

# Operational excellence on behalf of our customers

## SAFETY

- Duke Energy was an industry leader for the sixth year in a row - Total incident case rate (TICR) of 0.33 in 2020
- TICR nearly 50% lower (better) than 2013 levels, the first full year after the Progress merger

## NUCLEAR PERFORMANCE

- 22<sup>nd</sup> consecutive year with a fleet capacity factor greater than 90% (94.42% in 2020)
- All six nuclear sites are recognized by the industry for exemplary performance

## STORM RESPONSE

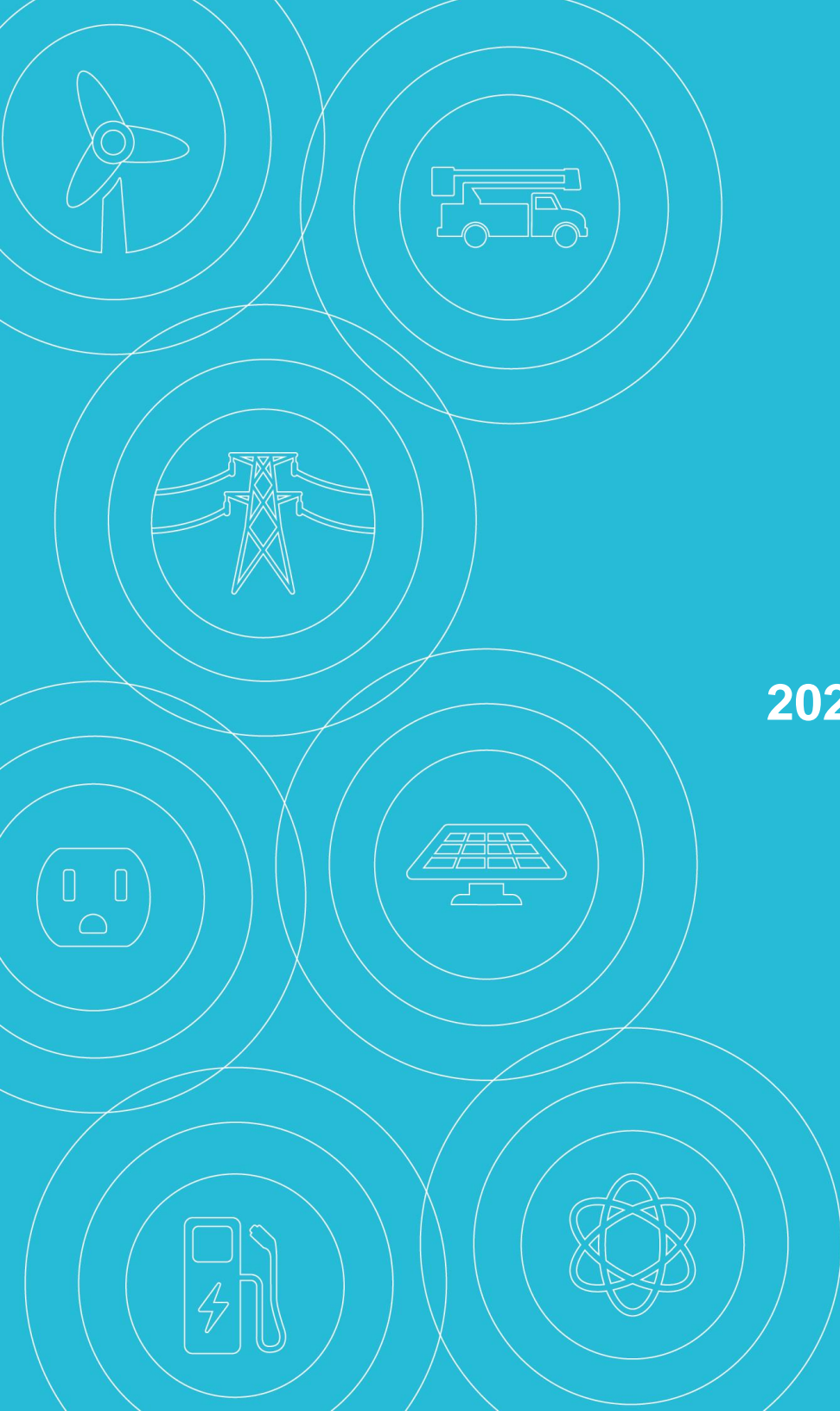
- Duke Energy has received over 20 Emergency Response Awards since EEI began recognizing storm response in 1998 (includes 8 for assisting other utilities)
- Received 8 awards for storm response in our service territories over the past decade

## CUSTOMER SATISFACTION

- Beginning in 2017, developed and implemented an ecosystem of customer satisfaction measurement tools to understand and identify pain points in the current customer experience
- By focusing on improving our customers' actual experiences, we have seen improvements in customer satisfaction that have outpaced the industry (as measured by J.D. Power & Associates' Customer Satisfaction Index)
  - Residential J.D. Power CSI scores improved for all jurisdictions with DEP and DEF recognized as 'Top Movers' in 2020
  - DEC was recognized as a 'Top Mover' in the 2020 business study and finished in the top quartile nationally along with DEF



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## 2021 guidance supplemental information



# Key 2021 adjusted earnings guidance assumptions

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(\$ in millions)	Original 2021 Assumptions <sup>(1)</sup>	2021 YTD (thru 6/30/2021)
<b>Adjusted segment income/ (expense) <sup>(2)</sup>:</b>		
Electric Utilities & Infrastructure	\$3,900	\$1,755
Gas Utilities & Infrastructure	\$415	\$279
Commercial Renewables	\$220	\$74
Other	(\$575)	(\$252)
Duke Energy Consolidated	\$3,960	\$1,856
<b>Additional consolidated information:</b>		
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	6-8%	8.2%
AFUDC equity	\$185	\$82
Capital expenditures <sup>(3)(4)</sup>	\$10,475	\$4,550
Weighted-average shares outstanding – basic	~769 million	~769 million

(1) Full-year amounts for 2021, as disclosed on Feb. 11, 2021

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

(3) Includes debt AFUDC and capitalized interest

(4) 2021 full year assumptions include ~\$550 million of projected coal ash closure spend. 2021 YTD actual includes coal ash closure spend of ~\$200 million that was included in operating cash flows and excludes tax equity funding of Commercial Renewables projects of ~\$320 million

# Electric utilities quarterly weather impacts

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Weather segment income to normal:	2021						2020					
	Pretax impact		Weighted avg. shares		EPS impact favorable / (unfavorable)		Pretax impact		Weighted avg. shares		EPS impact favorable / (unfavorable)	
First Quarter	(\$17)		769		(\$0.02)		(\$110)		734		(\$0.11)	
Second Quarter	\$7		769		\$0.01		(\$8)		735		(\$0.01)	
Third Quarter							\$67		735		\$0.07	
Fourth Quarter							\$2		742		--	
Year-to-Date <sup>(1)</sup>	(\$10)		769		(\$0.01)		(\$48)		737		(\$0.05)	
2Q 2021	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY			
Heating degree days / Variance from normal	225	8.0%	199	13.5%	15	68.5%	556	13.4%	514	16.4%		
Cooling degree days / Variance from normal	466	(7.5%)	545	(1.9%)	1,092	4%	355	6%	360	8.1%		
2Q 2020	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY			
Heating degree days / Variance from normal	308	43.1%	224	23.4%	-	-	633	28.1%	590	31%		
Cooling degree days / Variance from normal	412	(17.5%)	461	(16.1%)	1,190	11.8%	343	4.2%	347	4.8%		

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

# Key 2021 earnings sensitivities

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

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

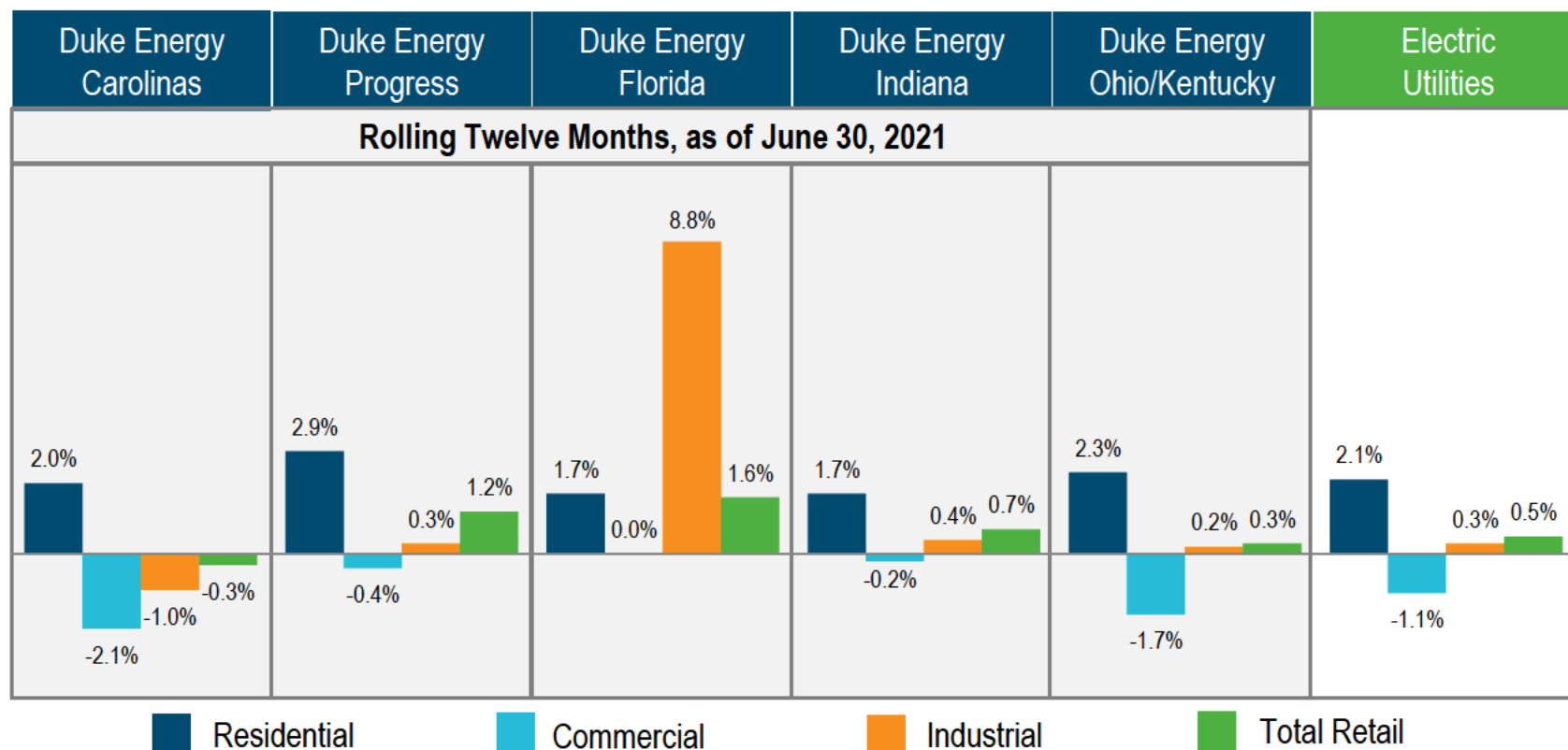
- (1) Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins  
 (2) Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted.  
 (3) Based on average variable-rate debt outstanding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



# Weather normalized volume trends, by electric jurisdiction

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## Financing plan update and current liquidity

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

Issuer	Estimated / Actual Amount (\$ in millions)	Security	Date Issued	Completed (\$ in millions)	Term	Rate	2021 Maturities <sup>(2)</sup>
Holding Company	\$3,000	Senior Notes	June 2021	\$500 \$1,000 \$750 \$750	2-year 10-year 20-year 30-year	SOFR + 25 bps Fixed – 2.55% Fixed – 3.30% Fixed – 3.50%	\$1,750 (May & Sept)
DE Carolinas	\$1,000	First Mortgage Bonds	April 2021	\$550 \$450	10-year 30-year	Fixed – 2.55% Fixed – 3.45%	\$500 (June)
DE Progress	\$1,000 - \$1,200	-	-	-	-	-	\$1,300 (June & Sept.)
DE Florida	\$1,100 - \$1,300	-	-	-	-	-	\$500 (Aug. & Nov.)
DE Indiana	\$300 - \$400	-	-	-	-	-	-
Piedmont	\$350	Senior Notes	March 2021	\$350	10-year	2.50%	\$160 (June)
DE Kentucky	\$50 - \$100	-	-	-	-	-	-
<b>Total</b>	<b>\$6,400 - \$7,750</b>	-	-	<b>\$4,350</b>	-	-	<b>\$4,210</b>

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

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

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# Liquidity summary (as of June 30, 2021)

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(\$ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility <sup>(1)</sup>	\$ 2,650	\$ 1,325	\$ 1,150	\$ 850	\$ 600	\$ 550	\$ 175	\$ 700	\$ 8,000
Less: Notes payable and commercial paper <sup>(2)</sup>	(549)	(767)	(418)	(360)	(150)	(355)	(56)	(92)	(2,747)
Outstanding letters of credit (LOCs)	(25)	(4)	(2)	-	-	-	-	-	(31)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 2,076	\$ 554	\$ 730	\$ 490	\$ 369	\$ 195	\$ 119	\$ 608	\$ 5,141
Funded Revolver and Term Loan <sup>(3)</sup>	\$ 1,000								\$ 1,000
Less: Borrowings Under Credit Facilities	(500)								(500)
Available capacity	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Cash & short-term investments									259
<b>Total available liquidity</b>									<b>\$ 5,900</b>

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

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

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



## Upcoming Events & Other

## Upcoming events

Event	Date
3Q 2021 earnings call (tentative)	November 4, 2021



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

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 5, 2021**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of adjusted EPS for the quarter and year-to-date periods ended June 30, 2021 and 2020.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended June 30, 2021 and 2020, to the most directly comparable GAAP measure are included herein.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit obligations.
- Severance represents the reversal of 2018 severance charges, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.
- Workplace and workforce realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.

**Adjusted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a reference to forecasted 2021 adjusted EPS guidance range of \$5.00 to \$5.30 per share and the midpoint of forecasted 2021 adjusted EPS guidance range of \$5.15. The materials also reference the long-term range of annual growth of 5% - 7% through 2025 off the midpoint of 2021 adjusted EPS guidance range of \$5.15. Forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.



## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2021 and a discussion of 2021 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2021, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

## **Dividend Payout Ratio**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's long-term target dividend payout ratio of 65% - 75% based upon adjusted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted basic EPS from continuing operations available to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

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

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's net regulated Electric and Gas operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2020, 2019, 2018, 2017 and 2016, as well as the forecasted year-to-date period ended December 31, 2021.

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

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

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

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended June 30, 2021. The materials also include a discussion of the 2021 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended June 30, 2021, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of June 30, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2021, to the most directly comparable GAAP measure is included herein.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 935	\$	\$	\$	\$ 935
Gas Utilities and Infrastructure	17	12 A		12	29
Commercial Renewables	47				47
<b>Total Reportable Segment Income</b>	<b>999</b>	<b>12</b>		<b>12</b>	<b>1,011</b>
Other	(248)		135 B	135	(113)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 751</b>	<b>\$ 12</b>	<b>\$ 135</b>	<b>\$ 147</b>	<b>\$ 898</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.96</b>	<b>\$ 0.01</b>	<b>\$ 0.18</b>	<b>\$ 0.19</b>	<b>\$ 1.15</b>

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

**A** Net of \$4 million tax benefit. \$16 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** - Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 769 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

		Special Items			
	Reported Earnings	Gas Pipeline Investments	Workplace and Workforce Realignment	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 1,755	\$	\$	\$	\$ 1,755
Gas Utilities and Infrastructure	262	17	A	17	279
Commercial Renewables	74				74
<b>Total Reportable Segment Income</b>	<b>2,091</b>	<b>17</b>		<b>17</b>	<b>2,108</b>
Other	(387)		135	B	(252)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,704</b>	<b>\$ 17</b>	<b>\$ 135</b>	<b>\$ 152</b>	<b>\$ 1,856</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 2.21</b>	<b>\$ 0.02</b>	<b>\$ 0.18</b>	<b>\$ 0.20</b>	<b>\$ 2.41</b>

**A** - Net of \$5 million on tax benefit. \$22 million on recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** - Net of \$40 million on tax benefit. \$131 million on recorded within Impairment of assets and other charges, \$27 million on within Operations, maintenance and other, and \$17 million on within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) - 769 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2020**  
(Dollars in millions, except per share amounts)

	Reported Loss	Special Item Gas Pipeline Investments	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME (LOSS)</b>				
Electric Utilities and Infrastructure	\$ 753	\$	\$	\$ 753
Gas Utilities and Infrastructure	(1,576)	1,626	A 1,626	50
Commercial Renewables	90			90
<b>Total Reportable Segment (Loss) Income</b>	<b>(733)</b>	<b>1,626</b>	<b>1,626</b>	<b>893</b>
Other	(84)			(84)
<b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ (817)</b>	<b>\$ 1,626</b>	<b>\$ 1,626</b>	<b>\$ 809</b>
<b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ (1.13)</b>	<b>\$ 2.21</b>	<b>\$ 2.21</b>	<b>\$ 1.08</b>

**Note:** (Loss) Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** Net of \$374 million tax benefit. \$2,000 million recorded with net equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 735 million**

DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Six Months Ended June 30, 2020  
 (Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance		
<b>SEGMENT INCOME (LOSS)</b>					
Electric Utilities and Infrastructure	\$ 1,458	\$	\$	\$	\$ 1,458
Gas Utilities and Infrastructure	(1,327)	1,626	A	1,626	299
Commercial Renewables	147				147
<b>Total Reportable Segment Income</b>	<b>278</b>	<b>1,626</b>		<b>1,626</b>	<b>1,904</b>
Other	(196)		(75) B	(75)	(271)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 82</b>	<b>\$ 1,626</b>	<b>\$ (75)</b>	<b>\$ 1,551</b>	<b>\$ 1,633</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.11</b>	<b>\$ 2.21</b>	<b>\$ (0.10)</b>	<b>\$ 2.11</b>	<b>\$ 2.22</b>

**A** Net of \$374 million on tax benefit, \$2,000 million on recorded within Equity in earnings (losses) of unconso dated affiliates related to the cancellation of the ACP investment on the Condensed Conso dated Statements of Operations.

**B** Net of \$23 million on tax expense, \$98 million on reversal of 2018 severance charges recorded within Operations, maintenance and other on the Condensed Conso dated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 734 million**

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2021  
(Dollars in millions)

	Three Months Ended		Six Months Ended	
	June 30, 2021		June 30, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 734		\$ 1,759	
Gas Pipeline Investments	16		22	
Workplace and Workforce Reorganization	175		175	
Noncontrolling Interests	67		118	
Preferred Dividends	(14)		(53)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 978</b>		<b>\$ 2,021</b>	
<b>Reported Income Tax Expense</b>	\$ 36	4.9 %	\$ 120	6.8 %
Gas Pipeline Investments	4		5	
Workplace Reorganization	40		40	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 80</b>	<b>8.2%</b>	<b>\$ 165</b>	<b>8.2 %</b>

	Three Months Ended		Six Months Ended	
	June 30, 2020		June 30, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Loss Before Income Taxes</b>	\$ (1,208)		\$ (181)	
Gas Pipeline Investments	2,000		2,000	
Severance			(98)	
Noncontrolling Interests	90		138	
Preferred Dividends	(15)		(54)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 867</b>		<b>\$ 1,805</b>	
<b>Reported Income Tax Benefit</b>	\$ (316)	26.2 %	(179)	98.9 %
Gas Pipeline Investments	374		374	
Severance			(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 58</b>	<b>6.7%</b>	<b>\$ 172</b>	<b>9.5 %</b>

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2021**  
(In millions)

Cash and Cash Equivalents	\$ 367	
Less: Certain Amounts Held in Foreign Jurisdictions	(6)	
Less: Unavailable Domestic Cash	<u>(102)</u>	
	259	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,641</u>	
Total Available Liquidity (a), June 30, 2021	<u>\$ 5,900</u>	approximately 5.9 billion

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of June 30, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

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

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast <sup>(f)</sup> December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$6,223</b>	<b>\$5,944</b>	<b>\$6,463</b>	<b>\$6,066</b>	<b>\$5,788</b>	<b>\$6,072</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(238)	(94)	(83)	—	—	—
Severance <sup>(b)</sup>	(92)	—	(187)	—	98	—
Regulatory settlement <sup>(b)</sup>	—	(5)	(40)	—	(16)	—
Energy Efficiency Recoverable <sup>(c)</sup>	(417)	(485)	(446)	(415)	(350)	(403)
Other Deferrals <sup>(d)</sup> and Recoverable	(141)	(152)	(400)	(353)	(510)	(340)
O&M for Commercial Businesses	(351)	(267)	(304)	(298)	(285)	(477)
Short-term incentive payments (over)/under budget	(90)	(22)	(30)	(112)	33	—
Non-regulated Electric Products and Services <sup>(e)</sup>	(83)	(140)	(138)	(175)	(210)	(223)
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$4,811</b>	<b>\$4,779</b>	<b>\$4,835</b>	<b>\$4,714</b>	<b>\$4,548</b>	<b>\$4,630</b>

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

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

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

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

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

(f) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Carolinas Jurisdictions**  
**Operations, Maintenance and Other Expense**  
(In millions)

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast <sup>(e)</sup> December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Carolinas</b>	<b>\$2,158</b>	<b>\$2,021</b>	<b>\$2,130</b>	<b>\$1,868</b>	<b>\$1,743</b>	<b>\$1,801</b>
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Progress</b>	<b>1,565</b>	<b>1,439</b>	<b>1,578</b>	<b>1,446</b>	<b>1,332</b>	<b>1,447</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(126)	(34)	(15)	—	—	—
Severance <sup>(b)</sup>	(62)	—	(154)	—	98	—
Regulatory settlement <sup>(b)</sup>	—	(5)	(40)	—	(16)	—
Energy Efficiency Recoverable <sup>(c)</sup>	(210)	(279)	(270)	(248)	(180)	(238)
Other Deferrals and Recoverable <sup>(c)</sup>	(87)	(74)	(119)	(71)	(74)	(52)
Margin based O&M for Non-reg products/services	(40)	(76)	(69)	(99)	(130)	(131)
DEBS Depreciation <sup>(d)</sup>	(57)	(80)	(88)	(101)	(117)	(133)
Short-term incentive payments (over)/under budget	(55)	(26)	(13)	(64)	23	—
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$3,086</b>	<b>\$2,886</b>	<b>\$2,940</b>	<b>\$2,731</b>	<b>\$2,679</b>	<b>\$2,694</b>

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

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

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

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

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

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast <sup>(e)</sup> December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Florida</b>	<b>\$884</b>	<b>\$853</b>	<b>\$1,025</b>	<b>\$1,034</b>	<b>\$1,131</b>	<b>\$1,016</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(9)	(9)	(4)	—	—	—
Severance <sup>(b)</sup>	(17)	—	(17)	—	—	—
Regulatory settlement <sup>(b)</sup>	—	—	—	—	—	—
Energy Efficiency Recoverable <sup>(c)</sup>	(99)	(95)	(105)	(99)	(116)	(121)
Other Deferrals and Recoverable <sup>(c)</sup>	(37)	(34)	(191)	(183)	(325)	(182)
Margin based O&M for Non-reg products/services	(27)	(38)	(43)	(39)	(38)	(45)
DEBS Depreciation <sup>(d)</sup>	(15)	(22)	(24)	(29)	(34)	(40)
Short-term incentive payments (over)/under budget	(14)	(8)	(6)	(16)	4	—
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$666</b>	<b>\$647</b>	<b>\$635</b>	<b>\$668</b>	<b>\$622</b>	<b>\$628</b>

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

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

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

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Midwest Jurisdictions**  
**Operations, Maintenance and Other Expense**  
(In millions)

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast <sup>(e)</sup> December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Indiana</b>	<b>\$727</b>	<b>\$743</b>	<b>\$788</b>	<b>\$790</b>	<b>\$762</b>	<b>\$782</b>
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Ohio</b>	<b>514</b>	<b>530</b>	<b>480</b>	<b>520</b>	<b>463</b>	<b>471</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(10)	(12)	(16)	—	—	—
Severance <sup>(b)</sup>	(10)	—	(13)	—	—	—
Regulatory settlement <sup>(b)</sup>	—	—	—	—	—	—
Energy Efficiency Recoverable <sup>(c)</sup>	(86)	(104)	(71)	(68)	(54)	(45)
Other Deferrals and Recoverable <sup>(c)</sup>	(39)	(48)	(89)	(99)	(101)	(106)
Margin based O&M for Non-reg products/services	(9)	(16)	(11)	(12)	(9)	(13)
DEBS Depreciation <sup>(d)</sup>	(16)	(23)	(25)	(30)	(34)	(40)
Short-term incentive payments (over)/under budget	(5)	(7)	—	(21)	8	—
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$1,066</b>	<b>\$1,063</b>	<b>\$1,043</b>	<b>\$1,080</b>	<b>\$1,035</b>	<b>\$1,049</b>

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

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

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

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

## News Release



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August 5, 2021

### Duke Energy reports second-quarter 2021 financial results

- **Second-quarter 2021 reported EPS of \$0.96 and adjusted EPS of \$1.15**
- **Growth driven by continued strength in Electric Utilities and Infrastructure**
- **Surpassed 10,000 megawatts of renewable energy on path to net-zero carbon emissions by 2050**
- **Company reaffirms 2021 adjusted EPS guidance range of \$5.00 to \$5.30 and long-term adjusted EPS growth rate of 5% to 7% through 2025**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced second-quarter 2021 reported EPS of \$0.96, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of \$1.15. This is compared to a reported loss per share of \$(1.13) and adjusted EPS of \$1.08 for the second quarter of 2020.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. The difference between the second-quarter 2021 reported and adjusted EPS is due to workplace and workforce realignment costs and exit obligations from gas pipeline investments.

Higher second-quarter 2021 adjusted results were led by growth in Electric Utilities and Infrastructure from rate case contributions, higher volumes and higher wholesale earnings. These items were partially offset by higher O&M expenses, lower Commercial Renewables earnings, the loss of ACP earnings and share dilution.

“Our strong second-quarter results demonstrate the continued execution of our clean energy strategy,” said Lynn Good, Duke Energy chair, president and chief executive officer. “We recently passed 10,000 MW of renewable energy on our path to net-zero carbon emissions by 2050. We’re investing in our transmission and distribution assets to strengthen grid resiliency, accommodate more renewables and support state economic development efforts. And, we’re collaborating with stakeholders and policymakers to advance supportive energy policy. We expect 2021 adjusted earnings per share to be in the range of \$5.00 to \$5.30 and expect to grow earnings 5% to 7% through 2025, based off the \$5.15 midpoint.

“Moving forward, we’re leading the most ambitious clean energy transition in North America while providing safe, reliable and affordable energy solutions to our customers and communities across the Southeast and Midwest, enabled by our scope and scale.”



## Business segment results

In addition to the following summary of second-quarter 2021 business segment performance, comprehensive tables with detailed EPS drivers for the second quarter compared to prior year are provided at the end of this news release.

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

### Electric Utilities and Infrastructure

On a reported and adjusted basis, Electric Utilities and Infrastructure recognized second-quarter 2021 segment income of \$935 million, compared to segment income of \$753 million in the second quarter of 2020, an increase of \$0.24 per share, excluding share dilution of \$0.04 per share. Higher quarterly results were primarily due to contributions from rate cases (+\$0.13 per share), higher volumes (+\$0.08 per share), higher wholesale earnings (+\$0.05 per share) and other margin (+\$0.04 per share). These results were partially offset by higher O&M expenses (-\$0.07 per share).

### Gas Utilities and Infrastructure

On a reported basis, Gas Utilities and Infrastructure recognized second-quarter 2021 segment income of \$17 million, compared to a loss of \$1,576 million in the second quarter of 2020. In addition to the drivers outlined below, second-quarter 2021 and 2020 results include costs related to the cancellation of the ACP investment. These charges were treated as special items and excluded from adjusted earnings.

On an adjusted basis, Gas Utilities and Infrastructure recognized second-quarter 2021 segment income of \$29 million, compared to \$50 million in the second quarter of 2020, a decrease of \$0.03 per share. Riders and margin expansion (+\$0.01 per share) and contributions from the Tennessee rate case (+\$0.01 per share) were offset by the loss of ACP earnings (-\$0.03 per share) and higher depreciation on a growing asset base and other taxes (-\$0.02 per share).

### Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized second-quarter 2021 segment income of \$47 million, compared to reported and adjusted segment income of \$90 million in the second quarter of 2020. This represents a decrease of \$0.06 per share, excluding share dilution of \$0.01 per share. Lower quarterly results were primarily due to certain renewable projects placed in service in the prior year (-\$0.05 per share).

## Other

Other primarily includes interest expense on holding company debt, other unallocated corporate costs and results from Duke Energy's captive insurance company.

On a reported basis, Other recognized a second-quarter 2021 net loss of \$248 million compared to a net loss of \$84 million in the second quarter of 2020. In addition to the drivers outlined below, second-quarter 2021 results include workplace and workforce realignment costs. This amount was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, Other recognized a second-quarter 2021 net loss of \$113 million. This is compared to an adjusted net loss of \$84 million in the second quarter of 2020, a decrease of \$0.04 per share, excluding share dilution of -\$0.01 per share. Lower quarterly results at Other were primarily due to higher income tax expense (-\$0.05 per share), partially offset by lower financing costs (+\$0.01 per share).

## Effective tax rate

Duke Energy's consolidated reported effective tax rate for the second quarter of 2021 was 4.9% compared to 26.2% in the second quarter of 2020. The decrease in the effective tax rate was primarily due to the impact of the cancellation of the ACP investment in the prior year.

The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the second quarter of 2021 was 8.2% compared to 6.7% in the second quarter of 2020. The increase was primarily due to lower state tax expense in the prior year.

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

## Earnings conference call for analysts

An earnings conference call for analysts is scheduled from 10 to 11 a.m. ET today to discuss second-quarter 2021 financial results. The conference call will be hosted by Lynn Good, chair, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](http://duke-energy.com/investors)) of Duke Energy's website or by dialing 800.458.4121 in the United States or 323.794.2093 outside the United States. The confirmation code is 3383817. Please call in 10 to 15 minutes prior to the scheduled start time.

A replay of the conference call will be available until 1 p.m. ET, August 15, 2021, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 3383817. An audio replay and transcript will also be available by accessing the investors section of the company's website.

## Special Items and Non-GAAP Reconciliation

The following tables present a reconciliation of GAAP reported earnings (loss) per share to adjusted earnings per share for second-quarter 2021 and 2020 financial results:

(In millions, except per share amounts)	After-Tax Amount	2Q 2021 Earnings per Share	2Q 2020 (Loss) Earnings per Share
Earnings (loss) per share, as reported		\$ 0.96	\$ (1.13)
Adjustments to reported earnings (loss) per share:			
<b>Second Quarter 2021</b>			
Gas Pipeline Investments	\$ 12	0.01	
Workplace and Workforce Realignment	135	0.18	
<b>Second Quarter 2020</b>			
Gas Pipeline Investments	\$ 1,626		2.21
Total adjustments		\$ 0.19	\$ 2.21
EPS, adjusted		\$ 1.15	\$ 1.08

## Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Adjusted earnings and adjusted EPS represent income (loss) from continuing operations available to Duke Energy Corporation common stockholders in dollar and per share amounts, adjusted for the dollar and per share impact of special items. The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is calculated using pretax earnings and income tax expense, both as adjusted for the impact of noncontrolling interests, preferred dividends and special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. The most directly comparable GAAP measures for adjusted earnings, adjusted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items are Net Income (Loss) Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss)), Basic earnings (loss) per share Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss) per share), and the reported effective tax rate, respectively.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP investment and additional exit obligations.
- Workplace and Workforce Realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.

Due to the forward-looking nature of any forecasted adjusted earnings guidance, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods (such as legal settlements, the impact of regulatory orders or asset impairments).

Management evaluates segment performance based on segment income (loss) and other net loss. Segment income (loss) is defined as income (loss) from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income (loss) includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income as a measure of historical and anticipated future segment performance. Adjusted segment income is a non-GAAP financial measure, as it is based upon segment income (loss) adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income (loss) and other net loss.

Due to the forward-looking nature of any forecasted adjusted segment income or adjusted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as the company is unable to forecast all special items, as discussed above.

Duke Energy's adjusted earnings, adjusted EPS and adjusted segment income may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

## Duke Energy

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of America's largest energy holding companies. Its electric utilities serve 7.9 million customers in North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky, and collectively own 51,000 megawatts of energy capacity. Its natural gas unit serves 1.6 million customers in North Carolina, South Carolina, Tennessee, Ohio and Kentucky. The company employs 27,500 people.

Duke Energy is executing an aggressive clean energy strategy to create a smarter energy future for its customers and communities – with goals of at least a 50% carbon reduction by 2030 and net-zero carbon emissions by 2050. The company is a top U.S. renewable energy provider, on track to operate or purchase 16,000 megawatts of renewable energy capacity by 2025. The company also is investing in major electric grid upgrades and expanded battery storage, and exploring zero-emitting power generation technologies such as hydrogen and advanced nuclear.

Duke Energy was named to Fortune's 2021 "World's Most Admired Companies" list and Forbes' "America's Best Employers" list. More information is available at [duke-energy.com](http://duke-energy.com). The Duke Energy News Center contains news releases, fact sheets, photos and videos. Duke Energy's illumination features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on Twitter, LinkedIn, Instagram and Facebook.

## Forward-Looking Information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- The impact of the COVID-19 pandemic;
- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and regulatory requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies;

- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- Changing customer expectations and demands including heightened emphasis on environmental, social and governance concerns;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and the impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions;
- Credit ratings of the Duke Energy Regulators may be different from what is expected;
- Decisions in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pensions plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Regulators capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The effectiveness of counterparty creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation on our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values;
- The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy or cause fluctuations in the trading price of our common stock; and

- The ability to implement our business strategy, including enhancing existing technology systems.

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



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 935	\$	\$	\$	\$ 935
Gas Utilities and Infrastructure	17	12 A		12	29
Commercial Renewables	47				47
<b>Total Reportable Segment Income</b>	<b>999</b>	<b>12</b>		<b>12</b>	<b>1,011</b>
Other	(248)		135 B	135	(113)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 751</b>	<b>\$ 12</b>	<b>\$ 135</b>	<b>\$ 147</b>	<b>\$ 898</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.96</b>	<b>\$ 0.01</b>	<b>\$ 0.18</b>	<b>\$ 0.19</b>	<b>\$ 1.15</b>

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

**A** Net of \$4 million tax benefit. \$16 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 769 million**

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Oct 06 2022

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 1,755	\$	\$	\$	\$ 1,755
Gas Utilities and Infrastructure	262	17 A		17	279
Commercial Renewables	74				74
<b>Total Reportable Segment Income</b>	<b>2,091</b>	<b>17</b>		<b>17</b>	<b>2,108</b>
Other	(387)		135 B	135	(252)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,704</b>	<b>\$ 17</b>	<b>\$ 135</b>	<b>\$ 152</b>	<b>\$ 1,856</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 2.21</b>	<b>\$ 0.02</b>	<b>\$ 0.18</b>	<b>\$ 0.20</b>	<b>\$ 2.41</b>

**A** Net of \$5 million on tax benefit. \$22 million on recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** Net of \$40 million on tax benefit. \$131 million on recorded within Impairment of assets and other charges, \$27 million on within Operations, maintenance and other, and \$17 million on within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 769 million**

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Oct 06 2022

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2020**  
(Dollars in millions, except per share amounts)

	Reported Loss	Special Item Gas Pipeline Investments	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME (LOSS)</b>				
Electric Utilities and Infrastructure	\$ 753	\$	\$	\$ 753
Gas Utilities and Infrastructure	(1,576)	1,626	A 1,626	50
Commercial Renewables	90			90
<b>Total Reportable Segment (Loss) Income</b>	<b>(733)</b>	<b>1,626</b>	<b>1,626</b>	<b>893</b>
Other	(84)			(84)
<b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ (817)</b>	<b>\$ 1,626</b>	<b>\$ 1,626</b>	<b>\$ 809</b>
<b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ (1.13)</b>	<b>\$ 2.21</b>	<b>\$ 2.21</b>	<b>\$ 1.08</b>

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

**A** Net of \$374 million tax benefit. \$2,000 million recorded with net equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 735 million**

DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Six Months Ended June 30, 2020  
 (Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance		
<b>SEGMENT INCOME (LOSS)</b>					
Electric Utilities and Infrastructure	\$ 1,458	\$	\$	\$	\$ 1,458
Gas Utilities and Infrastructure	(1,327)	1,626	A	1,626	299
Commercial Renewables	147				147
<b>Total Reportable Segment Income</b>	<b>278</b>	<b>1,626</b>		<b>1,626</b>	<b>1,904</b>
Other	(196)		(75) B	(75)	(271)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 82</b>	<b>\$ 1,626</b>	<b>\$ (75)</b>	<b>\$ 1,551</b>	<b>\$ 1,633</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.11</b>	<b>\$ 2.21</b>	<b>\$ (0.10)</b>	<b>\$ 2.11</b>	<b>\$ 2.22</b>

**A** Net of \$374 million on tax benefit, \$2,000 million on recorded within Equity in earnings (losses) of unconso dated affiliates related to the cancellation of the ACP investment on the Condensed Conso dated Statements of Operations.

**B** Net of \$23 million on tax expense, \$98 million on reversal of 2018 severance charges recorded within Operations, maintenance and other on the Condensed Conso dated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 734 million**

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2021  
(Dollars in millions)

	Three Months Ended		Six Months Ended	
	June 30, 2021		June 30, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 734		\$ 1,759	
Gas Pipeline Investments	16		22	
Workplace and Workforce Reorganization	175		175	
Noncontrolling Interests	67		118	
Preferred Dividends	(14)		(53)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 978</b>		<b>\$ 2,021</b>	
<b>Reported Income Tax Expense</b>	\$ 36	4.9 %	\$ 120	6.8 %
Gas Pipeline Investments	4		5	
Workplace and Workforce Reorganization	40		40	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 80</b>	<b>8.2%</b>	<b>\$ 165</b>	<b>8.2 %</b>

	Three Months Ended		Six Months Ended	
	June 30, 2020		June 30, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Loss Before Income Taxes</b>	\$ (1,208)		\$ (181)	
Gas Pipeline Investments	2,000		2,000	
Severance			(98)	
Noncontrolling Interests	90		138	
Preferred Dividends	(15)		(54)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 867</b>		<b>\$ 1,805</b>	
<b>Reported Income Tax Benefit</b>	\$ (316)	26.2 %	(179)	98.9 %
Gas Pipeline Investments	374		374	
Severance			(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 58</b>	<b>6.7%</b>	<b>\$ 172</b>	<b>9.5 %</b>

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2021 QTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
<b>2020 QTD Reported Earnings Per Share</b>	<b>\$ 1.02</b>	<b>\$ (2.14)</b>	<b>\$ 0.13</b>	<b>\$ (0.14)</b>	<b>\$ (1.13)</b>
Gas Pipeline Investments		2.21			2.21
<b>2020 QTD Adjusted Earnings Per Share</b>	<b>\$ 1.02</b>	<b>\$ 0.07</b>	<b>\$ 0.13</b>	<b>\$ (0.14)</b>	<b>\$ 1.08</b>
Weather	0.01				0.01
Volume	0.08				0.08
Riders and Other Rate Margin <sup>(a)</sup>	0.04	0.01			0.05
Rate case impacts, net <sup>(b)</sup>	0.13	0.01			0.14
Wholesale <sup>(c)</sup>	0.05				0.05
Operations and maintenance, net of recoverables <sup>(d)</sup>	(0.07)				(0.07)
Midstream Gas Pipelines <sup>(e)</sup>		(0.03)			(0.03)
Duke Energy Renewables <sup>(f)</sup>			(0.06)		(0.06)
Interest Expense				0.01	0.01
Depreciation and amortization <sup>(g)</sup>	0.03	(0.01)			0.02
Other <sup>(h)</sup>	(0.03)	(0.01)		(0.05)	(0.09)
Total variance before share count	\$ 0.24	\$ (0.03)	\$ (0.06)	\$ (0.04)	\$ 0.11
Change in share count	(0.04)		(0.01)	0.01	(0.04)
<b>2021 QTD Adjusted Earnings Per Share</b>	<b>\$ 1.22</b>	<b>\$ 0.04</b>	<b>\$ 0.06</b>	<b>\$ (0.17)</b>	<b>\$ 1.15</b>
Workplace and Workforce Reimbursement				(0.18)	(0.18)
Gas Pipeline Investments		(0.01)			(0.01)
<b>2021 QTD Reported Earnings Per Share</b>	<b>\$ 1.22</b>	<b>\$ 0.03</b>	<b>\$ 0.06</b>	<b>\$ (0.35)</b>	<b>\$ 0.96</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all years except Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 735 million shares to 769 million.

- (a) Electric Utilities and Infrastructure includes a deduction of purchased power at a DEF plant in the prior year and higher rate payment revenues due to waived fees in the prior year related to COVID 19.
- (b) Electric Utilities and Infrastructure includes the net impact of the DEC and DEP North Carolina interim rates, effective August and September 2020 (+\$0.09), respectively, DEI base rate increases, effective August 2020 (+\$0.03) and the DEF SBRA and multi-year rate plan (+0.01).
- (c) Includes higher volumes.
- (d) Primarily due to higher employee related expenses and outage costs.
- (e) Primarily the loss of ACP earnings.
- (f) Primarily due to certain renewable projects placed in service in the prior year.
- (g) Includes rate case impacts. Primarily due to a change in depreciation rates from the nuclear licensing extension, effective April 2021 (+0.04), partially offset by a higher depreciation base.
- (h) Electric Utilities and Infrastructure and Other includes higher income tax expense.

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2021 YTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
<b>2020 YTD Reported Earnings Per Share</b>	<b>\$ 1.98</b>	<b>\$ (1.80)</b>	<b>\$ 0.21</b>	<b>\$ (0.28)</b>	<b>\$ 0.11</b>
Gas Pipeline Investments		2.21			2.21
Severance				(0.10)	(0.10)
<b>2020 YTD Adjusted Earnings Per Share</b>	<b>\$ 1.98</b>	<b>\$ 0.41</b>	<b>\$ 0.21</b>	<b>\$ (0.38)</b>	<b>\$ 2.22</b>
Weather	0.10				0.10
Volume	0.07				0.07
Riders and Other Retained Margin <sup>(a)</sup>	0.05	0.03			0.08
Rate case impacts, net <sup>(b)</sup>	0.23	0.02			0.25
Who else <sup>(c)</sup>	0.03				0.03
Operations and maintenance, net of recoverables <sup>(d)</sup>	(0.04)	0.01			(0.03)
Midstream Gas Pipelines <sup>(e)</sup>		(0.07)			(0.07)
Duke Energy Renewables <sup>(f)</sup>			(0.10)		(0.10)
Interest Expense	0.01			0.03	0.04
Depreciation and amortization <sup>(g)</sup>	(0.01)	(0.01)			(0.02)
Other <sup>(h)</sup>	(0.05)	(0.01)			(0.06)
Total variance before share count	\$ 0.39	\$ (0.03)	\$ (0.10)	\$ 0.03	\$ 0.29
Change in share count	(0.09)	(0.02)	(0.01)	0.02	(0.10)
<b>2021 YTD Adjusted Earnings Per Share</b>	<b>\$ 2.28</b>	<b>\$ 0.36</b>	<b>\$ 0.10</b>	<b>\$ (0.33)</b>	<b>\$ 2.41</b>
Workplace and Workforce Reimbursement				(0.18)	(0.18)
Gas Pipeline Investments		(0.02)			(0.02)
<b>2021 YTD Reported Earnings Per Share</b>	<b>\$ 2.28</b>	<b>\$ 0.34</b>	<b>\$ 0.10</b>	<b>\$ (0.51)</b>	<b>\$ 2.21</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 734 million shares to 769 million.

- (a) Electric Utilities and Infrastructure includes higher transmission revenues, a discount of purchased power at a DEF payment in the prior year and higher rate payment revenues due to waived fees in the prior year related to COVID 19.
- (b) Electric Utilities and Infrastructure includes the net impact of DEC and DEP North Carolina interm rates effective August and September 2020, respectively (+0.17), DEI base rate increases, effective August 2020 (+0.04), DEF SBRA and multi-year rate plan (+0.01) and DEK base rate increases, effective April 2020 (+0.01). Gas Utilities and Infrastructure includes the net impact of the PNG Tennessee rate case, effective January 2021.
- (c) Primarily higher volumes.
- (d) Primarily due to higher employee related expenses, partially offset by lower COVID 19 related expenses in excess of deferrals.
- (e) Primarily the loss of ACP earnings.
- (f) Primarily due to certain renewables projects placed in service in the prior year and Texas Storm Ur impacts (0.04) in February 2021.
- (g) Includes rate case impacts. Primarily due to a higher depreciable base, partially offset by a change in depreciation rates from the nuclear censng extension, effective April 2021 (+0.04).
- (h) Primarily higher income tax expense.



