page 3 Total Column Line 35 - Cash Working Capital Present Line 35)
 [5] Bowman Exhibit 2, Page 2, Line 1
 [6] Cost of Service, E-1 Item 45a, Interest Expense-Electric
 [7] NC Retail Allocation Factor - All - Rate Base x CWC - Jur
 [8] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
NC6040 Adjust NC Franchise Tax
For the Test Period Ending December 31, 2021

E1-10
NC6040 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

On November 18, 2021 Governor Roy Cooper signed into law the 2021 Appropriations Act which affects various North Carolina Taxes including franchise taxes.

The Act simplifies the franchise tax calculation. Effective with the 2022 income tax returns filed in 2023, franchise tax will be calculated on a corporation's North Carolina apportioned net worth. This change will result in a reduction in the Company's Franchise tax expense. This proforma, adjusts franchise tax to the anticipated new level under the new law.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
NC6040 Adjust NC Franchise Tax
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6040 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Applica ion	Total NC Retail Change
1	Sales of Electricity				-
2	Other Revenue				-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense				-
10	Depreciation and amortization				-
11	General taxes	NC6040-1	(19,712)	(19,712)	-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes	NC6040-1	4,603	4,603	-
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ (15,109)	\$ (15,109)	\$ -
17					
18	Operating income (L3-L16)		\$ 15,109	\$ 15,109	\$ -
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ -	\$ -	\$ -

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7, SUB 1276
NC6040 Adjust NC Franchise Tax
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6040-1
Page 1 of 1
Compliance

<u>Line #</u>	<u>Description</u>	<u>Account</u>	<u>System Amount</u>	<u>Allocation Factor</u>	<u>NC Retail Amount</u>
1	Total NC franchise tax		\$ 25,499 [1]	96.22% [3]	\$ 24,535
2					
3	Franchise tax under new legislation		\$ 5,012 [2]	96.22% [3]	\$ 4,822
4					
5	Adjustment to franchise tax (L3 - L1)		<u>\$ (20,487)</u>		<u>\$ (19,712)</u>
6					
7	Net income taxes (-L5 * L7)	23.3503% [4]	\$ 4,784		\$ 4,603
8					
9	Total operating expense		<u>\$ (15,703)</u>		<u>\$ (15,109)</u>

[1] Per General Ledger accounting details.

[2] Per estimate of franchise taxes under new legislation provided by E&Y tax group.

[3] Allocation factor - NC - Elec Rev - Jur

[4] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Correct Lead Lag
For the Test Period Ending December 31, 2021

E1-10
NC6050 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

As noted in Public Staff Data request 102-14 this pro forma reflects a correction to the Per Books Lead Lag amount. While responding to data request 102-14, the Company discovered an error in the calculation of Cash Working Capital Related to NC Sales Tax which also impacted the calculation of remaining other operation & maintenance expense.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Correct Lead Lag
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6050 Summary
Page 1 of 1
Compliance

Line No	Impacted Income Statement Line Items	Source	Total NC Retail Compliance	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity					-
2	Other Revenue					-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -
4						
5	<u>Electric operating expenses:</u>					
6	Operation and maintenance:					
7	Fuel used in electric generation					-
8	Purchased power					-
9	Other operation and maintenance expense					-
10	Depreciation and amortization					-
11	General taxes					-
12	Interest on customer deposits					-
13	EDIT Amortization					-
14	Net income taxes					-
15	Amortization of investment tax credit					-
16	Total electric operating expenses (sum(L7:L15))		\$ -	\$ -	\$ -	\$ -
17						
18	Operating income (L3-L16)					-
19	<u>Rate Base</u>	Source	Total NC Retail Compliance	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -
24	Total Working Capital		\$ (2,435)	\$ (2,435)	\$ -	\$ (2,435)
25	Accumulated deferred income taxes		\$ -	\$ -	\$ -	\$ -
26	Operating reserves		\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		(2,435)	(2,435)	-	(2,435)

DUKE ENERGY CAROL NAS, LLC
Docket No. E-7 Sub 1276
Correct Lead Lag
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6050-1 Lead Lag
Page 1 of 1
Compliance