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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
<b>Operating Revenues</b>				
Regulated electric	\$ 5,258	\$ 4,963	\$ 10,477	\$ 10,087
Regulated natural gas	302	263	1,051	901
Nonregulated electric and other	198	195	380	382
Total operating revenues	5,758	5,421	11,908	11,370
<b>Operating Expenses</b>				
Fuel used in electric generation and purchased power	1,415	1,349	2,858	2,796
Cost of natural gas	79	59	355	258
Operation, maintenance and other	1,410	1,353	2,812	2,692
Depreciation and amortization	1,207	1,150	2,433	2,280
Property and other taxes	349	334	702	679
Impairment of assets and other charges	131	6	131	8
Total operating expenses	4,591	4,251	9,291	8,713
<b>Gains on Sales of Other Assets and Other, net</b>	<b>2</b>	<b>7</b>	<b>2</b>	<b>8</b>
<b>Operating Income</b>	<b>1,169</b>	<b>1,177</b>	<b>2,619</b>	<b>2,665</b>
<b>Other Income and Expenses</b>				
Equity in earnings (losses) of unconsolidated affiliates	9	(1,968)	(8)	(1,924)
Other income and expenses, net	128	137	255	183
Total other income and expenses	137	(1,831)	247	(1,741)
<b>Interest Expense</b>	<b>572</b>	<b>554</b>	<b>1,107</b>	<b>1,105</b>
<b>Income (Loss) Before Income Taxes</b>	<b>734</b>	<b>(1,208)</b>	<b>1,759</b>	<b>(181)</b>
<b>Income Tax Expense (Benefit)</b>	<b>36</b>	<b>(316)</b>	<b>120</b>	<b>(179)</b>
<b>Net Income (Loss)</b>	<b>698</b>	<b>(892)</b>	<b>1,639</b>	<b>(2)</b>
<b>Add: Net Loss Attributable to Noncontrolling Interests</b>	<b>67</b>	<b>90</b>	<b>118</b>	<b>138</b>
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	<b>765</b>	<b>(802)</b>	<b>1,757</b>	<b>136</b>
<b>Less: Preferred Dividends</b>	<b>14</b>	<b>15</b>	<b>53</b>	<b>54</b>
<b>Net Income (Loss) Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 751</b>	<b>\$ (817)</b>	<b>\$ 1,704</b>	<b>\$ 82</b>
<b>Earnings (Loss) Per Share Basic and Diluted</b>				
Net income (loss) available to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ 0.96	\$ (1.13)	\$ 2.21	\$ 0.11
Weighted average shares outstanding				
Basic	769	735	769	734
Diluted	769	735	769	735

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

(In millions)	June 30, 2021	December 31, 2020
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 367	\$ 259
Receivables (net of allowance for doubtful accounts of \$45 at 2021 and \$29 at 2020)	868	1,009
Receivables of VIEs (net of allowance for doubtful accounts of \$78 at 2021 and \$117 at 2020)	2,220	2,144
Inventory	3,015	3,167
Regulatory assets (includes \$54 at 2021 and \$53 at 2020 related to VIEs)	1,793	1,641
Other (includes \$356 at 2021 and \$296 at 2020 related to VIEs)	722	462
<b>Total current assets</b>	<b>8,985</b>	<b>8,682</b>
<b>Property, Plant and Equipment</b>		
Cost	158,272	155,580
Accumulated depreciation and amortization	(49,752)	(48,827)
Factories to be retired, net	121	29
<b>Net property, plant and equipment</b>	<b>108,641</b>	<b>106,782</b>
<b>Other Noncurrent Assets</b>		
Goodwill	19,303	19,303
Regulatory assets (includes \$914 at 2021 and \$937 at 2020 related to VIEs)	12,485	12,421
Nuclear decommissioning trust funds	9,886	9,114
Operating lease right of use assets, net	1,495	1,524
Investments in equity method unconsolidated affiliates	938	961
Other (includes \$89 at 2021 and \$81 at 2020 related to VIEs)	3,652	3,601
<b>Total other noncurrent assets</b>	<b>47,759</b>	<b>46,924</b>
<b>Total Assets</b>	<b>\$ 165,385</b>	<b>\$ 162,388</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 2,716	\$ 3,144
Notes payable and commercial paper	3,296	2,873
Taxes accrued	692	482
Interest accrued	537	537
Current maturities of long term debt (includes \$219 at 2021 and \$472 at 2020 related to VIEs)	4,976	4,238
Asset retirement obligations	691	718
Regulatory liabilities	1,309	1,377
Other	1,994	2,936
<b>Total current liabilities</b>	<b>16,211</b>	<b>16,305</b>
<b>Long-Term Debt (includes \$3,796 at 2021 and \$3,535 at 2020 related to VIEs)</b>	<b>57,410</b>	<b>55,625</b>
<b>Other Noncurrent Liabilities</b>		
Deferred income taxes	9,644	9,244
Asset retirement obligations	12,272	12,286
Regulatory liabilities	15,414	15,029
Operating lease liabilities	1,315	1,340
Accrued pension and other post retirement benefit costs	995	969
Investment tax credits	770	687
Other (includes \$352 at 2021 and \$316 at 2020 related to VIEs)	1,809	1,719
<b>Total other noncurrent liabilities</b>	<b>42,219</b>	<b>41,274</b>
<b>Commitments and Contingencies</b>		
<b>Equity</b>		
Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2021 and 2020	973	973
Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2021 and 2020	989	989
Common Stock, \$0.001 par value, 2 billion shares authorized; 769 million shares outstanding at 2021 and 2020	1	1
Additional paid in capital	43,788	43,767
Retained earnings	2,687	2,471
Accumulated other comprehensive loss	(306)	(237)
<b>Total Duke Energy Corporation stockholders' equity</b>	<b>48,132</b>	<b>47,964</b>
Noncontrolling interests	1,413	1,220
<b>Total equity</b>	<b>49,545</b>	<b>49,184</b>
<b>Total Liabilities and Equity</b>	<b>\$ 165,385</b>	<b>\$ 162,388</b>

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

	Six Months Ended June 30,	
	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 1,639	\$ (2)
Adjustments to reconcile net income to net cash provided by operating activities	2,234	3,359
Net cash provided by operating activities	3,873	3,357
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash used in investing activities	(5,614)	(5,471)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash provided by financing activities	1,750	2,182
Net increase in cash, cash equivalents and restricted cash	9	68
Cash, cash equivalents and restricted cash at beginning of period	556	573
Cash, cash equivalents and restricted cash at end of period	\$ 565	\$ 641

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

(In millions)	Three Months Ended June 30, 2021					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,335	\$	\$	\$	(77)	\$ 5,258
Regulated natural gas		324			(22)	302
Nonregulated electric and other		3	119	27	49	198
Total operating revenues	5,335	327	119	27	(50)	5,758
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,434				(19)	1,415
Cost of natural gas		79				79
Operation, maintenance and other	1,262	98	78	1	(29)	1,410
Depreciation and amortization	1,013	74	56	71	(7)	1,207
Property and other taxes	308	27	9	5		349
Impairment of assets and other charges	1			131	(1)	131
Total operating expenses	4,018	278	143	208	(56)	4,591
<b>Gains on Sales of Other Assets and Other, net</b>	2					2
<b>Operating Income (Loss)</b>	1,319	49	(24)	(181)	6	1,169
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	2	(8)	(1)	16		9
Other income and expenses, net	95	18	4	16	(5)	128
Total Other Income and Expenses	97	10	3	32	(5)	137
<b>Interest Expense</b>	361	35	20	156		572
<b>Income (Loss) Before Income Taxes</b>	1,055	24	(41)	(305)	1	734
<b>Income Tax Expense (Benefit)</b>	120	7	(21)	(71)	1	36
<b>Net Income (Loss)</b>	935	17	(20)	(234)		698
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>			67			67
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	935	17	47	(234)		765
<b>Less: Preferred Dividends</b>				14		14
<b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 935	\$ 17	\$ 47	\$ (248)	\$	\$ 751
<b>Special Items</b>		12		135		147
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 935	\$ 29	\$ 47	\$ (113)	\$	\$ 898

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

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

(In millions)	Six Months Ended June 30, 2021					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 10,616	\$	\$	\$	(139)	\$ 10,477
Regulated natural gas		1,096			(45)	1,051
Nonregulated electric and other		6	238	53	83	380
Total operating revenues	10,616	1,102	238	53	(101)	11,908
<b>Operating Expenses</b>						
Fueled electric generation and purchased power	2,896				(38)	2,858
Cost of natural gas		355				355
Operation, maintenance and other	2,544	200	150	(23)	(59)	2,812
Depreciation and amortization	2,070	142	109	126	(14)	2,433
Property and other taxes	619	62	18	2	1	702
Impairment of assets and other charges	1			131	(1)	131
Total operating expenses	8,130	759	277	236	(111)	9,291
<b>Gains on Sales of Other Assets and Other, net</b>	2					2
<b>Operating Income (Loss)</b>	2,488	343	(39)	(183)	10	2,619
<b>Other Income and Expenses</b>						
Equity earnings (losses) of unconsolidated affiliates	5	(8)	(28)	23		(8)
Other income and expenses, net	196	35	6	30	(12)	255
Total Other Income and Expenses	201	27	(22)	53	(12)	247
<b>Interest Expense</b>	701	68	33	307	(2)	1,107
<b>Income (Loss) Before Income Taxes</b>	1,988	302	(94)	(437)		1,759
<b>Income Tax Expense (Benefit)</b>	233	40	(50)	(103)		120
<b>Net Income (Loss)</b>	1,755	262	(44)	(334)		1,639
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>			118			118
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	1,755	262	74	(334)		1,757
<b>Less: Preferred Dividends</b>				53		53
<b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 1,755	\$ 262	\$ 74	\$ (387)	\$	\$ 1,704
<b>Special Item</b>		17		135		152
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 1,755	\$ 279	\$ 74	\$ (252)	\$	\$ 1,856

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

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

(In millions)	Three Months Ended June 30, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,034	\$	\$	\$	(71)	\$ 4,963
Regulated natural gas		287			(24)	263
Nonregulated electric and other		2	123	26	44	195
Total operating revenues	5,034	289	123	26	(51)	5,421
<b>Operating Expenses</b>						
Fueled electric generation and purchased power	1,367				(18)	1,349
Cost of natural gas		60			(1)	59
Operation, maintenance and other	1,240	99	63	(22)	(27)	1,353
Depreciation and amortization	993	62	48	55	(8)	1,150
Property and other taxes	296	26	8	4		334
Impairment of assets and other charges	1		6		(1)	6
Total operating expenses	3,897	247	125	37	(55)	4,251
<b>Gains on Sales of Other Assets and Other, net</b>	7					7
<b>Operating Income (Loss)</b>	1,144	42	(2)	(11)	4	1,177
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	3	(1,970)		(1)		(1,968)
Other income and expenses, net	86	14	2	46	(11)	137
Total Other Income and Expenses	89	(1,956)	2	45	(11)	(1,831)
<b>Interest Expense</b>	344	37	13	167	(7)	554
<b>Income (Loss) Before Income Taxes</b>	889	(1,951)	(13)	(133)		(1,208)
<b>Income Tax Expense (Benefit)</b>	136	(375)	(13)	(64)		(316)
<b>Net Income (Loss)</b>	753	(1,576)		(69)		(892)
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>			90			90
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	753	(1,576)	90	(69)		(802)
<b>Less: Preferred Dividends</b>				15		15
<b>Segment Income (Loss) / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 753	\$ (1,576)	\$ 90	\$ (84)	\$	\$ (817)
<b>Special Item</b>		1,626				1,626
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 753	\$ 50	\$ 90	\$ (84)	\$	\$ 809

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

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

(In millions)	Six Months Ended June 30, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 10,217	\$	\$ 1	\$	(131)	\$ 10,087
Regulated natural gas		948			(47)	901
Nonregulated electric and other		5	251	49	77	382
Total operating revenues	10,217	953	252	49	(101)	11,370
<b>Operating Expenses</b>						
Fueled electric generation and purchased power	2,834				(38)	2,796
Cost of natural gas		259			(1)	258
Operation, maintenance and other	2,565	209	132	(160)	(54)	2,692
Depreciation and amortization	1,970	128	96	100	(14)	2,280
Property and other taxes	599	56	16	8		679
Impairment of assets and other charges	3		6		(1)	8
Total operating expenses	7,971	652	250	(52)	(108)	8,713
<b>Gains on Sales of Other Assets and Other, net</b>	8					8
<b>Operating Income</b>	2,254	301	2	101	7	2,665
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	5	(1,933)	(2)	6		(1,924)
Other income and expenses, net	169	26	3	6	(21)	183
Total Other Income and Expenses	174	(1,907)	1	12	(21)	(1,741)
<b>Interest Expense</b>	683	68	31	338	(15)	1,105
<b>Income (Loss) Before Income Taxes</b>	1,745	(1,674)	(28)	(225)	1	(181)
<b>Income Tax Expense (Benefit)</b>	287	(347)	(37)	(83)	1	(179)
<b>Net Income (Loss)</b>	1,458	(1,327)	9	(142)		(2)
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>			138			138
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	1,458	(1,327)	147	(142)		136
<b>Less: Preferred Dividends</b>				54		54
<b>Segment Income (Loss) / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 1,458	\$ (1,327)	\$ 147	\$ (196)	\$	\$ 82
<b>Special Items</b>		1,626		(75)		1,551
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 1,458	\$ 299	\$ 147	\$ (271)	\$	\$ 1,633

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



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

(In millions)	June 30, 2021					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Assets</b>						
Cash and cash equivalents	\$ 125	\$ 19	\$ 11	\$ 212	\$	<b>367</b>
Receivables, net	546	115	199	8		<b>868</b>
Receivables of variable interest entities, net	2,220					<b>2,220</b>
Receivables from affiliated companies	137	339	655	1,360	(2,491)	
Notes receivable from affiliated companies	7			1,624	(1,631)	
Inventory	2,817	61	89	48		<b>3,015</b>
Regulatory assets	1,568	127		97	1	<b>1,793</b>
Other	327	62	234	140	(41)	<b>722</b>
Total current assets	7,747	723	1,188	3,489	(4,162)	<b>8,985</b>
<b>Property, Plant and Equipment</b>						
Cost	135,612	13,338	7,037	2,384	(99)	<b>158,272</b>
Accumulated depreciation and amortization	(44,363)	(2,658)	(1,329)	(1,404)	2	<b>(49,752)</b>
Assets to be retired, net	121					<b>121</b>
Net property, plant and equipment	91,370	10,680	5,708	980	(97)	<b>108,641</b>
<b>Other Noncurrent Assets</b>						
Goodwill	17,379	1,924				<b>19,303</b>
Regulatory assets	11,220	759		506		<b>12,485</b>
Nuclear decommissioning trust funds	9,886					<b>9,886</b>
Operating lease right of use assets, net	1,093	18	123	260	1	<b>1,495</b>
Investments in equity method unconsolidated affiliates	106	227	479	126		<b>938</b>
Investment in consolidated subsidiaries	599	3	(4)	65,946	(66,544)	
Other	2,084	310	114	1,772	(628)	<b>3,652</b>
Total other noncurrent assets	42,367	3,241	712	68,610	(67,171)	<b>47,759</b>
<b>Total Assets</b>	<b>141,484</b>	<b>14,644</b>	<b>7,608</b>	<b>73,079</b>	<b>(71,430)</b>	<b>165,385</b>
Segment reclassifications, intercompany balances and other	(893)	(323)	(652)	(69,555)	71,423	
<b>Segment Assets</b>	<b>\$ 140,591</b>	<b>\$ 14,321</b>	<b>\$ 6,956</b>	<b>\$ 3,524</b>	<b>\$ (7)</b>	<b>\$ 165,385</b>

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

	June 30, 2021					
(In millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Liabilities</b>						
Accounts payable	\$ 2,003	\$ 204	\$ 102	\$ 407	\$	\$ 2,716
Accounts payable to affiliated companies	609	25	828	946	(2,408)	
Notes payable to affiliated companies	1,365	225	50	5	(1,645)	
Notes payable and commercial paper			83	3,213		3,296
Taxes accrued	667	(3)	(161)	189		692
Interest accrued	357	44	3	132	1	537
Current maturities of long-term debt	2,985	26	164	1,804	(3)	4,976
Asset retirement obligations	691					691
Regulatory liabilities	1,226	83		1	(1)	1,309
Other	1,415	118	105	467	(111)	1,994
Total current liabilities	11,318	722	1,174	7,164	(4,167)	16,211
<b>Long-Term Debt</b>	34,242	3,645	1,497	18,119	(93)	57,410
<b>Long-Term Debt Payable to Affiliated Companies</b>	618	7			(625)	
<b>Other Noncurrent Liabilities</b>						
Deferred income taxes	10,767	1,177	(589)	(1,711)		9,644
Asset retirement obligations	12,051	64	157			12,272
Regulatory liabilities	13,975	1,417		22		15,414
Operating lease liabilities	1,002	16	127	169	1	1,315
Accrued pension and other post-retirement benefit costs	443	34	(28)	546		995
Investment tax credits	768	2				770
Other	788	284	380	547	(190)	1,809
Total other noncurrent liabilities	39,794	2,994	47	(427)	(189)	42,219
<b>Equity</b>						
Total Duke Energy Corporation stockholders' equity	55,512	7,276	3,480	48,220	(66,356)	48,132
Noncontrolling interests			1,410	3		1,413
Total equity	55,512	7,276	4,890	48,223	(66,356)	49,545
<b>Total Liabilities and Equity</b>	141,484	14,644	7,608	73,079	(71,430)	165,385
Segment reassessments, intercompany balances and other	(893)	(323)	(652)	(69,555)	71,423	
<b>Segment Liabilities and Equity</b>	\$ 140,591	\$ 14,321	\$ 6,956	\$ 3,524	\$ (7)	\$ 165,385

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

(In millions)	Three Months Ended June 30, 2021						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 1,610	\$ 1,349	\$ 1,325	\$ 343	\$ 735	\$ (27)	\$ 5,335
<b>Operating Expenses</b>							
Fue used n e electr c generat on and purchased power	344	409	424	93	201	(37)	1,434
Operat on, ma ntenance and other	413	353	243	81	187	(15)	1,262
Deprec at on and amort zat on	363	236	205	53	152	4	1,013
Property and other taxes	74	41	92	70	20	11	308
Impa rment of assets and other charges	1						1
Total operat ng expenses	1,195	1,039	964	297	560	(37)	4,018
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	2	1			(1)		2
<b>Operating Income</b>	417	311	361	46	174	10	1,319
<b>Other Income and Expenses, net<sup>(b)</sup></b>	46	22	16	3	11	(1)	97
<b>Interest Expense</b>	139	78	80	21	49	(6)	361
<b>Income Before Income Taxes</b>	324	255	297	28	136	15	1,055
<b>Income Tax Expense</b>	23	14	58	4	23	(2)	120
<b>Segment Income</b>	\$ 301	\$ 241	\$ 239	\$ 24	\$ 113	\$ 17	\$ 935

(a) Includes resu ts of the who y owned subs d ary, Duke Energy Kentucky.

(b) Includes an equ ty component of a owance for funds used dur ng construct on of \$14 m on for Duke Energy Caro nas, \$7 m on for Duke Energy Progress, \$3 m on for Duke Energy Florida, \$1 m on for Duke Energy Ohio and \$7 m on for Duke Energy Indiana.

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

(In millions)	Six Months Ended June 30, 2021						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 3,326	\$ 2,750	\$ 2,426	\$ 706	\$ 1,480	\$ (72)	\$ 10,616
<b>Operating Expenses</b>							
Fue used n e e c t r c g e n e r a t o n a n d p u r c h a s e d p o w e r	766	845	783	175	418	(91)	2,896
Operat on, ma n t e n a n c e a n d o t h e r	845	705	481	162	363	(12)	2,544
Deprec at on and amort zat on	722	521	405	107	304	11	2,070
Property and other taxes	157	90	185	141	41	5	619
Impa r m e n t o f a s s e t s a n d o t h e r c h a r g e s	1						1
Tota operat ng expenses	2,491	2,161	1,854	585	1,126	(87)	8,130
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	2	1			(1)		2
<b>Operating Income</b>	837	590	572	121	353	15	2,488
<b>Other Income and Expenses, net<sup>(b)</sup></b>	94	46	34	7	20		201
<b>Interest Expense</b>	263	147	160	43	99	(11)	701
<b>Income Before Income Taxes</b>	668	489	446	85	274	26	1,988
<b>Income Tax Expense</b>	48	35	88	11	47	4	233
<b>Segment Income</b>	\$ 620	\$ 454	\$ 358	\$ 74	\$ 227	\$ 22	\$ 1,755

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

(b) Includes an equity component of a allowance for funds used during construction of \$30 million for Duke Energy Carolinas, \$15 million for Duke Energy Progress, \$8 million for Duke Energy Florida, \$3 million for Duke Energy Ohio and \$12 million for Duke Energy Indiana.

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

(In millions)	June 30, 2021						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Assets</b>							
Cash and cash equivalents	\$ 36	\$ 46	\$ 22	\$ 9	\$ 12	\$	\$ 125
Receivables, net	180	129	91	87	69	(10)	546
Receivables of variable interest entities, net	769	473	451			527	2,220
Receivables from affiliated companies	111	63	8	94	95	(234)	137
Notes receivable from affiliated companies					18	(11)	7
Inventory	1,013	858	440	93	412	1	2,817
Regulatory assets	458	502	407	25	173	3	1,568
Other	88	141	59	(5)	46	(2)	327
Total current assets	2,655	2,212	1,478	303	825	274	7,747
<b>Property, Plant and Equipment</b>							
Cost	51,220	36,291	22,933	7,569	17,213	386	135,612
Accumulated depreciation and amortization	(17,709)	(13,134)	(5,746)	(2,249)	(5,514)	(11)	(44,363)
Facilities to be retired, net	93	28					121
Net property, plant and equipment	33,604	23,185	17,187	5,320	11,699	375	91,370
<b>Other Noncurrent Assets</b>							
Goodwill				596		16,783	17,379
Regulatory assets	2,970	4,056	1,701	348	1,310	835	11,220
Nuclear decommissioning trust funds	5,446	3,842	598				9,886
Operating lease right of use assets, net	100	377	323	20	53	220	1,093
Investments in equity method unconsolidated affiliates			1			105	106
Investment in consolidated subsidiaries	64	16	6	273	2	238	599
Other	1,237	722	340	61	268	(544)	2,084
Total other noncurrent assets	9,817	9,013	2,969	1,298	1,633	17,637	42,367
<b>Total Assets</b>	<b>46,076</b>	<b>34,410</b>	<b>21,634</b>	<b>6,921</b>	<b>14,157</b>	<b>18,286</b>	<b>141,484</b>
Segment reclassifications, intercompany balances and other	(285)	(125)	(116)	(276)	(63)	(28)	(893)
<b>Reportable Segment Assets</b>	<b>\$ 45,791</b>	<b>\$ 34,285</b>	<b>\$ 21,518</b>	<b>\$ 6,645</b>	<b>\$ 14,094</b>	<b>\$ 18,258</b>	<b>\$ 140,591</b>

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

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

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

(In millions)	June 30, 2021						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Liabilities</b>							
Accounts payable	\$ 675	\$ 416	\$ 487	\$ 215	\$ 209	\$ 1	\$ 2,003
Accounts payable to affiliated companies	195	214	129	11	59	1	609
Notes payable to affiliated companies	471	270	363	258		3	1,365
Taxes accrued	208	91	147	163	66	(8)	667
Interest accrued	125	90	67	23	52		357
Current maturities of long term debt	356	1,806	575	24	123	101	2,985
Asset retirement obligations	251	250		12	176	2	691
Regulatory liabilities	489	472	85	38	141	1	1,226
Other	425	413	395	66	103	13	1,415
<b>Total current liabilities</b>	<b>3,195</b>	<b>4,022</b>	<b>2,248</b>	<b>810</b>	<b>929</b>	<b>114</b>	<b>11,318</b>
<b>Long-Term Debt</b>	<b>12,250</b>	<b>7,321</b>	<b>7,306</b>	<b>2,447</b>	<b>3,819</b>	<b>1,099</b>	<b>34,242</b>
<b>Long-Term Debt Payable to Affiliated Companies</b>	<b>300</b>	<b>150</b>		<b>18</b>	<b>150</b>		<b>618</b>
<b>Other Noncurrent Liabilities</b>							
Deferred income taxes	3,996	2,467	2,289	721	1,262	32	10,767
Asset retirement obligations	5,116	5,387	467	56	980	45	12,051
Regulatory liabilities	6,810	4,578	665	345	1,593	(16)	13,975
Operating lease liabilities	87	354	280	19	52	210	1,002
Accrued pension and other post retirement benefit costs	67	237	227	85	172	(345)	443
Investment tax credits	259	130	208	3	168		768
Other	604	79	53	59	32	(39)	788
<b>Total other noncurrent liabilities</b>	<b>16,939</b>	<b>13,232</b>	<b>4,189</b>	<b>1,288</b>	<b>4,259</b>	<b>(113)</b>	<b>39,794</b>
<b>Equity</b>	<b>13,392</b>	<b>9,685</b>	<b>7,891</b>	<b>2,358</b>	<b>5,000</b>	<b>17,186</b>	<b>55,512</b>
<b>Total Liabilities and Equity</b>	<b>46,076</b>	<b>34,410</b>	<b>21,634</b>	<b>6,921</b>	<b>14,157</b>	<b>18,286</b>	<b>141,484</b>
Segment reassessments, intercompany balances and other	(285)	(125)	(116)	(276)	(63)	(28)	(893)
<b>Reportable Segment Liabilities and Equity</b>	<b>\$ 45,791</b>	<b>\$ 34,285</b>	<b>\$ 21,518</b>	<b>\$ 6,645</b>	<b>\$ 14,094</b>	<b>\$ 18,258</b>	<b>\$ 140,591</b>

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

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

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

(In millions)	Three Months Ended June 30, 2021				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/ Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 113	\$ 215	\$	\$ (1)	\$ 327
<b>Operating Expenses</b>					
Cost of natural gas	16	63			79
Operation, maintenance and other	25	72	2	(1)	98
Depreciation and amortization	22	51		1	74
Property and other taxes	13	14			27
Total operating expenses	76	200	2		278
<b>Operating Income (Loss)</b>	37	15	(2)	(1)	49
<b>Other Income and Expenses</b>					
Equity losses of unconsolidated affiliates			(7)	(1)	(8)
Other income and expenses, net	1	16		1	18
Total other income and expenses	1	16	(7)		10
<b>Interest Expense</b>	5	30			35
<b>Income (Loss) Before Income Taxes</b>	33	1	(9)	(1)	24
<b>Income Tax Expense (Benefit)</b>	10	(1)	(2)		7
<b>Segment Income (Loss)</b>	\$ 23	\$ 2	\$ (7)	\$ (1)	\$ 17

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

(b) Includes losses from the cancellation of the ACP pipeline and earnings from investments in Saba Trail and Cardona pipelines, as well as Hardy and Pine Neede storage facilities.

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

(In millions)	Six Months Ended June 30, 2021				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure <sup>(b)</sup>
<b>Operating Revenues</b>	\$ 282	\$ 821	\$	(1)	\$ 1,102
<b>Operating Expenses</b>					
Cost of natural gas	67	288			355
Operation, maintenance and other	50	149	2	(1)	200
Depreciation and amortization	42	99		1	142
Property and other taxes	34	28			62
Total operating expenses	193	564	2		759
<b>Operating Income (Loss)</b>	89	257	(2)	(1)	343
<b>Other Income and Expenses</b>					
Equity losses of unconsolidated affiliates			(7)	(1)	(8)
Other income and expenses, net	3	31		1	35
Total other income and expenses	3	31	(7)		27
<b>Interest Expense</b>	9	59			68
<b>Income (Loss) Before Income Taxes</b>	83	229	(9)	(1)	302
<b>Income Tax Expense (Benefit)</b>	17	25	(2)		40
<b>Segment Income (Loss)</b>	\$ 66	\$ 204	\$ (7)	\$ (1)	\$ 262

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

(b) Includes losses from the cancellation of the ACP pipeline and earnings from investments in Saba Trail and Cardona pipelines, as well as Hardy and Pine Neede storage facilities.

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

(In millions)	June 30, 2021				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Assets</b>					
Cash and cash equivalents	\$ 3	\$	\$ 16	\$	\$ 19
Receivables, net	9	106			115
Receivables from affiliated companies		80	354	(95)	339
Inventory	19	43		(1)	61
Regulatory assets	19	108			127
Other	14	47	1		62
Total current assets	64	384	371	(96)	723
<b>Property, Plant and Equipment</b>					
Cost	3,783	9,555			13,338
Accumulated depreciation and amortization	(820)	(1,838)			(2,658)
Net property, plant and equipment	2,963	7,717			10,680
<b>Other Noncurrent Assets</b>					
Goodwill	324	49		1,551	1,924
Regulatory assets	300	337		122	759
Operating lease right of use assets, net		18			18
Investments in equity method unconsolidated affiliates			222	5	227
Investment in consolidated subsidiaries				3	3
Other	16	277	16	1	310
Total other noncurrent assets	640	681	238	1,682	3,241
<b>Total Assets</b>	<b>3,667</b>	<b>8,782</b>	<b>609</b>	<b>1,586</b>	<b>14,644</b>
Segment reassessments, intercompany balances and other	1	(45)	5	(284)	(323)
<b>Reportable Segment Assets</b>	<b>\$ 3,668</b>	<b>\$ 8,737</b>	<b>\$ 614</b>	<b>\$ 1,302</b>	<b>\$ 14,321</b>

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

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

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

	June 30, 2021				
(In millions)	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Liabilities</b>					
Accounts payable	\$ 39	\$ 165	\$	\$	204
Accounts payable to affiliated companies	17	48	61	(101)	25
Notes payable to affiliated companies	132	93			225
Taxes accrued	17	25	(46)	1	(3)
Interest accrued	8	36			44
Current maturities of long term debt	26				26
Regulatory liabilities	26	57			83
Other	5	81	34	(2)	118
Total current liabilities	270	505	49	(102)	722
<b>Long-Term Debt</b>	569	2,967		109	3,645
<b>Long-Term Debt Payable to Affiliated Companies</b>	7				7
<b>Other Noncurrent Liabilities</b>					
Deferred income taxes	300	846	29	2	1,177
Asset retirement obligations	43	20		1	64
Regulatory liabilities	396	1,007		14	1,417
Operating lease liabilities		16			16
Accrued pension and other post retirement benefit costs	28	6			34
Investment tax credits	1	1			2
Other	35	182	69	(2)	284
Total other noncurrent liabilities	803	2,078	98	15	2,994
<b>Equity</b>	2,018	3,232	462	1,564	7,276
<b>Total Liabilities and Equity</b>	3,667	8,782	609	1,586	14,644
Segment reclassification, intercompany balances and other	1	(45)	5	(284)	(323)
<b>Reportable Segment Liabilities and Equity</b>	\$ 3,668	\$ 8,737	\$ 614	\$ 1,302	\$ 14,321

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

**Electric Utilities and Infrastructure**  
**Quarterly Highlights**  
**June 2021**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021	2020	% Inc.(Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>								
Residential	18 742	18 786	(0 2%)	(0 6%)	42 511	39 660	7 2%	1 1%
General Service	17 657	16 468	7 2%	11 7%	34 965	34 150	2 4%	3 1%
Industrial	11 931	10 938	9 1%	11 8%	23 700	22 921	3 4%	4 6%
Other Energy Sales	134	147	(8 8%)	n/a	273	291	(6 2%)	n/a
Unbilled Sales	2 343	1 537	52 4%	n/a	261	952	(72 6%)	n/a
Total Retail Sales	50 807	47 876	6 1%	6 5 %	101 710	97 974	3 8%	2 6%
Wholesale and Other	9 652	8 849	9 1%		19 532	17 703	10 3%	
Total Consolidated Electric Sales								
Electric Utilities and Infrastructure	60 459	56 725	6 6%		121 242	115 677	4 8%	
<b>Average Number of Customers (Electric)</b>								
Residential	6 953 886	6 849 673	1 5%		6 942 781	6 830 659	1 6%	
General Service	1 014 717	1 000 295	1 4%		1 024 217	998 542	2 6%	
Industrial	17 176	17 299	(0 7%)		17 048	17 306	(1 5%)	
Other Energy Sales	30 675	31 041	(1 2%)		26 237	30 985	(15 3%)	
Total Retail Customers	8 016 454	7 898 308	1 5%		8 010 283	7 877 492	1 7%	
Wholesale and Other	38	38	%		39	43	(9 3%)	
Total Average Number of Customers								
Electric Utilities and Infrastructure	8 016 492	7 898 346	1 5%		8 010 322	7 877 535	1 7%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	11 028	8 804	25 3%		24 099	15 956	51 0%	
Nuclear	18 513	18 234	1 5%		37 485	37 038	1 2%	
Hydro	663	883	(24 9%)		1 626	1 904	(14 6%)	
Natural Gas and Oil	18 343	17 574	4 4%		35 927	37 161	(3 3%)	
Renewable Energy	469	345	35 9%		770	560	37 5%	
Total Generation <sup>(d)</sup>	49 016	45 840	6 9%		99 907	92 619	7 9%	
Purchased Power and Net Interchange <sup>(e)</sup>	18 745	13 647	37 4%		32 435	28 810	12 6%	
Total Sources of Energy	67 761	59 487	13 9%		132 342	121 429	9 0%	
Less Line Loss and Other	7 302	2 762	164 4%		11 100	5 752	93 0%	
Total GWh Sources	60 459	56 725	6 6%		121 242	115 677	4 8%	
<b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>								
Summer					50 137	50 752		
Winter					53 545	54 265		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					96	94		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations
- (d) Generation by source is reported net of auxiliary power
- (e) Purchased power includes renewable energy purchases
- (f) Statistics reflect 100% of jointly owned stations

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**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021	2020	% Inc.(Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc.(Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	6 069	5 861	3 5%		14 423	13 222	9 1%	
General Service	6 542	6 239	4 9%		13 112	13 054	0 4%	
Industrial	4 734	4 464	6 0%		9 492	9 339	1 6%	
Other Energy Sales	71	82	(13 4%)		146	161	(9 3%)	
Unbilled Sales	622	473	31 5%		267	398	(32 9%)	
Total Retail Sales	18 038	17 119	5 4%	6 1%	37 440	36 174	3 5%	2 1%
Wholesale and Other	2 324	1 964	18 3%		4 884	4 145	17 8%	
Total Consolidated Electric Sales Duke Energy Carolinas	20 362	19 083	6 7%		42 324	40 319	5 0%	
<b>Average Number of Customers</b>								
Residential	2 333 701	2 298 766	1 5%		2 330 698	2 291 939	1 7%	
General Service	371 039	365 797	1 4%		382 056	364 936	4 7%	
Industrial	6 070	6 099	(0 5%)		5 936	6 106	(2 8%)	
Other Energy Sales	22 453	22 874	(1 8%)		18 018	22 830	(21 1%)	
Total Retail Customers	2 733 263	2 693 536	1 5%		2 736 708	2 685 811	1 9%	
Wholesale and Other	19	15	26 7%		19	20	(5 0%)	
Total Average Number of Customers Duke Energy Carolinas	2 733 282	2 693 551	1 5%		2 736 727	2 685 831	1 9%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	4 000	3 188	25 5%		8 118	5 647	43 8%	
Nuclear	11 692	10 657	9 7%		23 343	22 179	5 2%	
Hydro	393	617	(36 3%)		1 012	1 360	(25 6%)	
Natural Gas and Oil	3 923	3 395	15 6%		8 419	8 263	1 9%	
Renewable Energy	88	41	114 6%		155	85	82 4%	
Total Generation <sup>(d)</sup>	20 096	17 898	12 3%		41 047	37 534	9 4%	
Purchased Power and Net Interchange <sup>(e)</sup>	1 851	2 283	(18 9%)		4 010	4 698	(14 6%)	
Total Sources of Energy	21 947	20 181	8 8%		45 057	42 232	6 7%	
Less Line Loss and Other	1 585	1 098	44 4%		2 733	1 913	42 9%	
Total GWh Sources	20 362	19 083	6 7%		42 324	40 319	5 0%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					20 001	20 192		
Winter					20 877	21 127		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>								
					98	94		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	225	308	(26 9%)		1 908	1 698	12 4%	
Cooling Degree Days	466	412	13 1%		471	447	5 4%	
<b>Variance from Normal</b>								
Heating Degree Days	8 0%	43 1%			(0 9%)	(12 7%)		
Cooling Degree Days	(7 5%)	(17 5%)			(7 8%)	(11 7%)		

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

**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	3 796	3 660	3 7%		9 277	8 278	12 1%	
General Service	3 448	3 147	9 6%		6 889	6 618	4 1%	
Industrial	2 471	2 370	4 3%		4 923	4 867	1 2%	
Other Energy Sales	20	20	%		39	39	%	
Unbilled Sales	801	424	88 9%		210	69	204 3%	
Total Retail Sales	10 536	9 621	9 5%	7 4%	21 338	19 871	7 4%	3 3%
Wholesale and Other	5 263	5 186	1 5%		10 998	10 606	3 7%	
Total Consolidated Electric Sales Duke Energy Progress	15 799	14 807	6 7%		32 336	30 477	6 1%	
<b>Average Number of Customers</b>								
Residential	1 398 081	1 371 674	1 9%		1 394 593	1 367 017	2 0%	
General Service	243 417	238 549	2 0%		242 444	238 013	1 9%	
Industrial	3 993	4 002	(0 2%)		3 995	4 002	(0 2%)	
Other Energy Sales	1 415	1 415	%		1 415	1 416	(0 1%)	
Total Retail Customers	1 646 906	1 615 640	1 9%		1 642 447	1 610 448	2 0%	
Wholesale and Other	8	9	(11 1%)		8	9	(11 1%)	
Total Average Number of Customers Duke Energy Progress	1 646 914	1 615 649	1 9%		1 642 455	1 610 457	2 0%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	663	825	(19 6%)		2 870	1 440	99 3%	
Nuclear	6 821	7 577	(10 0%)		14 142	14 859	(4 8%)	
Hydro	189	223	(15 2%)		469	464	1 1%	
Natural Gas and Oil	5 476	4 189	30 7%		10 908	10 080	8 2%	
Renewable Energy	78	73	6 8%		127	125	1 6%	
Total Generation <sup>(d)</sup>	13 227	12 887	2 6%		28 516	26 968	5 7%	
Purchased Power and Net Interchange <sup>(e)</sup>	2 932	2 386	22 9%		4 743	4 485	5 8%	
Total Sources of Energy	16 159	15 273	5 8%		33 259	31 453	5 7%	
Less Line Loss and Other	360	466	(22 7%)		923	976	(5 4%)	
Total GWh Sources	15 799	14 807	6 7%		32 336	30 477	6 1%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					12 468	12 526		
Winter					13 609	13 587		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>								
					91	95		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	199	224	(11 2%)		1 747	1 410	23 9%	
Cooling Degree Days	545	461	18 2%		559	513	9 0%	
<b>Variance from Normal</b>								
Heating Degree Days	13 5%	23 4%			(0 8%)	(20 8%)		
Cooling Degree Days	(1 9%)	(16 1%)			(1 3%)	(8 5%)		

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

**Duke Energy Florida**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	5 203	5 434	(4 3%)		9 691	9 494	2 1%	
General Service	3 739	3 467	7 8%		6 955	6 752	3 0%	
Industrial	852	756	12 7%		1 664	1 525	9 1%	
Other Energy Sales	5	5	%		11	11	%	
Unbilled Sales	525	361	45 4%		123	544	(77 4%)	
Total Retail Sales	10 324	10 023	3 0%	5 5%	18 444	18 326	0 6%	3 1%
Wholesale and Other	870	777	12 0%		1 304	1 091	19 5%	
Total Electric Sales Duke Energy Florida	11 194	10 800	3 6%		19 748	19 417	1 7%	
<b>Average Number of Customers</b>								
Residential	1 683 964	1 650 539	2 0%		1 679 603	1 646 440	2 0%	
General Service	207 432	204 353	1 5%		207 111	204 269	1 4%	
Industrial	1 946	2 000	(2 7%)		1 949	2 005	(2 8%)	
Other Energy Sales	1 486	1 494	(0 5%)		1 487	1 493	(0 4%)	
Total Retail Customers	1 894 828	1 858 386	2 0%		1 890 150	1 854 207	1 9%	
Wholesale and Other	6	9	(33 3%)		7	9	(22 2%)	
Total Average Number of Customers Duke Energy Florida	1 894 834	1 858 395	2 0%		1 890 157	1 854 216	1 9%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	1 879	764	145 9%		2 915	799	264 8%	
Natural Gas and Oil	8 203	9 028	(9 1%)		15 379	17 294	(11 1%)	
Renewable Energy	295	222	32 9%		479	336	42 6%	
Total Generation <sup>(d)</sup>	10 377	10 014	3 6%		18 773	18 429	1 9%	
Purchased Power and Net Interchange <sup>(e)</sup>	1 227	1 170	4 9%		2 064	2 071	(0 3%)	
Total Sources of Energy	11 604	11 184	3 8%		20 837	20 500	1 6%	
Less Line Loss and Other	410	384	6 8%		1 089	1 083	0 6%	
Total GWh Sources	11 194	10 800	3 6%		19 748	19 417	1 7%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					10 246	10 335		
Winter					11 114	11 347		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	15		%		310	220	40 9%	
Cooling Degree Days	1 092	1 190	(8 2%)		1 360	1 660	(18 1%)	
<b>Variance from Normal</b>								
Heating Degree Days	68 5%	(100 0%)			(18 2%)	(10 8%)		
Cooling Degree Days	4 0%	11 8%			9 6%	31 5%		

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

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**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	1 829	1 896	(3 5%)		4 416	4 186	5 5%	
General Service	2 111	1 937	9 0%		4 283	4 135	3 6%	
Industrial	1 366	1 210	12 9%		2 701	2 575	4 9%	
Other Energy Sales	26	27	(3 7%)		52	54	(3 7%)	
Unbilled Sales	206	168	22 6%		(115)	16	(818 8%)	
Total Retail Sales	5 538	5 238	5 7%	5 7%	11 337	10 966	3 4%	1 5%
Wholesale and Other	200	24	733 3%		405	119	240 3%	
Total Electric Sales Duke Energy Ohio	5 738	5 262	9 0%		11 742	11 085	5 9%	
<b>Average Number of Customers</b>								
Residential	785 909	783 871	0 3%		785 948	781 762	0 5%	
General Service	89 881	89 138	0 8%		89 767	89 004	0 9%	
Industrial	2 480	2 498	(0 7%)		2 479	2 494	(0 6%)	
Other Energy Sales	3 461	3 445	0 5%		3 459	3 438	0 6%	
Total Retail Customers	881 731	878 952	0 3%		881 653	876 698	0 6%	
Wholesale and Other	1	1	%		1	1	%	
Total Average Number of Customers Duke Energy Ohio	881 732	878 953	0 3%		881 654	876 699	0 6%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	872	271	221 8%		1 838	893	105 8%	
Natural Gas and Oil	26	8	225 0%		28	7	300 0%	
Total Generation <sup>(d)</sup>	898	279	221 9%		1 866	900	107 3%	
Purchased Power and Net Interchange <sup>(e)</sup>	5 402	5 420	(0 3%)		11 183	11 294	(1 0%)	
Total Sources of Energy	6 300	5 699	10 5%		13 049	12 194	7 0%	
Less Line Loss and Other	562	437	28 6%		1 307	1 109	17 9%	
Total GWh Sources	5 738	5 262	9 0%		11 742	11 085	5 9%	
<b>Owned MW Capacity<sup>(e)</sup></b>								
Summer					1 076	1 076		
Winter					1 164	1 164		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	514	590	(12 9%)		3 014	2 776	8 6%	
Cooling Degree Days	360	347	3 7%		360	352	2 3%	
<b>Variance from Normal</b>								
Heating Degree Days	16 4%	31 0%			0 5%	(8 2%)		
Cooling Degree Days	8 1%	4 8%			7 1%	5 2%		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations
- (d) Generation by source is reported net of auxiliary power
- (e) Purchased power includes renewable energy purchases

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**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2021**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2021	2020	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	1 845	1 935	(4 7%)		4 704	4 480	5 0%	
General Service	1 817	1 678	8 3%		3 726	3 591	3 8%	
Industrial	2 508	2 138	17 3%		4 920	4 615	6 6%	
Other Energy Sales	12	13	(7 7%)		25	26	(3 8%)	
Unbilled Sales	189	111	70 3%		(224)	(75)	(198 7%)	
Total Retail Sales	6 371	5 875	8 4%	8 8%	13 151	12 637	4 1%	3 2%
Wholesale and Other	995	898	10 8%		1 941	1 742	11 4%	
Total Electric Sales Duke Energy Indiana	7 366	6 773	8 8%		15 092	14 379	5 0%	
<b>Average Number of Customers</b>								
Residential	752 231	744 823	1 0%		751 939	743 501	1 1%	
General Service	102 948	102 458	0 5%		102 839	102 320	0 5%	
Industrial	2 687	2 700	(0 5%)		2 689	2 699	(0 4%)	
Other Energy Sales	1 860	1 813	2 6%		1 858	1 808	2 8%	
Total Retail Customers	859 726	851 794	0 9%		859 325	850 328	1 1%	
Wholesale and Other	4	4	%		4	4	%	
Total Average Number of Customers Duke Energy Indiana	859 730	851 798	0 9%		859 329	850 332	1 1%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	3 614	3 756	(3 8%)		8 358	7 177	16 5%	
Hydro	81	43	88 4%		145	80	81 3%	
Natural Gas and Oil	715	954	(25 1%)		1 193	1 517	(21 4%)	
Renewable Energy	8	9	(11 1%)		9	14	(35 7%)	
Total Generation <sup>(d)</sup>	4 418	4 762	(7 2%)		9 705	8 788	10 4%	
Purchased Power and Net Interchange <sup>(e)</sup>	7 333	2 388	207 1%		10 435	6 262	66 6%	
Total Sources of Energy	11 751	7 150	64 3%		20 140	15 050	33 8%	
Less Line Loss and Other	4 385	377	1 063 1%		5 048	671	652 3%	
Total GWh Sources	7 366	6 773	8 8%		15 092	14 379	5 0%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					6 346	6 623		
Winter					6 781	7 040		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	556	633	(12 2%)		3 261	3 090	5 5%	
Cooling Degree Days	355	343	3 5%		355	343	3 5%	
<b>Variance from Normal</b>								
Heating Degree Days	13 4%	28 1%			0 7%	(4 7%)		
Cooling Degree Days	6 0%	4 2%			5 1%	3 2%		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations
- (d) Generation by source is reported net of auxiliary power
- (e) Purchased power includes renewable energy purchases

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## Gas Utilities and Infrastructure

## Quarterly Highlights

June 2021

	Three Months Ended June 30,			Six Months Ended June 30,		
	2021	2020	% Inc. (Dec.)	2021	2020	% Inc. (Dec.)
<b>Total Sales</b>						
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup>	106 034 615	96 807 940	9 5%	255 661 197	245 311 935	4 2%
Duke Energy Midwest LDC throughput (Mcf)	14 842 906	15 106 405	(1 7%)	51 951 909	48 892 191	6 3%
<b>Average Number of Customers – Piedmont Natural Gas</b>						
Residential	1 024 921	1 001 289	2 4%	1 023 389	999 778	2 4%
Commercial	105 602	105 038	0 5%	105 829	105 249	0 6%
Industrial	959	970	(1 1%)	962	972	(1 0%)
Power Generation	19	19	%	19	18	5 6%
Total Average Number of Gas Customers Piedmont Natural Gas	1 131 501	1 107 316	2 2%	1 130 199	1 106 017	2 2%
<b>Average Number of Customers – Duke Energy Midwest</b>						
Residential	499 877	495 553	0 9%	500 569	495 990	0 9%
General Service	43 473	43 251	0 5%	44 051	44 191	(0 3%)
Industrial	1 564	1 570	(0 4%)	1 587	1 596	(0 6%)
Other	130	132	(1 5%)	130	132	(1 5%)
Total Average Number of Gas Customers Duke Energy Midwest	545 044	540 506	0 8%	546 337	541 909	0 8%

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

## Commercial Renewables

## Quarterly Highlights

June 2021

	Three Months Ended June 30,			Six Months Ended June 30,		
	2021	2020	% Inc. (Dec.)	2021	2020	% Inc. (Dec.)
Renewable Plant Production GWh	2 787	2 660	4 8 %	5 375	5 097	5 5 %
Net Proportional MW Capacity in Operation <sup>(a)</sup>	n/a	n/a		4 474	3 779	18 4 %

- (a) includes 100% tax equity project capacity

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 5, 2021**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of adjusted EPS for the quarter and year-to-date periods ended June 30, 2021 and 2020.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended June 30, 2021 and 2020, to the most directly comparable GAAP measure are included herein.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit obligations.
- Severance represents the reversal of 2018 severance charges, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.
- Workplace and workforce realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.