Cash Working Capital for NC Retail Operations - Lead Lag Summary - E-1 Item 14

Line No.	Description	Actual Annual Expense [A]	Lead (Lag) Days [B]	Weighted Amount [C]		
1	Calculation of NC Retail Amount					
2						
3	Total Revenue Lag	\$ 4,823,959	40.17	\$ 193,789,910		
4						
5	Operation & Maintenance Expense	\$ 2,274,985	32.50	\$ 73,938,507		
6	Depreciation and Amortization	\$ 1,033,226	-	-		
7	Taxes Other Than Income Taxes	\$ 212,490	180.79	38,415,863		
8	Interest on Customer Deposits	\$ 5,652	218.40	1,234,302		
9	Net Income Taxes	\$ 15,836	521.75	8,262,351		
10	ITC	\$ (2,830)	-	-		
11	Income for Return	\$ 1,284,599	23.75	30,509,761		
12	Total Requirements (Sum L5 L11)	<u>\$ 4,823,959</u>	31.58	<u>\$ 152,360,784</u>		
13						
14	Revenue Lag Days (L3)		40.17			
15	Requirements Lead Days (-L12)		<u>(31.58)</u>			
16	Net Lag Days (L14 + L15)		<u>8.59</u>			
17	Daily Requirements (L12, Col. A divided by 365)			\$ 13,216	\$ 13,216	
18						
19	Estimated Cash Working Capital Requirements (L16 x L17)			\$ 113,481	\$ 113,504	
20	Add: Cash Working Capital Related to NC Sales Tax			9,397	6,939	
21	Total Cash Working Capital Requirements (L19 + L20)			<u>\$ 122,878</u>	<u>\$ 120,444</u>	\$ (2,435)
22						
23	Calculation of Total Company and Jurisdictional Amounts:					
24	NC Retail Factor			68.2877% [1]	68.2877% [1]	
25						
26	Total Company Cash Working Capital Requirements (L21 / L24)			\$ 179,942	\$ 176,377	(3,566)

[1] NC Retail Allocation Factor - All - Rate Base x CWC - Jur

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Rate base for Unprotected EDIT
For the Test Period Ending December 31, 2021

E1-10
NC6090 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This proforma reflects an adjustment to rate base to reflect flowing back additional Unprotected EDIT to customers using a levelized EDIT Rider consistent with what was done in Docket E-7 Sub 1214. The amounts are offsets to rate base as of the end of the test year. With levelized give back, the amounts should not be included in rate base.

This proforma reflects an adjustment to rate base for the additional Unprotected EDIT. The company is proposing to flow these additional amounts back to customers through the existing levelized EDIT rider as shown in Bowman Exhibit 3.

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Rate base for Unprotected EDIT
For the Test Period Ending December 31, 2021
(Dollars in thousands)

E1-10
NC6090 Summary
Page 1 of 1
Compliance

Line No	<u>Impacted Income Statement Line Items</u>	Source	Total NC Retail Compliance	Total NC Retail Application	Total NC Retail Change
1	Sales of Electricity				-
2	Other Revenue				-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -
4					
5	<u>Electric operating expenses:</u>				
6	Operation and maintenance:				
7	Fuel used in electric generation				-
8	Purchased power				-
9	Other operation and maintenance expense				-
10	Depreciation and amortization				-
11	General taxes				-
12	Interest on customer deposits				-
13	EDIT Amortization				-
14	Net income taxes				-
15	Amortization of investment tax credit				-
16	Total electric operating expenses (sum(L7:L15))		\$ -	\$ -	\$ -
17					
18	Operating income (L3-L16)		\$ -	\$ -	\$ -
19	<u>Rate Base</u>				
20	Electric plant in service		\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -
24	Total Working Capital		\$ -	\$ -	\$ -
25	Accumulated deferred income taxes	NC6090-1	\$ 17,079	\$ 17,079	\$ -
26	Operating reserves	NC6090-1	\$ (3,988)	\$ (3,988)	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ 13,091	\$ 13,091	\$ -

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust Rate base for Unprotected EDIT
For the Test Period Ending December 31, 2021
(dollars in thousands)

E1-10
NC6090-1 Calculation
Page 1 of 1
Compliance

<u>No.</u>	<u>Description</u>	<u>Amount</u>
1	<u>Impact to Rate Base</u>	
2	Adjustment to Rate Base to remove Unprotected EDIT	\$ 13,091 [1]
3	Adjustment to Rate Base to remove Unprotected EDIT Gross up	<u>3,988 [1]</u>
4	Total EDIT Adjustment - Working Capital	\$ 17,079
5		
6	Offsetting Impact in Accumulated Deferred Income Tax (-L3)	<u>(3,988)</u>
7		
8	Impacted to Rate Base (-L4 + L6)	<u>13,091</u>

[1] Provided by E&Y Tax accounting.

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E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma adjusts operation and maintenance expenses and income taxes in the test period to normalize for storm costs.

The impact to operation and maintenance expense is determined by calculating an inflated average level of storm costs experienced by the Company over the last ten years and then subtracting storm restoration costs incurred during the test period to adjust for a normalized amount of costs.

(A) December Update

NC7010-2 has been updated to reflect final 2021 storm costs, as well as updated estimates for the 2022 storm costs through December 2022. The CPI and PPI data has also been updated to reflect the latest inflation data on NC7010-1. Also, in the original filing, within a couple of the storm years, the inflation adjustments in NC7010-1 column "N" had inadvertently left off the 2022 inflation impacts. Those have been corrected.

(B) 1st Supplemental Update

NC7010-2 has been updated to reflect the most current estimates for the 2022 storm costs as of April 2023, which also flow to NC7010-1. The proforma has been updated with the latest estimates and support, but the revenue requirement is not impacted.

(C) 2nd Supplemental Update

NC7010-2 has been updated to reflect the most current estimates for the 2022 storm costs as of May 2023, which also flow to NC7010-1. The proforma has been updated with the latest estimates and support, but the revenue requirement is not impacted.