**Adjusted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a reference to forecasted 2021 adjusted EPS guidance range of \$5.00 to \$5.30 per share and the midpoint of forecasted 2021 adjusted EPS guidance range of \$5.15. The materials also reference the long-term range of annual growth of 5% - 7% through 2025 off the midpoint of 2021 adjusted EPS guidance range of \$5.15. Forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2021 and a discussion of 2021 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2021, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

## **Dividend Payout Ratio**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's long-term target dividend payout ratio of 65% - 75% based upon adjusted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted basic EPS from continuing operations available to Duke Energy Corporation stockholders, adjusted for the per-share impact of special items, as discussed above under Adjusted EPS. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

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

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's net regulated Electric and Gas operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2020, 2019, 2018, 2017 and 2016, as well as the forecasted year-to-date period ended December 31, 2021.

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

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

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

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended June 30, 2021. The materials also include a discussion of the 2021 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended June 30, 2021, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

### **Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 5, 2021, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of June 30, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2021, to the most directly comparable GAAP measure is included herein.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
**(Dollars in millions, except per share amounts)**

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 935	\$	\$	\$	\$ 935
Gas Utilities and Infrastructure	17	12 A		12	29
Commercial Renewables	47				47
<b>Total Reportable Segment Income</b>	<b>999</b>	<b>12</b>		<b>12</b>	<b>1,011</b>
Other	(248)		135 B	135	(113)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 751</b>	<b>\$ 12</b>	<b>\$ 135</b>	<b>\$ 147</b>	<b>\$ 898</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.96</b>	<b>\$ 0.01</b>	<b>\$ 0.18</b>	<b>\$ 0.19</b>	<b>\$ 1.15</b>

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

**A** Net of \$4 million tax benefit. \$16 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** - Net of \$40 million tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 769 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 1,755	\$	\$	\$	\$ 1,755
Gas Utilities and Infrastructure	262	17	A	17	279
Commercial Renewables	74				74
<b>Total Reportable Segment Income</b>	<b>2,091</b>	<b>17</b>		<b>17</b>	<b>2,108</b>
Other	(387)		135	B	(252)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,704</b>	<b>\$ 17</b>	<b>\$ 135</b>	<b>\$ 152</b>	<b>\$ 1,856</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 2.21</b>	<b>\$ 0.02</b>	<b>\$ 0.18</b>	<b>\$ 0.20</b>	<b>\$ 2.41</b>

**A** - Net of \$5 million on tax benefit. \$22 million on recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** - Net of \$40 million on tax benefit. \$131 million on recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) - 769 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2020**  
(Dollars in millions, except per share amounts)

	Reported Loss	Special Item Gas Pipeline Investments	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME (LOSS)</b>				
Electric Utilities and Infrastructure	\$ 753	\$	\$	\$ 753
Gas Utilities and Infrastructure	(1,576)	1,626	A 1,626	50
Commercial Renewables	90			90
<b>Total Reportable Segment (Loss) Income</b>	<b>(733)</b>	<b>1,626</b>	<b>1,626</b>	<b>893</b>
Other	(84)			(84)
<b>Net (Loss) Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ (817)</b>	<b>\$ 1,626</b>	<b>\$ 1,626</b>	<b>\$ 809</b>
<b>(LOSS) EARNINGS PER SHARE AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ (1.13)</b>	<b>\$ 2.21</b>	<b>\$ 2.21</b>	<b>\$ 1.08</b>

**Note:** (Loss) Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** Net of \$374 million tax benefit. \$2,000 million recorded with net equity in earnings (losses) of unconsolidated affiliates related to the cancellation of the ACP investment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 735 million**

DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Six Months Ended June 30, 2020  
 (Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance		
<b>SEGMENT INCOME (LOSS)</b>					
Electric Utilities and Infrastructure	\$ 1,458	\$	\$	\$	\$ 1,458
Gas Utilities and Infrastructure	(1,327)	1,626	A	1,626	299
Commercial Renewables	147				147
<b>Total Reportable Segment Income</b>	<b>278</b>	<b>1,626</b>		<b>1,626</b>	<b>1,904</b>
Other	(196)		(75) B	(75)	(271)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 82</b>	<b>\$ 1,626</b>	<b>\$ (75)</b>	<b>\$ 1,551</b>	<b>\$ 1,633</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.11</b>	<b>\$ 2.21</b>	<b>\$ (0.10)</b>	<b>\$ 2.11</b>	<b>\$ 2.22</b>

**A** Net of \$374 million on tax benefit, \$2,000 million on recorded within Equity in earnings (losses) of unconso dated affiliates related to the cancellation of the ACP investment on the Condensed Conso dated Statements of Operations.

**B** Net of \$23 million on tax expense, \$98 million on reversal of 2018 severance charges recorded within Operations, maintenance and other on the Condensed Conso dated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 734 million**

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2021  
(Dollars in millions)

	Three Months Ended		Six Months Ended	
	June 30, 2021		June 30, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 734		\$ 1,759	
Gas Pipeline Investments	16		22	
Workplace and Workforce Reorganization	175		175	
Noncontrolling Interests	67		118	
Preferred Dividends	(14)		(53)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 978</b>		<b>\$ 2,021</b>	
<b>Reported Income Tax Expense</b>	\$ 36	4.9 %	\$ 120	6.8 %
Gas Pipeline Investments	4		5	
Workplace Reorganization	40		40	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 80</b>	<b>8.2%</b>	<b>\$ 165</b>	<b>8.2 %</b>

	Three Months Ended		Six Months Ended	
	June 30, 2020		June 30, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Loss Before Income Taxes</b>	\$ (1,208)		\$ (181)	
Gas Pipeline Investments	2,000		2,000	
Severance			(98)	
Noncontrolling Interests	90		138	
Preferred Dividends	(15)		(54)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 867</b>		<b>\$ 1,805</b>	
<b>Reported Income Tax Benefit</b>	\$ (316)	26.2 %	(179)	98.9 %
Gas Pipeline Investments	374		374	
Severance			(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 58</b>	<b>6.7%</b>	<b>\$ 172</b>	<b>9.5 %</b>

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2021**  
(In millions)

Cash and Cash Equivalents	\$ 367	
Less: Certain Amounts Held in Foreign Jurisdictions	(6)	
Less: Unavailable Domestic Cash	<u>(102)</u>	
	259	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,641</u>	
Total Available Liquidity (a), June 30, 2021	<u>\$ 5,900</u>	approximately 5.9 billion

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of June 30, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

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

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast <sup>(f)</sup> December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$6,223</b>	<b>\$5,944</b>	<b>\$6,463</b>	<b>\$6,066</b>	<b>\$5,788</b>	<b>\$6,072</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(238)	(94)	(83)	—	—	—
Severance <sup>(b)</sup>	(92)	—	(187)	—	98	—
Regulatory settlement <sup>(b)</sup>	—	(5)	(40)	—	(16)	—
Energy Efficiency Recoverable <sup>(c)</sup>	(417)	(485)	(446)	(415)	(350)	(403)
Other Deferrals <sup>(d)</sup> and Recoverable	(141)	(152)	(400)	(353)	(510)	(340)
O&M for Commercial Businesses	(351)	(267)	(304)	(298)	(285)	(477)
Short-term incentive payments (over)/under budget	(90)	(22)	(30)	(112)	33	—
Non-regulated Electric Products and Services <sup>(e)</sup>	(83)	(140)	(138)	(175)	(210)	(223)
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$4,811</b>	<b>\$4,779</b>	<b>\$4,835</b>	<b>\$4,714</b>	<b>\$4,548</b>	<b>\$4,630</b>

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

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

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

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

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

(f) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Carolinas Jurisdictions**  
**Operations, Maintenance and Other Expense**  
(In millions)

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast <sup>(e)</sup> December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Carolinas</b>	<b>\$2,158</b>	<b>\$2,021</b>	<b>\$2,130</b>	<b>\$1,868</b>	<b>\$1,743</b>	<b>\$1,801</b>
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Progress</b>	<b>1,565</b>	<b>1,439</b>	<b>1,578</b>	<b>1,446</b>	<b>1,332</b>	<b>1,447</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(126)	(34)	(15)	—	—	—
Severance <sup>(b)</sup>	(62)	—	(154)	—	98	—
Regulatory settlement <sup>(b)</sup>	—	(5)	(40)	—	(16)	—
Energy Efficiency Recoverable <sup>(c)</sup>	(210)	(279)	(270)	(248)	(180)	(238)
Other Deferrals and Recoverable <sup>(c)</sup>	(87)	(74)	(119)	(71)	(74)	(52)
Margin based O&M for Non-reg products/services	(40)	(76)	(69)	(99)	(130)	(131)
DEBS Depreciation <sup>(d)</sup>	(57)	(80)	(88)	(101)	(117)	(133)
Short-term incentive payments (over)/under budget	(55)	(26)	(13)	(64)	23	—
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$3,086</b>	<b>\$2,886</b>	<b>\$2,940</b>	<b>\$2,731</b>	<b>\$2,679</b>	<b>\$2,694</b>

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

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

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

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

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

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast <sup>(e)</sup> December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Florida</b>	<b>\$884</b>	<b>\$853</b>	<b>\$1,025</b>	<b>\$1,034</b>	<b>\$1,131</b>	<b>\$1,016</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(9)	(9)	(4)	—	—	—
Severance <sup>(b)</sup>	(17)	—	(17)	—	—	—
Regulatory settlement <sup>(b)</sup>	—	—	—	—	—	—
Energy Efficiency Recoverable <sup>(c)</sup>	(99)	(95)	(105)	(99)	(116)	(121)
Other Deferrals and Recoverable <sup>(c)</sup>	(37)	(34)	(191)	(183)	(325)	(182)
Margin based O&M for Non-reg products/services	(27)	(38)	(43)	(39)	(38)	(45)
DEBS Depreciation <sup>(d)</sup>	(15)	(22)	(24)	(29)	(34)	(40)
Short-term incentive payments (over)/under budget	(14)	(8)	(6)	(16)	4	—
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$666</b>	<b>\$647</b>	<b>\$635</b>	<b>\$668</b>	<b>\$622</b>	<b>\$628</b>

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

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

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

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

**Duke Energy - Midwest Jurisdictions**  
**Operations, Maintenance and Other Expense**  
(In millions)

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast <sup>(e)</sup> December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Indiana</b>	<b>\$727</b>	<b>\$743</b>	<b>\$788</b>	<b>\$790</b>	<b>\$762</b>	<b>\$782</b>
<b>Operation, maintenance and other<sup>(a)</sup> - Duke Energy Ohio</b>	<b>514</b>	<b>530</b>	<b>480</b>	<b>520</b>	<b>463</b>	<b>471</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(10)	(12)	(16)	—	—	—
Severance <sup>(b)</sup>	(10)	—	(13)	—	—	—
Regulatory settlement <sup>(b)</sup>	—	—	—	—	—	—
Energy Efficiency Recoverable <sup>(c)</sup>	(86)	(104)	(71)	(68)	(54)	(45)
Other Deferrals and Recoverable <sup>(c)</sup>	(39)	(48)	(89)	(99)	(101)	(106)
Margin based O&M for Non-reg products/services	(9)	(16)	(11)	(12)	(9)	(13)
DEBS Depreciation <sup>(d)</sup>	(16)	(23)	(25)	(30)	(34)	(40)
Short-term incentive payments (over)/under budget	(5)	(7)	—	(21)	8	—
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$1,066</b>	<b>\$1,063</b>	<b>\$1,043</b>	<b>\$1,080</b>	<b>\$1,035</b>	<b>\$1,049</b>

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

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

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

(d) Duke Energy Business Services (DEBS) Depreciation is allocated to the registrants as O&M, but is included within Depreciation and amortization on the Duke Energy Consolidated Statement of Operations. Accordingly, this allocation of depreciation has been removed from the registrant O&M.

(e) Full-year amounts for 2021, as disclosed on Feb. 11, 2021.

Q2 / 2022



# Earnings Review and Business Update

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

August 4, 2022

## Safe Harbor statement

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

## Regulation G disclosure

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



# Safe harbor statement

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

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

**\$1.14**

**Q2 2022 REPORTED / ADJUSTED EPS  
RESULTS DRIVEN BY CONTINUED LOAD  
GROWTH AND WEATHER**

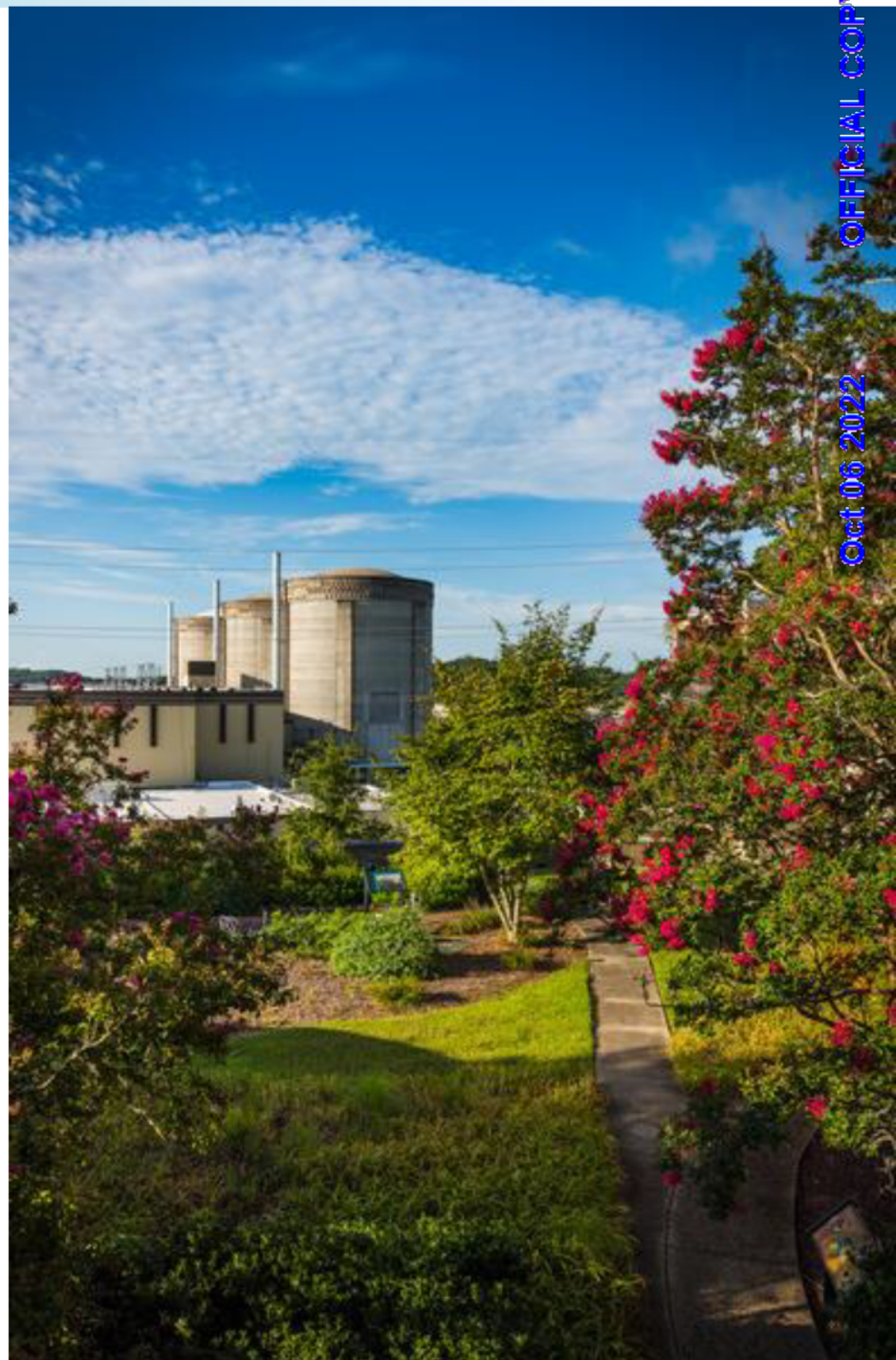
**\$5.30 - \$5.60**

**REAFFIRMING 2022  
ADJUSTED EPS  
GUIDANCE RANGE**

**5% – 7%**

**REAFFIRMING GROWTH RATE THROUGH  
2026 OFF MIDPOINT OF ORIGINAL 2021  
GUIDANCE RANGE (\$5.15)<sup>(1)</sup>**

<sup>(1)</sup> Based on adjusted EPS



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## ANNOUNCED STRATEGIC REVIEW OF COMMERCIAL RENEWABLES BUSINESS

- Since 2007, Commercial Renewables has been Duke Energy's primary renewables platform and is among the top 10 largest solar and wind businesses in the U.S.
- Given the significant growth outlook for regulated renewables across the Duke Energy franchise, we are evaluating strategic alternatives for the Commercial Renewables business
  - Duke Energy's smallest segment, representing less than ~5% of consolidated earnings,<sup>(1)</sup> with a slower growth trajectory than regulated electric and gas utilities
  - If sold, majority of proceeds would be used for debt repayment and avoidance
- We remain committed to our net-zero goals and executing the industry's largest clean energy transition



### Commercial Renewables Overview

- ~5.1 GW of wind and solar in operation; ~3.5 GW net ownership
- Robust development pipeline of wind and solar projects
- Long-term power purchase agreements with creditworthy counterparties

## CONTINUING TO ADVANCE CARBON PLAN FILING

- Filed proposed Carbon Plan on May 16, which includes four portfolios to meet 70% interim reduction targets
  - All portfolios replace coal with a diverse mix of resources
  - Proposes prudent near-term procurement and development work, which are common to most portfolios and preserve longer term optionality
- Hearing is scheduled to begin in mid-September, and the NCUC is required to approve Carbon Plan by December 31
  - Carbon Plan will be reviewed every two years, thereafter, and adjusted as needed
- Updated planning assumptions will be filed in South Carolina with the 2023 comprehensive IRP

2022 Timeline	Filed	Order	Docket #
Rulemaking for performance-based regulation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	E-100 Sub 178
Rulemaking for coal plant securitization	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	E-100 Sub 177
Carbon Plan	<input checked="" type="checkbox"/>	By December 31	E-100 Sub 179

## PROPOSED NEAR-TERM RESOURCES



- 3,100 MW of new solar (with 600 MW of paired storage)



- 1,000 MW of stand-alone battery storage



- 600 MW of onshore wind



- 2,000 MW of hydrogen-capable natural gas

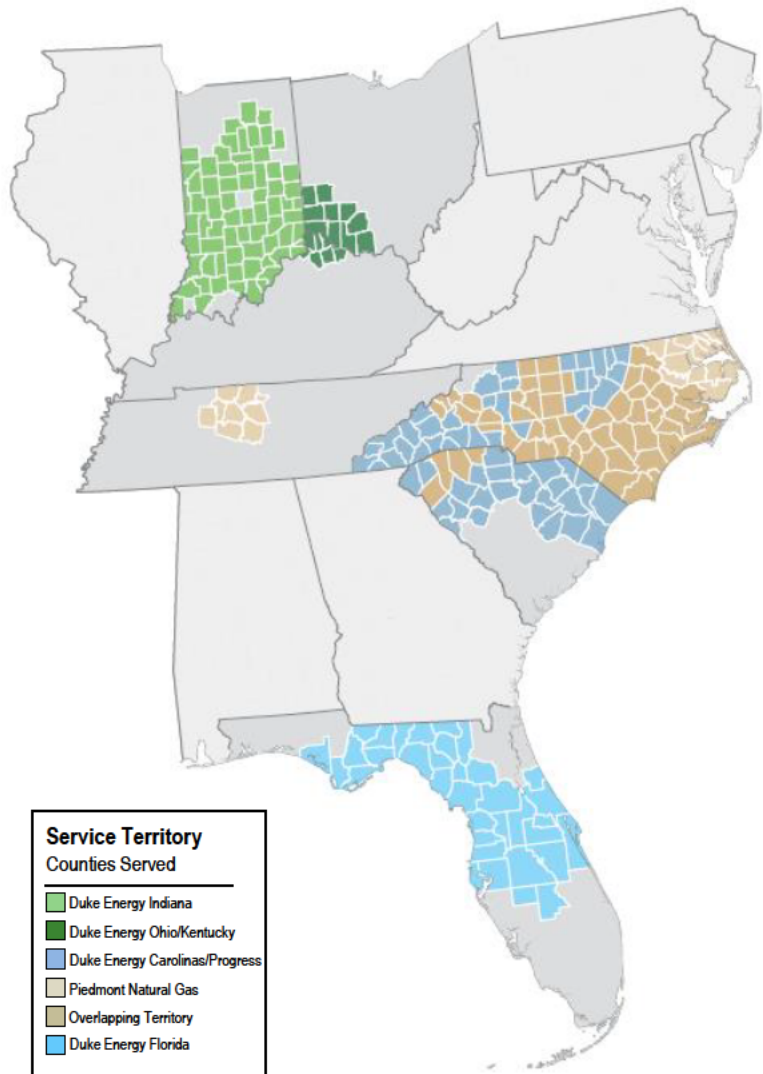


- Grid enhancements to support interconnection of new renewables and storage



- Early development work for long lead-time resources<sup>(1)</sup> for deployment in the early 2030s

# Regulatory and policy update



## North Carolina

- Expect to file a DE Progress rate case in the fourth quarter of 2022 and a DE Carolinas rate case in early 2023

## South Carolina

- Filing DE Progress rate case in September
- Storm cost securitization legislation passed in June

## Florida

- 3 of 4 planned 2022 solar projects are online and producing power; on track to install 300 MW of solar in 2022

## Indiana

- 6-year, \$2 billion, TDSIC 2.0 approved in June; begins in 2023
- Assessing generation RFP results; plan to file CPCNs later in 2022

## Ohio / Kentucky

- DE Ohio distribution rate case hearing scheduled to begin September 19

## Natural Gas LDCs

- Filed DE Ohio rate case on June 30
- Piedmont-SC rate case hearing scheduled to begin August 15

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## **CLEAN ENERGY TAX PROVISIONS HELP US MEET CUSTOMER EXPECTATIONS FOR AFFORDABLE, RELIABLE AND CLEAN ENERGY**

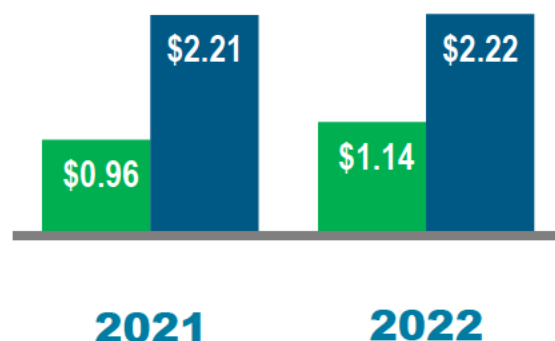
- **Customers are the real winner – provides for a more affordable transition**
  - Potential for significant customer benefits from nuclear and renewable PTCs
  - Promotes adoption of electric vehicles and EV infrastructure
- **Deploys critical infrastructure investments by more efficiently monetizing tax credits – improving cashflow and financing flexibility**
- **Provides significant benefits to commercial renewables business (and their customers) as we pursue strategic review**

*Our customers depend on us to deliver affordable, reliable and increasingly clean energy, and we support policies that enable those objectives*

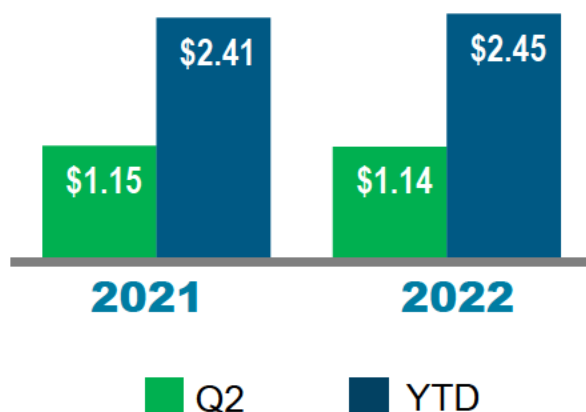
# Q2 2022 adjusted EPS summary and primary drivers

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## REPORTED EARNINGS PER SHARE



## ADJUSTED EARNINGS PER SHARE



## SEGMENT RESULTS VS. PRIOR YEAR QUARTER<sup>(1)</sup>

**Electric Utilities & Infrastructure, +\$23 M (+\$0.03 per share)**

- ▲ Weather (\$0.09)
- ▲ Retail electric volumes and rate increases
- ▼ O&M, including timing of plant outages
- ▼ Regulatory lag<sup>(2)</sup> on growing asset base

**Gas Utilities & Infrastructure, -\$10 M (-\$0.02 per share)**

- ▼ O&M

**Commercial Renewables, -\$1 M (flat)**

- ▲ Higher wind resource
- ▼ Fewer new projects placed in-service

**Other, -\$17 M (-\$0.02 per share)**

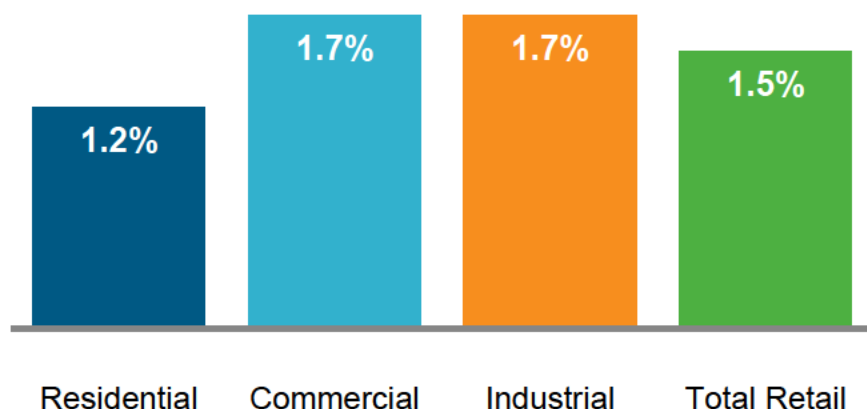
- ▼ Lower market returns on benefit trusts

(1) Based on adjusted EPS

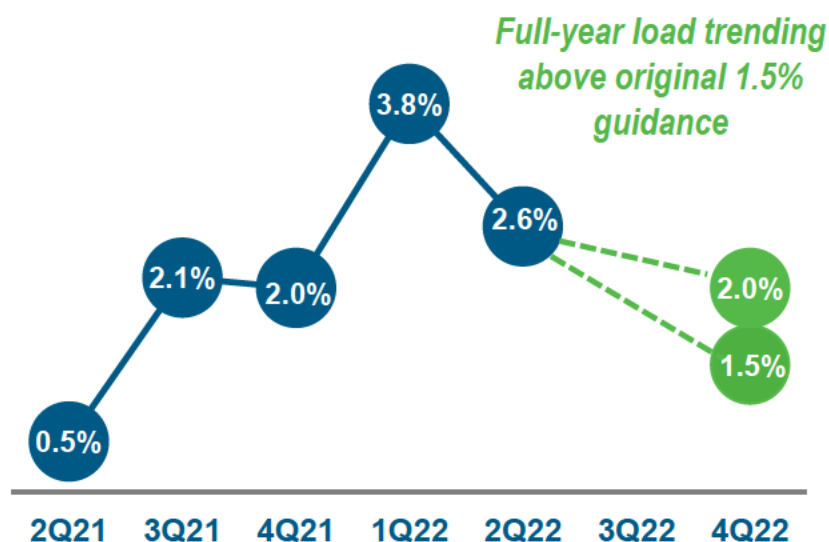
(2) Regulatory lag includes depreciation and amortization, interest expense and property taxes



## Q2 2022 RETAIL ELECTRIC VOLUMES<sup>(1)</sup>



## ROLLING 12-MONTH RETAIL LOAD TRENDS



## Q2 2022 RETAIL LOAD TRENDS

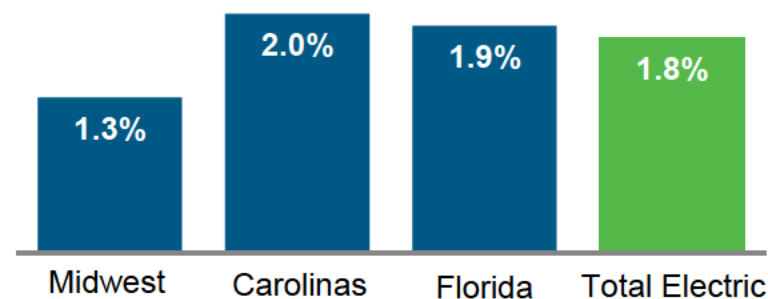
### Residential

- Customer growth remains robust across our territories
- Remote and hybrid work continues, with office occupancy data well below pre-pandemic levels

### Commercial and Industrial

- NC ranked #1 on CNBC's 2022 "America's Top States for Business"
  - Duke Energy operates in 5 of the top 15 states
- Commercial customers maintaining normal business hours

## ANNUAL RESIDENTIAL CUSTOMER GROWTH





## 2022 SHAPING CONSIDERATIONS<sup>(1)</sup>

- Timing of key drivers expected to modify shape of third and fourth quarter earnings vs 2021
- Growth in regulated utilities supported by electric volumes, price increases and cost management
- Higher interest expense with rising rate environment

	Q3	Q4
Normalizing 2021 weather <sup>(2)</sup>	▼	▲
Load Growth	▲	▲
O&M timing	--	▲
Rate cases, riders & wholesale	▲	▲
Commercial Renewables	▼	▲
Interest Expense	▼	▼
Tax accounting timing	▼	--

## 2023 RESPONSE TO RISING INTEREST RATES AND INFLATION

### Pursuing \$200 million of cost mitigation across the enterprise



- Employee-driven productivity and cost savings initiatives



- Focus on automation and digitization



- Leverage size and scale as competitive cost advantage



- Optimize timing of capex to reduce regulatory lag

# Our investor value proposition

DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE

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**3.7%**

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



**~10%**

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



**5-7%**

LONG-TERM  
**EPS GROWTH<sup>(4)</sup>**  
THROUGH 2026

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

(1) As of August 2, 2022

(2) Subject to approval by the Board of Directors.

(3) Total shareholder return proposition at a constant P/E ratio

(4) Based on adjusted EPS

# APPENDIX

**OCTOBER 4, 2022**

**10am – 12pm, this event will be held virtually**

- ESG vision and commitments
- Enterprise trajectory to a zero-emissions future
- Customer focus and grid enablement
- Investment plans and maintaining customer affordability
- Just transition and stakeholder engagement
- Governance and board perspective on ESG

## TRANSITION TO CLEANER ENERGY WITH FOCUS ON RELIABILITY AND AFFORDABILITY

- Submitted 2021 Indiana integrated resource plan (IRP) in December
- Preferred portfolio reduces carbon emissions from our Indiana fleet by 63% in 2030 and 88% by 2040, compared to 2005 levels
- Key components of the company's preferred 20-year plan include:
  - Adds over 7,000 MW of renewables, plus 400 MW of energy storage
  - Adds 2,360 MW of natural gas, positioned to leverage hydrogen as the technology evolves
  - Accelerates coal plant retirement dates; retires all coal units by 2035<sup>(1)</sup>
- In February, filed RFPs for up to 2,400 MW of generation through 2027; includes renewable and dispatchable resources
- IRP will be updated for the CPCN filings to include results of the RFPs and current load and pricing assumptions



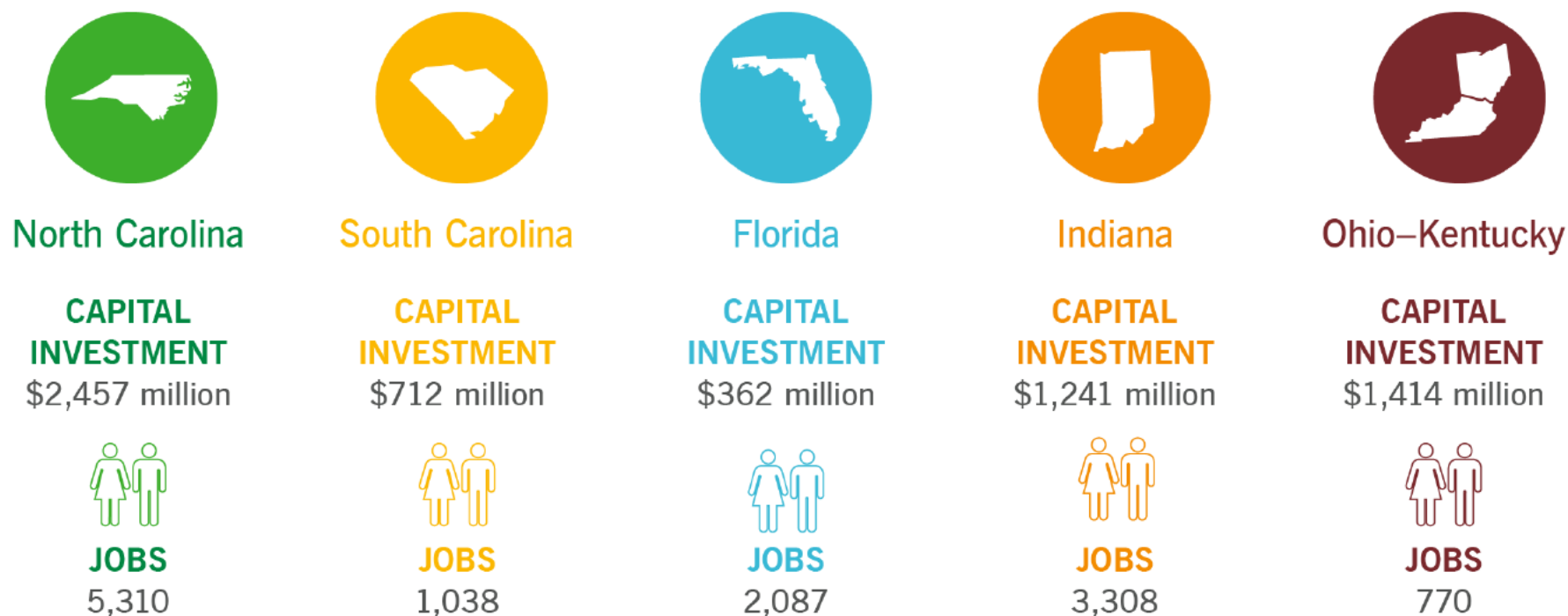
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2022 Timeline	Status
IRP	<input checked="" type="checkbox"/>
Request for proposal for new generation	<input checked="" type="checkbox"/>
IURC staff report on IRP	2022
CPCN filings	By year end 2022

## OUR COMMUNITIES DEPEND ON ECONOMIC GROWTH, AND WE PLAY AN IMPORTANT ROLE

- We work with state and local authorities to promote economic growth in our communities, helping attract investment in jobs
- Focused on several key business sectors: Aerospace, data centers, advanced manufacturing, automotive, life sciences, and food/beverage processing
- Long track record of success – Site Selection magazine named Duke Energy to its “Top Utilities in Economic Development” list for the 17<sup>th</sup> consecutive year

Attracted nearly 12,500 new jobs and \$6.2 billion in capital investment in 2021





# Commercial Renewables data points (values as of June 30, 2022)

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## CAPACITY BY REGION AND RESOURCE TYPE

<i>Gross MWs</i>	Solar	Wind	Battery	Total
<b>Texas</b>	658	1,981	36	2,675
<b>West</b>	414	421	-	835
<b>Southwest</b>	54	-	-	54
<b>Southeast</b>	400	-	-	400
<b>Midwest</b>	-	872	2	874
<b>Northeast</b>	25	139	-	164
<b>Total Gross MW</b>	<b>1,688<sup>(1)</sup></b>	<b>3,413</b>	<b>38</b>	<b>5,139<sup>(2)</sup></b>
<b>Net MW<sup>(3)</sup></b>	<b>1,534<sup>(1)</sup></b>	<b>1,958</b>	<b>20</b>	<b>3,512<sup>(2)</sup></b>

## FINANCING

<i>in millions</i>	Solar	Wind	Total
<b>Project financing, gross</b>	\$844	\$750	\$1,540 <sup>(4)</sup>
<b>Project financing, net<sup>(3)</sup></b>	\$658	\$382	\$1,007 <sup>(4)</sup>

(1) Total includes 123 MW wholly-owned distributed generation assets and 13 MW (gross) / 11 MW (net) of facilities < 5 MW not shown in table details.

(2) Excludes 44 MW of wholly-owned fuel cell capacity

(3) Net of John Hancock partnership interest

(4) Includes \$54M (gross) and \$34M (net) of unamortized debt issuance costs and excludes ~\$135M of unconsolidated debt

States by Region: West: CA, CO, WY; Southwest: AZ, NM; Southeast: FL, NC; Midwest: KS, OH, OK, WI; Northeast: NY, PA

# 2022 SUPPLEMENTAL FINANCIAL INFORMATION

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# Key 2022 adjusted earnings guidance assumptions

(\$ in millions)	Original 2022 Assumptions <sup>(1)</sup>	2022 YTD (thru 6/30/2022)
<b>Adjusted segment income/(expense)<sup>(2)</sup>:</b>		
Electric Utilities & Infrastructure	\$4,170	\$1,854
Gas Utilities & Infrastructure	\$470	\$273
Commercial Renewables	\$150	\$57
Other	(\$595)	(\$300)
Duke Energy Consolidated	\$4,195	\$1,884
<b>Additional consolidated information:</b>		
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	8-10%	7.1%
AFUDC equity	\$195	\$99
Capital expenditures <sup>(3)(4)</sup>	\$12,350	\$5,269
Weighted-average shares outstanding – basic	~770 million	~770 million

(1) Full-year amounts for 2022, as disclosed on Feb. 10, 2022

(2) Adjusted net income for 2022 assumptions is based upon the midpoint of the adjusted EPS guidance range of \$5.30 to \$5.60

(3) Includes debt AFUDC and capitalized interest

(4) 2022 Assumptions include ~\$488 million of projected coal ash closure spend. 2022 YTD actual includes coal ash closure spend of ~\$208 million that was included in operating cash flows and excludes tax equity

# Electric utilities quarterly weather impacts

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Weather segment income to normal:	2022			2021						
	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)				
First Quarter	(\$33)	770	(\$0.03)	(\$17)	769	(\$0.02)				
Second Quarter	\$104	770	\$0.10	\$7	769	\$0.01				
Third Quarter				\$46	769	\$0.05				
Fourth Quarter				(81)	769	(\$0.08)				
Year-to-Date <sup>(1)</sup>	\$71	770	\$0.07	(46)	769	(\$0.05)				
2Q 2022	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,795	(6.9%)	1,604	(8.9%)	301	(19.4%)	3,297	1.8%	2,959	(1.6%)
Cooling degree days / Variance from normal	600	17.8%	705	24.8%	1,481	18.1%	417	23.3%	411	21.8%
2Q 2021	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,908	(0.9%)	1,747	(0.8%)	310	(18.2%)	3,261	0.7%	3,014	0.5%
Cooling degree days / Variance from normal	471	(7.8)%	559	(1.3%)	1,360	9.6%	355	5.1%	360	7.1%

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

# Key 2022 earnings sensitivities

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Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.53
	\$1 billion change in rate base	+/- \$0.07
	1% change in Electric Utilities volumes	+/- \$0.15 <sup>(1) (2)</sup>
	Industrial +/- \$0.02 <sup>(2)</sup> Commercial +/- \$0.05 <sup>(2)</sup> Residential +/- \$0.08 <sup>(2)</sup>	
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.08
	\$200 million change in rate base	+/- \$0.01
	1% change in number of new customers	+/- \$0.02
Consolidated	1% change in interest rates <sup>(3)</sup>	+/- \$0.12

Note: EPS amounts based on forecasted 2022 basic share count of ~770 million shares

(1) Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins

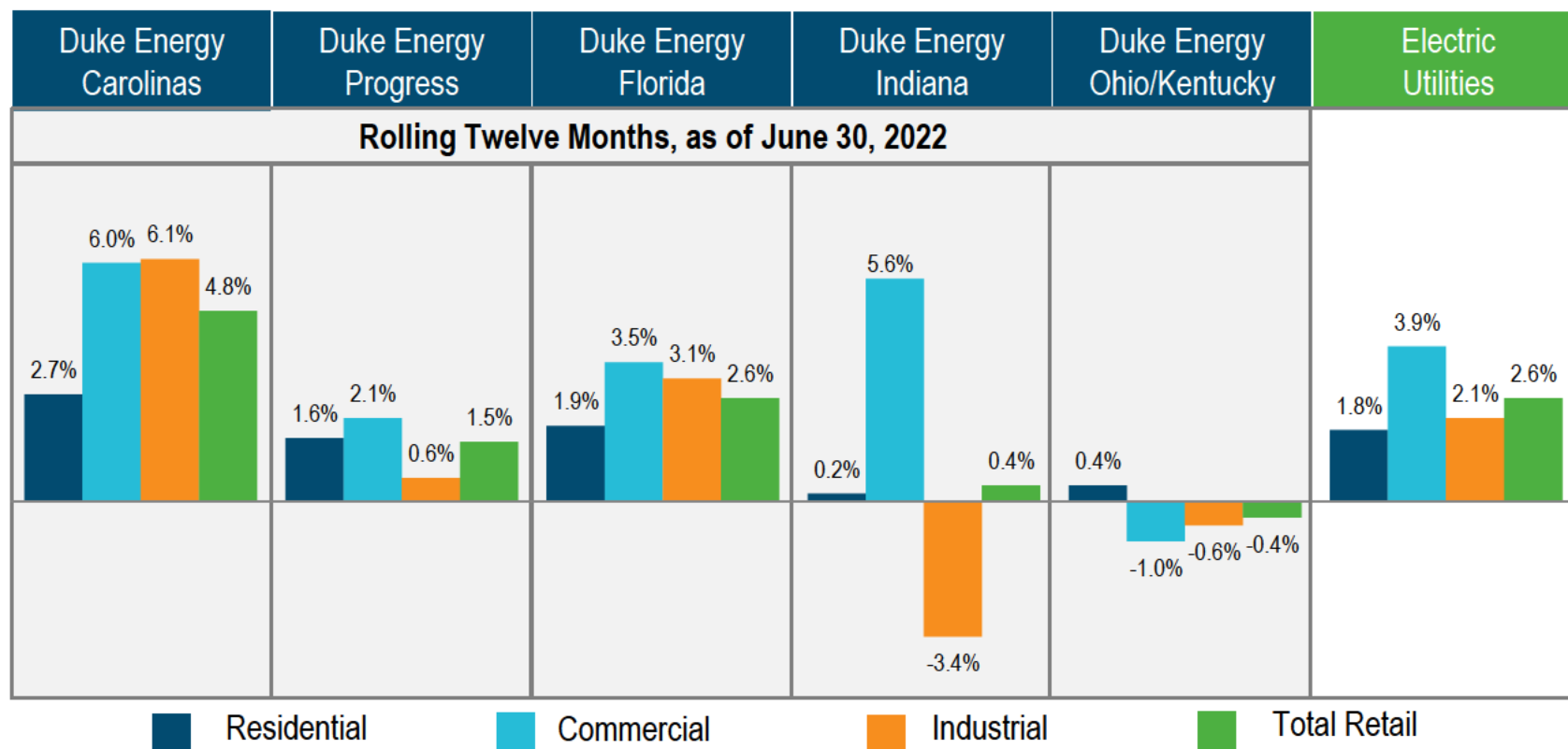
(2) Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted.

(3) Based on average variable-rate debt outstanding throughout the year and new issuances.

# Weather normalized volume trends, by electric jurisdiction

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# FINANCING PLAN UPDATE AND CURRENT LIQUIDITY

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# 2022 Financing plan<sup>(1)</sup>

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Issuer	Estimated / Actual Amount (\$ in millions)	Security	Date Issued	Completed (\$ in millions)	Term	Rate	2022 Maturities <sup>(2)</sup>
Holding Company	\$1,400	Term Loan	March 9, 2022	\$1,400 <sup>(3)</sup>	2-year	Floating	\$500
	\$402	Tax-Exempt Debt	June 2, 2022	\$234 \$168	5-year (AMT) <sup>(4)</sup> 5-year (Non-AMT) <sup>(4)</sup>	4.25% 4.00%	\$2,050 (May, Apr. & Aug.)
	\$1,182	Euro Senior Notes <sup>(5)</sup>	June 15, 2022	\$645 \$537	6-year 12-year	4.75% 5.31%	
	\$3,000 - \$3,500	Senior Debt / Hybrid Securities					
DE Carolinas	\$1,150	Sustainable First Mortgage Bonds (FMBs)	March 4, 2022	\$500 \$650	10-year 30-year	2.85% 3.55%	\$350 (May)
DE Progress	\$900	Sustainable FMBs	March 17, 2022	\$500 \$400	10-year 30-year	3.40% 4.00%	\$500 (May)
	\$300 - \$500	Tax-Exempt Debt					
DE Florida	\$400 - \$600	Senior Debt					-
DE Indiana	\$67	Tax-Exempt Debt	June 27, 2022	\$23 \$44	5-year <sup>(3)</sup> 10-year <sup>(3)</sup>	3.75% 4.50%	-
Piedmont	\$400	Senior Debt	May 13, 2022	\$400	30-year	5.05%	-
DE Kentucky	\$50	Tax-Exempt Debt	June 27, 2022	\$50	5-year	3.70%	-
<b>Total</b>	<b>\$9,301 - \$10,201</b>			<b>\$5,601</b>			

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

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

(3) On March 9, 2022, Duke Energy Corp. executed a \$1.4 billion term loan of which \$500 million of the proceeds were used to repay \$500 million of outstanding borrowings under its \$1.0 billion revolving credit facility, which was retired at the time of repayment. Remaining proceeds of \$900 million go towards 2022 estimated Holding Company financing of \$5.5 - 6.0 billion.

(4) Term aligns with the mandatory put date of the bonds to the Company. Final maturity is beyond the term shown. AMT = Alternative Minimum Tax

(5) Issued €1.1 billion of Euro Senior Notes and swapped all cash flows back to U.S. dollars.

# Liquidity summary (as of June 30, 2022)

(\$ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility <sup>(1)</sup>	\$ 3,150	\$ 1,225	\$ 1,200	\$ 1,100	\$ 750	\$ 600	\$ 175	\$ 800	\$ 9,000
Less: Notes payable and commercial paper <sup>(2)</sup>	(1,853)	(326)	(150)	(458)	(400)	(267)	(32)	(30)	(3,516)
Outstanding letters of credit (LOCs)	(25)	(4)	(2)	(7)	-	-	-	-	(38)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 1,272	\$ 895	\$ 1,048	\$ 635	\$ 269	\$ 333	\$ 143	\$ 770	\$ 5,365
Cash & short-term investments									364
<b>Total available liquidity</b>									<b>\$ 5,729</b>

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

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

## UPCOMING EVENTS & OTHER



## Upcoming events

Event	Date
ESG Day (10am to noon, Eastern)	October 4, 2022
3Q 2022 earnings call (tentative)	November 4, 2022
2022 EEI Financial Conference	November 13-15, 2022

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Second Quarter Earnings Review & Business Update**  
**August 4, 2022**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Second Quarter Earnings Review and Business Update on August 4, 2022, include a discussion of adjusted EPS for the quarter and year-to-date periods ended June 30, 2022 and 2021.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended June 30, 2022 and 2021, to the most directly comparable GAAP measure are included herein.

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

- Regulatory Matters represents the net impact of charges related to the 2022 Indiana Supreme Court ruling on coal ash
- Mark-to-Market represents the income statement impact of derivative instruments that do not qualify for hedge accounting or regulatory accounting
- Workplace and workforce realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment
- Gas Pipeline Investments represents additional exit obligations related to ACP

**Adjusted EPS Guidance**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, include a reference to forecasted 2022 adjusted EPS guidance range of \$5.30 to \$5.60 per share and the midpoint of forecasted 2022 adjusted EPS guidance of \$5.45. The materials also reference the long-term range of annual growth of 5% - 7% through 2026 off the midpoint of original 2021 adjusted EPS guidance range of \$5.15. The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2022, and a discussion of 2022 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. A reconciliation of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended June 30, 2022, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

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

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, include a discussion of the effective tax rate including noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended June 30, 2022. The materials also include a discussion of the 2022 forecasted effective tax rate including noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes special items and excludes noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended June 30, 2022, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**Available Liquidity**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of June 30, 2022. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2022, to the most directly comparable GAAP measure is included herein.

**Commercial Renewables Earning Contribution**

The materials for Duke Energy's Second Quarter Earnings Review and Business Update on August 4, 2022, reference less than 5% of consolidated earnings coming from Commercial Renewables (i.e., earning contribution). Commercial Renewables earnings contribution is calculated as the Commercial Renewable segment's 2022 projected adjusted segment income, as a percentage of total 2022 projected segment income, excluding the impact of Other, based upon the midpoint of the 2022 adjusted EPS guidance range of \$5.30-\$5.60.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2022**  
(Dollars in millions, except per share amounts)

		Special Items			
	Reported Earnings	Regulatory Matters	Mark-to-Market	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 974	\$ (16) <b>A</b>	\$	\$ (16)	\$ 958
Gas Utilities and Infrastructure	19				19
Commercial Renewables	30		16 <b>B</b>	16	46
<b>Total Reportable Segment Income</b>	<b>1,023</b>	<b>(16)</b>	<b>16</b>		<b>1,023</b>
Other	(130)				(130)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 893</b>	<b>\$ (16)</b>	<b>\$ 16</b>	<b>\$</b>	<b>\$ 893</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.14</b>	<b>\$ (0.02)</b>	<b>\$ 0.02</b>	<b>\$</b>	<b>\$ 1.14</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** Net of \$2 million recorded with Noncontrolling Interests. \$18 million tax benefit related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** Net of \$5 million tax benefit. \$21 million recorded with Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 770 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2022**  
(Dollars in millions, except per share amounts)

		<u>Special Items</u>			
	<u>Reported Earnings</u>	<u>Regulatory Matters</u>	<u>Mark-to-Market</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 1,697	\$ 157 A	\$	\$ 157	\$ 1,854
Gas Utilities and Infrastructure	273				273
Commercial Renewables	41		16 B	16	57
<b>Total Reportable Segment Income</b>	<b>2,011</b>	<b>157</b>	<b>16</b>	<b>173</b>	<b>2,184</b>
Other	(300)				(300)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,711</b>	<b>\$ 157</b>	<b>\$ 16</b>	<b>\$ 173</b>	<b>\$ 1,884</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 2.22</b>	<b>\$ 0.21</b>	<b>\$ 0.02</b>	<b>\$ 0.23</b>	<b>\$ 2.45</b>

**A** Net of \$80 million on tax benefit. \$211 million on recorded with impairment of assets and other charges, \$46 million on with Regulated electric (Operating revenues) and \$20 million on with Noncontrolling Interests related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** Net of \$5 million on tax benefit. \$21 million on recorded with Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) - 770 million**



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 935	\$	\$	\$	\$ 935
Gas Utilities and Infrastructure	17	12 A		12	29
Commercial Renewables	47				47
<b>Total Reportable Segment Income</b>	<b>999</b>	<b>12</b>		<b>12</b>	<b>1,011</b>
Other	(248)		135 B	135	(113)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 751</b>	<b>\$ 12</b>	<b>\$ 135</b>	<b>\$ 147</b>	<b>\$ 898</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.96</b>	<b>\$ 0.01</b>	<b>\$ 0.18</b>	<b>\$ 0.19</b>	<b>\$ 1.15</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** Net of \$4 million on tax benefit. \$16 million on recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** Net of \$40 million on tax benefit. \$131 million on recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 769 million**

DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Six Months Ended June 30, 2021  
 (Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 1,755	\$	\$	\$	\$ 1,755
Gas Utilities and Infrastructure	262	17	A	17	279
Commercial Renewables	74				74
<b>Total Reportable Segment Income</b>	<b>2,091</b>	<b>17</b>		<b>17</b>	<b>2,108</b>
Other	(387)		135	B	(252)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,704</b>	<b>\$ 17</b>	<b>\$ 135</b>	<b>\$ 152</b>	<b>\$ 1,856</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 2.21</b>	<b>\$ 0.02</b>	<b>\$ 0.18</b>	<b>\$ 0.20</b>	<b>\$ 2.41</b>

**A** Net of \$5 million on tax benefit. \$22 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Consolidated Statements of Operations.

**B** Net of \$40 million on tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 769 million**

**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2022  
(Dollars in millions)

	Three Months Ended		Six Months Ended	
	June 30, 2022		June 30, 2022	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 957		\$ 1,763	
Regulatory Matters			257	
Mark to Market	21		21	
Noncontrolling Interests	26		39	
Preferred Dividends	(14)		(53)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 990</b>		<b>\$ 2,027</b>	
<b>Reported Income Tax Expense</b>	\$ 77	8.0 %	\$ 63	3.6 %
Regulatory Matters	18		80	
Mark to Market	5		5	
Noncontrolling Interest Portion of Income Taxes <sup>(a)</sup>	(3)		(5)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 97</b>	<b>9.8%</b>	<b>\$ 143</b>	<b>7.1 %</b>

(a) Income tax related to non-pass-through entities for tax purposes.

	Three Months Ended		Six Months Ended	
	June 30, 2021		June 30, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	734		\$ 1,759	
Gas Pipeline Investments	16		22	
Workplace and Workforce Reorganization	175		175	
Noncontrolling Interests	67		118	
Preferred Dividends	(14)		(53)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 978</b>		<b>\$ 2,021</b>	
<b>Reported Income Tax Expense</b>	36	4.9 %	120	6.8 %
Gas Pipeline Investments	4		5	
Workplace and Workforce Reorganization	40		40	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 80</b>	<b>8.2%</b>	<b>\$ 165</b>	<b>8.2 %</b>

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of June 30, 2022**  
(In millions)

Cash and Cash Equivalents	\$ 428	
Less: Certain Amounts Held in Foreign Jurisdictions	(7)	
Less: Unavailable Domestic Cash	<u>(57)</u>	
	364	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,365</u>	
Total Available Liquidity <sup>(a)</sup>	<u><u>\$ 5,729</u></u>	approximately \$ 5.7 billion

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of June 30, 2022. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

## News Release



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August 4, 2022

### Duke Energy reports second-quarter 2022 financial results

- **Second-quarter 2022 reported and adjusted EPS of \$1.14, driven by continued strength in Electric Utilities and Infrastructure**
- **Reaffirmed 2022 adjusted EPS guidance range of \$5.30 to \$5.60 and adjusted EPS growth rate of 5% to 7% through 2026 off 2021 original midpoint of \$5.15**
- **Announced a strategic review of the Commercial Renewables business**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced second-quarter 2022 reported EPS of \$1.14, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of \$1.14. This is compared to reported EPS of \$0.96 and adjusted EPS of \$1.15 for the second quarter of 2021.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. Reported EPS is equal to adjusted EPS for second quarter 2022 due to offsetting special items. Reported EPS includes the net impact of offsetting special items related to the 2022 Indiana Supreme Court ruling on coal ash and derivative instruments that do not qualify for hedge accounting or regulatory treatment.

Lower second-quarter 2022 adjusted results were led by higher O&M expense due to plant outage timing in the Electric Utilities and Infrastructure segment along with higher interest expense and the impact of GIC minority interest. These items were partially offset by favorable weather, higher volumes and positive rate case contributions.

“We’ve had an excellent first half of the year, delivering strong results driven by continued growth in our regulated operations as we execute the industry’s largest clean energy transition,” said Lynn Good, Duke Energy chair, president and chief executive officer. “We’re making great progress across our jurisdictions - enhancing reliability and resiliency through grid modernization, transitioning our fleet to cleaner energy technologies, and advancing regulatory and legislative priorities. We are reaffirming our full year earnings guidance range of \$5.30 to \$5.60 and long-term adjusted EPS growth rate of 5% to 7% through 2026 off the 2021 original midpoint of \$5.15.”

“Commercial renewables has played an important role in our business strategy for over 15 years, establishing a core competency in renewable energy development and operations that will continue to serve us well as we advance our strategy. But as we look forward to the remainder of this decade and beyond, we see significant investment opportunities in our regulated operations and believe now is the time to review the strategic fit of our commercial portfolio.”

## Business segment results

In addition to the following summary of second-quarter 2022 business segment performance, comprehensive tables with detailed EPS drivers for the second quarter compared to prior year are provided at the end of this news release.

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

### Electric Utilities and Infrastructure

On a reported basis, Electric Utilities and Infrastructure recognized second-quarter 2022 segment income of \$974 million, compared to segment income of \$935 million in the second quarter of 2021. In addition to the drivers outlined below, second-quarter 2022 results include impacts related to the 2022 Indiana Supreme Court ruling on coal ash, which was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, Electric Utilities and Infrastructure recognized second-quarter 2022 segment income of \$958 million, compared to segment income of \$935 million in the second quarter of 2021, an increase of \$0.03 per share. Higher quarterly results were primarily due to favorable weather (+\$0.09 per share) and rate case contributions (+\$0.04 per share), partially offset by higher O&M expenses (-\$0.07 per share) and GIC minority interest impact (-\$0.03 per share).

### Gas Utilities and Infrastructure

On a reported and adjusted basis, Gas Utilities and Infrastructure recognized second-quarter 2022 segment income of \$19 million, compared to reported and adjusted income of \$17 million and \$29 million, respectively, in the second quarter of 2021. On an adjusted basis, this represents a decrease of \$0.02 per share. Lower quarterly results were primarily driven by higher O&M expenses (-\$0.01 per share), higher interest expense (-\$0.01 per share) and lower AFUDC Equity (-\$0.01 per share), partially offset by riders and other retail margin (+\$0.01 per share). Second-quarter 2021 results included costs related to the cancellation of the ACP investment. These charges were treated as special items and excluded from adjusted earnings.

### Commercial Renewables

On a reported basis, Commercial Renewables recognized second-quarter 2022 segment income of \$30 million, compared to segment income of \$47 million in the second quarter of 2021. Second-quarter 2022 results include the net impact of derivative instruments that do not qualify for hedge accounting or regulatory treatment. These charges were treated as special items and excluded from adjusted earnings.

On an adjusted basis, Commercial Renewables recognized second-quarter 2022 segment income of \$46 million, compared to segment income of \$47 million in the second quarter of 2021. Quarterly results were flat to prior year.

## Other

Other primarily includes interest expense on holding company debt, other unallocated corporate costs and results from Duke Energy's captive insurance company.

On a reported and adjusted basis, Other recognized a second-quarter 2022 net loss of \$130 million, compared to reported and adjusted net losses of \$248 million and \$113 million, respectively, in the second quarter of 2021. On an adjusted basis, this represents a decrease of \$0.02 per share. Lower quarterly results were primarily due to lower returns on investments (-\$0.05 per share) and higher interest expense (-\$0.01 per share), partially offset by higher results at National Methanol Corporation (NMC) (+\$0.03 per share). Second-quarter 2021 results included workplace and workforce realignment costs. These amounts were treated as special items and excluded from earnings.

## Effective tax rate

Duke Energy's consolidated reported effective tax rate for the second quarter of 2022 was 8.0% compared to 4.9% in the second quarter of 2021. The increase in the effective tax rate was primarily due to a decrease in the amortization of excess deferred taxes in relation to higher pretax income.

The effective tax rate including noncontrolling interests and preferred dividends and excluding special items for the second quarter of 2022 was 9.8% compared to 8.2% in the second quarter of 2021. The increase was primarily due to a decrease in the amortization of excess deferred taxes.

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

## Earnings conference call for analysts

An earnings conference call for analysts is scheduled at 10 a.m. ET today to discuss second-quarter 2022 financial results and other business and financial updates. The conference call will be hosted by Lynn Good, chair, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](https://duke-energy.com/investors)) of Duke Energy's website or by dialing 888.510.2359 in the U.S. or 646.960.0215 outside the U.S. The confirmation code is 2999899. Please call in 10 to 15 minutes prior to the scheduled start time.

A recording of the webcast with transcript will be available on the investors' section of the company's website by August 5.

## Special Items and Non-GAAP Reconciliation

The following tables present a reconciliation of GAAP reported earnings per share to adjusted earnings per share for second-quarter 2022 and 2021 financial results:

(In millions, except per share amounts)	After-Tax Amount	2Q 2022 EPS	2Q 2021 EPS
EPS, as reported		\$ 1.14	\$ 0.96
Adjustments to reported EPS:			
<b>Second Quarter 2022</b>			
Regulatory Matters	\$ (16)	(0.02)	
Mark-to-Market	16	0.02	
<b>Second Quarter 2021</b>			
Gas pipeline investments	\$ 12		0.01
Workplace and Workforce Realignment	135		0.18
Total adjustments		\$ —	\$ 0.19
EPS, adjusted		\$ 1.14	\$ 1.15

## Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted EPS and effective tax rate including noncontrolling interests and preferred dividends and excluding special items. Adjusted earnings and adjusted EPS represent income (loss) from continuing operations available to Duke Energy Corporation common stockholders in dollar and per share amounts, adjusted for the dollar and per share impact of special items. The effective tax rate including noncontrolling interests and preferred dividends and excluding special items is calculated using pretax earnings and income tax expense, both as adjusted for the impact of noncontrolling interests, preferred dividends and special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. The most directly comparable GAAP measures for adjusted earnings, adjusted EPS and effective tax rate including noncontrolling interests and preferred dividends and excluding special items are Net Income (Loss) Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss)), Basic earnings (loss) per share Available to Duke Energy Corporation common stockholders (GAAP reported earnings (loss) per share), and the reported effective tax rate, respectively.

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

- Regulatory Matters represents the net impact of charges related to the 2022 Indiana Supreme Court ruling on coal ash.
- Mark-to-Market represents the income statement impact of derivative instruments that do not qualify for hedge accounting or regulatory accounting.



- Gas pipeline investments represents additional exit obligations related to ACP.
- Workplace and Workforce Realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment.

Due to the forward-looking nature of any forecasted adjusted earnings guidance, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods (such as legal settlements, the impact of regulatory orders or asset impairments).

Management evaluates segment performance based on segment income (loss) and other net loss. Segment income (loss) is defined as income (loss) from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income (loss) includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income as a measure of historical and anticipated future segment performance. Adjusted segment income is a non-GAAP financial measure, as it is based upon segment income (loss) adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income (loss) and other net loss.

Due to the forward-looking nature of any forecasted adjusted segment income or adjusted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as the company is unable to forecast all special items, as discussed above.

Duke Energy's adjusted earnings, adjusted EPS and adjusted segment income may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

## **Duke Energy**

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of America's largest energy holding companies. Its electric utilities serve 8.2 million customers in North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky, and collectively own 50,000 megawatts of energy capacity. Its natural gas unit serves 1.6 million customers in North Carolina, South Carolina, Tennessee, Ohio and Kentucky. The company employs 28,000 people.

Duke Energy is executing an aggressive clean energy transition to achieve its goals of net-zero methane emissions from its natural gas business and at least a 50% carbon reduction from electric generation by 2030 and net-zero carbon emissions by 2050. The 2050 net-zero goals also include Scope 2 and certain Scope 3 emissions. In addition, the company is investing in

major electric grid enhancements and energy storage, and exploring zero-emission power generation technologies such as hydrogen and advanced nuclear.

Duke Energy was named to Fortune's 2022 "World's Most Admired Companies" list and Forbes' "America's Best Employers" list. More information is available at [duke-energy.com](https://duke-energy.com). The Duke Energy News Center contains news releases, fact sheets, photos and videos. Duke Energy's illumination features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on Twitter, LinkedIn, Instagram and Facebook.

## Forward-Looking Information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- The impact of the COVID-19 pandemic;
- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and abilities to comply with federal and state laws, regulations and regulatory requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations, asset retirement and construction costs related to carbon emissions reductions, and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of regulatory and administrative proceedings, settlements, investments and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy, reduced customer usage due to cost pressures from inflation or fuel costs, and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts, natural gas buildout and appliance electrification, and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures, natural gas electrification, and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in a reduced number of customers, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- Changing investor, customer and other stakeholder expectations and demands including heightened emphasis on environmental, social and governance concerns;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- Operational interruptions to our natural gas distribution and transmission activities;

- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and the impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions, and dividend payment's generation mix, and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Decisions in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pensions plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation on our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values;
- Asset or business acquisitions and dispositions, including our ability to successfully consummate the second closing of the minority investment in Duke Energy Indiana, may not yield the anticipated benefits;
- The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy, or cause fluctuations in the trading price of our common stock; and
- The ability to implement our business strategy, including its carbon emissions reduction goals.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2022**  
(Dollars in millions, except per share amounts)

		Special Items			
	Reported Earnings	Regulatory Matters	Mark-to-Market	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 974	\$ (16) <b>A</b>	\$	\$ (16)	\$ 958
Gas Utilities and Infrastructure	19				19
Commercial Renewables	30		16 <b>B</b>	16	46
<b>Total Reportable Segment Income</b>	<b>1,023</b>	<b>(16)</b>	<b>16</b>		<b>1,023</b>
Other	(130)				(130)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 893</b>	<b>\$ (16)</b>	<b>\$ 16</b>	<b>\$</b>	<b>\$ 893</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.14</b>	<b>\$ (0.02)</b>	<b>\$ 0.02</b>	<b>\$</b>	<b>\$ 1.14</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** Net of \$2 million recorded with Noncontrolling Interests. \$18 million tax benefit related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** Net of \$5 million tax benefit. \$21 million recorded with Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 770 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Six Months Ended June 30, 2022**  
(Dollars in millions, except per share amounts)

		<b>Special Items</b>			
	<b>Reported Earnings</b>	<b>Regulatory Matters</b>	<b>Mark-to-Market</b>	<b>Total Adjustments</b>	<b>Adjusted Earnings</b>
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 1,697	\$ 157 A	\$	\$ 157	\$ 1,854
Gas Utilities and Infrastructure	273				273
Commercial Renewables	41		16 B	16	57
<b>Total Reportable Segment Income</b>	<b>2,011</b>	<b>157</b>	<b>16</b>	<b>173</b>	<b>2,184</b>
Other	(300)				(300)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,711</b>	<b>\$ 157</b>	<b>\$ 16</b>	<b>\$ 173</b>	<b>\$ 1,884</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 2.22</b>	<b>\$ 0.21</b>	<b>\$ 0.02</b>	<b>\$ 0.23</b>	<b>\$ 2.45</b>

**A** Net of \$80 million on tax benefit. \$211 million on recorded with impairment of assets and other charges, \$46 million on with Regulated electric (Operating revenues) and \$20 million on with Noncontrolling Interests related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** Net of \$5 million on tax benefit. \$21 million on recorded with Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 770 million**

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended June 30, 2021**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 935	\$	\$	\$	\$ 935
Gas Utilities and Infrastructure	17	12 A		12	29
Commercial Renewables	47				47
<b>Total Reportable Segment Income</b>	<b>999</b>	<b>12</b>		<b>12</b>	<b>1,011</b>
Other	(248)		135 B	135	(113)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 751</b>	<b>\$ 12</b>	<b>\$ 135</b>	<b>\$ 147</b>	<b>\$ 898</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.96</b>	<b>\$ 0.01</b>	<b>\$ 0.18</b>	<b>\$ 0.19</b>	<b>\$ 1.15</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** Net of \$4 million on tax benefit. \$16 million on recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** Net of \$40 million on tax benefit. \$131 million on recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 769 million**

DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Six Months Ended June 30, 2021  
 (Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 1,755	\$	\$	\$	\$ 1,755
Gas Utilities and Infrastructure	262	17 A		17	279
Commercial Renewables	74				74
<b>Total Reportable Segment Income</b>	<b>2,091</b>	<b>17</b>		<b>17</b>	<b>2,108</b>
Other	(387)		135 B	135	(252)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,704</b>	<b>\$ 17</b>	<b>\$ 135</b>	<b>\$ 152</b>	<b>\$ 1,856</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 2.21</b>	<b>\$ 0.02</b>	<b>\$ 0.18</b>	<b>\$ 0.20</b>	<b>\$ 2.41</b>

**A** Net of \$5 million on tax benefit. \$22 million recorded within Equity in earnings (losses) of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** Net of \$40 million on tax benefit. \$131 million recorded within Impairment of assets and other charges, \$27 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) 769 million**

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**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
June 2022  
(Dollars in millions)

	Three Months Ended		Six Months Ended	
	June 30, 2022		June 30, 2022	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 957		\$ 1,763	
Regulatory Matters			257	
Mark to Market	21		21	
Noncontrolling Interests	26		39	
Preferred Dividends	(14)		(53)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 990</b>		<b>\$ 2,027</b>	
<b>Reported Income Tax Expense</b>	\$ 77	8.0 %	\$ 63	3.6 %
Regulatory Matters	18		80	
Mark to Market	5		5	
Noncontrolling Interest Portion of Income Taxes <sup>(a)</sup>	(3)		(5)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 97</b>	<b>9.8%</b>	<b>\$ 143</b>	<b>7.1 %</b>

(a) Income tax related to non-pass-through entities for tax purposes.

	Three Months Ended		Six Months Ended	
	June 30, 2021		June 30, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	734		\$ 1,759	
Gas Pipeline Investments	16		22	
Workplace and Workforce Reorganization	175		175	
Noncontrolling Interests	67		118	
Preferred Dividends	(14)		(53)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 978</b>		<b>\$ 2,021</b>	
<b>Reported Income Tax Expense</b>	36	4.9 %	120	6.8 %
Gas Pipeline Investments	4		5	
Workplace and Workforce Reorganization	40		40	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 80</b>	<b>8.2%</b>	<b>\$ 165</b>	<b>8.2 %</b>



**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2022 QTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
<b>2021 QTD Reported Earnings Per Share</b>	<b>\$ 1.22</b>	<b>\$ 0.03</b>	<b>\$ 0.06</b>	<b>\$ (0.35)</b>	<b>\$ 0.96</b>
Gas Pipeline Investments		0.01			0.01
Workplace and Workforce Reorganization				0.18	0.18
<b>2021 QTD Adjusted Earnings Per Share</b>	<b>\$ 1.22</b>	<b>\$ 0.04</b>	<b>\$ 0.06</b>	<b>\$ (0.17)</b>	<b>\$ 1.15</b>
Weather	0.09				0.09
Volume	0.03				0.03
Riders and Other Rate Margin		0.01			0.01
Rate case impacts, net <sup>(a)</sup>	0.04				0.04
Who else	(0.03)				(0.03)
Operations and maintenance, net of recoverables <sup>(b)</sup>	(0.07)	(0.01)			(0.08)
Duke Energy Renewables					
Interest Expense	(0.01)	(0.01)		(0.01)	(0.03)
AFUDC Equity	0.02	(0.01)			0.01
Depreciation and amortization <sup>(c)</sup>	(0.02)				(0.02)
Other <sup>(d)</sup>	(0.02)			(0.01)	(0.03)
<b>Total variance</b>	<b>\$ 0.03</b>	<b>\$ (0.02)</b>	<b>\$</b>	<b>\$ (0.02)</b>	<b>\$ (0.01)</b>
<b>2022 QTD Adjusted Earnings Per Share</b>	<b>\$ 1.25</b>	<b>\$ 0.02</b>	<b>\$ 0.06</b>	<b>\$ (0.19)</b>	<b>\$ 1.14</b>
Mark to Market			(0.02)		(0.02)
Regulatory Matters	0.02				0.02
<b>2022 QTD Reported Earnings Per Share</b>	<b>\$ 1.27</b>	<b>\$ 0.02</b>	<b>\$ 0.04</b>	<b>\$ (0.19)</b>	<b>\$ 1.14</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 769 million shares to 770 million.

- (a) Electric Utilities and Infrastructure includes DEC and DEP North Carolina rates, which became effective June 2021 (+\$0.02) and the DEF SBRA and multi-year rate plan (+\$0.02).  
(b) Primarily due to timing of plant outage and maintenance work in the current year and a prior year favorable allowance for doubtful accounts adjustment at Electric Utilities and Infrastructure.  
(c) Excludes rate case impacts.  
(d) Electric Utilities and Infrastructure includes impact of GIC minority interest sale. Other includes lower returns on investments, partially offset by higher earnings at NMC.

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
June 2022 YTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
<b>2021 YTD Reported Earnings Per Share</b>	<b>\$ 2.28</b>	<b>\$ 0.34</b>	<b>\$ 0.10</b>	<b>\$ (0.51)</b>	<b>\$ 2.21</b>
Gas Pipeline Investments		0.02			0.02
Workplace and Workforce Reorganization				0.18	0.18
<b>2021 YTD Adjusted Earnings Per Share</b>	<b>\$ 2.28</b>	<b>\$ 0.36</b>	<b>\$ 0.10</b>	<b>\$ (0.33)</b>	<b>\$ 2.41</b>
Weather	0.08				0.08
Volume <sup>(a)</sup>	0.27				0.27
Riders and Other Retained Margin <sup>(b)</sup>	(0.04)	0.03			(0.01)
Rate case impacts, net <sup>(c)</sup>	0.04	0.04			0.08
Who's a Who	(0.01)				(0.01)
Operations and maintenance, net of recoverables <sup>(d)</sup>	(0.18)	(0.03)			(0.21)
Duke Energy Renewables <sup>(e)</sup>			(0.02)		(0.02)
Interest Expense	(0.02)	(0.01)		(0.02)	(0.05)
AFUDC Equity	0.03	(0.01)			0.02
Depreciation and amortization		(0.01)			(0.01)
Other <sup>(f)</sup>	(0.04)	(0.02)		(0.04)	(0.10)
<b>Total variance</b>	<b>\$ 0.13</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.06)</b>	<b>\$ 0.04</b>
<b>2022 YTD Adjusted Earnings Per Share</b>	<b>\$ 2.41</b>	<b>\$ 0.35</b>	<b>\$ 0.08</b>	<b>\$ (0.39)</b>	<b>\$ 2.45</b>
Regulatory Matters	(0.21)				(0.21)
Mark to Market			(0.02)		(0.02)
<b>2022 YTD Reported Earnings Per Share</b>	<b>\$ 2.20</b>	<b>\$ 0.35</b>	<b>\$ 0.06</b>	<b>\$ (0.39)</b>	<b>\$ 2.22</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 769 million shares to 770 million.

- (a) Includes block and seasonal pricing (+\$0.04).  
(b) Electric Utilities and Infrastructure includes higher reliability and capacity purchases and power rate payment revenues.  
(c) Electric Utilities and Infrastructure includes DEC and DEP North Carolina rates which became effective June 2021 (+\$0.02) and DEF SBRA and multi-year rate plan (+\$0.02). Gas Utilities and Infrastructure includes the net impact of the PNG NC rate case, effective November 2021.  
(d) Electric Utilities and Infrastructure includes higher storm costs (\$0.06), timing of plant outage and maintenance work and a prior year favorable allowance for doubtful accounts adjustment.  
(e) Primarily due to fewer renewable projects placed in service in the current year (\$0.07), partially offset by Texas Storm Impacts in the prior year (+\$0.04).  
(f) Electric Utilities and Infrastructure includes impact of GIC monitoring interest sale. Other includes power returns on investments, partially offset by higher earnings at NMC.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<b>Operating Revenues</b>				
Regulated electric	\$ 6,074	\$ 5,258	\$ 12,007	\$ 10,477
Regulated natural gas	425	302	1,427	1,051
Nonregulated electric and other	186	198	383	380
Total operating revenues	6,685	5,758	13,817	11,908
<b>Operating Expenses</b>				
Fuel used in electric generation and purchased power	1,972	1,415	3,789	2,858
Cost of natural gas	189	79	670	355
Operation, maintenance and other	1,447	1,410	3,077	2,812
Depreciation and amortization	1,302	1,207	2,622	2,433
Property and other taxes	379	349	771	702
Impairment of assets and other charges	(9)	131	206	131
Total operating expenses	5,280	4,591	11,135	9,291
<b>Gains on Sales of Other Assets and Other, net</b>	8	2	10	2
<b>Operating Income</b>	1,413	1,169	2,692	2,619
<b>Other Income and Expenses</b>				
Equity in earnings (losses) of unconsolidated affiliates	36	9	61	(8)
Other income and expenses, net	115	128	204	255
Total other income and expenses	151	137	265	247
<b>Interest Expense</b>	607	572	1,194	1,107
<b>Income Before Income Taxes</b>	957	734	1,763	1,759
<b>Income Tax Expense</b>	77	36	63	120
<b>Net Income</b>	880	698	1,700	1,639
<b>Add: Net Loss Attributable to Noncontrolling Interests</b>	27	67	64	118
<b>Net Income Attributable to Duke Energy Corporation</b>	907	765	1,764	1,757
<b>Less: Preferred Dividends</b>	14	14	53	53
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 893	\$ 751	\$ 1,711	\$ 1,704
<b>Earnings Per Share - Basic and Diluted</b>				
Net income available to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ 1.14	\$ 0.96	\$ 2.22	\$ 2.21
Weighted average shares outstanding				
Basic and Diluted	770	769	770	769

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

(In millions)	June 30, 2022	December 31, 2021
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 428	\$ 343
Receivables (net of allowance for doubtful accounts of \$44 at 2022 and \$46 at 2021)	907	1,173
Receivables of VIEs (net of allowance for doubtful accounts of \$92 at 2022 and \$76 at 2021)	3,021	2,437
Inventory	3,208	3,199
Regulatory assets (includes \$105 at 2022 and 2021 related to VIEs)	2,834	2,150
Other (includes \$284 at 2022 and \$256 at 2021 related to VIEs)	1,163	638
<b>Total current assets</b>	<b>11,561</b>	<b>9,940</b>
<b>Property, Plant and Equipment</b>		
Cost	166,004	161,819
Accumulated depreciation and amortization	(52,252)	(50,555)
Facilities to be retired, net	99	144
<b>Net property, plant and equipment</b>	<b>113,851</b>	<b>111,408</b>
<b>Other Noncurrent Assets</b>		
Goodwill	19,303	19,303
Regulatory assets (includes \$1,774 at 2022 and \$1,823 at 2021 related to VIEs)	12,863	12,487
Nuclear decommissioning trust funds	8,574	10,401
Operating lease right of use assets, net	1,222	1,266
Investments in equity method unconsolidated affiliates	983	970
Other (includes \$120 at 2022 and \$92 at 2021 related to VIEs)	4,026	3,812
<b>Total other noncurrent assets</b>	<b>46,971</b>	<b>48,239</b>
<b>Total Assets</b>	<b>\$ 172,383</b>	<b>\$ 169,587</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 3,971	\$ 3,629
Notes payable and commercial paper	3,875	3,304
Taxes accrued	682	749
Interest accrued	554	533
Current maturities of long term debt (includes \$633 at 2022 and \$243 at 2021 related to VIEs)	3,171	3,387
Asset retirement obligations	649	647
Regulatory liabilities	1,383	1,211
Other	2,259	2,471
<b>Total current liabilities</b>	<b>16,544</b>	<b>15,931</b>
<b>Long-Term Debt (includes \$4,435 at 2022 and \$4,854 at 2021 related to VIEs)</b>	<b>63,147</b>	<b>60,448</b>
<b>Other Noncurrent Liabilities</b>		
Deferred income taxes	9,948	9,379
Asset retirement obligations	12,080	12,129
Regulatory liabilities	14,519	16,152
Operating lease liabilities	1,039	1,074
Accrued pension and other post retirement benefit costs	799	855
Investment tax credits	855	833
Other (includes \$213 at 2022 and \$319 at 2021 related to VIEs)	1,868	1,650
<b>Total other noncurrent liabilities</b>	<b>41,108</b>	<b>42,072</b>
<b>Commitments and Contingencies</b>		
<b>Equity</b>		
Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2022 and 2021	973	973
Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2022 and 2021	989	989
Common Stock, \$0.001 par value, 2 billion shares authorized; 770 million shares outstanding at 2022 and 769 million shares outstanding at 2021	1	1
Addition paid in capital	44,373	44,371
Retained earnings	3,457	3,265
Accumulated other comprehensive loss	(73)	(303)
<b>Total Duke Energy Corporation stockholders' equity</b>	<b>49,720</b>	<b>49,296</b>
Noncontrolling interests	1,864	1,840
<b>Total equity</b>	<b>51,584</b>	<b>51,136</b>
<b>Total Liabilities and Equity</b>	<b>\$ 172,383</b>	<b>\$ 169,587</b>

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

	Six Months Ended June 30,	
	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 1,700	\$ 1,639
Adjustments to reconcile net income to net cash provided by operating activities	2,335	2,234
Net cash provided by operating activities	4,035	3,873
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash used in investing activities	(5,492)	(5,614)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash provided by financing activities	1,576	1,750
Net increase in cash, cash equivalents and restricted cash	119	9
Cash, cash equivalents and restricted cash at beginning of period	520	556
Cash, cash equivalents and restricted cash at end of period	\$ 639	\$ 565

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

(In millions)	Three Months Ended June 30, 2022					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 6,082	\$	\$	\$	(8)	\$ 6,074
Regulated natural gas		448			(23)	425
Nonregulated electric and other	53	5	121	30	(23)	186
Total operating revenues	6,135	453	121	30	(54)	6,685
<b>Operating Expenses</b>						
Fueled electric generation and purchased power	1,991				(19)	1,972
Cost of natural gas		189				189
Operation, maintenance and other	1,328	113	82	(46)	(30)	1,447
Depreciation and amortization	1,110	82	60	58	(8)	1,302
Property and other taxes	331	33	10	4	1	379
Impairment of assets and other charges	(8)				(1)	(9)
Total operating expenses	4,752	417	152	16	(57)	5,280
<b>Gains on Sales of Other Assets and Other, net</b>	3	4			1	8
<b>Operating Income (Loss)</b>	1,386	40	(31)	14	4	1,413
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	2	4	(2)	32		36
Other income and expenses, net	151	15	2	(39)	(14)	115
Total Other Income and Expenses	153	19		(7)	(14)	151
<b>Interest Expense</b>	391	42	19	165	(10)	607
<b>Income (Loss) Before Income Taxes</b>	1,148	17	(50)	(158)		957
<b>Income Tax Expense (Benefit)</b>	158	(2)	(36)	(43)		77
<b>Net Income (Loss)</b>	990	19	(14)	(115)		880
<b>Add: Net (Income) Loss Attributable to Noncontrolling Interest</b>	(16)		44	(1)		27
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	974	19	30	(116)		907
<b>Less: Preferred Dividends</b>				14		14
<b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 974	\$ 19	\$ 30	\$ (130)		\$ 893
<b>Special Items</b>	(16)		16			
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 958	\$ 19	\$ 46	\$ (130)		\$ 893

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

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

(In millions)	Six Months Ended June 30, 2022					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 12,022	\$	\$	\$	(15)	\$ 12,007
Regulated natural gas		1,473			(46)	1,427
Nonregulated electric and other	115	12	242	60	(46)	383
Total operating revenues	12,137	1,485	242	60	(107)	13,817
<b>Operating Expenses</b>						
Fueled electric generation and purchased power	3,828				(39)	3,789
Cost of natural gas		670				670
Operation, maintenance and other	2,754	295	164	(74)	(62)	3,077
Depreciation and amortization	2,241	161	120	115	(15)	2,622
Property and other taxes	668	74	20	8	1	771
Impairment of assets and other charges	206					206
Total operating expenses	9,697	1,200	304	49	(115)	11,135
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	5	4	(1)	1	1	10
<b>Operating Income (Loss)</b>	2,445	289	(63)	12	9	2,692
<b>Other Income and Expenses</b>						
Equity earnings (losses) of unconsolidated affiliates	4	8	(3)	52		61
Other income and expenses, net	263	28	3	(65)	(25)	204
Total Other Income and Expenses	267	36		(13)	(25)	265
<b>Interest Expense</b>	767	82	37	324	(16)	1,194
<b>Income (Loss) Before Income Taxes</b>	1,945	243	(100)	(325)		1,763
<b>Income Tax Expense (Benefit)</b>	241	(30)	(69)	(79)		63
<b>Net Income (Loss)</b>	1,704	273	(31)	(246)		1,700
<b>Add: Net (Income) Loss Attributable to Noncontrolling Interest</b>	(7)		72	(1)		64
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	1,697	273	41	(247)		1,764
<b>Less: Preferred Dividends</b>				53		53
<b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 1,697	\$ 273	\$ 41	\$ (300)	\$	\$ 1,711
<b>Special Items</b>	157		16			173
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 1,854	\$ 273	\$ 57	\$ (300)	\$	\$ 1,884