(D) 3rd Supplemental Update

NC7010-2 has been updated to reflect the most current estimates for the 2022 incremental system storm costs as of June 2023, which also flow to NC7010-1.

Also, two corrections were made to the proforma. First, the test period storm costs were in error and the correct amount is now reflected, including both COS-0331 and COS-0332.

In addition, the 2020 Storm Year, specifically the incremental costs for the January 11 wind event on NC7010-2, which was incorrectly stated in the initial proforma was updated.

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Line No	Source	Total NC Retail Compliance	Total NC Retail Third Supplemental	Total NC Retail Second Supplemental	Total NC Retail Supplemental	Total NC Retail Application	Total NC Retail Change	
Impacted Income Statement Line Items								
1	Sales of Electricity						-	
2	Other Revenue						-	
3	Electric operating revenue (L1+L2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4								
5	Electric operating expenses:							
6	Operation and maintenance:							
7	Fuel used in electric generation						-	
8	Purchased power						-	
9	Other operation and maintenance expense	NC7010-1 \$ (4,810)	\$ (4,810)	\$ 25,878	\$ 25,878	\$ 24,527	(29,337)	
10	Depreciation and amortization						-	
11	General taxes						-	
12	Interest on customer deposits						-	
13	EDIT Amortization						-	
14	Net income taxes	NC7010-1 \$ 1,113	\$ 1,113	\$ (5,986)	\$ (5,986)	\$ (5,674)	6,787	
15	Amortization of investment tax credit						-	
16	Total electric operating expenses (sum(L7:L15))	\$ (3,697)	\$ (3,697)	\$ 19,892	\$ 19,892	\$ 18,853	(22,550)	
17								
18	Operating income (L3-L16)	\$ 3,697	\$ 3,697	\$ (19,892)	\$ (19,892)	\$ (18,853)	22,550	
Rate Base								
19								
20	Electric plant in service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
21	Accumulated depreciation and amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
22	Net electric plant in service (L20 + L21)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
23	Materials and supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
24	Total Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
25	Accumulated deferred income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
26	Operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
27	Construction Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
28	Total Rate Base (sum(L22:L23,L24,L25:L27))	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

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Duke Energy Carolinas - Incremental System Storm Costs less deferrals

Line No.	Year	Incremental System Storm Costs [1]	Less: System Deferrals [9]	Incremental System Storm Costs less deferrals	CPI [3]	PPI [4] Finished goods less food & energy	PPI [5] Intern. materials less food & energy	Average PPI	CPI / PPI Avg	Inflated Average Amount
1	2013	11,714	-	11,714	233.0	185.1	193.8	189.4		15,064
2	2014	37,482	-	37,482	236.7	188.6	195.2	191.9	1.3%	47,486
3	2015	20,111	-	20,111	237.0	192.4	189.4	190.9	-0.5%	25,529
4	2016	48,652	-	48,652	240.0	195.3	186.9	191.1	0.1%	61,332
5	2017	43,339	-	43,339	245.1	198.9	193.3	196.1	2.6%	53,354
6	2018	245,121	(196,469)	48,652	251.1	203.4	201.8	202.6	3.3%	58,206
7	2019	20,833	-	20,833	255.7	207.9	201.1	204.5	0.9%	24,580
8	2020	75,592	(26,940)	48,652	258.8	210.3	198.9	204.6	0.0%	57,060
9	2021	39,596	-	39,596	271.0	218.4	233.0	225.7	10.3%	43,199
10	2022	121,229	(72,577)	48,652	292.7	236.5	261.2	248.8	10.2%	48,652
11	Total	\$ 663,670	\$ (295,987)	\$ 367,683						\$ 43,446

Line No.	Impact to Income Statement Line items - adjust average level of storm costs	Incremental System Storm Costs	NC Retail [6]	Total NC Retail
14				
15				
16	10-Year average inflated storm costs (L12)	\$ 43,446	74.1732%	\$ 32,225
17				
18	Actual incurred normal storm costs - Test Period Ended December 31, 2021			37,035 [7]
19				
20	Impact to O&M - variance (L16 - L18)			(4,810)
21				
22	Statutory tax rate			23.13% [8]
23				
24	Impact to income taxes (-L20x L22)			1,113
25				
26	Impact to operating income (L20 - L24)			\$ (3,697)

[1] NC7010-2 - 10-year Incremental System Storm Costs - 2013 through 2022, Line 73
 [3] NC2110-3 - Consumer Price Index - All items, Annual Average Column
 [4] NC2110-4 - Producer Price Index - Commodities - Finished goods less food and energy
 [5] NC2110-5 - Producer Price Index - Commodities - Processed materials less food and energy
 [6] Allocation Factor - All - Dist PIt OH - Jur
 [7] Source: Cost of Service
 [8] NC1010-4 2022 Calculation of Tax Rates, Line 10
 [9] Deferred storms include Hurricanes Florence and Michael and Winter Storm Diego (2018), Hurricane Zeta (2020) and Winter Storm Izzy and Hurricane Ian (2022)