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

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

(In millions)	Three Months Ended June 30, 2021					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 5,335	\$	\$	\$	(77)	\$ 5,258
Regulated natural gas		324			(22)	302
Nonregulated electric and other		3	119	27	49	198
Total operating revenues	5,335	327	119	27	(50)	5,758
<b>Operating Expenses</b>						
Fueled electric generation and purchased power	1,434				(19)	1,415
Cost of natural gas		79				79
Operation, maintenance and other	1,262	98	78	1	(29)	1,410
Depreciation and amortization	1,013	74	56	71	(7)	1,207
Property and other taxes	308	27	9	5		349
Impairment of assets and other charges	1			131	(1)	131
Total operating expenses	4,018	278	143	208	(56)	4,591
<b>Gains on Sales of Other Assets and Other, net</b>	2					2
<b>Operating Income (Loss)</b>	1,319	49	(24)	(181)	6	1,169
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	2	(8)	(1)	16		9
Other income and expenses, net	95	18	4	16	(5)	128
Total Other Income and Expenses	97	10	3	32	(5)	137
<b>Interest Expense</b>	361	35	20	156		572
<b>Income (Loss) Before Income Taxes</b>	1,055	24	(41)	(305)	1	734
<b>Income Tax Expense (Benefit)</b>	120	7	(21)	(71)	1	36
<b>Net Income (Loss)</b>	935	17	(20)	(234)		698
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>			67			67
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	935	17	47	(234)		765
<b>Less: Preferred Dividends</b>				14		14
<b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 935	\$ 17	\$ 47	\$ (248)	\$	\$ 751
<b>Special Items</b>		12		135		147
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 935	\$ 29	\$ 47	\$ (113)	\$	\$ 898

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



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

(In millions)	Six Months Ended June 30, 2021					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 10,616	\$	\$	\$	(139)	\$ 10,477
Regulated natural gas		1,096			(45)	1,051
Nonregulated electric and other		6	238	53	83	380
Total operating revenues	10,616	1,102	238	53	(101)	11,908
<b>Operating Expenses</b>						
Fueled electric generation and purchased power	2,896				(38)	2,858
Cost of natural gas		355				355
Operation, maintenance and other	2,544	200	150	(23)	(59)	2,812
Depreciation and amortization	2,070	142	109	126	(14)	2,433
Property and other taxes	619	62	18	2	1	702
Impairment of assets and other charges	1			131	(1)	131
Total operating expenses	8,130	759	277	236	(111)	9,291
<b>Gains on Sales of Other Assets and Other, net</b>						
	2					2
<b>Operating Income (Loss)</b>	2,488	343	(39)	(183)	10	2,619
<b>Other Income and Expenses</b>						
Equity earnings (losses) of unconsolidated affiliates	5	(8)	(28)	23		(8)
Other income and expenses, net	196	35	6	30	(12)	255
Total Other Income and Expenses	201	27	(22)	53	(12)	247
<b>Interest Expense</b>	701	68	33	307	(2)	1,107
<b>Income (Loss) Before Income Taxes</b>	1,988	302	(94)	(437)		1,759
<b>Income Tax Expense (Benefit)</b>	233	40	(50)	(103)		120
<b>Net Income (Loss)</b>	1,755	262	(44)	(334)		1,639
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>			118			118
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	1,755	262	74	(334)		1,757
<b>Less: Preferred Dividends</b>				53		53
<b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 1,755	\$ 262	\$ 74	\$ (387)	\$	\$ 1,704
<b>Special Items</b>		17		135		152
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 1,755	\$ 279	\$ 74	\$ (252)	\$	\$ 1,856

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

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

	June 30, 2022					
(In millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Assets</b>						
Cash and cash equivalents	\$ 194	\$ 16	\$ 10	\$ 208	\$	<b>428</b>
Receivables, net	620	158	117	12		<b>907</b>
Receivables of variable interest entities, net	3,021					<b>3,021</b>
Receivables from affiliated companies	44	386	619	989	(2,038)	
Notes receivable from affiliated companies	62			1,065	(1,127)	
Inventory	3,003	78	85	42		<b>3,208</b>
Regulatory assets	2,563	173		98		<b>2,834</b>
Other	546	105	189	367	(44)	<b>1,163</b>
Total current assets	10,053	916	1,020	2,781	(3,209)	<b>11,561</b>
<b>Property, Plant and Equipment</b>						
Cost	141,553	14,494	7,523	2,527	(93)	<b>166,004</b>
Accumulated depreciation and amortization	(46,284)	(2,973)	(1,568)	(1,427)		<b>(52,252)</b>
Facilities to be retired, net	90	10			(1)	<b>99</b>
Net property, plant and equipment	95,359	11,531	5,955	1,100	(94)	<b>113,851</b>
<b>Other Noncurrent Assets</b>						
Goodwill	17,379	1,924				<b>19,303</b>
Regulatory assets	11,634	762		467		<b>12,863</b>
Nuclear decommissioning trust funds	8,574					<b>8,574</b>
Operating lease right of use assets, net	830	14	126	252		<b>1,222</b>
Investments in equity method unconsolidated affiliates	99	227	513	144		<b>983</b>
Investment in consolidated subsidiaries	605	3	(7)	67,803	(68,404)	
Other	2,236	379	282	2,796	(1,667)	<b>4,026</b>
Total other noncurrent assets	41,357	3,309	914	71,462	(70,071)	<b>46,971</b>
<b>Total Assets</b>	<b>146,769</b>	<b>15,756</b>	<b>7,889</b>	<b>75,343</b>	<b>(73,374)</b>	<b>172,383</b>
Segment reclassifications, intercompany balances and other	(895)	(336)	(613)	(71,522)	73,366	
<b>Segment Assets</b>	<b>\$ 145,874</b>	<b>\$ 15,420</b>	<b>\$ 7,276</b>	<b>\$ 3,821</b>	<b>\$ (8)</b>	<b>\$ 172,383</b>

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

	June 30, 2022					
(In millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Liabilities</b>						
Accounts payable	\$ 2,992	\$ 353	\$ 94	\$ 532	\$	\$ 3,971
Accounts payable to affiliated companies	680	34	460	809	(1,983)	
Notes payable to affiliated companies	942	141	28	49	(1,160)	
Notes payable and commercial paper				3,875		3,875
Taxes accrued	728	44	21	(110)	(1)	682
Interest accrued	379	48	3	124		554
Current maturities of long term debt	1,532		285	1,359	(5)	3,171
Asset retirement obligations	649					649
Regulatory liabilities	1,265	118				1,383
Other	1,576	133	95	519	(64)	2,259
Total current liabilities	10,743	871	986	7,157	(3,213)	16,544
<b>Long-Term Debt</b>	39,154	4,138	1,255	18,689	(89)	63,147
<b>Long-Term Debt Payable to Affiliated Companies</b>	1,659	7			(1,666)	
<b>Other Noncurrent Liabilities</b>						
Deferred income taxes	10,898	1,142	(556)	(1,536)		9,948
Asset retirement obligations	11,825	77	178			12,080
Regulatory liabilities	13,167	1,323		29		14,519
Operating lease liabilities	735	12	131	161		1,039
Accrued pension and other post retirement benefit costs	250	36	(30)	543		799
Investment tax credits	853	2				855
Other	825	297	427	509	(190)	1,868
Total other noncurrent liabilities	38,553	2,889	150	(294)	(190)	41,108
<b>Equity</b>						
Total Duke Energy Corporation stockholders' equity	56,238	7,848	4,062	49,788	(68,216)	49,720
Noncontrolling interests	422	3	1,436	3		1,864
Total equity	56,660	7,851	5,498	49,791	(68,216)	51,584
<b>Total Liabilities and Equity</b>	146,769	15,756	7,889	75,343	(73,374)	172,383
Segment reassessments, intercompany balances and other	(895)	(336)	(613)	(71,522)	73,366	
<b>Segment Liabilities and Equity</b>	\$ 145,874	\$ 15,420	\$ 7,276	\$ 3,821	\$ (8)	\$ 172,383

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

(In millions)	Three Months Ended June 30, 2022						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 1,781	\$ 1,581	\$ 1,628	\$ 401	\$ 918	\$ (174)	\$ 6,135
<b>Operating Expenses</b>							
Fue used n e ectr c generat on and purchased power	431	593	665	127	359	(184)	1,991
Operat on, ma ntenance and other	463	359	239	83	180	4	1,328
Deprec at on and amort zat on	384	271	237	58	155	5	1,110
Property and other taxes	77	41	109	73	22	9	331
Impa rment of assets and other charges	(12)	4					(8)
Total operat ng expenses	1,343	1,268	1,250	341	716	(166)	4,752
<b>Gains on Sales of Other Assets and Other, net</b>			1	1		1	3
<b>Operating Income</b>	438	313	379	61	202	(7)	1,386
<b>Other Income and Expenses, net<sup>(b)</sup></b>	60	34	44	4	8	3	153
<b>Interest Expense</b>	143	90	90	22	45	1	391
<b>Income Before Income Taxes</b>	355	257	333	43	165	(5)	1,148
<b>Income Tax Expense</b>	27	37	67	6	15	6	158
<b>Less: Income Attributable to Noncontrolling Interest</b>						16	16
<b>Segment Income</b>	\$ 328	\$ 220	\$ 266	\$ 37	\$ 150	\$ (27)	\$ 974

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

(b) Includes an equity component of a allowance for funds used during construction of \$25 million for Duke Energy Carolinas, \$15 million for Duke Energy Progress, \$5 million for Duke Energy Florida, \$1 million for Duke Energy Ohio and \$3 million for Duke Energy Indiana.

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

(In millions)	Six Months Ended June 30, 2022						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 3,669	\$ 3,213	\$ 2,983	\$ 813	\$ 1,740	\$ (281)	\$ 12,137
<b>Operating Expenses</b>							
Fue used n e e c t r c g e n e r a t o n a n d p u r c h a s e d p o w e r	879	1,167	1,155	254	678	(305)	3,828
Operat on, ma n t e n a n c e a n d o t h e r	970	746	486	172	371	9	2,754
Deprec at on and amort zat on	763	577	468	113	311	9	2,241
Property and other taxes	170	90	212	149	47		668
Impa rment of assets and other charges	(9)	4			211		206
Tota operat ng expenses	2,773	2,584	2,321	688	1,618	(287)	9,697
<b>Gains on Sales of Other Assets and Other, net</b>		1	2			2	5
<b>Operating Income</b>	896	630	664	125	122	8	2,445
<b>Other Income and Expenses, net<sup>(b)</sup></b>	115	59	62	8	18	5	267
<b>Interest Expense</b>	284	175	174	43	90	1	767
<b>Income Before Income Taxes</b>	727	514	552	90	50	12	1,945
<b>Income Tax Expense (Benefit)</b>	54	72	110	12	(22)	15	241
<b>Less: Income Attributable to Noncontrolling Interest<sup>(c)</sup></b>						7	7
<b>Segment Income Attributable to Duke Energy Corporation</b>	\$ 673	\$ 442	\$ 442	\$ 78	\$ 72	\$ (10)	\$ 1,697

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

(b) Includes an equity component of a allowance for funds used during construction of \$47 million for Duke Energy Carolinas, \$22 million for Duke Energy Progress, \$10 million for Duke Energy Florida, \$3 million for Duke Energy Ohio and \$10 million for Duke Energy Indiana.

(c) Includes a noncontrolling interest in Duke Energy Indiana.

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

(In millions)	June 30, 2022						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Assets</b>							
Cash and cash equivalents	\$ 37	\$ 75	\$ 44	\$ 12	\$ 26	\$	\$ 194
Receivables, net	269	63	126	75	85	2	620
Receivables of variable interest entities, net	893	705	647			776	3,021
Receivables from affiliated companies	241	20	5	141	221	(584)	44
Notes receivable from affiliated companies		154				(92)	62
Inventory	1,033	948	478	103	441		3,003
Regulatory assets	757	621	785	29	373	(2)	2,563
Other	128	123	58	4	237	(4)	546
Total current assets	3,358	2,709	2,143	364	1,383	96	10,053
<b>Property, Plant and Equipment</b>							
Cost	53,074	37,885	24,714	7,915	17,709	256	141,553
Accumulated depreciation and amortization	(18,205)	(13,977)	(6,097)	(2,180)	(5,824)	(1)	(46,284)
Facilities to be retired, net	90						90
Net property, plant and equipment	34,959	23,908	18,617	5,735	11,885	255	95,359
<b>Other Noncurrent Assets</b>							
Goodwill				596		16,783	17,379
Regulatory assets	3,339	4,161	1,920	342	1,092	780	11,634
Nuclear decommissioning trust funds	4,729	3,374	470			1	8,574
Operating lease right of use assets, net	84	397	280	18	50	1	830
Investments in equity method unconsolidated affiliates			1			98	99
Investment in consolidated subsidiaries	56	13	3	311	1	221	605
Other	1,304	787	406	66	265	(592)	2,236
Total other noncurrent assets	9,512	8,732	3,080	1,333	1,408	17,292	41,357
<b>Total Assets</b>	<b>47,829</b>	<b>35,349</b>	<b>23,840</b>	<b>7,432</b>	<b>14,676</b>	<b>17,643</b>	<b>146,769</b>
Segment reclassifications, intercompany balances and other	(306)	(291)	(19)	(195)	240	(324)	(895)
<b>Reportable Segment Assets</b>	<b>\$ 47,523</b>	<b>\$ 35,058</b>	<b>\$ 23,821</b>	<b>\$ 7,237</b>	<b>\$ 14,916</b>	<b>\$ 17,319</b>	<b>\$ 145,874</b>

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

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

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

(In millions)	June 30, 2022						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Liabilities</b>							
Accounts payable	\$ 1,158	\$ 469	\$ 750	\$ 283	\$ 317	\$ 15	\$ 2,992
Accounts payable to affiliated companies	189	342	147	32	216	(246)	680
Notes payable to affiliated companies	29		504	193	275	(59)	942
Taxes accrued	177	115	186	159	76	15	728
Interest accrued	135	101	72	23	48		379
Current maturities of long term debt	1,018	66	327		31	90	1,532
Asset retirement obligations	254	261	1	12	122	(1)	649
Regulatory liabilities	460	342	238	46	178	1	1,265
Other	470	424	394	109	180	(1)	1,576
<b>Total current liabilities</b>	<b>3,890</b>	<b>2,120</b>	<b>2,619</b>	<b>857</b>	<b>1,443</b>	<b>(186)</b>	<b>10,743</b>
<b>Long-Term Debt</b>	<b>12,844</b>	<b>10,446</b>	<b>8,120</b>	<b>2,599</b>	<b>4,156</b>	<b>989</b>	<b>39,154</b>
<b>Long-Term Debt Payable to Affiliated Companies</b>	<b>300</b>	<b>150</b>		<b>18</b>	<b>150</b>	<b>1,041</b>	<b>1,659</b>
<b>Other Noncurrent Liabilities</b>							
Deferred income taxes	3,966	2,335	2,508	779	1,271	39	10,898
Asset retirement obligations	5,065	5,414	392	71	845	38	11,825
Regulatory liabilities	6,300	4,342	752	308	1,485	(20)	13,167
Operating lease liabilities	70	365	235	18	48	(1)	735
Accrued pension and other post retirement benefit costs	42	215	155	80	167	(409)	250
Investment tax credits	285	126	262	3	176	1	853
Other	558	101	72	53	74	(33)	825
<b>Total other noncurrent liabilities</b>	<b>16,286</b>	<b>12,898</b>	<b>4,376</b>	<b>1,312</b>	<b>4,066</b>	<b>(385)</b>	<b>38,553</b>
<b>Equity</b>							
Total Duke Energy Corporation stockholders equity	14,509	9,735	8,725	2,646	4,861	15,762	56,238
Noncontrolling interests <sup>(c)</sup>						422	422
<b>Total equity</b>	<b>14,509</b>	<b>9,735</b>	<b>8,725</b>	<b>2,646</b>	<b>4,861</b>	<b>16,184</b>	<b>56,660</b>
<b>Total Liabilities and Equity</b>	<b>47,829</b>	<b>35,349</b>	<b>23,840</b>	<b>7,432</b>	<b>14,676</b>	<b>17,643</b>	<b>146,769</b>
Segment reassessments, intercompany balances and other	(306)	(291)	(19)	(195)	240	(324)	(895)
<b>Reportable Segment Liabilities and Equity</b>	<b>\$ 47,523</b>	<b>\$ 35,058</b>	<b>\$ 23,821</b>	<b>\$ 7,237</b>	<b>\$ 14,916</b>	<b>\$ 17,319</b>	<b>\$ 145,874</b>

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

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

(In millions)	Three Months Ended June 30, 2022				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 144	\$ 310	\$	\$ (1)	\$ 453
<b>Operating Expenses</b>					
Cost of natural gas	46	143			189
Operation, maintenance and other	24	88	1		113
Depreciation and amortization	25	56		1	82
Property and other taxes	19	15		(1)	33
Total operating expenses	114	302	1		417
<b>Gains on Sales of Other Assets and Other, net</b>		4			4
<b>Operating Income (Loss)</b>	30	12	(1)	(1)	40
<b>Other Income and Expenses</b>					
Equity in earnings of unconsolidated affiliates			4		4
Other income and expenses, net	2	14		(1)	15
Total other income and expenses	2	14	4	(1)	19
<b>Interest Expense</b>	9	34		(1)	42
<b>Income (Loss) Before Income Taxes</b>	23	(8)	3	(1)	17
<b>Income Tax Expense (Benefit)</b>	4	(7)	2	(1)	(2)
<b>Segment Income (Loss)</b>	\$ 19	\$ (1)	\$ 1	\$	\$ 19

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

(b) Primarily earnings from investments in Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Neede storage facilities.

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

(In millions)	Six Months Ended June 30, 2022				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 370	\$ 1,115	\$	\$	\$ 1,485
<b>Operating Expenses</b>					
Cost of natural gas	153	517			670
Operation, maintenance and other	111	181	2	1	295
Depreciation and amortization	50	110		1	161
Property and other taxes	44	31		(1)	74
Total operating expenses	358	839	2	1	1,200
<b>Gains on Sales of Other Assets and Other, net</b>		4			4
<b>Operating Income (Loss)</b>	12	280	(2)	(1)	289
<b>Other Income and Expenses, net</b>					
Equity in earnings of unconsolidated affiliates			8		8
Other income and expenses, net	4	24			28
<b>Other Income and Expenses, net</b>	4	24	8		36
<b>Interest Expense</b>	17	66		(1)	82
<b>(Loss) Income Before Income Taxes</b>	(1)	238	6		243
<b>Income Tax (Benefit) Expense</b>	(58)	26	3	(1)	(30)
<b>Segment Income</b>	\$ 57	\$ 212	\$ 3	\$ 1	\$ 273

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

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

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

(In millions)	June 30, 2022				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Assets</b>					
Cash and cash equivalents	\$ 3	\$	\$ 12	\$ 1	\$ 16
Receivables, net	8	150			158
Receivables from affiliated companies	13	84	361	(72)	386
Inventory	10	68			78
Regulatory assets	19	154			173
Other	44	60	2	(1)	105
Total current assets	97	516	375	(72)	916
<b>Property, Plant and Equipment</b>					
Cost	4,118	10,316	61	(1)	14,494
Accumulated depreciation and amortization	(987)	(1,987)		1	(2,973)
Facilities to be retired, net		10			10
Net property, plant and equipment	3,131	8,339	61		11,531
<b>Other Noncurrent Assets</b>					
Goodwill	324	49		1,551	1,924
Regulatory assets	283	373		106	762
Operating lease right of use assets, net		14			14
Investments in equity method unconsolidated affiliates			222	5	227
Investment in consolidated subsidiaries				3	3
Other	22	324	32	1	379
Total other noncurrent assets	629	760	254	1,666	3,309
<b>Total Assets</b>	3,857	9,615	690	1,594	15,756
Segment reassessments, intercompany balances and other	42	(85)	(361)	68	(336)
<b>Reportable Segment Assets</b>	\$ 3,899	\$ 9,530	\$ 329	\$ 1,662	\$ 15,420

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

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

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

(In millions)	June 30, 2022				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Liabilities</b>					
Accounts payable	\$ 96	\$ 254	\$ 3	\$	353
Accounts payable to affiliated companies	2	67	44	(79)	34
Notes payable to affiliated companies	108	33			141
Taxes accrued	12	29	3		44
Interest accrued	9	39			48
Regulatory liabilities	29	89			118
Other	3	77	53		133
Total current liabilities	259	588	103	(79)	871
<b>Long-Term Debt</b>	619	3,363	64	92	4,138
<b>Long-Term Debt Payable to Affiliated Companies</b>	7				7
<b>Other Noncurrent Liabilities</b>					
Deferred income taxes	320	831	(9)		1,142
Asset retirement obligations	54	23			77
Regulatory liabilities	272	1,038		13	1,323
Operating lease liabilities		12			12
Accrued pension and other post retirement benefit costs	28	7		1	36
Investment tax credits	1	1			2
Other	43	202	50	2	297
Total other noncurrent liabilities	718	2,114	41	16	2,889
<b>Equity</b>					
Total Duke Energy Corporation stockholders' equity	2,254	3,550	479	1,565	7,848
Noncontrolling interests			3		3
Total equity	2,254	3,550	482	1,565	7,851
<b>Total Liabilities and Equity</b>	3,857	9,615	690	1,594	15,756
Segment reassessments, intercompany balances and other	42	(85)	(361)	68	(336)
<b>Reportable Segment Liabilities and Equity</b>	\$ 3,899	\$ 9,530	\$ 329	\$ 1,662	\$ 15,420

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

**Electric Utilities and Infrastructure**  
**Quarterly Highlights**  
**June 2022**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2022	2021	% Inc.(Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>								
Residential	19 594	18 742	4 5%	1 2%	42 623	42 511	0 3%	3 3%
General Service	18 449	17 657	4 5%	1 7%	36 502	34 965	4 4%	4 5%
Industrial	11 715	11 931	(1 8%)	1 7%	24 216	23 700	2 2%	2 9%
Other Energy Sales	143	134	6 7%	n/a	280	273	2 6%	n/a
Unbilled Sales	3 369	2 343	43 8%	n/a	3 262	261	1 149 8%	n/a
Total Retail Sales	53 270	50 807	4 8%	1 5 %	106 883	101 710	5 1%	3 6%
Wholesale and Other	11 215	9 652	16 2%		21 969	19 532	12 5%	
Total Consolidated Electric Sales Electric Utilities and Infrastructure	64 485	60 459	6 7%		128 852	121 242	6 3%	
<b>Average Number of Customers (Electric)</b>								
Residential	7 104 616	6 978 972	1 8%		7 089 954	6 963 531	1 8%	
General Service	1 038 653	1 022 668	1 6%		1 036 420	1 020 364	1 6%	
Industrial	16 348	16 454	(0 6%)		16 371	16 467	(0 6%)	
Other Energy Sales	24 409	24 305	0 4%		24 416	24 265	0 6%	
Total Retail Customers	8 184 026	8 042 399	1 8%		8 167 161	8 024 627	1 8%	
Wholesale and Other	37	38	(2 6%)		38	39	(2 6%)	
Total Average Number of Customers Electric Utilities and Infrastructure	8 184 063	8 042 437	1 8%		8 167 199	8 024 666	1 8%	
<b>Sources of Electric Energy (GWh)</b>								
Generated								
Net Output <sup>(c)</sup>								
Coal	10 231	11 028	(7 2%)		20 214	24 099	(16 1%)	
Nuclear	17 826	18 513	(3 7%)		35 993	37 485	(4 0%)	
Hydro	542	663	(18 3%)		1 132	1 626	(30 4%)	
Natural Gas and Oil	20 594	18 343	12 3%		42 796	35 927	19 1%	
Renewable Energy	706	469	50 5%		1 134	770	47 3%	
Total Generation <sup>(d)</sup>	49 899	49 016	1 8%		101 269	99 907	1 4%	
Purchased Power and Net Interchange <sup>(e)</sup>	17 866	18 745	(4 7%)		32 713	32 435	0 9%	
Total Sources of Energy	67 765	67 761	%		133 982	132 342	1 2%	
Less Line Loss and Other	3 280	7 302	(55 1%)		5 130	11 100	(53 8%)	
Total GWh Sources	64 485	60 459	6 7%		128 852	121 242	6 3%	
<b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>								
Summer					49 789	50 137		
Winter					53 015	53 545		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					94	96		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations
- (d) Generation by source is reported net of auxiliary power
- (e) Purchased power includes renewable energy purchases
- (f) Statistics reflect 100% of jointly owned stations

**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	6 308	6 069	3 9%		14 365	14 423	(0 4%)	
General Service	7 195	6 542	10 0%		14 041	13 112	7 1%	
Industrial	5 281	4 734	11 6%		10 264	9 492	8 1%	
Other Energy Sales	75	71	5 6%		152	146	4 1%	
Unbilled Sales	1 009	622	62 2%		1 244	267	365 9%	
Total Retail Sales	19 868	18 038	10 1%	5 2%	40 066	37 440	7 0%	5 0%
Wholesale and Other	2 154	2 324	(7 3%)		4 505	4 884	(7 8%)	
Total Consolidated Electric Sales Duke Energy Carolinas	22 022	20 362	8 2%		44 571	42 324	5 3%	
<b>Average Number of Customers</b>								
Residential	2 371 493	2 325 357	2 0%		2 366 535	2 319 076	2 0%	
General Service	401 994	396 990	1 3%		401 098	396 029	1 3%	
Industrial	6 059	6 060	%		6 057	6 066	(0 1%)	
Other Energy Sales	11 247	11 307	(0 5%)		11 247	11 305	(0 5%)	
Total Retail Customers	2 790 793	2 739 714	1 9%		2 784 937	2 732 476	1 9%	
Wholesale and Other	17	19	(10 5%)		17	19	(10 5%)	
Total Average Number of Customers Duke Energy Carolinas	2 790 810	2 739 733	1 9%		2 784 954	2 732 495	1 9%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	2 209	4 000	(44 8%)		4 597	8 118	(43 4%)	
Nuclear	10 099	11 692	(13 6%)		21 246	23 343	(9 0%)	
Hydro	299	393	(23 9%)		637	1 012	(37 1%)	
Natural Gas and Oil	6 066	3 923	54 6%		12 305	8 419	46 2%	
Renewable Energy	152	88	72 7%		246	155	58 7%	
Total Generation <sup>(d)</sup>	18 825	20 096	(6 3%)		39 031	41 047	(4 9%)	
Purchased Power and Net Interchange <sup>(e)</sup>	3 917	1 851	111 6%		6 923	4 010	72 6%	
Total Sources of Energy	22 742	21 947	3 6%		45 954	45 057	2 0%	
Less Line Loss and Other	720	1 585	(54 6%)		1 383	2 733	(49 4%)	
Total GWh Sources	22 022	20 362	8 2%		44 571	42 324	5 3%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					19 491	20 001		
Winter					20 350	20 877		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					94	98		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	182	225	(19 1%)		1 795	1 908	(5 9%)	
Cooling Degree Days	590	466	26 6%		600	471	27 4%	
<b>Variance from Normal</b>								
Heating Degree Days	(13 4%)	8 0%			(6 9%)	(0 9%)		
Cooling Degree Days	17 4%	(7 5%)			17 8%	(7 8%)		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations
- (d) Generation by source is reported net of auxiliary power
- (e) Purchased power includes renewable energy purchases
- (f) Statistics reflect 100% of jointly owned stations

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**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	3 964	3 796	4 4%		9 197	9 277	(0 9%)	
General Service	3 672	3 448	6 5%		7 468	6 889	8 4%	
Industrial	2 593	2 471	4 9%		5 727	4 923	16 3%	
Other Energy Sales	34	20	70 0%		46	39	17 9%	
Unbilled Sales	318	801	(60 3%)		(296)	210	(241 0%)	
Total Retail Sales	10 581	10 536	0 4%	(2 6%)	22 142	21 338	3 8%	3 1%
Wholesale and Other	6 334	5 263	20 3%		12 742	10 998	15 9%	
Total Consolidated Electric Sales Duke Energy Progress	16 915	15 799	7 1%		34 884	32 336	7 9%	
<b>Average Number of Customers</b>								
Residential	1 430 619	1 405 164	1 8%		1 427 896	1 401 904	1 9%	
General Service	249 109	242 542	2 7%		248 315	241 778	2 7%	
Industrial	3 325	3 343	(0 5%)		3 331	3 345	(0 4%)	
Other Energy Sales	2 563	2 598	(1 3%)		2 567	2 598	(1 2%)	
Total Retail Customers	1 685 616	1 653 647	1 9%		1 682 109	1 649 625	2 0%	
Wholesale and Other	8	8	%		8	8	%	
Total Average Number of Customers Duke Energy Progress	1 685 624	1 653 655	1 9%		1 682 117	1 649 633	2 0%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	1 972	663	197 4%		3 744	2 870	30 5%	
Nuclear	7 727	6 821	13 3%		14 747	14 142	4 3%	
Hydro	171	189	(9 5%)		396	469	(15 6%)	
Natural Gas and Oil	4 441	5 476	(18 9%)		11 189	10 908	2 6%	
Renewable Energy	82	78	5 1%		134	127	5 5%	
Total Generation <sup>(d)</sup>	14 393	13 227	8 8%		30 210	28 516	5 9%	
Purchased Power and Net Interchange <sup>(e)</sup>	2 978	2 932	1 6%		5 068	4 743	6 9%	
Total Sources of Energy	17 371	16 159	7 5%		35 278	33 259	6 1%	
Less Line Loss and Other	456	356	28 1%		394	923	(57 3%)	
Total GWh Sources	16 915	15 803	7 0%		34 884	32 336	7 9%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					12 464	12 468		
Winter					13 605	13 609		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					95	91		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	151	199	(24 1%)		1 604	1 747	(8 2%)	
Cooling Degree Days	677	545	24 2%		705	559	26 1%	
<b>Variance from Normal</b>								
Heating Degree Days	(15 1%)	13 5%			(8 9%)	(0 8%)		
Cooling Degree Days	22 3%	(1 9%)			24 8%	(1 3%)		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations
- (d) Generation by source is reported net of auxiliary power
- (e) Purchased power includes renewable energy purchases
- (f) Statistics reflect 100% of jointly owned stations

Duke Energy Florida  
Quarterly Highlights  
Supplemental Electric Utilities and Infrastructure Information  
June 2022

	Three Months Ended June 30,				Six Months Ended June 30,			
	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	5 367	5 203	3 2%		9 894	9 691	2 1%	
General Service	3 891	3 739	4 1%		7 236	6 955	4 0%	
Industrial	962	852	12 9%		1 767	1 664	6 2%	
Other Energy Sales	8	5	60 0%		17	11	54 5%	
Unbilled Sales	753	525	%		1 199	123	874 8%	
Total Retail Sales	10 981	10 324	6 4%	3 1%	20 113	18 444	9 0%	6 8%
Wholesale and Other	1 359	870	56 2%		2 129	1 304	63 3%	
Total Electric Sales Duke Energy Florida	12 340	11 194	10 2%		22 242	19 748	12 6%	
<b>Average Number of Customers</b>								
Residential	1 715 895	1 685 526	1 8%		1 713 661	1 681 641	1 9%	
General Service	207 626	204 877	1 3%		207 380	204 455	1 4%	
Industrial	1 881	1 948	(3 4%)		1 894	1 952	(3 0%)	
Other Energy Sales	3 751	3 781	(0 8%)		3 757	3 784	(0 7%)	
Total Retail Customers	1 929 153	1 896 132	1 7%		1 926 692	1 891 832	1 8%	
Wholesale and Other	8	6	33 3%		9	7	28 6%	
Total Average Number of Customers Duke Energy Florida	1 929 161	1 896 138	1 7%		1 926 701	1 891 839	1 8%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	1 360	1 879	(27 6%)		2 183	2 915	(25 1%)	
Natural Gas and Oil	9 179	8 203	11 9%		17 143	15 379	11 5%	
Renewable Energy	463	295	56 9%		742	479	54 9%	
Total Generation <sup>(d)</sup>	11 002	10 377	6 0%		20 068	18 773	6 9%	
Purchased Power and Net Interchange <sup>(e)</sup>	1 609	1 227	31 1%		2 214	2 064	7 3%	
Total Sources of Energy	12 611	11 604	8 7%		22 282	20 837	6 9%	
Less Line Loss and Other	271	410	(33 9%)		40	1 089	(96 3%)	
Total GWh Sources	12 340	11 194	10 2%		22 242	19 748	12 6%	
<b>Owned MW Capacity<sup>(e)</sup></b>								
Summer					10 412	10 246		
Winter					11 115	11 114		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	4	15	(73 3%)		301	310	(2 9%)	
Cooling Degree Days	1 188	1 092	8 8%		1 481	1 360	8 9%	
<b>Variance from Normal</b>								
Heating Degree Days	(55 1%)	68 5%			(19 4%)	(18 2%)		
Cooling Degree Days	12 8%	4 0%			18 1%	9 6%		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations
- (d) Generation by source is reported net of auxiliary power
- (e) Purchased power includes renewable energy purchases

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**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2022	2021	% Inc. (Dec.) (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2022	2021	% Inc. (Dec.) (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	1 964	1 829	7 4%		4 425	4 416	0 2%	
General Service	1 717	2 111	(18 7%)		3 868	4 283	(9 7%)	
Industrial	959	1 366	(29 8%)		2 255	2 701	(16 5%)	
Other Energy Sales	13	26	(50 0%)		39	52	(25 0%)	
Unbilled Sales	747	206	262 6%		644	(115)	660 0%	
Total Retail Sales	5 400	5 538	(2 5%)	(3 8%)	11 231	11 337	(0 9%)	(1 7%)
Wholesale and Other	164	200	(18 0%)		330	405	(18 5%)	
Total Electric Sales Duke Energy Ohio	5 564	5 738	(3 0%)		11 561	11 742	(1 5%)	
<b>Average Number of Customers</b>								
Residential	815 709	803 842	1 5%		812 995	803 025	1 2%	
General Service	74 631	73 732	1 2%		74 442	73 655	1 1%	
Industrial	2 419	2 431	(0 5%)		2 423	2 431	(0 3%)	
Other Energy Sales	2 840	2 623	8 3%		2 829	2 587	9 4%	
Total Retail Customers	895 599	882 628	1 5%		892 689	881 698	1 2%	
Wholesale and Other	1	1	%		1	1	%	
Total Average Number of Customers Duke Energy Ohio	895 600	882 629	1 5%		892 690	881 699	1 2%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	792	872	(9 2%)		1 690	1 838	(8 1%)	
Natural Gas and Oil	19	26	(26 9%)		24	28	(14 3%)	
Total Generation <sup>(d)</sup>	811	898	(9 7%)		1 714	1 866	(8 1%)	
Purchased Power and Net Interchange <sup>(e)</sup>	5 869	5 402	8 6%		11 698	11 183	4 6%	
Total Sources of Energy	6 680	6 300	6 0%		13 412	13 049	2 8%	
Less Line Loss and Other	1 116	562	98 6%		1 851	1 307	41 6%	
Total GWh Sources	5 564	5 738	(3 0%)		11 561	11 742	(1 5%)	
<b>Owned MW Capacity<sup>(e)</sup></b>								
Summer					1 076	1 076		
Winter					1 164	1 164		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	440	514	(14 4%)		2 959	3 014	(1 8%)	
Cooling Degree Days	411	360	14 2%		411	360	14 2%	
<b>Variance from Normal</b>								
Heating Degree Days	(0 8%)	16 4%			(1 6%)	0 5%		
Cooling Degree Days	22 9%	8 1%			21 8%	7 1%		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
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- (e) Purchased power includes renewable energy purchases



**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**June 2022**

	Three Months Ended June 30,				Six Months Ended June 30,			
	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2022	2021	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	1 991	1 845	7 9%		4 742	4 704	0 8%	
General Service	1 974	1 817	8 6%		3 889	3 726	4 4%	
Industrial	1 920	2 508	(23 4%)		4 203	4 920	(14 6%)	
Other Energy Sales	13	12	8 3%		26	25	4 0%	
Unbilled Sales	542	189	186 8%		471	(224)	310 3%	
Total Retail Sales	6 440	6 371	1 1%	(0 4%)	13 331	13 151	1 4%	0 4%
Wholesale and Other	1 204	995	21 0%		2 263	1 941	16 6%	
Total Electric Sales Duke Energy Indiana	7 644	7 366	3 8%		15 594	15 092	3 3%	
<b>Average Number of Customers</b>								
Residential	770 900	759 083	1 6%		768 867	757 885	1 4%	
General Service	105 293	104 527	0 7%		105 185	104 447	0 7%	
Industrial	2 664	2 672	(0 3%)		2 666	2 673	(0 3%)	
Other Energy Sales	4 008	3 996	0 3%		4 016	3 991	0 6%	
Total Retail Customers	882 865	870 278	1 4%		880 734	868 996	1 4%	
Wholesale and Other	3	4	(25 0%)		3	4	(25 0%)	
Total Average Number of Customers Duke Energy Indiana	882 868	870 282	1 4%		880 737	869 000	1 4%	
<b>Sources of Electric Energy (GWh)</b>								
Generated Net Output <sup>(c)</sup>								
Coal	3 898	3 614	7 9%		8 000	8 358	(4 3%)	
Hydro	72	81	(11 1%)		99	145	(31 7%)	
Natural Gas and Oil	889	715	24 3%		2 135	1 193	79 0%	
Renewable Energy	9	8	12 5%		12	9	33 3%	
Total Generation <sup>(d)</sup>	4 868	4 418	10 2%		10 246	9 705	5 6%	
Purchased Power and Net Interchange <sup>(e)</sup>	3 493	7 333	(52 4%)		6 810	10 435	(34 7%)	
Total Sources of Energy	8 361	11 751	(28 8%)		17 056	20 140	(15 3%)	
Less Line Loss and Other	717	4 385	(83 6%)		1 462	5 048	(71 0%)	
Total GWh Sources	7 644	7 366	3 8%		15 594	15 092	3 3%	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					6 346	6 346		
Winter					6 781	6 781		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	499	556	(10 3%)		3 297	3 261	1 1%	
Cooling Degree Days	417	355	17 5%		417	355	17 5%	
<b>Variance from Normal</b>								
Heating Degree Days	1 8%	13 4%			1 8%	0 7%		
Cooling Degree Days	24 4%	6 0%			23 3%	5 1%		

- (a) Except as indicated in footnote (b) represents non-weather normalized billed sales with energy delivered but not yet billed (i.e. unbilled sales) reflected as a single amount and not allocated to the respective retail classes
- (b) Represents weather-normal total retail calendar sales (i.e. billed and unbilled sales)
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## Gas Utilities and Infrastructure

## Quarterly Highlights

June 2022

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Inc. (Dec.)	2022	2021	% Inc. (Dec.)
<b>Total Sales</b>						
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup>	126 530 274	106 034 615	19 3%	306 717 375	255 661 197	20 0%
Duke Energy Midwest LDC throughput (Mcf)	16 531 986	14 842 857	11 4%	53 762 623	51 951 909	3 5%
<b>Average Number of Customers – Piedmont Natural Gas</b>						
Residential	1 039 928	1 024 921	1 5%	1 039 641	1 023 389	1 6%
Commercial	106 391	105 602	0 7%	106 628	105 829	0 8%
Industrial	957	959	(0 2%)	957	962	(0 5%)
Power Generation	19	19	%	19	19	%
Total Average Number of Gas Customers Piedmont Natural Gas	1 147 295	1 131 501	1 4%	1 147 245	1 130 199	1 5%
<b>Average Number of Customers – Duke Energy Midwest</b>						
Residential	516 973	511 276	1 1%	516 037	510 703	1 0%
General Service	42 551	34 565	23 1%	38 822	34 495	12 5%
Industrial	1 602	1 747	(8 3%)	1 618	1 748	(7 4%)
Other	103	130	(20 8%)	111	130	(14 6%)
Total Average Number of Gas Customers Duke Energy Midwest	561 229	547 718	2 5%	556 588	547 076	1 7%

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

## Commercial Renewables

## Quarterly Highlights

June 2022

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Inc. (Dec.)	2022	2021	% Inc. (Dec.)
Renewable Plant Production GWh	3 430	2 787	23 1 %	6 418	5 375	19 4 %
Net Proportional MW Capacity in Operation <sup>(a)</sup>	n/a	n/a		4 759	4 474	6 4 %

- (a) includes 100% tax equity project capacity

Duke Energy Progress, LLC  
Docket No. E-2 Sub 1300  
E1-21- Annual Reports  
For the Test Year Ending 2021

November 8, 2019

THIRD QUARTER 2019

# Duke Energy Earnings Review & Business Update

Lynn Good  
Steve Young

*Chairman, President & CEO*  
*Executive Vice President & CFO*



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## Safe Harbor statement

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

## Regulation G disclosure

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



## BUSINESS UPDATE

Lynn Good, Chairman, President & CEO

- Third quarter 2019 update
- Progress on strategic initiatives
- Legislative updates

## FINANCIAL UPDATE

Steve Young, Executive VP & CFO

- Third quarter 2019 earnings drivers
- Economic conditions and volume trends
- Regulatory updates
- Financing plan update
- Key investor considerations



TRANSFORMING THE  
**FUTURE**



**\$1.82**

REPORTED DILUTED EPS  
FOR 3Q 2019  
COMPARED TO  
\$1.51 IN 3Q 2018

**\$1.79**

ADJUSTED DILUTED EPS  
FOR 3Q 2019  
COMPARED TO  
\$1.65 IN 3Q 2018

**\$4.95 - \$5.15**

NARROWING 2019 EPS  
GUIDANCE RANGE <sup>(1)</sup>

## FINANCIAL HIGHLIGHTS<sup>(1)</sup>

- Raising the midpoint of 2019 EPS guidance range on strong year-to-date results
- EPS growth of 7% through the first three quarters
- Reaffirming 4-6% long-term growth CAGR through 2023<sup>(2)</sup>

## OPERATIONAL HIGHLIGHTS

- Well executed response to Hurricane Dorian with 95% of outages restored within 24 hours
- System performed well during recent sustained heat wave through summer and early fall
- Duke Energy named to Dow Jones Sustainability Index for 14<sup>th</sup> consecutive year
- Winner of U.S. Transparency Award by Labrador Group for utilities

(1) Based on adjusted diluted EPS

(2) Off the midpoint of the original 2019 guidance range, or \$5.00

# Working to achieve net-zero carbon emissions by 2050

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

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

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

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

## PATH TO A LOW-CARBON FUTURE



Collaborate and align with our states and stakeholders as we transform



Accelerate transition to cleaner energy solutions



Modernize our electric grid



Continue to operate existing carbon-free technologies, including nuclear and renewables



Advocate for sound public policy that advances technology and innovation

(1) From 2005 levels

(2) Achieved 31% reduction as of 2018, including a 35% reduction in the Carolinas



## ELECTRIC UTILITIES AND INFRASTRUCTURE

- Asheville combined cycle (DEP) on target for late-2019 completion (part of the \$1.1B Western Carolinas Modernization Project)
- Second renewable energy RFP in NC launched in October; expect ~1,200 MW to be procured through two RFPs
- Advancing 700 MW of solar projects in FL by 2022

## COMMERCIAL RENEWABLES

- Approximately 380 MW<sup>(1)</sup> of wind and solar projects announced in Q3, bringing YTD total to over 1,500 MWs
- Line-of-sight to substantially all of our growth prospects for 2019 & 2020; and ~70% of the five-year plan

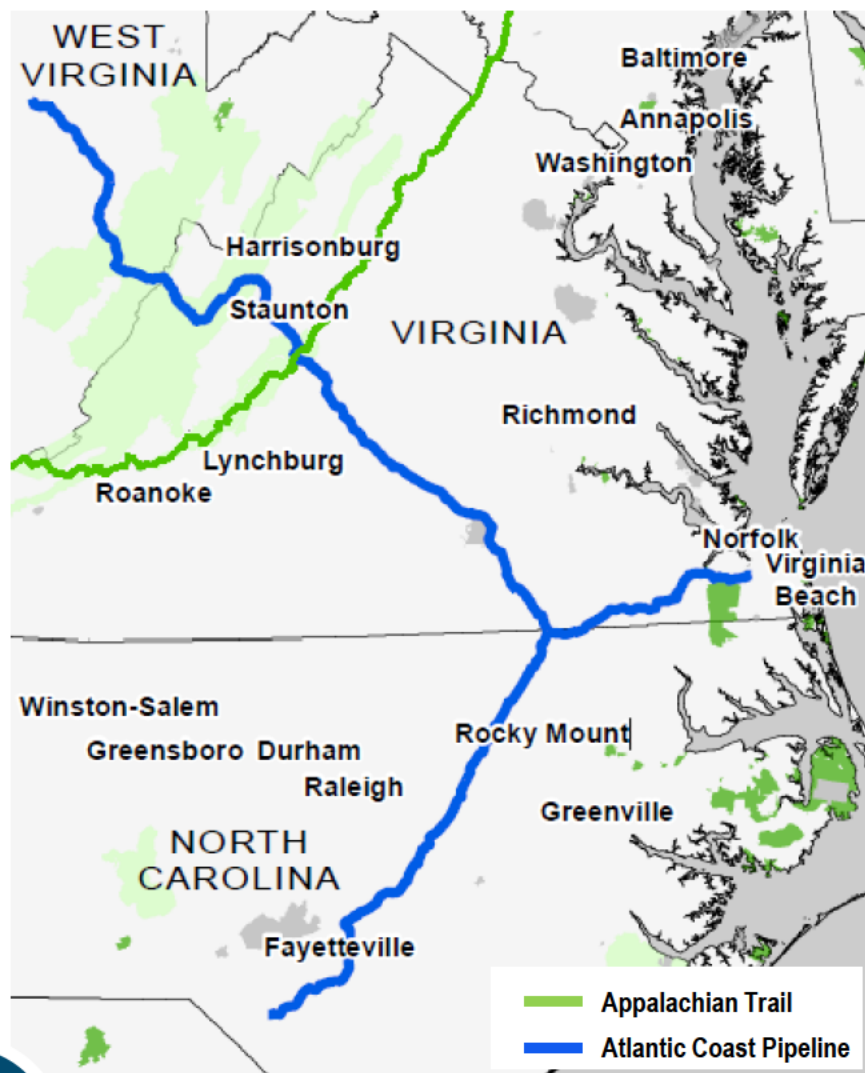
**TARGETING ≥50% REDUCTION<sup>(2)</sup> IN CO<sub>2</sub> EMISSIONS BY 2030 AND NET-ZERO BY 2050**

<sup>(1)</sup> See appendix for detailed project listing

<sup>(2)</sup> From 2005 levels







## ATLANTIC COAST PIPELINE

- SCOTUS agreed to hear appeal of the Appalachian Trail decision; DOJ and Solicitor General joined the appeal; expect decision in Q2 2020
- Work continues with Fish and Wildlife Service to resolve issues with Biological Opinion and Incidental Take Statement identified by the Fourth Circuit
  - Expect reissued permits in the first half of 2020
- Expect mechanical completion of the project in late 2021 with full in-service in the first half of 2022
  - No longer pursuing phased in-service schedule
- Estimated cost \$7.3 to \$7.8 billion<sup>(1)</sup>
- Remain confident in the project and committed to its completion

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

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



## Legislative updates

### North Carolina

- SB559 was enacted into law on Nov. 6, enabling storm cost securitization
- Provides customers with 15-20% savings on storm recovery costs
- Supports balance sheet strength
- Opportunity for progress on alternative regulatory mechanisms, including multi-year rate plans and ROE bands, in the 2020 stakeholder process related to the Governor's Clean Energy Plan
- Near-term focus remains on rate case execution



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### Ohio

- HB247 would further grid modernization, technology deployment and distributed generation
- Bill passage could provide a pathway for Ohio to be a national leader in energy infrastructure and innovation



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### Florida

- SB796, passed in June 2019, authorizes investments to further resiliency of the grid against extreme weather events
- FPSC is in the process of adopting a final rule; each Florida utility to submit Storm Protection Plans in 2020

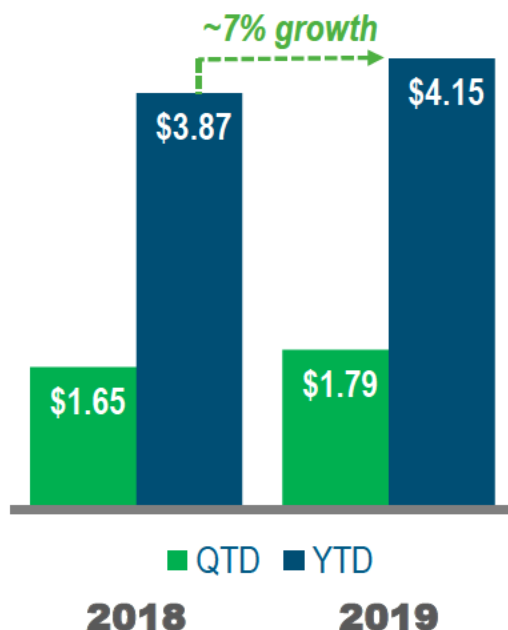


**CONTINUE TO ADVOCATE FOR SOLUTIONS THAT BENEFIT CUSTOMERS**



# 3Q 2019 adjusted diluted EPS summary and primary drivers

## ADJUSTED DILUTED EARNINGS PER SHARE



**\$4.95 - \$5.15**

NARROWING 2019 EPS  
GUIDANCE RANGE<sup>(3)</sup>

## SEGMENT RESULTS VS. PRIOR YEAR QUARTER<sup>(1)</sup>

### Electric Utilities & Infrastructure, +\$191 M (+\$0.25 per share<sup>(2)</sup>)

- ▲ Contribution from base rate changes and riders (+\$0.11 per share)
- ▲ Weather (+\$0.09 per share)
- ▲ Lower storm costs, effective management and timing of O&M expenses (+\$0.07 per share)
- ▼ Higher depreciation and amortization, primarily due to a growing asset base (-\$0.03 per share)
- ▼ Lower volumes, primarily industrial (-\$0.03 per share)

### Gas Utilities & Infrastructure, +\$8 M (+\$0.01 per share)

- ▲ Higher earnings from midstream investments

### Commercial Renewables, +\$14 M (+\$0.02 per share)

- ▲ Favorable wind resource and new growth projects

### Other, -\$84 M (-\$0.11 per share)

- ▼ Higher financing costs and timing of income tax expense

### Share Dilution (-\$0.03 per share)

(1) Detailed drivers of adjusted segment income (loss) are available in the 3Q 2019 earnings release located on our Investor Relations website at [www.duke-energy.com/investors/](http://www.duke-energy.com/investors/)

(2) Excludes share dilution of -\$0.03

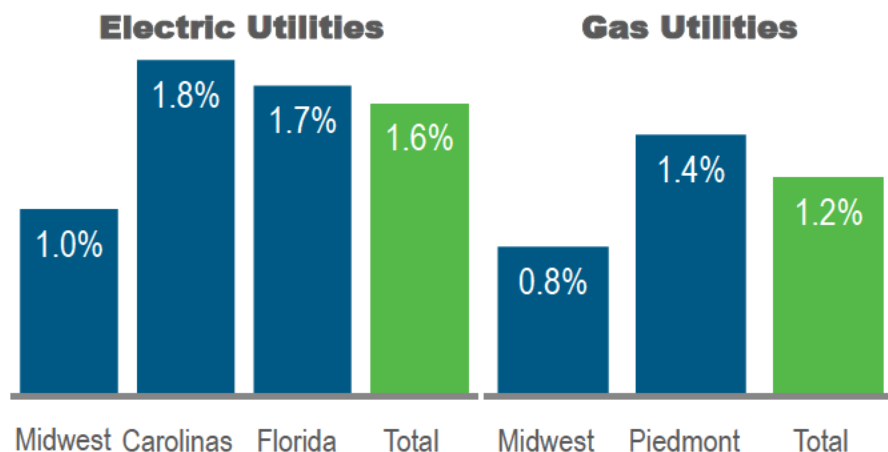
(3) Based on adjusted diluted EPS

# Customer growth and weather-normal electric volume trends

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## ANNUAL GROWTH IN NUMBER OF RESIDENTIAL CUSTOMERS



## RESIDENTIAL

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

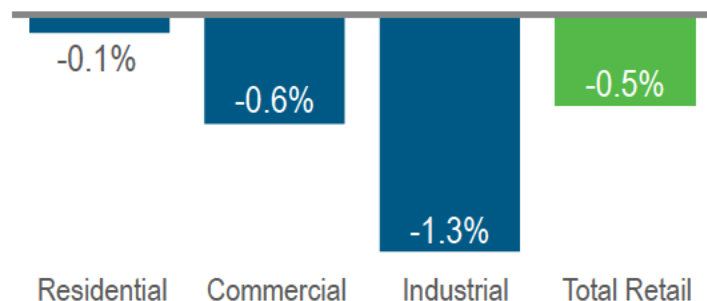
## COMMERCIAL

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

## INDUSTRIAL

- Manufacturing contractions contributed to weak volumes in the quarter
- Expect improvement as customers recover from production declines and temporary outages

## ROLLING 12-MONTH RETAIL ELECTRIC VOLUME GROWTH



**EXPECTING FLAT WEATHER-NORMAL RETAIL SALES GROWTH FOR 2019**

# Rate cases in the Carolinas support clean energy future

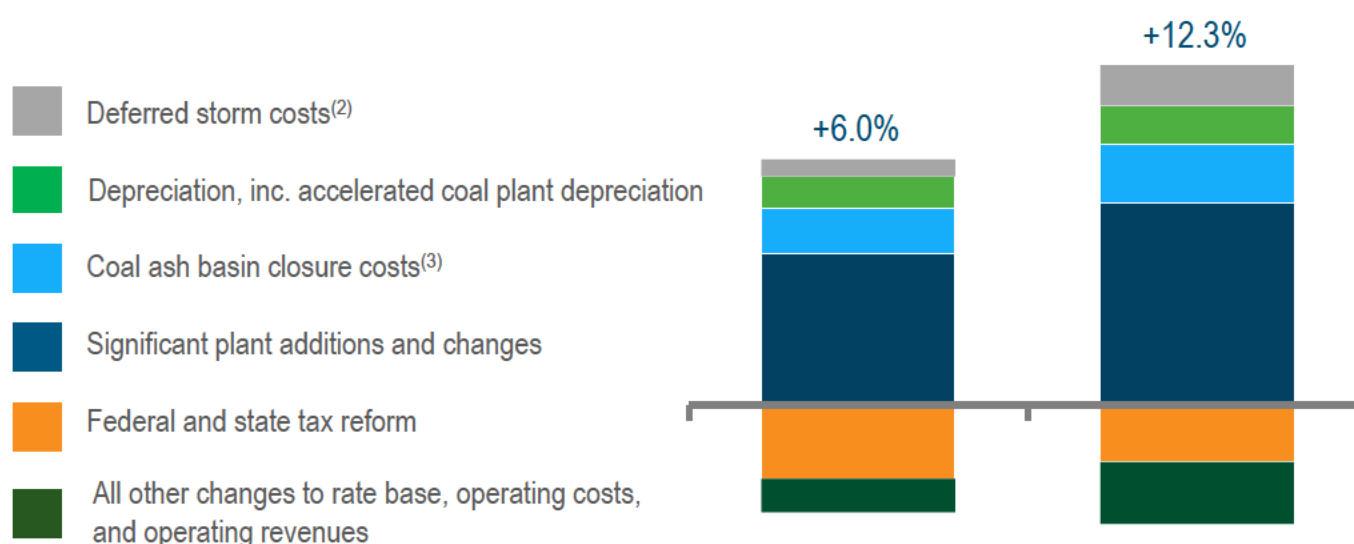
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	Duke Energy Carolinas	Duke Energy Progress
Retail revenue increase requested	\$291 M	\$464 M
Return on equity requested		10.3%
Equity component of capital structure		53%
Proposed rate base <sup>(1)</sup>	~\$15.5 B	~\$10.8 B
Rates requested to be in effect, if approved	Aug. 1, 2020	Sept. 1, 2020

**DUKE ENERGY CAROLINAS**  
**FILED CASE**  
 SEPT. 30, 2019  
**HEARINGS SCHEDULED**  
 MARCH 2020

**DUKE ENERGY PROGRESS**  
**FILED CASE**  
 OCT. 30, 2019  
**HEARINGS EXPECTED**  
 EARLY 2020



(1) As of June 30, 2019 and adjusted for known and measurable changes through Jan. 2020 (DEC) and Feb. 2020 (DEP)

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

(3) Coal ash basin closure costs include recovery of costs incurred Jan. 2018 – Jan. 2020 (DEC) and Sep. 2017 – Feb. 2020 (DEP), over a five year period

### **ADDITIONAL EQUITY TO MAINTAIN BALANCE SHEET STRENGTH...**

- Expect to issue ~\$2.5 billion of equity to maintain our strong credit metrics during ACP construction
  - Enables company to address a wider range of ACP outcomes
  - Expect to issue by end of 2020 to coincide with timing of ACP spend; will be opportunistic to efficiently source equity
  - Minimal dilution to 2020 earnings
  - Dilution in 2021 and 2022 mitigated by incremental ACP earnings
- Expect common stock issuances of \$500 million per year through 2022 via DRIP/ATM programs to support \$37 billion growth capital plan
- Creates balance sheet flexibility to pursue accretive capital investment opportunities or moderate DRIP/ATM programs after 2022

### **...WITH ADDITIONAL SUPPORT FOR CASH FLOW AND CREDIT PROFILE**

- Commercial Renewables minority stake sale to John Hancock closed Sept. 2019
  - \$415 million pre-tax proceeds used to offset debt
- Expect \$1.1 billion refundable AMT credits in 2019-2022
  - ~\$575 million received in Oct. 2019 and \$275 million expected in 2020
- Preferred stock issuances of \$2 billion in 2019 at historically low rates

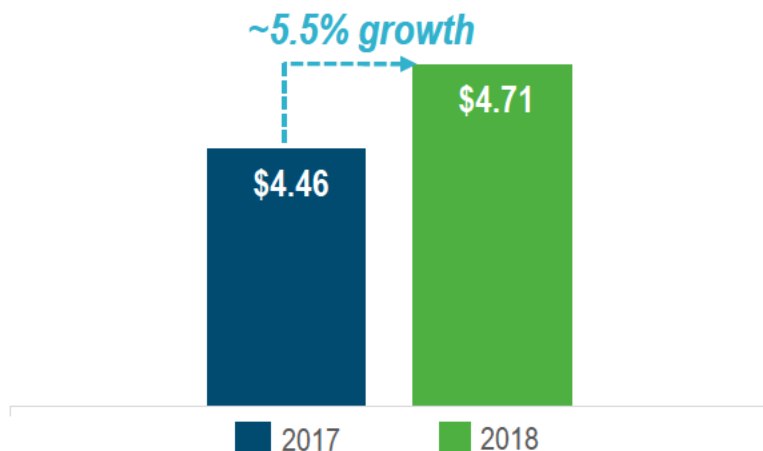
**COMMITTED TO MAINTAINING STRONG CREDIT QUALITY & INVESTMENT-GRADE RATINGS**





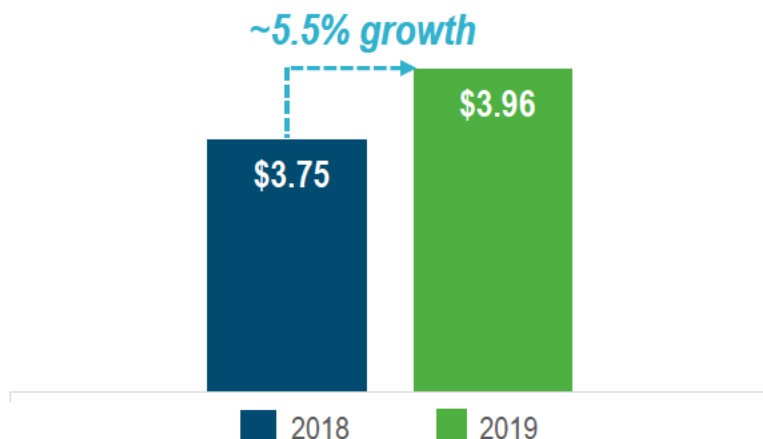
# Demonstrated ability to grow core electric and gas earnings<sup>(1)</sup>

2017-2018 Full-year Adjusted Earnings<sup>(2)</sup>



Followed by...

2018-2019 YTD Q3 Adjusted Earnings



## CORE ELECTRIC AND GAS FRANCHISES DELIVERING AT THE TOP END OF THE LONG-TERM ADJUSTED EARNINGS GROWTH RANGE SUPPORTED BY:



**\$37 BILLION GROWTH<sup>(3)</sup>  
CAPITAL PLAN  
2019-2023**

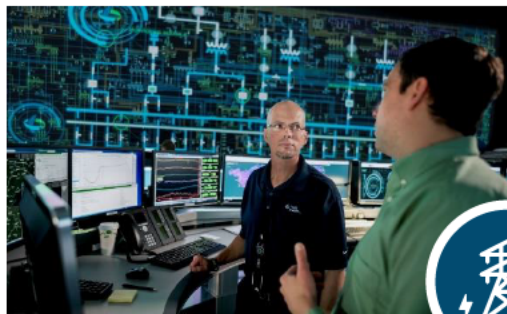


**STRONG RESIDENTIAL  
CUSTOMER GROWTH**



**O&M COST CONTROL  
AND AGILITY**

(1) Amounts include results of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Other  
(2) 2018 excludes \$0.13 related to a lower tax shield as a result of the Tax Cuts and Jobs Act of 2017  
(3) Amounts are approximately 95% core electric and gas utilities, with the remainder in Commercial Renewables



## 2020 PRIMARY GROWTH DRIVERS

*\*ALSO ENABLES EARNINGS GROWTH INTO 2021*

### Electric Utilities & Infrastructure

- Florida multi-year rate plan and Solar BRA\*
- Rate case activity to recover and earn on investments:
  - DEC/DEP SC: Q2 2019 (full year effect in 2020)
  - Indiana and Kentucky: mid-2020\*
  - DEC NC: Q3 2020\*
  - DEP NC: Q3 2020\*
- Midwest grid investment riders (DEI/DEO)\*
- Carolinas wholesale
- Load growth consistent with 0.5% long term expectation\*
- O&M cost management through digital capabilities and other solutions\*

### Gas Utilities & Infrastructure

- Atlantic Coast Pipeline\*
- Piedmont NC rate case and annual SC RSA filings
- Customer growth, integrity management investments, power generation gas infrastructure\*

**REAFFIRMING 4 - 6% EPS GROWTH THROUGH 2023<sup>(1)</sup>**

(1) Based on adjusted diluted EPS off the midpoint of the original 2019 guidance range, or \$5.00



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

## A SOLID LONG-TERM HOLDING



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

(1) As of November 6, 2019

(2) Subject to approval by the Board of Directors

(3) Total shareholder return proposition at a constant P/E ratio

(4) Based on adjusted diluted EPS off the midpoint of the original 2019 guidance range, or \$5.00

# Appendix



## ITEM

## SLIDES

Financial supplement

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Upcoming events & other

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# Financial supplement



# Key 2019 adjusted earnings guidance assumptions

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(\$ in millions)	Original 2019 Assumptions <sup>(1)</sup>	2019 YTD (thru 9/30/2019)
<b>Adjusted segment income/(expense)<sup>(2)</sup>:</b>		
Electric Utilities & Infrastructure	\$3,480	\$2,925
Gas Utilities & Infrastructure	\$375	\$292
Commercial Renewables	\$230	\$139
Other	(\$440)	(\$328)
Duke Energy Consolidated	\$3,645	\$3,028
<b>Additional consolidated information:</b>		
Interest expense	\$2,238	\$1,657
Effective tax rate including noncontrolling interest and preferred dividends and excluding special items	12-14%	12.1%
Debt AFUDC and capitalized interest	\$151	\$115
AFUDC equity	\$168	\$99
Capital expenditures <sup>(3)(4)</sup>	\$11,100	\$8,840
Weighted-average shares outstanding	~729 million	~728 million

(1) Full year amounts for 2019, as disclosed on Feb. 14, 2019

(2) Adjusted net income for 2019 assumptions is based upon the midpoint of the original adjusted diluted EPS guidance range of \$4.80 to \$5.20

(3) Includes debt AFUDC and capitalized interest, except for ACP

(4) 2019 YTD (thru 9/30/2019) includes ~\$560 million of coal ash closure spend that was included in operating cash flows and ~\$120 million funded under the ACP revolving credit facility; excludes tax equity funding of commercial renewables projects of ~\$190 million. 2019 Assumptions include ~\$850 million of projected coal ash closure spend and \$220 million projected to be funded under the ACP revolving credit facility

## Key 2019 earnings sensitivities

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Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.49
	\$1 billion change in rate base	+/- \$0.07
	1% change in volumes	+/- \$0.13
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.06
	\$200 million change in rate base	+/- \$0.01
	1% change in number of new customers	+/- \$0.01
Consolidated	1% change in interest rates <sup>(1)</sup>	+/- \$0.07

Note: EPS amounts based on forecasted 2019 share count of ~729 million shares

(1) Based on average variable-rate debt outstanding throughout the year

# Electric utilities quarterly weather impacts

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Weather segment income to normal:	2019			2018		
	Pretax impact	Weighted avg. diluted shares	EPS impact favorable / (unfavorable)	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)
First Quarter	(\$55)	727	(\$0.06)	\$10	701	\$0.01
Second Quarter	\$80	728	\$0.08	\$90	704	\$0.10
Third Quarter <sup>(1)</sup>	\$145	729	\$0.15	\$55	714	\$0.05
Fourth Quarter				\$60	716	\$0.06
Year-to-Date <sup>(1)(2)</sup>	\$170	728	\$0.17	\$215	708	\$0.22

3Q 2019	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	-	-	-	-	-	-	-	-	-	-
Cooling degree days / Variance from normal	1,205	21.8%	1,233	16.2%	1,545	4.0%	930	24.6%	1,026	36%

3Q 2018	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	-	-	-	-	-	-	37	(43.5%)	29	(48.0%)
Cooling degree days / Variance from normal	1,136	14.5%	1,217	15.6%	1,517	2.1%	896	20.0%	910	20.4%

(1) 2018 includes an unfavorable ~\$15 million or \$0.01/share impact from Hurricane Florence

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

# Update on our regulatory activity

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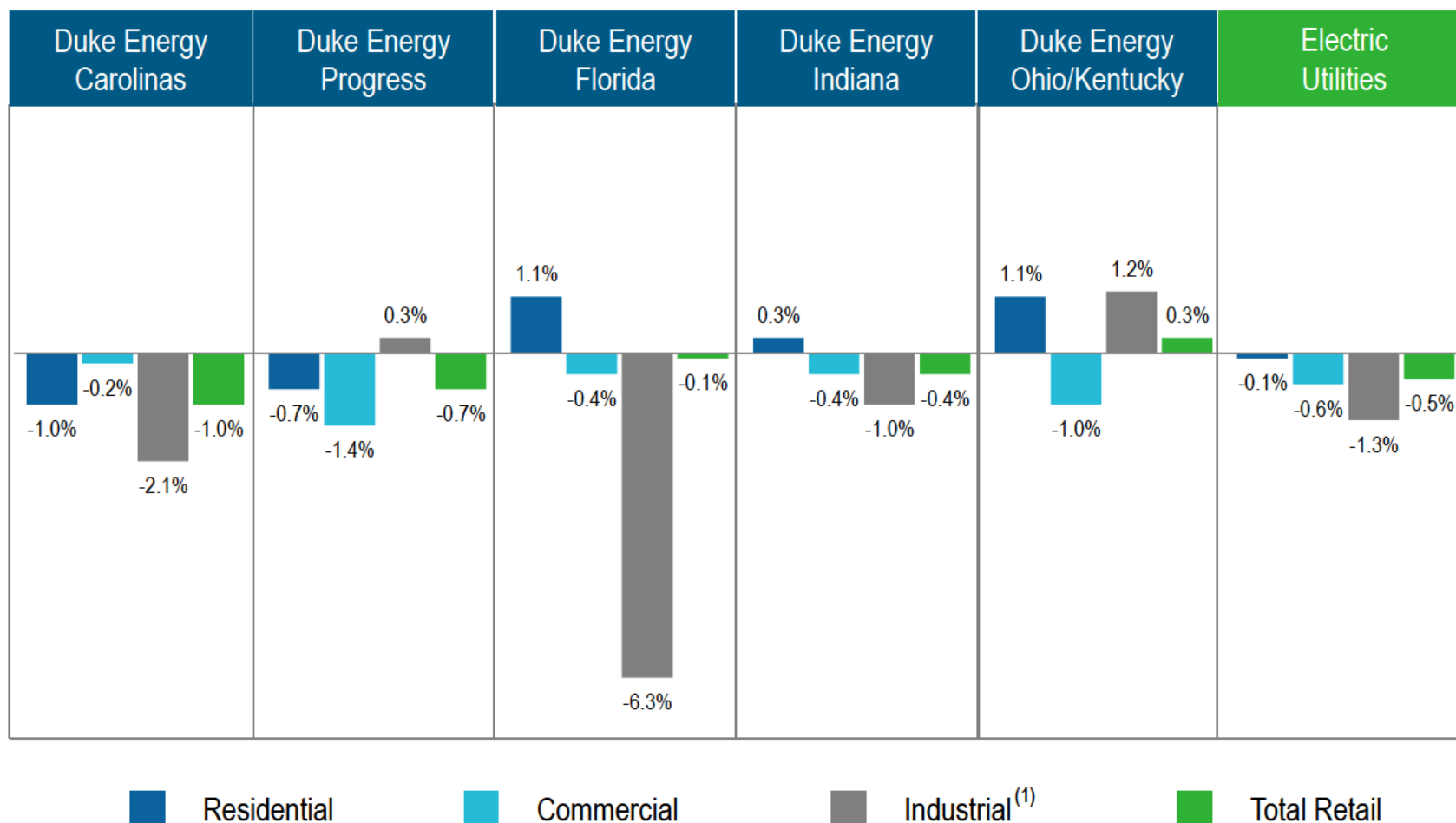
Oct 06 2022

	FILING TYPE	DOCKET NO.	STATUS	KEY DRIVERS
DUKE ENERGY <b>CAROLINAS</b>	NC Base Rate Case filed Sep. 30, '19	E-7 Sub 1214	<ul style="list-style-type: none"> <li>Hearings scheduled Mar. '20</li> <li>Requested new rates effective Aug. '20</li> </ul>	<ul style="list-style-type: none"> <li>ROE 10.3%; 53% equity cap. structure</li> <li>Grid investments, including AMI</li> <li>Dual fuel plant upgrades</li> <li>Accelerated depreciation for coal plants</li> <li>Coal ash and storm costs<sup>(1)</sup></li> </ul>
DUKE ENERGY <b>PROGRESS</b>	NC Base Rate Case filed Oct. 30, '19	E-2 Sub 1219	<ul style="list-style-type: none"> <li>Hearings expected early '20</li> <li>Requested new rates effective Sep. '20</li> </ul>	<ul style="list-style-type: none"> <li>ROE 10.3%; 53% equity cap. structure</li> <li>Grid investments, including AMI</li> <li>Western Carolinas Modernization Project</li> <li>Nuclear plant investments</li> <li>Accelerated depreciation for coal plants</li> <li>Coal ash and storm costs<sup>(1)</sup></li> </ul>
DUKE ENERGY <b>PIEDMONT NATURAL GAS</b>	NC Base Rate Case	G-9 Sub 743	<ul style="list-style-type: none"> <li>NCUC approved settlement agreement on Oct. 31, '19</li> <li>Rates effective Nov. 1, '19</li> </ul>	<ul style="list-style-type: none"> <li>ROE 9.7%; 52% equity cap. structure</li> </ul>
	SC Rate Stabilization Act ("RSA")	2019-7-G	<ul style="list-style-type: none"> <li>PSCSC approved Oct. '19</li> <li>Rates effective Nov. '19</li> </ul>	<ul style="list-style-type: none"> <li>ROE 9.9%; 55% equity cap. structure</li> </ul>
DUKE ENERGY <b>INDIANA</b>	Base Rate Case filed July 2, '19	No. 45253	<ul style="list-style-type: none"> <li>Hearings expected 1Q '20</li> <li>Requested new rates effective mid-'20</li> </ul>	<ul style="list-style-type: none"> <li>ROE 10.4%; 53% equity cap. structure</li> <li>Grid investments</li> <li>Accelerated depreciation for coal plants</li> <li>Coal ash costs</li> <li>Includes modernized regulatory mechanisms</li> </ul>
DUKE ENERGY <b>KENTUCKY</b>	Base Rate Case filed Sep. 3, '19	2019-00271	<ul style="list-style-type: none"> <li>Hearings expected 1Q '20</li> <li>Requested new rates effective Q2 '20</li> </ul>	<ul style="list-style-type: none"> <li>ROE 9.8%; 48% equity cap. structure</li> <li>Investments in distribution system to support localized load growth and dual fuel capability</li> </ul>

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

# Weather normalized volume trends, by electric jurisdiction

Rolling Twelve Months, as of September 30, 2019



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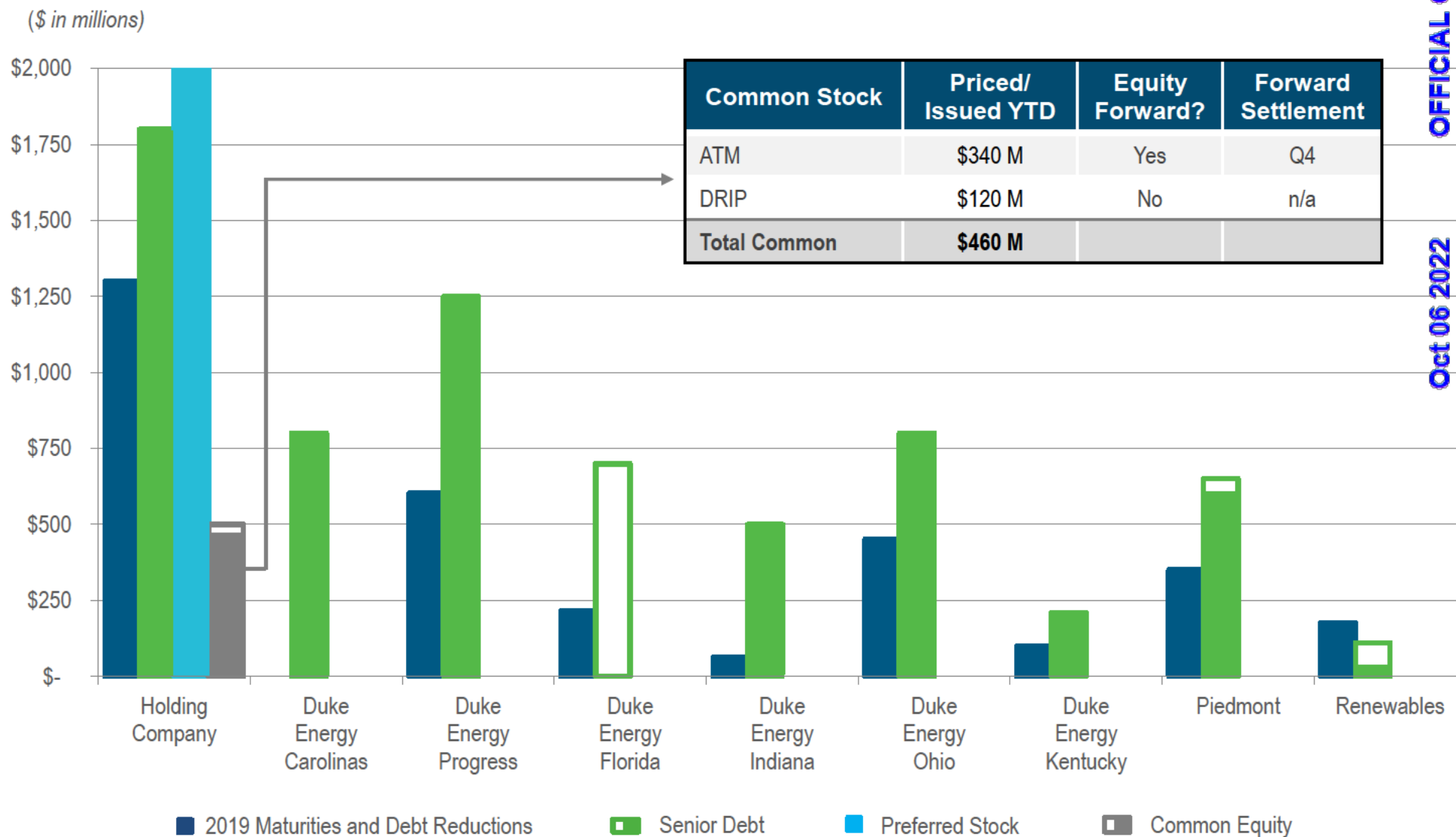
(1) Electric Utilities industrial results have been impacted by production interruptions at a couple of large customers



## 2019 financing plan as of September 30, 2019 <sup>(1)</sup>

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(1) Represents progress made toward the expected long-term debt, preferred stock and common equity capital raising during 2019

## 2019 long-term debt and preferred stock financing activity as of September 30, 2019

Amount (\$ in millions)	Entity	Date Issued	Credit Ratings (M/S&P/F, unless otherwise noted)	Term	Type	Rate
\$400	DE Ohio	January 2019	A2/A	10-Year	First Mortgage Bond	Fixed – 3.65%
\$400	DE Ohio	January 2019	A2/A	30-Year	First Mortgage Bond	Fixed – 4.30%
\$650	DE Progress	Jan. & Feb. 2019	A2/A- <sup>(1)</sup>	2-Year	Term Loan	Floating
\$600	DE Progress	March 2019	Aa3/A	10-year	First Mortgage Bond	Fixed – 3.45%
\$300	DE Corp.	March 2019	Baa1/BBB+	3-Year	Senior Unsecured Notes	Fixed – 3.227%
\$300	DE Corp.	March 2019	Baa1/BBB+	3-Year	Senior Unsecured Notes	Floating
\$1,000	DE Corp.	March 2019	Baa3/BBB/BBB-	Perpetual	Preferred Stock	Fixed – 5.75%
\$600	Piedmont	May 2019	A3/A-	10-Year	Senior Unsecured Notes	Fixed – 3.50%
\$600	DE Corp.	June 2019	Baa1/BBB+/BBB+	10-Year	Senior Unsecured Notes	Fixed – 3.40%
\$600	DE Corp.	June 2019	Baa1/BBB+/BBB+	30-Year	Senior Unsecured Notes	Fixed – 4.20%
\$40	DE Kentucky	June 2019	N/A <sup>(2)</sup>	30-Year	Debentures	Fixed – 4.32%
\$75	DE Kentucky	Sept 2019	N/A <sup>(2)</sup>	10-Year	Debentures	Fixed – 3.56%
\$95	DE Kentucky	Sept 2019	N/A <sup>(2)</sup>	6-Year	Debentures	Fixed – 3.23%
\$450	DE Carolinas	August 2019	Aa2/A	10-Year	First Mortgage Bond	Fixed – 2.45%
\$350	DE Carolinas	August 2019	Aa2/A	30-Year	First Mortgage Bond	Fixed – 3.20%
\$500	DE Indiana	Sept 2019	Aa3/A	30-Year	First Mortgage Bond	Fixed – 3.25%
\$1,000	DE Corp.	Sept 2019	Baa3/BBB/BBB-	Perpetual	Preferred Stock	Fixed – 4.875%

(1) Represents the Issuer/Corporate Credit Ratings

(2) Issuance privately placed

# Liquidity summary as of September 30, 2019

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Oct 06, 2022

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility <sup>(1)</sup>	\$ 2,650	\$ 1,750	\$ 1,250	\$ 800	\$ 600	\$ 300	\$ 150	\$ 500	\$ 8,000
Less: Notes payable and commercial paper <sup>(2)</sup>	(627)	(338)	(211)	(277)	(150)	(139)	(25)	(204)	(1,971)
Coal Ash Set-Aside	-	(250)	(250)	-	-	-	-	-	(500)
Outstanding letters of credit (LOCs)	(43)	(4)	(2)	-	-	-	-	(2)	(51)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 1,980	\$ 1,158	\$ 787	\$ 523	\$ 369	\$ 161	\$ 125	\$ 294	\$ 5,397
Funded Revolver and Term Loan <sup>(3)</sup>	\$ 1,000		\$ 700						\$ 1,700
Less: Borrowings Under Credit Facilities	(500)		(700)						(1,200)
Available capacity	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Cash & short-term investments									266
<b>Total available liquidity</b>									<b>\$ 6,163</b>

Note: excludes variable denomination floating-rate demand notes, called PremierNotes. At September 30, 2019, the PremierNotes balance was \$1,019 million

(1) Master Credit Facility supports tax-exempt put bonds, LOCs and the Duke Energy commercial paper program of \$4.85 billion

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

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

## Holding Companies

	Moody's	S&P	Fitch
<b>DUKE ENERGY CORPORATION</b>	Stable	Negative	Stable
Senior Unsecured Debt	Baa1	BBB+	BBB+
Commercial Paper	P-2	A-2	F-2
<b>PROGRESS ENERGY, INC.</b>	Stable	Negative	
Senior Unsecured Debt	Baa1	BBB+	

## Operating Companies

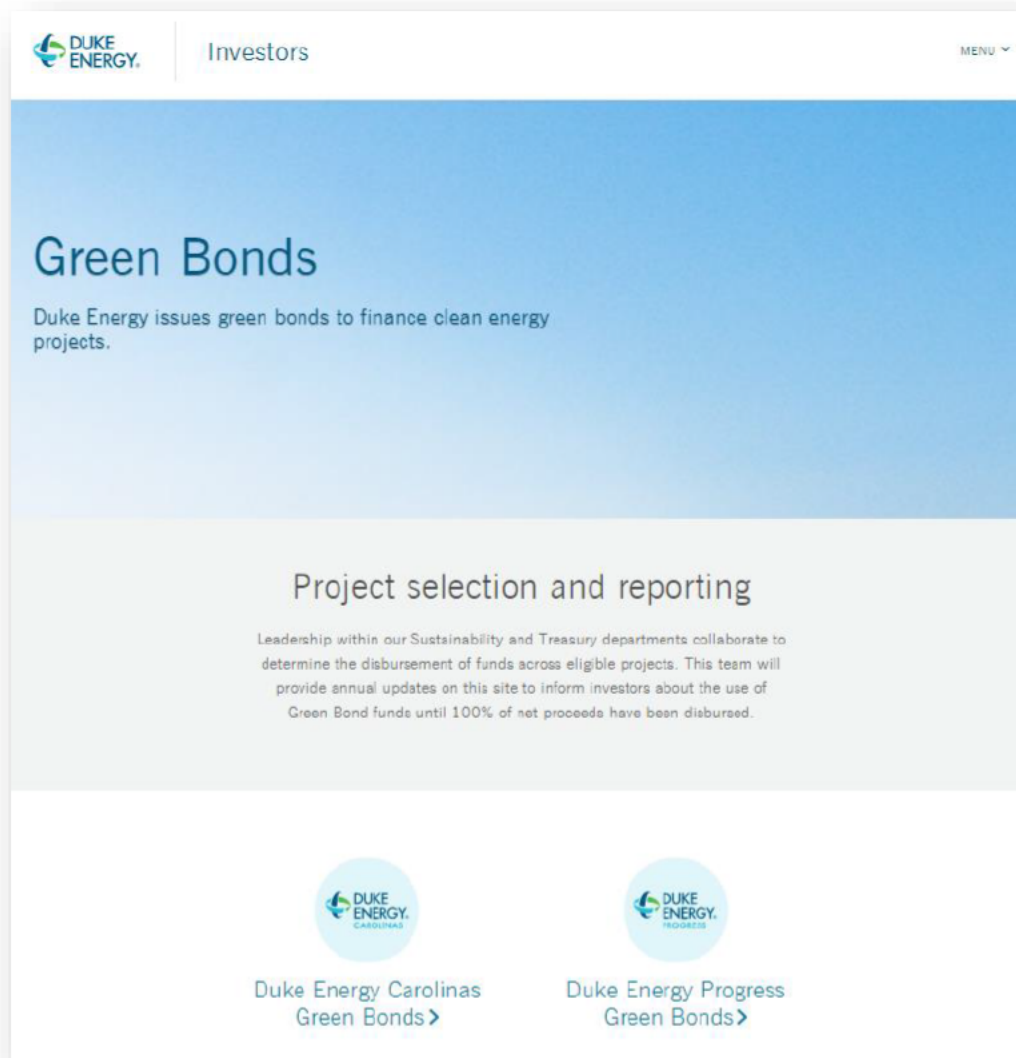
	Moody's	S&P
<b>DUKE ENERGY CAROLINAS, LLC</b>	Stable	Negative
Senior Secured Debt	Aa2	A
Senior Unsecured Debt	A1	A-
<b>DUKE ENERGY PROGRESS, LLC</b>	Stable	Negative
Senior Secured Debt	Aa3	A
<b>DUKE ENERGY FLORIDA, LLC</b>	Stable	Negative
Senior Secured Debt	A1	A
Senior Unsecured Debt	A3	A-
<b>DUKE ENERGY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

# Recently launched green bond website

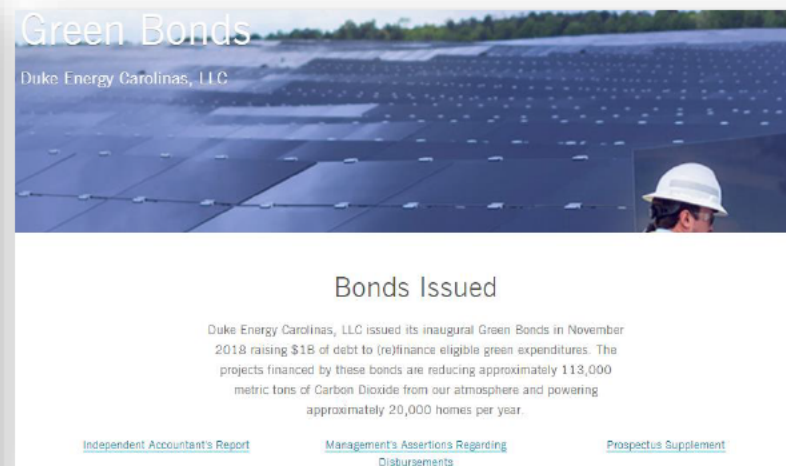
[www.duke-energy.com/our-company/investors/green-bonds](http://www.duke-energy.com/our-company/investors/green-bonds)

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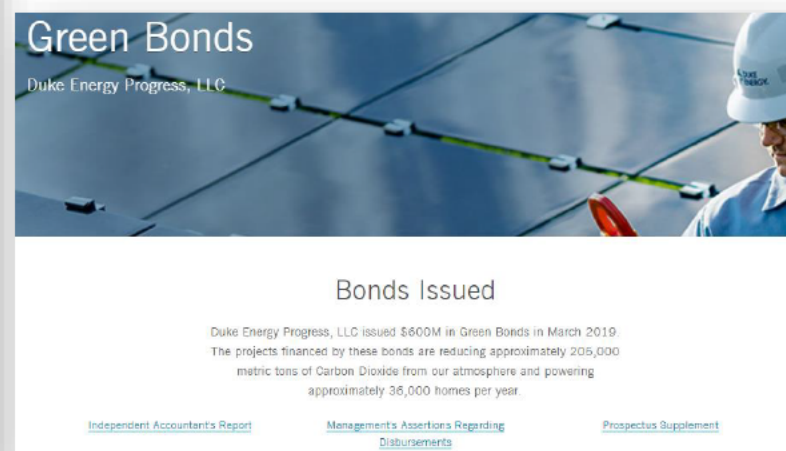
Oct 06 2022



The screenshot shows the top section of the Duke Energy Green Bonds website. At the top left is the Duke Energy logo, followed by the word "Investors" and a "MENU" dropdown. The main heading is "Green Bonds" in a large, dark blue font. Below it, a subheading reads: "Duke Energy issues green bonds to finance clean energy projects." The background is a solid light blue. Below this section, there is a white box with the heading "Project selection and reporting" and a paragraph: "Leadership within our Sustainability and Treasury departments collaborate to determine the disbursement of funds across eligible projects. This team will provide annual updates on this site to inform investors about the use of Green Bond funds until 100% of net proceeds have been disbursed." At the bottom, there are two circular icons: one for "Duke Energy Carolinas" and one for "Duke Energy Progress", each with a corresponding link: "Duke Energy Carolinas Green Bonds >" and "Duke Energy Progress Green Bonds >".



The screenshot shows the "Green Bonds" page for Duke Energy Carolinas, LLC. The header features a large image of solar panels with a worker in a hard hat. The heading "Green Bonds" is in a large, dark blue font, followed by "Duke Energy Carolinas, LLC" in a smaller font. Below this, the section "Bonds Issued" is highlighted. The text states: "Duke Energy Carolinas, LLC issued its inaugural Green Bonds in November 2018 raising \$18 of debt to (re)finance eligible green expenditures. The projects financed by these bonds are reducing approximately 113,000 metric tons of Carbon Dioxide from our atmosphere and powering approximately 20,000 homes per year." At the bottom, there are three links: "Independent Accountant's Report", "Management's Assertions Regarding Disbursements", and "Prospectus Supplement".



The screenshot shows the "Green Bonds" page for Duke Energy Progress, LLC. The header features a large image of solar panels with a worker in a hard hat. The heading "Green Bonds" is in a large, dark blue font, followed by "Duke Energy Progress, LLC" in a smaller font. Below this, the section "Bonds Issued" is highlighted. The text states: "Duke Energy Progress, LLC issued \$600M in Green Bonds in March 2019. The projects financed by these bonds are reducing approximately 205,000 metric tons of Carbon Dioxide from our atmosphere and powering approximately 36,000 homes per year." At the bottom, there are three links: "Independent Accountant's Report", "Management's Assertions Regarding Disbursements", and "Prospectus Supplement".