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10-year Incremental System Storm Costs - 2013 through 2022 [1][2]

Line No.	Storm Project #	Storm Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
1	1301	January 17, 2013 Event	1,740	-	-	-	-	-	-	-	-	-	1,740
2	1302	January 30, 2013 Storm	2,111	-	-	-	-	-	-	-	-	-	2,111
3	1303	February 27, 2013 Event	909	-	-	-	-	-	-	-	-	-	909
4	1306	June 13, 2013 Thunderstorm	11,393	-	-	-	-	-	-	-	-	-	11,393
5	1307	July 17, 2013 Thunderstorm	1,582	-	-	-	-	-	-	-	-	-	1,582
6	1401	January 2014 Cold Storm	-	1,054	-	-	-	-	-	-	-	-	1,054
7	1404	February 2014 Ice	-	4,541	-	-	-	-	-	-	-	-	4,541
8	1405	March 2014 Ice / Snow	-	41,630	-	-	-	-	-	-	-	-	41,630
9	1406	March 2014 Wind	-	3,210	-	-	-	-	-	-	-	-	3,210
10	1407	June 2014 Thunderstorm	-	130	-	-	-	-	-	-	-	-	130
11	1410	November 2014 Carolinas West Storm	-	834	-	-	-	-	-	-	-	-	834
12	1501	2015 February Wind Event	-	-	2,596	-	-	-	-	-	-	-	2,596
13	1502	2015 February Ice Event	-	-	9,589	-	-	-	-	-	-	-	9,589
14	1503	2015 February Snow Event	-	-	5,730	-	-	-	-	-	-	-	5,730
15	1504	6/26 Thunderstorm	-	-	1,105	-	-	-	-	-	-	-	1,105
16	1506	7/18 Thunderstorm	-	-	1,579	-	-	-	-	-	-	-	1,579
17	1507	7/13 Thunderstorm	-	-	671	-	-	-	-	-	-	-	671
18	1509	2015 Hurricane Joaquin	-	-	7,932	-	-	-	-	-	-	-	7,932
19	1601	Jonas	-	-	-	31,407	-	-	-	-	-	-	31,407
20	1602	Feb 16, 2016 Ice	-	-	-	1,728	-	-	-	-	-	-	1,728
21	1603	Feb 23, 2016 Wind	-	-	-	9,879	-	-	-	-	-	-	9,879
22	1605	June 23, 2016 Thunderstorm	-	-	-	84	-	-	-	-	-	-	84
23	1606	June 29, 2016 Thunderstorm	-	-	-	709	-	-	-	-	-	-	709
24	1608	July 7, 2016 Thunderstorm	-	-	-	571	-	-	-	-	-	-	571
25	1609	July 8, 2016 Thunderstorm	-	-	-	11,576	-	-	-	-	-	-	11,576
26	1610	TS Hermine	-	-	-	57	-	-	-	-	-	-	57
27	1611	Hurricane Matthew	-	-	-	7,304	-	-	-	-	-	-	7,304
28	1701	1702 - Mar 1 Thunderstorm	-	-	-	-	2,526	-	-	-	-	-	2,526
29	1702	1705 - Apr 5 Thunderstorm	-	-	-	-	2,576	-	-	-	-	-	2,576
30	1703	1712 - Irma	-	-	-	-	23,436	-	-	-	-	-	23,436
31	1705	May 1, 2017 Thunderstorm	-	-	-	-	1,300	-	-	-	-	-	1,300
32	1706	1713 - Nate	-	-	-	-	1,329	-	-	-	-	-	1,329
33	1707	1714 - Oct 23 Wind	-	-	-	-	16,436	-	-	-	-	-	16,436
34	1709	Dec 8, 2017 Snow Storm	-	-	-	-	5,502	-	-	-	-	-	5,502
35	1712	January 6, 2017 Snow Storm - Helena	-	-	-	-	1,847	-	-	-	-	-	1,847
36	1713	1702 - Mar 1, 2017 Thunderstorm	-	-	-	-	0	-	-	-	-	-	0
37	1714	March 21, 2017 Storm	-	-	-	-	433	-	-	-	-	-	433
38	1715	April 24, 2017 Wind and Rain	-	-	-	-	1,343	-	-	-	-	-	1,343
39	1716	May 31, 2017 Storm	-	-	-	-	628	-	-	-	-	-	628
40	1802	1802 - Jan 17, 2018 Snow Storm	-	-	-	-	-	431	-	-	-	-	431

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10-year Incremental System Storm Costs - 2013 through 2022 [1][2]

Line No.	Storm Project #	Storm Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
41	1803	1803 - March 2, 2018 Wind Event	-	-	-	-	-	3,409	-	-	-	-	3,409
42	1804	1804 - Apr 15, 2018 Wind Event	-	-	-	-	-	7,068	-	-	-	-	7,068
43	1805	1805 - June 1, 2018 Thunderstorms	-	-	-	-	-	2,050	-	-	-	-	2,050
44	1806	1806 - June 25, 2018 Thunderstorms	-	-	-	-	-	4,001	-	-	-	-	4,001
45	1810	1810 - Aug 8, 2018 Thunderstorms	-	-	-	-	-	2,193	-	-	-	-	2,193
46	1811	1811 - Hurricane Florence	-	-	-	-	-	95,955	-	-	-	-	95,955
47	1812	1812 - Hurricane Michael	-	-	-	-	-	86,854	-	-	-	-	86,854
48	1813	1813 - Nov 15, 2018 Ice Storm	-	-	-	-	-	1,859	-	-	-	-	1,859
49	1814	1814 - Nov 24, 2018 Ice Storm	-	-	-	-	-	3,454	-	-	-	-	3,454
50	1815	11815 - Winter Storm Diego	-	-	-	-	-	62,004	-	-	-	-	62,004
51	1901	January 12, 2019 Ice Event Gia	-	-	-	-	-	-	13,011	-	-	-	13,011
52	1903	February 19-20, 2019 - Winter Storm	-	-	-	-	-	-	40	-	-	-	40
53	1905	April 14, 2019 Thunderstorms	-	-	-	-	-	-	1,728	-	-	-	1,728
54	1906	April 19, 2019 Thunderstorms	-	-	-	-	-	-	2,148	-	-	-	2,148
55	1907	April 26, 2019 Thunderstorms	-	-	-	-	-	-	2,782	-	-	-	2,782
56	1911	June 20, 2019 Thunderstorms	-	-	-	-	-	-	470	-	-	-	470
57	1912	June 22, 2019 Thunderstorms	-	-	-	-	-	-	4,216	-	-	-	4,216
58	1916	Hurricane Dorian	-	-	-	-	-	-	756	-	-	-	756
59	1917	October 31 Thunderstorms	-	-	-	-	-	-	976	-	-	-	976
60	2001	January 11 Wind Event	-	-	-	-	-	-	-	3,886	-	-	3,886
61	2002	February 6 Wind Storm	-	-	-	-	-	-	-	16,643	-	-	16,643
62	2004	April 12 Wind Storm	-	-	-	-	-	-	-	15,355	-	-	15,355
63	2006	May 22 Wind Storm	-	-	-	-	-	-	-	5,825	-	-	5,825
64	2007	Hurricane Isaiaas	-	-	-	-	-	-	-	114	-	-	114
65	2009	Hurricane Zeta	-	-	-	-	-	-	-	50,544	-	-	50,544
66	2101	February 13 Winter Storm	-	-	-	-	-	-	-	-	10,488	-	10,488
67	2102	February 18 Winter Storm	-	-	-	-	-	-	-	-	30,172	-	30,172
68	2104	August 14, 2021 Storm	-	-	-	-	-	-	-	-	938	-	938
69	2105	Tropical Storm Fred	-	-	-	-	-	-	-	-	2,384	-	2,384
70	2201	January 3 Winter Storm	-	-	-	-	-	-	-	-	-	11,145	11,145
71	2202	January 16 Winter Storm Izzy	-	-	-	-	-	-	-	-	-	56,235	56,235
72	2204	March 12 storm	-	-	-	-	-	-	-	-	-	1,856	1,856
73	2205	May 6 Storm	-	-	-	-	-	-	-	-	-	361	361
74	2206	June 16 storm	-	-	-	-	-	-	-	-	-	2,763	2,763
75	2207	June 17 storm	-	-	-	-	-	-	-	-	-	11,795	11,795
76	2208	Hurricane Ian	-	-	-	-	-	-	-	-	-	36,073	36,073
77	2210	December 23 - wind event	-	-	-	-	-	-	-	-	-	11,253	11,253
78	Eliminate Non Incremental Storm Costs [1]		(6,021)	(13,918)	(9,091)	(14,663)	(14,015)	(24,158)	(5,293)	(16,774)	(4,387)	(10,252)	(118,571)
79	TOTAL		\$ 11,714	\$ 37,482	\$ 20,111	\$ 48,652	\$ 43,339	\$ 245,121	\$ 20,833	\$ 75,592	\$ 39,596	\$ 121,229	\$ 663,670
			[1]	[1]	[1]	[1]	[1]	[2]	[3]	[4]	[5]	[6]	

[1] Total incremental system costs for 2013 - 2017 per Compliance filing - Docket No. E-7 Sub 1214
 [2] Total incremental system costs for 2018 as finalized per Docket E-7 Sub 1243 (North Carolina Storm Securitization)
 [3] Total incremental system costs for 2019 per Docket No. E-7 Sub 1214
 [4] Total incremental system costs for 2020 storms - Provided by Finance
 [5] Total incremental system costs for 2021 storms - Provided by Finance - projects closed in December 2022
 [6] Total incremental system costs for 2022 storms - Provided by Finance - represents best estimate of storm costs at time of filing

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust for Storm Securitization Deferrals
For the Test Period Ending December 31, 2021

E1-10
NC7040 Narrative
Compliance

E-1 Item 10 Adjustments Requirement

Provide the detail work papers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment, including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

Detailed Narrative Explanation of Adjustment

This pro forma calculates the amortization expense and impacts to rate base related to the Servicing and Administration fee overcollection and the Upfront bond issuance costs overcollection as a result of the NC Storm Securitization docket.