# Sustainability / Environmental Social and Governance (ESG)



## CARBON AND OTHER REDUCTIONS



## OTHER ESG FOCUS AREAS

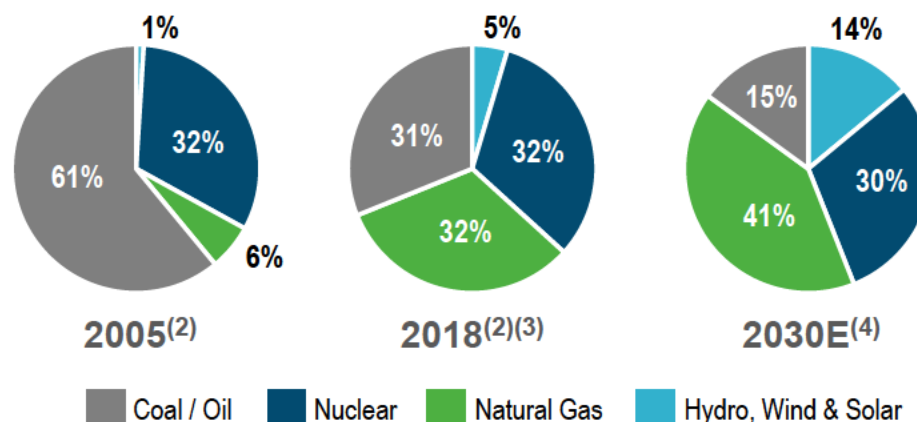


## INDUSTRY LEADING DISCLOSURE



- Targeting at least 50% reduction in carbon dioxide (CO<sub>2</sub>) emissions by 2030<sup>(1)</sup>; net-zero by mid-century
- Since 2005, decreased CO<sub>2</sub> emissions by 31%, sulfur dioxide emissions by 96% and nitrogen oxides emissions by 74%
- 49 coal units retired (~6.2 GW) since 2010
- As of year-end 2018, owned or contracted 7,100 MW of renewables
- Targeting 1 trillion gallon reduction in water withdrawals by our generation fleet by 2030 (from 5.34 trillion gallons in 2016)

## FUEL DIVERSITY (MWh OUTPUT)



(1) From 2005 levels

(2) 2005 and 2018 data based on Duke's ownership share of U.S. generation assets as of Dec. 31, 2018

(3) 2018 data excludes 8,519 GWh of purchased renewables, equivalent to ~4% of Duke's output

(4) Percentages in the 2030E pie chart not yet updated for the impact of the new climate goal announced Sept. 2019. 2030 estimate will be influenced by customer demand for electricity, weather, fuel availability and prices



## CARBON AND OTHER REDUCTIONS



## OTHER ESG FOCUS AREAS



## INDUSTRY LEADING DISCLOSURE



### SAFETY – OUR NUMBER ONE PRIORITY

- Total Incident Case Rate (TICR) of 0.43 in 2018; one of the industry leaders for 4<sup>th</sup> year in a row

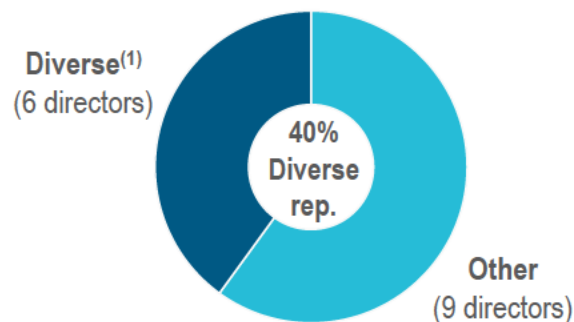
### EMPLOYEES

- Targeting a companywide engagement score of 76% by 2022
- Named one of “America’s Best Employers” by Forbes in 2019
- Named one of the “50 Best Companies for Diversity” by Black Enterprise magazine in 2018

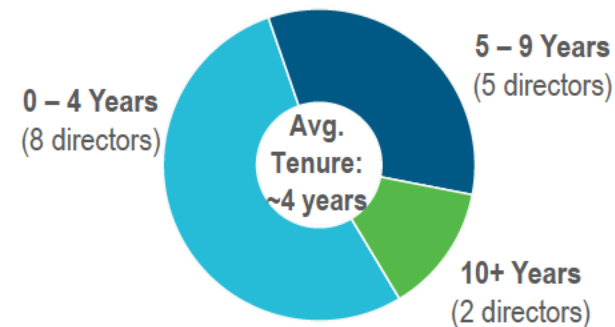
### GOVERNANCE

- Oversight of sustainability formally added to Corporate Governance Committee of the Duke Energy Board of Directors charter in 2018

### BOARD DIVERSITY



### BOARD TENURE



(1) Racial, gender and ethnic diversity



## CARBON AND OTHER REDUCTIONS



## OTHER ESG FOCUS AREAS



## INDUSTRY LEADING DISCLOSURE



- Dow Jones Sustainability Index for 14 years in a row
- Over a decade of annual Sustainability reports
- Climate Report issued in 2018 analyzes 2-degree scenario
  - Our 50% CO<sub>2</sub> reduction goal is consistent with a pathway to achieve a 2-degree target
- EEI / AGA reporting templates provide investors greater uniformity and consistency in reporting of ESG metrics
- 2019 Winner of U.S. Transparency Award by Labrador Group for utilities
- Bloomberg ESG disclosure score of 56.6, the second-best score and in the top decile of our peer U.S. utilities<sup>(1)</sup>



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

(1) As of March 29, 2019

## Other supplemental information





## TRANSFORM THE **CUSTOMER EXPERIENCE**



MODERNIZE THE  
**ENERGY GRID**



GENERATE  
**CLEANER ENERGY**



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



**STAKEHOLDER**  
ENGAGEMENT

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

# Renewables project announcements

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	Site	Megawatts				COD	Location
		Solar	Wind	Fuel Cell	Total		
Regulated:	Lake Placid	45	-	-	45	Q4 2019	FL
	Trenton	74.9	-	-	74.9	Q4 2019	FL
	DeBary	74.5	-	-	74.5	Q1 2020	FL
	Columbia	74.9	-	-	74.9	Q1 2020	FL
	Catawba County <sup>(1)</sup>	69	-	-	69	2020	NC (DEC)
	Gaston County <sup>(1)</sup>	25	-	-	25	2020	NC (DEC)
	PPA projects <sup>(1)(2)</sup>	362	-	-	362	2020/2021	NC/SC
<b>Subtotal – Regulated</b>		<b>726</b>	<b>-</b>	<b>-</b>	<b>726</b>		
Commercial:	Cleveland County <sup>(1)</sup>	50	-	-	50	2020	NC
	Surry County <sup>(1)</sup>	23	-	-	23	2020	NC
	Cabarrus County <sup>(1)</sup>	23	-	-	23	2020	NC
	Rosamond	150	-	-	150	Q2 2019	CA
	Lapetus	100	-	-	100	Q4 2019	TX
	Palmer	60	-	-	60	Q4 2019	CO
	Holstein	200	-	-	200	2020	TX
	<b>Rambler<sup>(3)</sup></b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>2020</b>	<b>TX</b>
	Mesteno	-	200	-	200	Q4 2019	TX
	Frontier II	-	350	-	350	2020	OK
	<b>Maryneal<sup>(3)</sup></b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>180</b>	<b>2020</b>	<b>TX</b>
	Bloom Energy	-	-	37	37	2019/2020	Various
<b>Subtotal – Commercial<sup>(4)</sup></b>		<b>806</b>	<b>730</b>	<b>37</b>	<b>1,573</b>		
<b>GRAND TOTAL - announced</b>		<b>1,532</b>	<b>730</b>	<b>37</b>	<b>2,299</b>		

(1) Projects that cleared the first RFP under HB589 (552 MW in total). Dates may vary depending upon local approvals and any construction delays

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

(3) Projects announced in third quarter 2019

(4) Approximately 1/3 of capital requirement to be funded with tax equity

## NCDEQ COAL ASH ORDER

- NC DEQ issued order April 1 requiring low priority sites be fully excavated
  - Incremental cost of \$4 - 5 billion vs. cap-in-place / hybrid closure methods would be spent over decades
  - Coal ash closure costs would increase \$200 – \$400 million over 5-year plan (<1% of total capital plan)
- Company appealed the decision to the NC Office of Administrative Hearings on April 26; expect process to last well into 2020

(\$ in millions)

Category	2019 – 2023
Waste (closure)	\$2,380
All other environmental	\$400
<b>Total</b>	<b>\$2,780</b>

Coal Ash Closure Costs	Total Project Costs <sup>(1)</sup>	Spend Through 2018	2019 – 2023 Plan <sup>(1)</sup>
Duke Energy Carolinas	\$2,760	\$950	\$730
Duke Energy Progress	\$2,900	\$700	\$1,190
Duke Energy Indiana	\$930	\$150	\$425
Duke Energy Florida	\$25	--	\$5
Duke Energy Kentucky	\$75	\$15	\$30
<b>Total</b>	<b>\$6,690</b>	<b>\$1,815</b>	<b>\$2,380</b>

(1) Tables shown are as disclosed in the Fourth Quarter 2018 Earnings Review and Business Update on Feb. 14, 2019 and do not include the impact of NC DEQ's April 1, 2019 order

## Upcoming events & other



## Upcoming events

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Oct 06 2022

Event	Date
EEI Financial Conference	November 10-12, 2019
4Q 2019 Earnings Call (tentative)	February 13, 2020



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## Safe harbor statement

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to: State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process; The costs of decommissioning Crystal River Unit 3 and other nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; Costs and effects of legal and administrative proceedings, settlements, investigations and claims; Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies; Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs; Advancements in technology; Additional competition in electric and natural gas markets and continued industry consolidation; The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business; Operational interruptions to our natural gas distribution and transmission activities; The availability of adequate interstate pipeline transportation capacity and natural gas supply; The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions; Credit ratings of the Duke Energy Registrants may be different from what is expected; Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; The ability to control operation and maintenance costs; The level of creditworthiness of counterparties to transactions; Employee workforce factors, including the potential inability to attract and retain key personnel; The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; The effect of accounting pronouncements issued periodically by accounting standard-setting bodies; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; and The ability to implement our business strategy, including enhancing existing technology systems.

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



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

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Third Quarter Earnings Review & Business Update**  
**November 8, 2019**

**Adjusted Diluted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of adjusted diluted EPS for the quarter and year-to-date periods ended September 30, 2019 and 2018.

The non-GAAP financial measure, adjusted diluted EPS, represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. Reconciliations of adjusted diluted EPS for the quarter and year-to-date periods ended September 30, 2019 and 2018, to the most directly comparable GAAP measures are included herein.

Special items for the quarter and year-to-date periods ended September 30, 2019 and 2018, include the following items, which management believes do not reflect ongoing costs:

- Impairment Charges represents a reduction of a prior-year impairment at Citrus County CC, an other-than-temporary-impairment ("OTTI") of an investment in Constitution and a Commercial Renewables goodwill impairment.
- Costs to Achieve Piedmont Merger represents charges that resulted from the Piedmont acquisition.
- Regulatory and Legislative Impacts represents charges related to rate case orders, settlements or other actions of regulators or legislative bodies.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impacts of the Tax Act represents an AMT valuation allowance recognized and a true up of prior-year tax estimates related to the Tax Act.

**Adjusted Diluted EPS Guidance**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a reference to the forecasted 2019 adjusted diluted EPS guidance range of \$4.95 - \$5.25 per share, narrowed from \$4.80 - \$5.20 per share during the third quarter of 2019. The materials also reference the long-term range of annual growth of 4% - 6% through 2023 off the original midpoint of 2019 adjusted EPS guidance range of \$5.00. Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, adjusted for the per share impact of special items (as discussed above under Adjusted Diluted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income and Adjusted Other Net Loss**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2019 and 2018, and a discussion of 2019 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income and other net loss adjusted for special items (as discussed above under Adjusted Diluted EPS). When a per share impact is provided for a segment income driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure and Gas Utilities and Infrastructure, segment statutory tax rate of 23% for Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average diluted shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income and adjusted other net loss are reported segment income and other net loss, which represents segment income and other net loss from continuing operations, including any special items. A reconciliation of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2019 and 2018, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted Diluted EPS guidance.

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter and year-to-date periods ended September 30, 2019. The materials also include a discussion of the 2019 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the quarter and year-to-date periods ended September 30, 2019, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the 2019 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

## **Available Liquidity**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of September 30, 2019, to the most directly comparable GAAP measure is included herein.

## Core Electric and Gas Earnings per Share

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, reference Core Electric and Gas Earnings per Share for the year-to-date periods ended September 30, 2019 and 2018, and December 31, 2018 and 2017. The Core Electric and Gas Earnings per Share is calculated by adding Adjusted Earnings per segment, excluding the Commercial Renewables segment, and dividing by the total weighted average shares, diluted (reported and adjusted).

Core Electric and Gas Earnings per Share is a non-GAAP financial measure, as it represents reported diluted EPS adjusted for special items. Special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance (as discussed above under Adjusted Diluted EPS). The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. Reconciliations of adjusted diluted EPS for the year-to-date periods ended September 30, 2019 and 2018, and December 31, 2018 and 2017, to the most directly comparable GAAP measures are included herein.

## Non-Rider Recoverable O&M

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of Duke Energy's non-rider recoverable operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2018, 2017, 2016 and 2015 as well as the forecasted year-to-date period ended December 31, 2019. Non-rider recoverable O&M expenses are non-GAAP financial measures, as they represent reported O&M expenses adjusted for special items and expenses recovered through riders. The most directly comparable GAAP financial measure for non-rider recoverable O&M expenses is reported operating, maintenance and other expenses. A reconciliation of nonrecoverable O&M expenses for the year-to-date periods ended December 31, 2018, 2017, 2016, and 2015, as well as the forecasted year-to-date period ended December 31, 2019, to the most directly comparable GAAP measure are included here-in. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2019  
(Dollars in millions, except per-share amounts)

		<u>Special Item</u>		
	Reported Earnings	Impairment Charge	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 1,385	\$ (19) <sup>A</sup>	\$ (19)	\$ 1,366
Gas Utilities and Infrastructure	26	—	—	26
Commercial Renewables	40	—	—	40
<b>Total Reportable Segment Income</b>	<b>1,451</b>	<b>(19)</b>	<b>(19)</b>	<b>1,432</b>
Other	(124)	—	—	(124)
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 1,327</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 1,308</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 1.82</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 1.79</b>

<sup>A</sup> — Net of \$6 million tax expense. \$25 million reduction of a prior year impairment recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2019**  
(Dollars in millions, except per-share amounts)

		<u>Special Item</u>		
	<u>Reported Earnings</u>	<u>Impairment Charge</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 2,944	\$ (19) A	\$ (19)	\$ 2,925
Gas Utilities and Infrastructure	292	—	—	292
Commercial Renewables	139	—	—	139
<b>Total Reportable Segment Income</b>	<b>3,375</b>	<b>(19)</b>	<b>(19)</b>	<b>3,356</b>
Other	(328)		—	(328)
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 3,047</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 3,028</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 4.18</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 4.15</b>

A — Net of \$6 million tax expense. \$25 million reduction of a prior year impairment recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

Weighted Average Shares, Diluted (reported and adjusted) — 728 million

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2018  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Impairment Charges	Impacts of the Tax Act			
<b>SEGMENT INCOME</b>							
Electric Utilities and Infrastructure	\$ 1,167	\$	\$	\$ 8	\$	\$ 8	\$ 1,175
Gas Utilities and Infrastructure	17			1		1	18
Commercial Renewables	(62)		91	B (3)		88	26
<b>Total Reportable Segment Income</b>	<b>1,122</b>		<b>91</b>	<b>6</b>		<b>97</b>	<b>1,219</b>
Other	(44)	13	A	(9)		4	(40)
Discontinued Operations	4				(4) D	(4)	
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 1,082</b>	<b>\$ 13</b>	<b>\$ 91</b>	<b>\$ (3) C</b>	<b>\$ (4)</b>	<b>\$ 97</b>	<b>\$ 1,179</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 1.51</b>	<b>\$ 0.02</b>	<b>\$ 0.12</b>	<b>\$</b>	<b>\$</b>	<b>\$ 0.14</b>	<b>\$ 1.65</b>

**A** Net of \$3 million tax benefit. \$16 million recorded with n Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** Net of \$2 million Noncontrolling Interests. \$93 million goodwill impairment recorded with n Impairment charges on the Condensed Consolidated Statements of Operations.

**C** \$3 million tax benefit true up of prior year Tax Act estimates recorded with n Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**D** Recorded n Income (Loss) from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted)** 714 million



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2018**  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items					Discontinued Operations	Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Regulatory and Legislative Impacts	Sale of Retired Plant	Impairment Charges	Impacts of the Tax Act			
<b>SEGMENT INCOME</b>									
Electric Utilities and Infrastructure	\$ 2,492	\$	\$ 202	B \$	\$	\$ 8	\$	\$ 210	\$ 2,702
Gas Utilities and Infrastructure	161				42	D 1		43	204
Commercial Renewables	(4)				91	E (3)		88	84
<b>Total Reportable Segment Income</b>	<b>2,649</b>		<b>202</b>		<b>133</b>	<b>6</b>		<b>341</b>	<b>2,990</b>
Other	(446)	41	A	82	C	67		190	(256)
<b>Discontinued Operations</b>	<b>(1)</b>						1	G 1	
Net Income Attributable to Duke Energy Corporation	\$ 2,202	\$ 41	\$ 202	\$ 82	\$ 133	\$ 73	F \$ 1	\$ 532	\$ 2,734
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 3.11</b>	<b>\$ 0.06</b>	<b>\$ 0.29</b>	<b>\$ 0.12</b>	<b>\$ 0.19</b>	<b>\$ 0.10</b>	<b>\$</b>	<b>\$ 0.76</b>	<b>\$ 3.87</b>

**A** Net of \$12 million on tax benefit. \$53 million on recorded with Non Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** Net of \$16 million on tax benefit at Duke Energy Progress and \$47 million on tax benefit at Duke Energy Carolinas.

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

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

**C** Net of \$25 million on tax benefit. \$107 million on recorded with Gains (Losses) on Sales of Other Assets and Other, net on the Condensed Consolidated Statements of Operations.

**D** Net of \$13 million on tax benefit. \$55 million on recorded with Other Income and Expenses on the Condensed Consolidated Statements of Operations.

**E** Net of \$2 million on Noncontrolling Interests. \$93 million on goodwill impairment recorded with Impairment charges on the Condensed Consolidated Statement of Operations.

**F** \$76 million on AMT valuation allowance and \$3 million on tax benefit true up of prior year Tax Act estimates with Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**G** Recorded net Income (Loss) from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) 706 million**

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

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

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

B — Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas.

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

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

C — Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Consolidated Statements of Operations.

D — Net of \$14 million tax benefit. \$60 million recorded within Impairment Charges on Duke Energy Florida's Consolidated Statements of Operations.

E — Net of \$13 million tax benefit. \$55 million included within Other Income and Expenses on the Consolidated Statements of Operations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Three Months Ended September 30, 2019		Nine Months Ended September 30, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 1,511		\$ 3,388	
Impairment Charge	(25)		(25)	
Noncontrolling Interests	19		110	
Preferred Dividends	(15)		(27)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 1,490</u>		<u>\$ 3,446</u>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 188	12.4%	\$ 424	12.5%
Impairment Charge	(6)		(6)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 182</u>	12.2%	<u>\$ 418</u>	12.1%

	Three Months Ended September 30, 2018		Nine Months Ended September 30, 2018	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 1,230		\$ 2,640	
Costs to Achieve Piedmont Merger	16		53	
Regulatory and Legislative Impacts			265	
Sale of Retired Plant			107	
Impairment of Equity Method Investment	91		146	
Noncontrolling Interests	16		12	
<b>Pretax Income Including Noncontrolling Interests and Excluding Special Items</b>	<u>\$ 1,353</u>		<u>\$ 3,223</u>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 168	13.7%	\$ 449	17.0%
Costs to Achieve Piedmont Merger	3		12	
Regulatory and Legislative Impacts			63	
Sale of Retired Plant			25	
Impairment of Equity Method Investment			13	
Impacts of the Tax Act	3		(73)	
<b>Tax Expense Including Noncontrolling Interests and Excluding Special Items</b>	<u>\$ 174</u>	12.9%	<u>\$ 489</u>	15.2%

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of September 30, 2019**  
**(In millions)**

Cash and Cash Equivalents	\$ 379	
Less: Certain Amounts Held in Foreign Jurisdictions	(22)	
Less: Unavailable Domestic Cash	<u>(91)</u>	
	266	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,897</u>	
Total Available Liquidity (a)	<u><u>\$ 6,163</u></u>	approximately 6.2 billion

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

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

	Actual December 31, 2015	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Forecast December 31, 2019
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$5,539</b>	<b>\$6,223</b>	<b>\$5,944</b>	<b>\$6,463</b>	<b>\$6,035</b>
Impact of the Adoption of New Accounting Standards <sup>(b)</sup>	103	—	—	—	—
Adjustments:					
Costs to Achieve, Mergers <sup>(c)</sup>	(69)	(238)	(94)	(83)	—
Severance <sup>(c)</sup>	(142)	(92)	—	(187)	—
Litigation Reserve <sup>(c)</sup>	—	—	—	—	—
Ash Basin Settlement and Penalties <sup>(c)</sup>	(14)	—	—	—	—
Regulatory settlement <sup>(c)</sup>	—	—	(5)	(40)	—
Reagents Recoverable <sup>(d)</sup>	(111)	(93)	(90)	(112)	(100)
Energy Efficiency Recoverable <sup>(d)</sup>	(287)	(417)	(485)	(446)	(433)
Other Deferrals and Recoverable <sup>(d)</sup>	(93)	(233)	(246)	(477)	(452)
Margin based O&M for Commercial Businesses	(48)	(185)	(94)	(113)	(213)
Short-term incentive payments (over)/under budget	(19)	(90)	(22)	(30)	—
<b>Non-Rider Recoverable operation, maintenance and other</b>	<b>\$ 4,859</b>	<b>\$ 4,875</b>	<b>\$ 4,908</b>	<b>\$ 4,974</b>	<b>\$ 4,837</b>
<i>YoY change</i>	3%	0%	1%	1%	-3%

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

(b) Beginning January 1, 2018, Duke Energy adopted new accounting guidance for the presentation of net periodic costs related to benefit plans. Prior to this guidance, Duke Energy presented the total non-capitalized net periodic costs within Operation, maintenance and other expense. Retrospective application of this guidance required Duke Energy to reclassify the presentation of non-service cost (benefit) components of net periodic costs to Other income and expenses. In accordance with the transition guidance for the new accounting rules, Operations, maintenance and other expense has been recast for the years ended December 31, 2017 and 2016 and periods prior to January 1, 2016 have not required recasting. This adjustment reflects the historical impact of adopting the new accounting standard to the earliest periods presented (December 31, 2015).

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

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

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Nov. 8, 2019

### Duke Energy reports third quarter 2019 financial results

- **Third quarter 2019 reported EPS of \$1.82 and adjusted EPS of \$1.79 with strong results across all segments**
- **Adjusted EPS growth of 7% year to date**
- **Company raises midpoint of 2019 adjusted EPS guidance; new range of \$4.95 to \$5.15**
- **Company reaffirms long-term earnings growth target of 4% to 6%**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced third quarter 2019 reported diluted earnings per share (EPS) of \$1.82, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted diluted EPS of \$1.79. This is compared to reported and adjusted diluted EPS of \$1.51 and \$1.65, respectively, for the third quarter of 2018.

Adjusted diluted EPS excludes the impact of certain items that are included in reported diluted EPS. The difference between third quarter 2019 reported diluted EPS and adjusted diluted EPS was due to a reduction of an impairment charge originally recorded in 2018.

Higher third quarter 2019 adjusted results were primarily driven by growth from investments at electric and gas utilities, favorable weather and lower O&M expenses. These items were partially offset by higher financing costs and lower volumes.

Based upon the results through the third quarter, the company is raising the midpoint of and narrowing its 2019 adjusted diluted earnings guidance range to \$4.95 to \$5.15 per share.

"We delivered strong growth across our business segments in the third quarter and continued executing our long-term strategy to build a cleaner, smarter energy future," said Lynn Good, Duke Energy chairman, president and CEO. "We've outlined a more aggressive climate strategy, advanced important energy infrastructure projects that will enable us to provide more value for our customers and communities and reached constructive regulatory settlements with key stakeholders.

Our results give us confidence to narrow our full-year guidance, raising the midpoint into the upper half of our original range, and reaffirm our long-term growth rate of 4% to 6% through 2023 off the midpoint of our original 2019 guidance range of \$5.00."

## Business segment results

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

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

### Electric Utilities and Infrastructure

On a reported basis, Electric Utilities and Infrastructure recognized third quarter 2019 segment income of \$1,385 million, compared to \$1,167 million in the third quarter of 2018. Third quarter 2019 reported results included the reduction of an impairment charge originally recorded in 2018. This amount was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, Electric Utilities and Infrastructure recognized third quarter 2019 adjusted segment income of \$1,366 million, compared to \$1,175 million in the third quarter of 2018, an increase of \$0.25 per share, excluding share dilution of \$0.03. Higher quarterly results were primarily due to contributions from base rate changes and higher rider revenues (+\$0.11 per share), favorable weather (+\$0.09 per share) and lower O&M expenses (+\$0.07 per share).

These results were partially offset by higher depreciation and amortization on a growing asset base (-\$0.03 per share) and lower volumes (-\$0.03 per share).

### Gas Utilities and Infrastructure

On a reported and adjusted basis, Gas Utilities and Infrastructure recognized third quarter 2019 segment income of \$26 million. This is compared to reported and adjusted earnings of \$17 million and \$18 million, respectively, in the third quarter of 2018.

On an adjusted basis, this represents an increase of \$0.01 per share. Higher quarterly results were driven primarily by higher earnings from midstream investments.

### Commercial Renewables

On a reported and adjusted basis, Commercial Renewables recognized third quarter 2019 segment income of \$40 million, compared to a reported and adjusted segment (loss)/income of \$(62) million and \$26 million, respectively, in the third quarter of 2018. Third quarter 2018 reported results included an impairment charge resulting from annual goodwill testing. This amount was treated as a special item and excluded from adjusted earnings.

On an adjusted basis, this represents an increase of \$0.02 per share. Higher quarterly results were primarily impacted by favorable wind resource and growth from new projects.

### Other

Other primarily includes interest expense on holding company debt, other unallocated corporate costs and results from Duke Energy's captive insurance company.



On a reported and adjusted basis, Other recognized a third quarter 2019 net loss of \$124 million. This is compared to a reported and adjusted net loss of \$44 million and \$40 million, respectively, in the third quarter of 2018.

Lower quarterly results at Other were primarily due to higher financing costs related to funding various investments (-\$0.05 per share), as well as timing of income tax expense in 2019 compared to 2018 (-\$0.06 per share).

### **Effective Tax Rate**

Duke Energy's consolidated reported effective tax rate for the third quarter of 2019 was 12.4% compared to 13.7% in the third quarter of 2018. The decrease in the effective tax rate was primarily due to the amortization of excess deferred taxes. The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the third quarter of 2019 was 12.2% compared to 12.9% in the third quarter of 2018. The decrease was primarily due to the amortization of excess deferred taxes.

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

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

An earnings conference call for analysts is scheduled from 10 to 11 a.m. ET today to discuss third quarter 2019 financial results and other business and financial updates. The conference call will be hosted by Lynn Good, chairman, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](http://duke-energy.com/investors)) of Duke Energy's website or by dialing 888.254.3590 in the United States or 323.994.2093 outside the United States. The confirmation code is 8996655. Please call in 10 to 15 minutes prior to the scheduled start time.

A replay of the conference call will be available until 1 p.m. ET, November 18, 2019, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 8996655. An audio replay and transcript will also be available by accessing the investors section of the company's website.

## Special Items and Non-GAAP Reconciliation

The following table presents a reconciliation of GAAP reported to adjusted diluted EPS for third quarter 2019 and 2018 financial results:

(In millions, except per-share amounts)	After-Tax Amount	3Q 2019 EPS	3Q 2018 EPS
Diluted EPS, as reported		\$ 1.82	\$ 1.51
Adjustments to reported EPS:			
<b>Third Quarter 2019</b>			
Impairment charge	(19)	(0.03)	
<b>Third Quarter 2018</b>			
Goodwill impairment charge	\$ 91		0.12
Costs to achieve Piedmont merger	13		0.02
Impacts of the Tax Act	(3)		—
Discontinued Operations	(4)		—
Total adjustments		\$ (0.03)	\$ 0.14
Diluted EPS, adjusted		\$ 1.79	\$ 1.65

## Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted diluted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Adjusted earnings and adjusted diluted EPS represent income from continuing operations attributable to Duke Energy common stockholders in dollar and per share amounts, adjusted for the dollar and per-share impact of special items. The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is calculated using pretax earnings and income tax expense, both as adjusted for the impact of noncontrolling interests, preferred dividends and special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of these non-GAAP financial measures provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. Adjusted diluted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measures for adjusted earnings, adjusted diluted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items are Net Income Attributable to Duke Energy Corporation (GAAP reported earnings), Diluted EPS Attributable to Duke Energy Corporation common stockholders (GAAP reported EPS), and the reported effective tax rate, respectively.

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

- Impairment Charges represents a reduction of a prior year impairment at Citrus County CC, an other-than-temporary-impairment ("OTTI") of an investment in Constitution and a Commercial Renewables goodwill impairment.
- Costs to Achieve Piedmont Merger represents charges that resulted from the Piedmont acquisition.
- Regulatory and Legislative Impacts represents charges related to rate case orders, settlements or other actions of regulators or legislative bodies.
- Sale of Retired Plant represents the loss associated with selling Beckjord Generating Station (Beckjord), a nonregulated generating facility in Ohio.
- Impacts of the Tax Act represents an AMT valuation allowance recognized and a true up of prior year tax estimates related to the Tax Act.

Due to the forward-looking nature of any forecasted adjusted earnings guidance, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods (such as legal settlements, the impact of regulatory orders or asset impairments).

Management evaluates segment performance based on segment income and other net loss. Segment income is defined as income from continuing operations attributable to Duke Energy. Segment income includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income as a measure of historical and anticipated future segment performance. Adjusted segment income is a non-GAAP financial measure, as it is based upon segment income adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income and other net loss.

Due to the forward-looking nature of any forecasted adjusted segment income or adjusted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as the company is unable to forecast all special items, as discussed above.

Duke Energy's adjusted earnings, adjusted diluted EPS and adjusted segment income may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

## Duke Energy

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of the largest energy holding companies in the U.S. It employs 30,000 people and has an electric generating capacity of 51,000 megawatts through its regulated utilities and 3,000 megawatts through its nonregulated Duke Energy Renewables unit.

Duke Energy is transforming its customers' experience, modernizing the energy grid, generating cleaner energy and expanding natural gas infrastructure to create a smarter energy future for the people and communities it serves. The Electric Utilities and Infrastructure unit's regulated utilities serve approximately 7.7 million retail electric customers in six states - North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky. The Gas Utilities and Infrastructure unit distributes natural gas to more than 1.6 million customers in five states - North Carolina, South Carolina, Tennessee, Ohio and Kentucky. The Duke Energy Renewables unit operates wind and solar generation facilities across the U.S., as well as energy storage and microgrid projects.

Duke Energy was named to Fortune's 2019 "World's Most Admired Companies" list and Forbes' 2019 "America's Best Employers" list. More information about the company is available at [duke-energy.com](http://duke-energy.com). The [Duke Energy News Center](#) contains news releases, fact sheets, photos, videos and other materials. Duke Energy's [illumination](#) features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on [Twitter](#), [LinkedIn](#), [Instagram](#) and [Facebook](#).

## Forward-Looking Information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning Crystal River Unit 3 and other nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies;

- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values; and
- The ability to implement our business strategy, including enhancing existing technology systems.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended September 30, 2019**  
(Dollars in millions, except per-share amounts)

		<u>Special Item</u>		
	Reported Earnings	Impairment Charge	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 1,385	\$ (19) <sup>A</sup>	\$ (19)	\$ 1,366
Gas Utilities and Infrastructure	26	—	—	26
Commercial Renewables	40	—	—	40
<b>Total Reportable Segment Income</b>	<b>1,451</b>	<b>(19)</b>	<b>(19)</b>	<b>1,432</b>
Other	(124)	—	—	(124)
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 1,327</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 1,308</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 1.82</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 1.79</b>

<sup>A</sup> — Net of \$6 million tax expense. \$25 million reduction of a prior year impairment recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

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

DUKE ENERGY CORPORATION  
 REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
 Nine Months Ended September 30, 2019  
 (Dollars in millions, except per-share amounts)

		<u>Special Item</u>		
	<u>Reported Earnings</u>	<u>Impairment Charge</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 2,944	\$ (19) A	\$ (19)	\$ 2,925
Gas Utilities and Infrastructure	292	—	—	292
Commercial Renewables	139	—	—	139
<b>Total Reportable Segment Income</b>	<b>3,375</b>	<b>(19)</b>	<b>(19)</b>	<b>3,356</b>
Other	(328)		—	(328)
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 3,047</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 3,028</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 4.18</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 4.15</b>

A — Net of \$6 million tax expense. \$25 million reduction of a prior year impairment recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

Weighted Average Shares, Diluted (reported and adjusted) — 728 million

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2018  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Impairment Charges	Impacts of the Tax Act			
<b>SEGMENT INCOME</b>							
Electric Utilities and Infrastructure	\$ 1,167	\$ —	\$ —	\$ 8	\$ —	\$ 8	\$ 1,175
Gas Utilities and Infrastructure	17	—	—	1	—	1	18
Commercial Renewables	(62)	—	91	B (3)	—	88	26
<b>Total Reportable Segment Income</b>	<b>1,122</b>	<b>—</b>	<b>91</b>	<b>6</b>	<b>—</b>	<b>97</b>	<b>1,219</b>
Other	(44)	13	A —	(9)	—	4	(40)
Discontinued Operations	4	—	—	—	(4)	D (4)	—
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 1,082</b>	<b>\$ 13</b>	<b>\$ 91</b>	<b>\$ (3)</b>	<b>C \$ (4)</b>	<b>\$ 97</b>	<b>\$ 1,179</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 1.51</b>	<b>\$ 0.02</b>	<b>\$ 0.12</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 0.14</b>	<b>\$ 1.65</b>

**A** — Net of \$3 million tax benefit. \$16 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** — Net of \$2 million Noncontrolling Interests. \$93 million goodwill impairment recorded within Impairment charges on the Condensed Consolidated Statements of Operations.

**C** — \$3 million tax benefit true up of prior year Tax Act estimates recorded within Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**D** — Recorded in Income (Loss) from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) — 714 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2018**  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items					Discontinued Operations	Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Regulatory and Legislative Impacts	Sale of Retired Plant	Impairment Charges	Impacts of the Tax Act			
<b>SEGMENT INCOME</b>									
Electric Utilities and Infrastructure	\$ 2,492	\$ —	\$ 202 B	\$ —	\$ —	\$ 8	\$ —	\$ 210	\$ 2,702
Gas Utilities and Infrastructure	161	—	—	—	42 D	1	—	43	204
Commercial Renewables	(4)	—	—	—	91 E	(3)	—	88	84
<b>Total Reportable Segment Income</b>	<b>2,649</b>	<b>—</b>	<b>202</b>	<b>—</b>	<b>133</b>	<b>6</b>	<b>—</b>	<b>341</b>	<b>2,990</b>
Other	(446)	41 A	—	82 C	—	67	—	190	(256)
<b>Discontinued Operations</b>	<b>(1)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1 G</b>	<b>1</b>	<b>—</b>
Net Income Attributable to Duke Energy Corporation	\$ 2,202	\$ 41	\$ 202	\$ 82	\$ 133	\$ 73 F	\$ 1	\$ 532	\$ 2,734
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 3.11</b>	<b>\$ 0.06</b>	<b>\$ 0.29</b>	<b>\$ 0.12</b>	<b>\$ 0.19</b>	<b>\$ 0.10</b>	<b>\$ —</b>	<b>\$ 0.76</b>	<b>\$ 3.87</b>

**A** — Net of \$12 million tax benefit. \$53 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** — Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas.

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

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

**C** — Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Condensed Consolidated Statements of Operations.

**D** — Net of \$13 million tax benefit. \$55 million recorded within Other Income and Expenses on the Condensed Consolidated Statements of Operations.

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

**F** — \$76 million AMT valuation allowance and \$3 million tax benefit true up of prior year Tax Act estimates within Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**G** — Recorded in Income (Loss) from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) — 706 million**

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

	Three Months Ended September 30, 2019		Nine Months Ended September 30, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 1,511		\$ 3,388	
Impairment Charge	(25)		(25)	
Noncontrolling Interests	19		110	
Preferred Dividends	(15)		(27)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 1,490</b>		<b>\$ 3,446</b>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 188	12.4%	\$ 424	12.5%
Impairment Charge	(6)		(6)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 182</b>	<b>12.2%</b>	<b>\$ 418</b>	<b>12.1%</b>

	Three Months Ended September 30, 2018		Nine Months Ended September 30, 2018	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 1,230		\$ 2,640	
Costs to Achieve Piedmont Merger	16		53	
Regulatory and Legislative Impacts	—		265	
Sale of Retired Plant	—		107	
Impairment Charges	91		146	
Noncontrolling Interests	16		12	
<b>Pretax Income Including Noncontrolling Interests and Excluding Special Items</b>	<b>\$ 1,353</b>		<b>\$ 3,223</b>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 168	13.7%	\$ 449	17.0%
Costs to Achieve Piedmont Merger	3		12	
Regulatory and Legislative Impacts	—		63	
Sale of Retired Plant	—		25	
Impairment Charges	—		13	
Impacts of the Tax Act	3		(73)	
<b>Tax Expense Including Noncontrolling Interests and Excluding Special Items</b>	<b>\$ 174</b>	<b>12.9%</b>	<b>\$ 489</b>	<b>15.2%</b>

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

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
<b>2018 QTD Reported Earnings Per Share, Diluted</b>	<b>\$ 1.64</b>	<b>\$ 0.03</b>	<b>\$ (0.08)</b>	<b>\$ (0.08)</b>	<b>\$ 1.51</b>
Costs to Achieve Piedmont Merger	—	—	—	0.02	0.02
Impairment Charges	—	—	0.12	—	0.12
Impacts of the Tax Act	0.01	—	—	(0.01)	—
<b>2018 QTD Adjusted Earnings Per Share, Diluted</b>	<b>\$ 1.65</b>	<b>\$ 0.03</b>	<b>\$ 0.04</b>	<b>\$ (0.07)</b>	<b>\$ 1.65</b>
Weather	0.09	—	—	—	0.09
Volume	(0.03)	—	—	—	(0.03)
Pricing and Riders	0.05	—	—	—	0.05
Rate case impacts, net <sup>(a)</sup>	0.06	—	—	—	0.06
Operations and maintenance, net of recoverables <sup>(b)</sup>	0.07	—	—	—	0.07
Midstream Gas Pipelines	—	0.01	—	—	0.01
Duke Energy Renewables	—	—	0.02	—	0.02
Interest Expense	—	—	—	(0.03)	(0.03)
AFUDC Equity	(0.03)	—	—	—	(0.03)
Depreciation and amortization <sup>(c)</sup>	(0.03)	—	—	—	(0.03)
Preferred Dividends	—	—	—	(0.02)	(0.02)
Other <sup>(d)</sup>	0.07	—	—	(0.06)	0.01
Change in share count	(0.03)	—	—	—	(0.03)
<b>2019 QTD Adjusted Earnings Per Share, Diluted</b>	<b>\$ 1.87</b>	<b>\$ 0.04</b>	<b>\$ 0.06</b>	<b>\$ (0.18)</b>	<b>\$ 1.79</b>
Impairment Charge	0.03	—	—	—	0.03
<b>2019 QTD Reported Earnings Per Share, Diluted</b>	<b>\$ 1.90</b>	<b>\$ 0.04</b>	<b>\$ 0.06</b>	<b>\$ (0.18)</b>	<b>\$ 1.82</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average diluted shares outstanding increased from 714 million shares to 729 million.

- (a) Includes the net impact of the DEF GBRA, SBRA and multi-year rate plan (+\$0.04) and the Carolinas rate cases (+\$0.02), which is primarily comprised of base rate increases partially offset by higher depreciation and amortization expense.
- (b) Includes lower storm costs compared to the prior year (+\$0.04) and favorable timing of O&M expenses.
- (c) Excludes rate case impacts.
- (d) Electric Utilities and Infrastructure is primarily driven by tax optimization, levelization, general taxes (+\$0.05) and a variance for the impairment charge related to the Edwardsport settlement at Duke Energy Indiana recorded in 2018 (+\$0.03). Other is primarily due to income tax timing, lower tax optimization and a variance for one time tax benefits recorded in 2018 (-\$0.05).

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

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
<b>2018 YTD Reported Earnings Per Share, Diluted</b>	<b>\$ 3.53</b>	<b>\$ 0.23</b>	<b>\$ (0.01)</b>	<b>\$ (0.64)</b>	<b>\$ 3.11</b>
Costs to Achieve Piedmont Merger	—	—	—	0.06	0.06
Regulatory and Legislative Impacts	0.29	—	—	—	0.29
Sale of Retired Plant	—	—	—	0.12	0.12
Impairment Charges	—	0.06	0.13	—	0.19
Impacts of the Tax Act	0.01	—	—	0.09	0.10
<b>2018 YTD Adjusted Earnings Per Share, Diluted</b>	<b>\$ 3.83</b>	<b>\$ 0.29</b>	<b>\$ 0.12</b>	<b>\$ (0.37)</b>	<b>\$ 3.87</b>
Weather	0.01	—	—	—	0.01
Volume	(0.03)	—	—	—	(0.03)
Pricing and Riders	0.15	0.01	—	—	0.16
Rate case impacts, net <sup>(a)</sup>	0.16	—	—	—	0.16
Operations and maintenance, net of recoverables <sup>(b)</sup>	0.15	—	—	—	0.15
Midstream Gas Pipelines <sup>(c)</sup>	—	0.10	—	—	0.10
Duke Energy Renewables <sup>(d)</sup>	—	—	0.07	—	0.07
Interest Expense	—	—	—	(0.07)	(0.07)
AFUDC Equity	(0.05)	—	—	—	(0.05)
Depreciation and amortization <sup>(e)</sup>	(0.13)	—	—	—	(0.13)
Preferred Dividends	—	—	—	(0.04)	(0.04)
Other	0.05	—	—	0.02	0.07
Change in share count	(0.12)	—	—	—	(0.12)
<b>2019 YTD Adjusted Earnings Per Share, Diluted</b>	<b>\$ 4.02</b>	<b>\$ 0.40</b>	<b>\$ 0.19</b>	<b>\$ (0.46)</b>	<b>\$ 4.15</b>
Impairment Charge	0.03	—	—	—	0.03
<b>2019 YTD Reported Earnings Per Share, Diluted</b>	<b>\$ 4.05</b>	<b>\$ 0.40</b>	<b>\$ 0.19</b>	<b>\$ (0.46)</b>	<b>\$ 4.18</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average diluted shares outstanding increased from 706 million shares to 728 million.

- (a) Includes the net impact of the DEF GBRA, SBRA and multi-year rate plan (+\$0.07), the Carolinas rate cases (+\$0.07) and DEO and DEK rate cases (+\$0.02), which is primarily comprised of base rate increases partially offset by higher depreciation and amortization expense. In prior periods, interest expense (-\$0.03) and AFUDC equity (-\$0.03) were presented separately from rate case impacts, net; for the period presented above, these amounts are included in rate case impacts, net as they are recovered through the DEF GBRA.
- (b) Includes lower storm costs compared to the prior year (+\$0.04) and favorable timing of O&M expenses.
- (c) Primarily due to an income tax adjustment for equity method investments related to prior years.
- (d) Primarily includes the new solar tax equity project placed in service (+\$0.08).
- (e) Excludes rate case impacts.