The impact to income taxes is determined by multiplying taxable income by the statutory tax rate.

(A) December Update

Actuals have been updated for NC7040-2 - S&A Costs. Also included is an update of the admin fee component of the deferral. The projections of the admin fee through the capital cutoff was inadvertently overstated.

(B) 1st Supplemental Update

Actuals have been updated for NC7040-2 - S&A Costs through April 2023.

(C) 2nd Supplemental Update

Actuals have been updated for NC7040-2 - S&A Costs through May 2023.

(D) 3rd Supplemental Update

Actuals have been updated for NC7040-2 - S&A Costs through June 2023. Also, the Second Supplemental proforma was still extended to the original capital cutoff date of July 2023 - the cutoff has been adjusted to be June 2023.

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Line No	<u>Impacted Income Statement Line Items</u>	Source	Total	Total	Total	Total	Total	Total
			NC Retail Compliance	NC Retail Third Supplemental	NC Retail Second Supplemental	NC Retail Supplemental	NC Retail Application	NC Retail Change
1	Sales of Electricity		-	-	-	-	-	-
2	Other Revenue		-	-	-	-	-	-
3	Electric operating revenue (L1+L2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4								
5	<u>Electric operating expenses:</u>							
6	Operation and maintenance:							
7	Fuel used in electric generation							
8	Purchased power							
9	Other operation and maintenance expense							
10	Depreciation and amortization	NC7040-1	(199)	(199)	(203)	(205)	(246)	47
11	General taxes							
12	Interest on customer deposits							
13	EDIT Amortization							
14	Net income taxes	NC7040-1	\$ 46	\$ 46	\$ 48	\$ 48	57	(11)
15	Amortization of investment tax credit							
16	Total electric operating expenses (sum(L7:L15))		\$ (152)	\$ (152)	\$ (156)	\$ (157)	\$ (188)	\$ 36
17								
18	Operating income (L3-L16)		\$ 152	\$ 152	\$ 156	\$ 157	\$ 188	\$ (36)
19	<u>Rate Base</u>							
20	Electric plant in service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Accumulated depreciation and amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Net electric plant in service (L20 + L21)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Materials and supplies		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Working Capital	NC7040-1	\$ (398)	\$ (398)	\$ (407)	\$ (411)	\$ (492)	\$ 94
25	Accumulated deferred income taxes	NC7040-1	\$ 93	\$ 93	\$ 95	\$ 96	\$ 115	\$ (22)
26	Operating reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Construction Work in Progress		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Rate Base (sum(L22:L23,L24,L25:L27))		\$ (305)	\$ (305)	\$ (312)	\$ (315)	\$ (377)	\$ 72

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Line No.	Description	Servicing & Admin Fee Overcollection	Upfront bond issuance costs Overcollection	Total
1				
2	Projected Ending Balance - rates effective date	\$ (201) [1]	\$ (396) [2]	\$ (597)
3				
4	Balance for Amortization	\$ (201)	\$ (396)	\$ (597)
5				
6	Years to Amortize	3	3	3
7				
8	Impact to Depreciation and Amortization (L4/L16)	\$ (67)	\$ (132)	\$ (199)
9				
10				
11	Statutory tax rate	23.3503% [3]	23.3503% [3]	23.3503%
12				
13	Impact to income taxes (-L4 x L6)	\$ 16	\$ 31	\$ 46
14				
15	Impact to operating income (-L8 - L12)	\$ 51	\$ 101	\$ 152
16				
17	<u>Impact to Rate Base</u>			
18				
19	Securitization Deferral in Rate Base 12/31/2021	\$ - [4]	\$ - [5]	\$ -
20				
21	Projected Storm Securitization Deferral for Rate Base - at rates effective date (L2)	(201)	(396)	(597)
22	Less: one year amortization	67	132	199
23	Impact to Deferred balance (L22-L18)	\$ (134)	\$ (264)	\$ (398)
24				
25	Impact to accumulated deferred income tax (-L 24 x L10)	\$ 31	\$ 62	\$ 93
26				
27	Impact to Rate Base [L24+L26]	\$ (103)	\$ (202)	\$ (305)

[1] NC7040-2 - Overcollected Servicing and Administrative fees related to North Carolina storm securitization to be returned to customers - Line 26

[2] NC7040-3 - Overcollected upfront bond issuance costs in the North Carolina storm securitization to be returned to customers - Line 26

[3] NC1010-4 2022 Calculation of Tax Rates, Line 10

[4] Account 0254056 balance not included in rate base in December 31, 2021 Cost of Service

[5] Account 0254052 balance not included in rate base in December 31, 2021 Cost of Service

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Compliance

Over collected Servicing and Administrative fees related to North Carolina storm securitization to be returned to customers.

Line No.	Month and Year	Administrative Fee Paid [1]	Servicing Fee Paid [2]	Incremental costs to Utility [3]	After-Tax Ret on Def Costs-Debt	After-Tax Ret on Def Costs-Equity	Total Def Amount F = A+B+C+D+E	Cumulative Balance G = PM balance +F
		A	B	C	D	E		
1	Dec-21	(4,167)	(12,023)	2,488	(9)	(28)	(13,739)	(13,739)
2	Jan-22	(4,167)	(10,073)	1,843	(26)	(83)	(12,506)	(26,246)
3	Feb-22	(4,167)	(9,098)	1,663	(42)	(133)	(11,777)	(38,023)
4	Mar-22	(9,375)	(10,073)	1,867	(61)	(195)	(17,837)	(55,860)
5	Apr-22	(9,375)	(9,748)	1,088	(85)	(270)	(18,391)	(74,250)
6	May-22	(9,375)	(10,073)	3,041	(108)	(343)	(16,858)	(91,108)
7	Jun-22	(9,375)	(10,073)	7,453	(127)	(404)	(12,526)	(103,634)
8	Jul-22	(4,167)	(9,884)	6,346	(141)	(447)	(6,292)	(111,927)
9	Aug-22	(4,167)	(9,884)	7,346	(151)	(480)	(7,335)	(119,262)
10	Sep-22	(4,167)	(9,884)	7,156	(161)	(510)	(7,565)	(126,827)
11	Oct-22	(4,167)	(9,884)	5,691	(172)	(545)	(9,076)	(135,903)
12	Nov-22	(4,167)	(9,884)	7,746	(182)	(578)	(7,065)	(142,968)
13	Dec-22	(4,167)	(9,884)	9,164	(190)	(605)	(5,681)	(148,649)
14	Jan-23	(4,167)	(9,884)	7,673	(199)	(632)	(7,208)	(155,858)
15	Feb-23	(4,167)	(9,884)	7,324	(208)	(662)	(7,597)	(163,455)
16	Mar-23	(4,167)	(9,884)	8,269	(218)	(692)	(6,691)	(170,146)
17	Apr-23	(4,167)	(9,884)	7,829	(227)	(721)	(7,169)	(177,315)
18	May-23	(4,167)	(9,884)	8,132	(236)	(750)	(6,904)	(184,219)
19	Jun-23	(4,167)	(9,884)	4,807	(247)	(786)	(10,277)	(194,496)
20	Jul-23				(255)	(809)	(1,064)	(195,559)
21	Aug-23				(256)	(814)	(1,070)	(196,629)
22	Sep-23				(257)	(818)	(1,075)	(197,704)
23	Oct-23				(259)	(822)	(1,081)	(198,786)
24	Nov-23				(260)	(827)	(1,087)	(199,873)
25	Dec-23				(262)	(831)	(1,093)	(200,966)
26	Total Costs Through December 2023	\$ (100,000)	\$ (189,768)	\$ 106,926	\$ (4,338)	\$ (13,786)	\$ (200,966)	

Docket No. E-7 Sub 1214

Description	Capital Structure	Cost Rates	Weighted Rates	Pre-Tax		After-Tax	
Long-Term Debt	48.0000%	4.2700%	2.0496%	2.0496%	1.5710%		
Common Equity	52.0000%	9.6000%	4.9920%	6.5127%	4.9920%		
Total			7.0416%	8.5623%	6.5630%		

Effective State and Federal Income Tax Rate 23.3503% [2]

[1] Provided by DEC Accounting. Represents the annual administrative fee approved in the NC storm securitization Docket No. E-7 Sub 1243. It is due June 30 of each calendar year.

[2] Provided by DEC Accounting. Represents the servicing fee approved in the NC storm securitization Docket No. E-7 Sub 1243. Semi-annual payments are due June 30 and December 31 of each calendar year.

[3] Provided by DEC Accounting. Represents the incremental cost to the utility to administer and service the storm securitization bonds.

[2] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
Docket No. E-7 Sub 1276
Adjust for Storm Securitization Deferrals
For the Test Period Ending December 31, 2021

E1-10
NC7040-3 Upfront Costs
Page 1 of 1
Compliance

Over collected upfront bond issuance costs in the North Carolina storm securitization to be returned to customers

Line No.	Month and Year	Def Upfront Fees [1]	After-Tax Ret on Def Costs-Debt	After-Tax Ret on Def Costs-Equity	Total Def Amount	Cumulative Balance
1	Dec-21	(346,335)	(227)	(720)	(347,282)	(347,282)
2	Jan-22	-	(455)	(1,445)	(1,899)	(349,182)
3	Feb-22	-	(457)	(1,453)	(1,910)	(351,091)
4	Mar-22	-	(460)	(1,461)	(1,920)	(353,011)
5	Apr-22	-	(462)	(1,469)	(1,931)	(354,942)
6	May-22	-	(465)	(1,477)	(1,941)	(356,883)
7	Jun-22	-	(467)	(1,485)	(1,952)	(358,835)
8	Jul-22	-	(470)	(1,493)	(1,963)	(360,798)
9	Aug-22	-	(472)	(1,501)	(1,973)	(362,771)
10	Sep-22	-	(475)	(1,509)	(1,984)	(364,755)
11	Oct-22	-	(478)	(1,517)	(1,995)	(366,750)
12	Nov-22	-	(480)	(1,526)	(2,006)	(368,756)
13	Dec-22	-	(483)	(1,534)	(2,017)	(370,773)
14	Jan-23	-	(485)	(1,542)	(2,028)	(372,800)
15	Feb-23	-	(488)	(1,551)	(2,039)	(374,839)
16	Mar-23	-	(491)	(1,559)	(2,050)	(376,889)
17	Apr-23	-	(493)	(1,568)	(2,061)	(378,951)
18	May-23	-	(496)	(1,576)	(2,073)	(381,023)
19	Jun-23	-	(499)	(1,585)	(2,084)	(383,107)
20	Jul-23	-	(502)	(1,594)	(2,095)	(385,202)
21	Aug-23	-	(504)	(1,602)	(2,107)	(387,309)
22	Sep-23	-	(507)	(1,611)	(2,118)	(389,427)
23	Oct-23	-	(510)	(1,620)	(2,130)	(391,557)
24	Nov-23	-	(513)	(1,629)	(2,141)	(393,699)
25	Dec-23	-	(515)	(1,638)	(2,153)	(395,852)
26	Total Costs Through December 2023	\$ (346,335)	\$ (11,853)	\$ (37,664)	\$ (395,852)	

Docket No. E-7 Sub 1214

Description	Capital Structure	Cost Rates	Weighted Rates	Effective State and Federal Income Tax Rate	
				Pre-Tax	After-Tax
Long-Term Debt	48.00%	4.27%	2.05%	2.0496%	1.5710%
Common Equity	52.00%	9.60%	4.99%	6.5127%	4.9920%
Total		13.87%	7.04%	8.5623%	6.5630%

Effective State and Federal Income Tax Rate 23.3503% [2]

[1] Represents the over collected upfront bond issuance costs in the North Carolina storm securitization

[2] NC1010-4 2022 Calculation of Tax Rates, Line 10

DUKE ENERGY CAROLINAS, LLC
OVER AMORTIZATION REVENUE RIDER FLOWBACK
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
Compliance Filing
(Thousands of Dollars)

Line No.	Item	Severance Revenue Requirement
	Rider Timing Months	1/15/24-12/31/24 11.5
1	Total NC retail over amortization	(466) ^{1/}
2	Annuity factor	0.9283 ^{2/}
3	Portion of Year	0.9583
4	Additional Levelized rider regulatory liability (L1 / L2 x L3)	(481)
5	One minus composite income tax rate	76.6498% ^{3/}
6	Net operating income effect (L4 x L5)	(369)
7	Retention factor	0.760898 ^{4/}
8	Over Amortization rider (L6 / L7)	<u>(485)</u>

- 1/ Over amortization balances estimated as of 1/1/2024 to be flowed back to NC retail per order in E-7 Sub 1276.
- 2/ Calculation of Levelized Factors, Line 6.
- 3/ One minus composite income tax rate of 23.35025%
- 4/ Q. Bowman Exhibit 1 Inputs

	Pre-tax	Monthly
Over Amortization balance		
Amortization without levelized return	(\$487)	(\$41)
Levelized return	(\$15)	(\$1)
Total amortization	(502)	
Gross up for uncollectibles & fee	\$17	\$1
Total Revenue requirement	(485)	

**DUKE ENERGY CAROLINAS, LLC
OVER AMORTIZATION REVENUE RIDER FLOWBACK
FOR THE TEST PERIOD ENDED DECEMBER 31, 2021
Compliance Filing
(Thousands of Dollars)**

Line No.	Item	Amount
	<u>Annuity Factor</u>	
1	Number of years	1.0 ^{1/}
2	Payment per period	1
3	After tax rate of return (L9)	6.996%
4	Present value of 1 dollar annualized over number of years with with 1 payment per year (pro-rata for partial year)	0.8969
5	1 plus (interest rate divided by two)	<u>1.0350</u>
6	Annuity factor (L4 x L5)	<u><u>0.9283</u></u>

	<u>Capital Structure</u> (a)	<u>Cost Rates</u> (b)	<u>Overall Rate of Return</u> ^{3/} (c)	<u>Net of Tax Rate</u> (d)
	<u>After Tax Rate of Return</u>			
7	Long-term debt	47.00% ^{2/}	4.560% ^{2/}	2.143%
8	Common equity	<u>53.00% ^{2/}</u>	<u>10.100% ^{2/}</u>	<u>5.353% ^{6/}</u>
9	Total	<u>100.00%</u>	<u>7.496%</u>	<u>6.996%</u>
10	Statutory Tax Rate			23.35%

- 1/ Over amortization return period per E-7 Sub 1276 Order.
- 2/ Q. Bowman Exhibit 2 Page 2 Excluding CCR Compliance
- 3/ Column (a) times Column (b).
- 4/ Column (c) times (1 minus combined income tax rate of 23.3503%).
- 5/ Amount from Column (c).