September 2019  
QUARTERLY HIGHLIGHTS  
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
<i>(In millions, except per-share amounts and where noted)</i>				
<b>Earnings Per Share — Basic and Diluted</b>				
Income from continuing operations attributable to Duke Energy Corporation common stockholders				
Basic	\$ 1.82	\$ 1.51	\$ 4.18	\$ 3.12
Diluted	\$ 1.82	\$ 1.51	\$ 4.18	\$ 3.11
Income (Loss) from discontinued operations attributable to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ —	\$ —	\$ —	\$ —
Net income attributable to Duke Energy Corporation common stockholders				
Basic	\$ 1.82	\$ 1.51	\$ 4.18	\$ 3.12
Diluted	\$ 1.82	\$ 1.51	\$ 4.18	\$ 3.11
Weighted average shares outstanding				
Basic	729	713	728	705
Diluted	729	714	728	706
<b>INCOME (LOSS) BY BUSINESS SEGMENT</b>				
Electric Utilities and Infrastructure <sup>(a)</sup>	\$ 1,385	\$ 1,167	\$ 2,944	\$ 2,492
Gas Utilities and Infrastructure <sup>(b)</sup>	26	17	292	161
Commercial Renewables <sup>(c)</sup>	40	(62)	139	(4)
Total Reportable Segment Income	1,451	1,122	3,375	2,649
Other <sup>(d)(e)</sup>	(124)	(44)	(328)	(446)
Income (Loss) from Discontinued Operations	—	4	—	(1)
Net Income Attributable to Duke Energy Corporation	\$ 1,327	\$ 1,082	\$ 3,047	\$ 2,202
<b>CAPITALIZATION</b>				
Total Common Equity (%)			44%	43%
Total Debt (%)			56%	57%
Total Debt			\$ 60,383	\$ 56,853
Book Value Per Share			\$ 65.03	\$ 60.33
Actual Shares Outstanding			729	713
<b>CAPITAL AND INVESTMENT EXPENDITURES</b>				
Electric Utilities and Infrastructure	\$ 1,906	\$ 2,079	\$ 6,092	\$ 5,822
Gas Utilities and Infrastructure	382	358	1,129	767
Commercial Renewables	359	52	932	155
Other	81	59	202	200
Total Capital and Investment Expenditures	\$ 2,728	\$ 2,548	\$ 8,355	\$ 6,944

- (a) Includes a \$25 million (net of tax of \$6 million) reduction of a prior year impairment at Citrus County CC for the three and nine months ended September 30, 2019 and regulatory and legislative charges related to rate case orders, settlements or other actions of regulators or legislative bodies of \$202 million (net of tax of \$63 million) for the nine months ended September 30, 2018.
- (b) Includes an other-than-temporary impairment of an investment in Consolidation of \$42 million (net of tax of \$13 million) for the nine months ended September 30, 2018.
- (c) Includes an impairment of the goodwill balance of \$91 million (net of noncontrolling interests of \$2 million) for the three and nine months ended September 30, 2018.
- (d) Includes the loss associated with selling Beckjord, a non-regulated generating facility in Ohio which was retired in 2014, of \$82 million (net of tax of \$25 million) for the nine months ended September 30, 2018.
- (e) Includes an Alternative Minimum Tax valuation allowance recognized related to the Tax Act of \$76 million for the nine months ended September 30, 2018.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
<b>Operating Revenues</b>				
Regulated electric	\$ 6,515	\$ 6,216	\$ 17,223	\$ 16,678
Regulated natural gas	223	230	1,231	1,221
Nonregulated electric and other	202	182	522	507
Total operating revenues	6,940	6,628	18,976	18,406
<b>Operating Expenses</b>				
Fuel used in electric generation and purchased power	1,978	1,931	5,228	5,181
Cost of natural gas	48	58	451	460
Operation, maintenance and other	1,484	1,584	4,337	4,592
Depreciation and amortization	1,186	1,039	3,364	2,979
Property and other taxes	335	323	1,012	954
Impairment charges	(20)	124	(16)	339
Total operating expenses	5,011	5,059	14,376	14,505
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	—	10	—	(87)
<b>Operating Income</b>	1,929	1,579	4,600	3,814
<b>Other Income and Expenses</b>				
Equity in earnings of unconsolidated affiliates	50	37	137	49
Other income and expenses, net	104	131	308	327
Total other income and expenses	154	168	445	376
<b>Interest Expense</b>	572	517	1,657	1,550
<b>Income From Continuing Operations Before Income Taxes</b>	1,511	1,230	3,388	2,640
<b>Income Tax Expense From Continuing Operations</b>	188	168	424	449
<b>Income From Continuing Operations</b>	1,323	1,062	2,964	2,191
<b>Income (Loss) From Discontinued Operations, net of tax</b>	—	4	—	(1)
<b>Net Income</b>	1,323	1,066	2,964	2,190
<b>Less: Net Loss Attributable to Noncontrolling Interests</b>	(19)	(16)	(110)	(12)
<b>Less: Preferred Dividends</b>	15	—	27	—
<b>Net Income Attributable to Duke Energy Corporation</b>	\$ 1,327	\$ 1,082	\$ 3,047	\$ 2,202

**Earnings Per Share — Basic and Diluted**

Income from continuing operations attributable to Duke Energy Corporation common stockholders

Basic	\$ 1.82	\$ 1.51	\$ 4.18	\$ 3.12
Diluted	\$ 1.82	\$ 1.51	\$ 4.18	\$ 3.11

Income (Loss) from discontinued operations attributable to Duke Energy Corporation common stockholders

Basic and Diluted	\$ —	\$ —	\$ —	\$ —
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Net income attributable to Duke Energy Corporation common stockholders

Basic	\$ 1.82	\$ 1.51	\$ 4.18	\$ 3.12
Diluted	\$ 1.82	\$ 1.51	\$ 4.18	\$ 3.11

Weighted average shares outstanding

Basic	729	713	728	705
Diluted	729	714	728	706

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

(In millions)	September 30, 2019	December 31, 2018
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 379	\$ 442
Receivables (net of allowance for doubtful accounts of \$20 at 2019 and \$16 at 2018)	755	962
Receivables of VIEs (net of allowance for doubtful accounts of \$53 at 2019 and \$55 at 2018)	2,322	2,172
Inventory	3,107	3,084
Regulatory assets (includes \$52 at 2019 and 2018 related to VIEs)	1,723	2,005
Other (includes \$188 at 2019 and \$162 at 2018 related to VIEs)	1,333	1,049
Total current assets	9,619	9,714
<b>Property, Plant and Equipment</b>		
Cost	143,794	134,458
Accumulated depreciation and amortization	(45,149)	(43,126)
Generation facilities to be retired, net	267	362
Net property, plant and equipment	98,912	91,694
<b>Other Noncurrent Assets</b>		
Goodwill	19,303	19,303
Regulatory assets (includes \$1,002 at 2019 and \$1,041 at 2018 related to VIEs)	13,916	13,617
Nuclear decommissioning trust funds	7,695	6,720
Operating lease right-of-use assets, net	1,703	—
Investments in equity method unconsolidated affiliates	1,864	1,409
Other (includes \$63 at 2019 and \$261 at 2018 related to VIEs)	2,905	2,935
Total other noncurrent assets	47,386	43,984
<b>Total Assets</b>	<b>\$ 155,917</b>	<b>\$ 145,392</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 2,946	\$ 3,487
Notes payable and commercial paper	2,469	3,410
Taxes accrued	712	577
Interest accrued	559	559
Current maturities of long-term debt (includes \$231 at 2019 and \$227 at 2018 related to VIEs)	3,096	3,406
Asset retirement obligations	861	919
Regulatory liabilities	673	598
Other	2,074	2,085
Total current liabilities	13,390	15,041
<b>Long-Term Debt (includes \$4,060 at 2019 and \$3,998 at 2018 related to VIEs)</b>	<b>54,818</b>	<b>51,123</b>
<b>Other Noncurrent Liabilities</b>		
Deferred income taxes	8,776	7,806
Asset retirement obligations	11,740	9,548
Regulatory liabilities	15,202	14,834
Operating lease liabilities	1,456	—
Accrued pension and other post-retirement benefit costs	900	988
Investment tax credits	579	568
Other (includes \$218 at 2019 and \$212 at 2018 related to VIEs)	1,649	1,650
Total other noncurrent liabilities	40,302	35,394
<b>Commitments and Contingencies</b>		
<b>Equity</b>		
Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2019	973	—
Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2019	990	—
Common stock, \$0.001 par value, 2 billion shares authorized; 729 million shares outstanding at 2019 and 727 million shares outstanding at 2018	1	1
Additional paid-in capital	40,488	40,795
Retained earnings	4,139	3,113
Accumulated other comprehensive loss	(153)	(92)
Total Duke Energy Corporation stockholders' equity	46,438	43,817
Noncontrolling interests	969	17
Total equity	47,407	43,834
<b>Total Liabilities and Equity</b>	<b>\$ 155,917</b>	<b>\$ 145,392</b>



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

	Nine Months Ended September 30,	
	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 2,964	\$ 2,190
Adjustments to reconcile net income to net cash provided by operating activities	2,673	3,477
Net cash provided by operating activities	5,637	5,667
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash used in investing activities	(8,633)	(7,270)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash provided by financing activities	2,987	1,547
Net decrease in cash, cash equivalents and restricted cash	(9)	(56)
Cash, cash equivalents and restricted cash at beginning of period	591	505
Cash, cash equivalents and restricted cash at end of period	\$ 582	\$ 449

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

(In millions)	Three Months Ended September 30, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 6,577	\$ —	\$ —	\$ —	(62)	\$ 6,515
Regulated natural gas	—	246	—	—	(23)	223
Nonregulated electric and other	—	3	138	25	36	202
Total operating revenues	6,577	249	138	25	(49)	6,940
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,994	—	—	—	(16)	1,978
Cost of natural gas	—	48	—	—	—	48
Operation, maintenance and other	1,357	108	81	(30)	(32)	1,484
Depreciation and amortization	1,026	64	43	53	—	1,186
Property and other taxes	301	24	6	4	—	335
Impairment charges	(20)	—	—	—	—	(20)
Total operating expenses	4,658	244	130	27	(48)	5,011
<b>Operating Income (Loss)</b>	1,919	5	8	(2)	(1)	1,929
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	5	37	(2)	10	—	50
Other income and expenses, net	82	5	15	14	(12)	104
Total Other Income and Expenses	87	42	13	24	(12)	154
<b>Interest Expense</b>	336	29	35	185	(13)	572
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	1,670	18	(14)	(163)	—	1,511
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	285	(8)	(35)	(54)	—	188
<b>Income (Loss) from Continuing Operations</b>	1,385	26	21	(109)	—	1,323
<b>Less: Net Loss Attributable to Noncontrolling Interest</b>	—	—	(19)	—	—	(19)
<b>Less: Preferred Dividends</b>	—	—	—	15	—	15
<b>Segment Income / Other Net Loss / Net Income Attributable to Duke Energy Corporation</b>	\$ 1,385	\$ 26	\$ 40	\$ (124)	\$ —	\$ 1,327
<b>Special Items</b>	(19)	—	—	—	—	(19)
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 1,366	\$ 26	\$ 40	\$ (124)	\$ —	\$ 1,308

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

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

(In millions)	Nine Months Ended September 30, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 17,381	\$ —	\$ —	\$ —	(158)	\$ 17,223
Regulated natural gas	—	1,302	—	—	(71)	1,231
Nonregulated electric and other	—	9	362	71	80	522
Total operating revenues	17,381	1,311	362	71	(149)	18,976
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	5,286	—	—	—	(58)	5,228
Cost of natural gas	—	451	—	—	—	451
Operation, maintenance and other	3,957	325	211	(69)	(87)	4,337
Depreciation and amortization	2,924	192	123	125	—	3,364
Property and other taxes	899	84	18	10	1	1,012
Impairment charges	(16)	—	—	—	—	(16)
Total operating expenses	13,050	1,052	352	66	(144)	14,376
<b>Operating Income</b>	4,331	259	10	5	(5)	4,600
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	11	101	(4)	28	1	137
Other income and expenses, net	256	18	7	70	(43)	308
Total Other Income and Expenses	267	119	3	98	(42)	445
<b>Interest Expense</b>	1,004	86	78	536	(47)	1,657
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	3,594	292	(65)	(433)	—	3,388
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	650	—	(94)	(132)	—	424
<b>Income (Loss) from Continuing Operations</b>	2,944	292	29	(301)	—	2,964
<b>Less: Net Loss Attributable to Noncontrolling Interest<sup>(a)</sup></b>	—	—	(110)	—	—	(110)
<b>Less: Preferred Dividends</b>	—	—	—	27	—	27
<b>Segment Income / Other Net Loss / Net Income Attributable to Duke Energy Corporation</b>	\$ 2,944	\$ 292	\$ 139	\$ (328)	\$ —	\$ 3,047
<b>Special Items</b>	(19)	—	—	—	—	(19)
<b>Adjusted Earnings<sup>(b)</sup></b>	\$ 2,925	\$ 292	\$ 139	\$ (328)	\$ —	\$ 3,028

(a) Includes the allocation of losses to noncontrolling members primarily due to a new solar tax equity project being placed in service.

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

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

(In millions)	Three Months Ended September 30, 2018					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 6,260	\$ —	\$ —	\$ —	(44)	\$ 6,216
Regulated natural gas	—	254	—	—	(24)	230
Nonregulated electric and other	—	2	127	34	19	182
Total operating revenues	6,260	256	127	34	(49)	6,628
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,935	—	—	14	(18)	1,931
Cost of natural gas	—	58	—	—	—	58
Operation, maintenance and other	1,431	101	85	(8)	(25)	1,584
Depreciation and amortization	897	61	40	43	(2)	1,039
Property and other taxes	289	24	6	5	(1)	323
Impairment charges	31	—	93	—	—	124
Total operating expenses	4,583	244	224	54	(46)	5,059
<b>Gains on Sales of Other Assets and Other, net</b>	8	—	—	3	(1)	10
<b>Operating Income (Loss)</b>	1,685	12	(97)	(17)	(4)	1,579
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	1	25	(2)	14	(1)	37
Other income and expenses, net	106	4	4	26	(9)	131
Total Other Income and Expenses	107	29	2	40	(10)	168
<b>Interest Expense</b>	322	25	21	163	(14)	517
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	1,470	16	(116)	(140)	—	1,230
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	303	(1)	(37)	(98)	1	168
<b>Income (Loss) from Continuing Operations</b>	1,167	17	(79)	(42)	(1)	1,062
<b>Less: Net (Loss) Income Attributable to Noncontrolling Interest</b>	—	—	(17)	2	(1)	(16)
<b>Segment Income / Other Net Loss</b>	\$ 1,167	\$ 17	\$ (62)	\$ (44)	\$ —	\$ 1,078
<b>Income from Discontinued Operations, net of tax</b>						4
<b>Net Income Attributable to Duke Energy Corporation</b>						\$ 1,082
<b>Segment Income / Other Net Loss</b>	\$ 1,167	\$ 17	\$ (62)	\$ (44)	\$ —	\$ 1,078
<b>Special Items</b>	8	1	88	4	—	101
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 1,175	\$ 18	\$ 26	\$ (40)	\$ —	\$ 1,179

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

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

(In millions)	Nine Months Ended September 30, 2018					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 16,806	\$ —	\$ —	\$ —	(128)	\$ 16,678
Regulated natural gas	—	1,294	—	—	(73)	1,221
Nonregulated electric and other	—	7	347	101	52	507
Total operating revenues	16,806	1,301	347	101	(149)	18,406
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	5,202	—	—	43	(64)	5,181
Cost of natural gas	—	460	—	—	—	460
Operation, maintenance and other	4,151	312	209	(2)	(78)	4,592
Depreciation and amortization	2,570	182	116	113	(2)	2,979
Property and other taxes	842	81	19	13	(1)	954
Impairment charges	246	—	93	—	—	339
Total operating expenses	13,011	1,035	437	167	(145)	14,505
<b>Gains (Losses) on Sales of Other Assets and Other, net</b>	9	—	—	(96)	—	(87)
<b>Operating Income (Loss)</b>	3,804	266	(90)	(162)	(4)	3,814
<b>Other Income and Expenses</b>						
Equity in earnings of unconsolidated affiliates	5	2	—	43	(1)	49
Other income and expenses, net	281	14	22	38	(28)	327
Total Other Income and Expenses	286	16	22	81	(29)	376
<b>Interest Expense</b>	955	78	66	484	(33)	1,550
<b>Income (Loss) from Continuing Operations Before Income Taxes</b>	3,135	204	(134)	(565)	—	2,640
<b>Income Tax Expense (Benefit) from Continuing Operations</b>	643	43	(112)	(125)	—	449
<b>Income (Loss) from Continuing Operations</b>	2,492	161	(22)	(440)	—	2,191
<b>Less: Net (Loss) Income Attributable to Noncontrolling Interest</b>	—	—	(18)	6	—	(12)
<b>Segment Income / Other Net Loss</b>	\$ 2,492	\$ 161	\$ (4)	\$ (446)	\$ —	\$ 2,203
<b>Loss from Discontinued Operations, net of tax</b>						(1)
<b>Net Income Attributable to Duke Energy Corporation</b>						\$ 2,202
<b>Segment Income / Other Net Loss</b>	\$ 2,492	\$ 161	\$ (4)	\$ (446)	\$ —	\$ 2,203
<b>Special Items</b>	210	43	88	190	—	531
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 2,702	\$ 204	\$ 84	\$ (256)	\$ —	\$ 2,734

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

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

	September 30, 2019					
(In millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Assets</b>						
Cash and cash equivalents	\$ 125	\$ 3	\$ 29	\$ 223	\$ (1)	\$ 379
Receivables, net	570	62	94	29	—	755
Receivables of variable interest entities, net	2,322	—	—	—	—	2,322
Receivables from affiliated companies	53	11	1,152	556	(1,772)	—
Notes receivable from affiliated companies	142	18	—	734	(894)	—
Inventory	2,941	91	48	27	—	3,107
Regulatory assets	1,559	50	—	114	—	1,723
Other	195	122	179	854	(17)	1,333
Total current assets	7,907	357	1,502	2,537	(2,684)	9,619
<b>Property, Plant and Equipment</b>						
Cost	124,753	11,484	5,408	2,336	(187)	143,794
Accumulated depreciation and amortization	(40,454)	(2,473)	(973)	(1,260)	11	(45,149)
Generation facilities to be retired, net	267	—	—	—	—	267
Net property, plant and equipment	84,566	9,011	4,435	1,076	(176)	98,912
<b>Other Noncurrent Assets</b>						
Goodwill	17,379	1,924	—	—	—	19,303
Regulatory assets	12,719	672	—	525	—	13,916
Nuclear decommissioning trust funds	7,695	—	—	—	—	7,695
Operating lease right-of-use assets, net	1,280	25	98	301	(1)	1,703
Investments in equity method unconsolidated affiliates	130	1,356	244	134	—	1,864
Investment in consolidated subsidiaries	316	18	3	61,615	(61,952)	—
Other	2,047	68	152	1,273	(635)	2,905
Total other noncurrent assets	41,566	4,063	497	63,848	(62,588)	47,386
<b>Total Assets</b>	<b>134,039</b>	<b>13,431</b>	<b>6,434</b>	<b>67,461</b>	<b>(65,448)</b>	<b>155,917</b>
Segment reclassifications, intercompany balances and other	(743)	(7)	(1,156)	(63,727)	65,633	—
<b>Segment Assets</b>	<b>\$ 133,296</b>	<b>\$ 13,424</b>	<b>\$ 5,278</b>	<b>\$ 3,734</b>	<b>\$ 185</b>	<b>\$ 155,917</b>

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

(In millions)	September 30, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Liabilities</b>						
Accounts payable	\$ 2,138	\$ 188	\$ 91	\$ 529	\$ —	\$ 2,946
Accounts payable to affiliated companies	643	57	30	994	(1,724)	—
Notes payable to affiliated companies	475	321	15	93	(904)	—
Notes payable and commercial paper	—	—	104	2,365	—	2,469
Taxes accrued	713	27	416	(444)	—	712
Interest accrued	375	40	2	143	(1)	559
Current maturities of long-term debt	2,201	26	177	700	(8)	3,096
Asset retirement obligations	861	—	—	—	—	861
Regulatory liabilities	574	97	—	2	—	673
Other	1,575	67	51	436	(55)	2,074
Total current liabilities	9,555	823	886	4,818	(2,692)	13,390
<b>Long-Term Debt</b>	33,180	3,075	1,604	17,108	(149)	54,818
<b>Long-Term Debt Payable to Affiliated Companies</b>	618	7	9	—	(634)	—
<b>Other Noncurrent Liabilities</b>						
Deferred income taxes	10,210	1,026	(622)	(1,838)	—	8,776
Asset retirement obligations	11,556	58	126	—	—	11,740
Regulatory liabilities	13,633	1,543	—	26	—	15,202
Operating lease liabilities	1,133	24	98	201	—	1,456
Accrued pension and other post-retirement benefit costs	576	34	3	287	—	900
Investment tax credits	576	2	—	—	1	579
Other	897	193	468	329	(238)	1,649
Total other noncurrent liabilities	38,581	2,880	73	(995)	(237)	40,302
<b>Equity</b>						
Total Duke Energy Corporation stockholders' equity	52,105	6,646	2,895	46,527	(61,735)	46,438
Noncontrolling interests	—	—	967	3	(1)	969
Total equity	52,105	6,646	3,862	46,530	(61,736)	47,407
<b>Total Liabilities and Equity</b>	134,039	13,431	6,434	67,461	(65,448)	155,917
Segment reclassifications, intercompany balances and other	(743)	(7)	(1,156)	(63,727)	65,633	—
<b>Segment Liabilities and Equity</b>	\$ 133,296	\$ 13,424	\$ 5,278	\$ 3,734	\$ 185	\$ 155,917

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

(In millions)	Three Months Ended September 30, 2019						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 2,162	\$ 1,688	\$ 1,548	\$ 408	\$ 807	\$ (36)	\$ 6,577
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	504	577	610	114	234	(45)	1,994
Operation, maintenance and other	437	374	253	95	189	9	1,357
Depreciation and amortization	350	314	182	50	130	—	1,026
Property and other taxes	66	46	113	60	16	—	301
Impairment charges	6	—	(25)	—	—	(1)	(20)
Total operating expenses	1,363	1,311	1,133	319	569	(37)	4,658
<b>Gains on Sales of Other Assets and Other, net</b>	—	—	1	—	—	(1)	—
<b>Operating Income</b>	799	377	416	89	238	—	1,919
<b>Other Income and Expenses, net<sup>(b)</sup></b>	34	27	14	2	8	2	87
<b>Interest Expense</b>	119	74	81	21	40	1	336
<b>Income Before Income Taxes</b>	714	330	349	70	206	1	1,670
<b>Income Tax Expense</b>	119	49	58	8	48	3	285
<b>Segment Income</b>	\$ 595	\$ 281	\$ 291	\$ 62	\$ 158	\$ (2)	\$ 1,385

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

(b) Includes an equity component of allowance for funds used during construction of \$8 million for Duke Energy Carolinas, \$16 million for Duke Energy Progress, \$2 million for Duke Energy Florida, \$2 million for Duke Energy Ohio and \$4 million for Duke Energy Indiana.



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

(In millions)	Nine Months Ended September 30, 2019						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 5,619	\$ 4,559	\$ 3,987	\$ 1,099	\$ 2,289	\$ (172)	\$ 17,381
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	1,371	1,571	1,529	293	720	(198)	5,286
Operation, maintenance and other	1,306	1,060	723	292	563	13	3,957
Depreciation and amortization	1,013	855	522	136	393	5	2,924
Property and other taxes	221	131	309	183	55	—	899
Impairment charges	11	—	(25)	—	—	(2)	(16)
Total operating expenses	3,922	3,617	3,058	904	1,731	(182)	13,050
<b>Operating Income</b>	1,697	942	929	195	558	10	4,331
<b>Other Income and Expenses, net<sup>(b)</sup></b>	106	75	39	13	35	(1)	267
<b>Interest Expense</b>	346	232	246	61	111	8	1,004
<b>Income Before Income Taxes</b>	1,457	785	722	147	482	1	3,594
<b>Income Tax Expense</b>	259	127	131	18	115	—	650
<b>Segment Income</b>	\$ 1,198	\$ 658	\$ 591	\$ 129	\$ 367	\$ 1	\$ 2,944

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

(b) Includes an equity component of allowance for funds used during construction of \$29 million for Duke Energy Carolinas, \$44 million for Duke Energy Progress, \$4 million for Duke Energy Florida, \$8 million for Duke Energy Ohio and \$13 million for Duke Energy Indiana.

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

(In millions)	September 30, 2019						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Assets</b>							
Cash and cash equivalents	\$ 23	\$ 49	\$ 24	\$ 8	\$ 20	\$ 1	\$ 125
Receivables, net	234	75	104	97	56	4	570
Receivables of variable interest entities, net	775	564	478	—	—	505	2,322
Receivables from affiliated companies	108	34	1	49	85	(224)	53
Notes receivable from affiliated companies	—	—	—	56	213	(127)	142
Inventory	943	939	495	85	478	1	2,941
Regulatory assets	573	515	367	16	91	(3)	1,559
Other	19	95	42	12	29	(2)	195
Total current assets	2,675	2,271	1,511	323	972	155	7,907
<b>Property, Plant and Equipment</b>							
Cost	47,815	33,594	19,887	6,727	16,137	593	124,753
Accumulated depreciation and amortization	(16,359)	(11,761)	(5,148)	(1,964)	(5,200)	(22)	(40,454)
Generation facilities to be retired, net	—	267	—	—	—	—	267
Net property, plant and equipment	31,456	22,100	14,739	4,763	10,937	571	84,566
<b>Other Noncurrent Assets</b>							
Goodwill	—	—	—	596	—	16,783	17,379
Regulatory assets	3,587	4,363	2,370	371	1,088	940	12,719
Nuclear decommissioning trust funds	4,104	2,872	718	—	—	1	7,695
Operating lease right-of-use assets, net	135	397	417	22	58	251	1,280
Investments in equity method unconsolidated affiliates	—	—	—	—	—	130	130
Investment in consolidated subsidiaries	48	13	2	201	1	51	316
Other	1,061	594	307	38	211	(164)	2,047
Total other noncurrent assets	8,935	8,239	3,814	1,228	1,358	17,992	41,566
<b>Total Assets</b>	<b>43,066</b>	<b>32,610</b>	<b>20,064</b>	<b>6,314</b>	<b>13,267</b>	<b>18,718</b>	<b>134,039</b>
Segment reclassifications, intercompany balances and other	(267)	(105)	(150)	(207)	(105)	91	(743)
<b>Reportable Segment Assets</b>	<b>\$ 42,799</b>	<b>\$ 32,505</b>	<b>\$ 19,914</b>	<b>\$ 6,107</b>	<b>\$ 13,162</b>	<b>\$ 18,809</b>	<b>\$ 133,296</b>

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

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

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

(In millions)	September 30, 2019						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Liabilities</b>							
Accounts payable	\$ 644	\$ 550	\$ 542	\$ 204	\$ 196	\$ 2	\$ 2,138
Accounts payable to affiliated companies	174	198	158	20	74	19	643
Notes payable to affiliated companies	49	79	356	108	—	(117)	475
Taxes accrued	263	101	176	158	30	(15)	713
Interest accrued	138	89	72	22	54	—	375
Current maturities of long-term debt	457	306	621	74	651	92	2,201
Asset retirement obligations	214	476	2	3	165	1	861
Regulatory liabilities	197	210	87	42	39	(1)	574
Other	545	416	422	69	106	17	1,575
Total current liabilities	2,681	2,425	2,436	700	1,315	(2)	9,555
<b>Long-Term Debt</b>	11,001	8,593	6,511	2,045	3,407	1,623	33,180
<b>Long-Term Debt Payable to Affiliated Companies</b>	300	150	—	18	150	—	618
<b>Other Noncurrent Liabilities</b>							
Deferred income taxes	3,900	2,328	2,201	636	1,119	26	10,210
Asset retirement obligations	5,184	5,038	572	43	659	60	11,556
Regulatory liabilities	6,364	4,152	1,013	419	1,684	1	13,633
Operating lease liabilities	108	360	350	21	55	239	1,133
Accrued pension and other post-retirement benefit costs	88	230	196	74	157	(169)	576
Investment tax credits	232	138	42	4	161	(1)	576
Other	617	105	60	66	58	(9)	897
Total other noncurrent liabilities	16,493	12,351	4,434	1,263	3,893	147	38,581
<b>Equity</b>	12,591	9,091	6,683	2,288	4,502	16,950	52,105
<b>Total Liabilities and Equity</b>	43,066	32,610	20,064	6,314	13,267	18,718	134,039
Segment reclassifications, intercompany balances and other	(267)	(105)	(150)	(207)	(105)	91	(743)
<b>Reportable Segment Liabilities and Equity</b>	\$ 42,799	\$ 32,505	\$ 19,914	\$ 6,107	\$ 13,162	\$ 18,809	\$ 133,296

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

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

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

(In millions)	Three Months Ended September 30, 2019				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/ Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 81	\$ 168	\$ —	\$ —	\$ 249
<b>Operating Expenses</b>					
Cost of natural gas	4	46	—	(2)	48
Operation, maintenance and other	26	80	—	2	108
Depreciation and amortization	19	43	1	1	64
Property and other taxes	12	14	—	(2)	24
Total operating expenses	61	183	1	(1)	244
<b>Operating Income (Loss)</b>	20	(15)	(1)	1	5
<b>Other Income and Expenses</b>					
Equity in earnings of unconsolidated affiliates	—	—	37	—	37
Other income and expenses, net	1	5	—	(1)	5
Total other income and expenses	1	5	37	(1)	42
<b>Interest Expense</b>	7	22	1	(1)	29
<b>Income (Loss) Before Income Taxes</b>	14	(32)	35	1	18
<b>Income Tax Expense (Benefit)</b>	1	(10)	1	—	(8)
<b>Segment Income</b>	\$ 13	\$ (22)	\$ 34	\$ 1	\$ 26

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

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

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

(In millions)	Nine Months Ended September 30, 2019				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/ Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 354	\$ 956	\$ —	\$ 1	\$ 1,311
<b>Operating Expenses</b>					
Cost of natural gas	68	384	—	(1)	451
Operation, maintenance and other	82	239	3	1	325
Depreciation and amortization	63	127	1	1	192
Property and other taxes	46	39	—	(1)	84
Total operating expenses	259	789	4	—	1,052
<b>Operating Income (Loss)</b>	95	167	(4)	1	259
<b>Other Income and Expenses</b>					
Equity in earnings of unconsolidated affiliates	—	—	101	—	101
Other income and expenses, net	6	13	—	(1)	18
Total other income and expenses	6	13	101	(1)	119
<b>Interest Expense</b>	20	65	1	—	86
<b>Income Before Income Taxes</b>	81	115	96	—	292
<b>Income Tax Expense (Benefit)</b>	16	25	(37)	(4)	—
<b>Segment Income</b>	\$ 65	\$ 90	\$ 133	\$ 4	\$ 292

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

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

**GAS UTILITIES AND INFRASTRUCTURE**  
**CONDENSED CONSOLIDATING BALANCE SHEETS — ASSETS**  
(Unaudited)

(In millions)	September 30, 2019				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Assets</b>					
Cash and cash equivalents	\$ 3	\$ —	\$ —	\$ —	3
Receivables, net	(16)	78	—	—	62
Receivables from affiliated companies	7	86	—	(82)	11
Notes receivable from affiliated companies	23	—	—	(5)	18
Inventory	43	47	—	1	91
Regulatory assets	2	48	—	—	50
Other	2	121	1	(2)	122
Total current assets	64	380	1	(88)	357
<b>Property, Plant and Equipment</b>					
Cost	3,266	8,218	—	—	11,484
Accumulated depreciation and amortization	(821)	(1,652)	—	—	(2,473)
Net property, plant and equipment	2,445	6,566	—	—	9,011
<b>Other Noncurrent Assets</b>					
Goodwill	324	49	—	1,551	1,924
Regulatory assets	210	306	—	156	672
Operating lease right-of-use assets, net	—	25	—	—	25
Investments in equity method unconsolidated affiliates	—	—	1,356	—	1,356
Investment in consolidated subsidiaries	—	—	—	18	18
Other	7	42	17	2	68
Total other noncurrent assets	541	422	1,373	1,727	4,063
<b>Total Assets</b>	3,050	7,368	1,374	1,639	13,431
Segment reclassifications, intercompany balances and other	(1)	(48)	(11)	53	(7)
<b>Reportable Segment Assets</b>	\$ 3,049	\$ 7,320	\$ 1,363	\$ 1,692	\$ 13,424

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

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

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

(In millions)	September 30, 2019				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/ Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Liabilities</b>					
Accounts payable	\$ 48	\$ 140	\$ —	\$ —	\$ 188
Accounts payable to affiliated companies	6	55	77	(81)	57
Notes payable to affiliated companies	64	262	—	(5)	321
Taxes accrued	(7)	33	1	—	27
Interest accrued	8	32	—	—	40
Current maturities of long-term debt	26	—	—	—	26
Regulatory liabilities	22	75	—	—	97
Other	4	63	1	(1)	67
Total current liabilities	171	660	79	(87)	823
<b>Long-Term Debt</b>	549	2,384	—	142	3,075
<b>Long-Term Debt Payable to Affiliated Companies</b>	7	—	—	—	7
<b>Other Noncurrent Liabilities</b>					
Deferred income taxes	277	648	102	(1)	1,026
Asset retirement obligations	38	20	—	—	58
Regulatory liabilities	374	1,154	—	15	1,543
Operating lease liabilities	—	24	—	—	24
Accrued pension and other post-retirement benefit costs	28	6	—	—	34
Investment tax credits	2	1	—	(1)	2
Other	38	140	14	1	193
Total other noncurrent liabilities	757	1,993	116	14	2,880
<b>Equity</b>	1,566	2,331	1,179	1,570	6,646
<b>Total Liabilities and Equity</b>	3,050	7,368	1,374	1,639	13,431
Segment reclassifications, intercompany balances and other	(1)	(48)	(11)	53	(7)
<b>Reportable Segment Liabilities and Equity</b>	\$ 3,049	\$ 7,320	\$ 1,363	\$ 1,692	\$ 13,424

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

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

Electric Utilities and Infrastructure  
Quarterly Highlights  
September 2019

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>Gigawatt-hour (GWh) Sales <sup>(a)</sup></b>								
Residential	25,304	25,149	0.6%	(0.5%)	66,345	68,049	(2.5%)	(0.4%)
General Service	22,396	22,709	(1.4%)	(1.8%)	59,328	60,175	(1.4%)	(1.1%)
Industrial	13,669	14,264	(4.2%)	(2.3%)	38,480	39,438	(2.4%)	(1.3%)
Other Energy Sales	146	141	3.5%		436	422	3.3%	
Unbilled Sales	110	(939)	111.7%	n/a	311	(1,174)	126.5%	n/a
Total Retail Sales	61,625	61,324	0.5%	(1.4)%	164,900	166,910	(1.2%)	(0.9%)
Wholesale and Other	12,306	12,361	(0.4%)		31,799	33,224	(4.3%)	
Total Consolidated Electric Sales — Electric Utilities and Infrastructure	73,931	73,685	0.3%		196,699	200,134	(1.7%)	
<b>Average Number of Customers (Electric)</b>								
Residential	6,747,169	6,639,883	1.6%		6,727,714	6,620,991	1.6%	
General Service	993,468	984,937	0.9%		990,882	982,263	0.9%	
Industrial	17,291	17,493	(1.2%)		17,342	17,541	(1.1%)	
Other Energy Sales	30,639	25,328	21.0%		29,278	24,109	21.4%	
Total Retail Customers	7,788,567	7,667,641	1.6%		7,765,216	7,644,904	1.6%	
Wholesale and Other	50	53	(5.7%)		48	55	(12.7%)	
Total Average Number of Customers — Electric Utilities and Infrastructure	7,788,617	7,667,694	1.6%		7,765,264	7,644,959	1.6%	
<b>Sources of Electric Energy (GWh)</b>								
Generated — Net Output <sup>(c)</sup>								
Coal	18,535	18,597	(0.3%)		43,713	51,793	(15.6%)	
Nuclear	18,970	18,576	2.1%		55,698	54,676	1.9%	
Hydro	240	523	(54.1%)		2,072	2,259	(8.3%)	
Oil and Natural Gas	22,421	21,621	3.7%		58,266	55,635	4.7%	
Renewable Energy	197	120	64.2%		519	364	42.6%	
Total Generation <sup>(d)</sup>	60,363	59,437	1.6%		160,268	164,727	(2.7%)	
Purchased Power and Net Interchange <sup>(e)</sup>	16,238	18,097	(10.3%)		46,285	46,778	(1.1%)	
Total Sources of Energy	76,601	77,534	(1.2%)		206,553	211,505	(2.3%)	
Less: Line Loss and Other	2,670	3,849	(30.6%)		9,854	11,371	(13.3%)	
Total GWh Sources	73,931	73,685	0.3%		196,699	200,134	(1.7%)	
<b>Owned Megawatt (MW) Capacity <sup>(c)</sup></b>								
Summer					50,871	49,911		
Winter					54,566	53,453		
<b>Nuclear Capacity Factor (%) <sup>(f)</sup></b>					96	94		

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.



**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**September 2019**

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales <sup>(a)</sup></b>								
Residential	8,452	8,512	(0.7%)		22,375	23,120	(3.2%)	
General Service	8,546	8,820	(3.1%)		22,539	22,959	(1.8%)	
Industrial	5,790	6,319	(8.4%)		16,126	16,822	(4.1%)	
Other Energy Sales	82	76	7.9%		241	226	6.6%	
Unbilled Sales	(158)	(1,055)	85.0%		(169)	(1,152)	85.3%	
Total Retail Sales	22,712	22,672	0.2%	(1.3%)	61,112	61,975	(1.4%)	(1.0%)
Wholesale and Other	2,875	2,935	(2.0%)		7,907	8,531	(7.3%)	
Total Consolidated Electric Sales — Duke Energy Carolinas	25,587	25,607	(0.1%)		69,019	70,506	(2.1%)	
<b>Average Number of Customers</b>								
Residential	2,266,663	2,216,713	2.3%		2,256,206	2,209,530	2.1%	
General Service	363,073	358,451	1.3%		361,739	357,378	1.2%	
Industrial	6,113	6,148	(0.6%)		6,124	6,178	(0.9%)	
Other Energy Sales	22,555	17,350	30.0%		21,219	16,122	31.6%	
Total Retail Customers	2,658,404	2,598,662	2.3%		2,645,288	2,589,208	2.2%	
Wholesale and Other	23	21	9.5%		19	23	(17.4%)	
Total Average Number of Customers — Duke Energy Carolinas	2,658,427	2,598,683	2.3%		2,645,307	2,589,231	2.2%	
<b>Sources of Electric Energy (GWh)</b>								
Generated — Net Output <sup>(c)</sup>								
Coal	8,124	6,436	26.2%		16,416	18,715	(12.3%)	
Nuclear	11,666	11,347	2.8%		34,147	34,068	0.2%	
Hydro	104	337	(69.1%)		1,423	1,576	(9.7%)	
Oil and Natural Gas	4,697	4,970	(5.5%)		12,585	12,173	3.4%	
Renewable Energy	45	44	2.3%		123	129	(4.7%)	
Total Generation <sup>(d)</sup>	24,636	23,134	6.5%		64,694	66,661	(3.0%)	
Purchased Power and Net Interchange <sup>(e)</sup>	2,187	3,645	(40.0%)		8,030	7,479	7.4%	
Total Sources of Energy	26,823	26,779	0.2%		72,724	74,140	(1.9%)	
Less: Line Loss and Other	1,236	1,172	5.5%		3,705	3,634	2.0%	
Total GWh Sources	25,587	25,607	(0.1%)		69,019	70,506	(2.1%)	
<b>Owned MW Capacity <sup>(c)</sup></b>								
Summer					20,192	20,178		
Winter					21,129	21,114		
<b>Nuclear Capacity Factor (%) <sup>(f)</sup></b>					98	97		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	—	—	—%		1,730	1,929	(10.3%)	
Cooling Degree Days	1,205	1,136	6.1%		1,841	1,784	3.2%	
<b>Variance from Normal</b>								
Heating Degree Days	(100.0%)	(100.0%)			(11.5%)	(2.6%)		
Cooling Degree Days	21.8%	14.5%			23.8%	19.8%		

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

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

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales <sup>(a)</sup></b>								
Residential	5,299	5,174	2.4%		14,107	14,706	(4.1%)	
General Service	4,552	4,502	1.1%		11,808	12,005	(1.6%)	
Industrial	2,903	2,813	3.2%		8,018	7,890	1.6%	
Other Energy Sales	19	19	—%		58	58	—%	
Unbilled Sales	(171)	(40)	(327.5%)		10	(312)	103.2%	
Total Retail Sales	12,602	12,468	1.1%	(1.6%)	34,001	34,347	(1.0%)	(0.8%)
Wholesale and Other	6,900	7,157	(3.6%)		18,071	18,400	(1.8%)	
Total Consolidated Electric Sales — Duke Energy Progress	19,502	19,625	(0.6%)		52,072	52,747	(1.3%)	
<b>Average Number of Customers</b>								
Residential	1,351,180	1,334,169	1.3%		1,346,472	1,328,486	1.4%	
General Service	237,037	235,480	0.7%		236,328	234,497	0.8%	
Industrial	4,018	4,072	(1.3%)		4,032	4,062	(0.7%)	
Other Energy Sales	1,413	1,420	(0.5%)		1,415	1,438	(1.6%)	
Total Retail Customers	1,593,648	1,575,141	1.2%		1,588,247	1,568,483	1.3%	
Wholesale and Other	9	14	(35.7%)		12	14	(14.3%)	
Total Average Number of Customers — Duke Energy Progress	1,593,657	1,575,155	1.2%		1,588,259	1,568,497	1.3%	
<b>Sources of Electric Energy (GWh)</b>								
Generated — Net Output <sup>(c)</sup>								
Coal	3,792	2,434	55.8%		7,484	6,760	10.7%	
Nuclear	7,304	7,229	1.0%		21,551	20,608	4.6%	
Hydro	84	145	(42.1%)		543	590	(8.0%)	
Oil and Natural Gas	5,959	6,956	(14.3%)		15,825	18,182	(13.0%)	
Renewable Energy	77	63	22.2%		202	191	5.8%	
Total Generation <sup>(d)</sup>	17,216	16,827	2.3%		45,605	46,331	(1.6%)	
Purchased Power and Net Interchange <sup>(e)</sup>	2,796	3,501	(20.1%)		7,978	8,470	(5.8%)	
Total Sources of Energy	20,012	20,328	(1.6%)		53,583	54,801	(2.2%)	
Less: Line Loss and Other	510	703	(27.5%)		1,511	2,054	(26.4%)	
Total GWh Sources	19,502	19,625	(0.6%)		52,072	52,747	(1.3%)	
<b>Owned MW Capacity <sup>(c)</sup></b>								
Summer					12,779	12,747		
Winter					13,942	13,913		
<b>Nuclear Capacity Factor (%) <sup>(f)</sup></b>								
					92	89		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	—	—	—%		1,600	1,805	(11.4%)	
Cooling Degree Days	1,233	1,217	1.3%		1,954	1,936	0.9%	
<b>Variance from Normal</b>								
Heating Degree Days	(100.0%)	(100.0%)			(11.2%)	(0.5%)		
Cooling Degree Days	16.2%	15.6%			21.4%	21.2%		

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- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
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- (f) Statistics reflect 100% of jointly owned stations.

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

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales <sup>(a)</sup></b>								
Residential	6,450	6,296	2.4%		15,832	15,487	2.2%	
General Service	4,363	4,331	0.7%		11,590	11,470	1.0%	
Industrial	756	813	(7.0%)		2,203	2,352	(6.3%)	
Other Energy Sales	6	6	—%		18	18	—%	
Unbilled Sales	186	227	(18.1%)		368	615	(40.2%)	
Total Retail Sales	11,761	11,673	0.8%	(1.5%)	30,011	29,942	0.2%	(0.5%)
Wholesale and Other	1,235	702	75.9%		2,457	1,856	32.4%	
Total Electric Sales — Duke Energy Florida	12,996	12,375	5.0%		32,468	31,798	2.1%	
<b>Average Number of Customers</b>								
Residential	1,627,182	1,601,488	1.6%		1,621,718	1,594,979	1.7%	
General Service	203,247	201,187	1.0%		202,930	200,684	1.1%	
Industrial	2,018	2,070	(2.5%)		2,028	2,087	(2.8%)	
Other Energy Sales	1,497	1,506	(0.6%)		1,501	1,511	(0.7%)	
Total Retail Customers	1,833,944	1,806,251	1.5%		1,828,177	1,799,261	1.6%	
Wholesale and Other	13	12	8.3%		12	12	—%	
Total Average Number of Customers — Duke Energy Florida	1,833,957	1,806,263	1.5%		1,828,189	1,799,273	1.6%	
<b>Sources of Electric Energy (GWh)</b>								
Generated — Net Output <sup>(c)</sup>								
Coal	1,300	2,441	(46.7%)		3,051	6,439	(52.6%)	
Oil and Natural Gas	10,742	8,647	24.2%		27,648	21,976	25.8%	
Renewable Energy	65	4	1,525.0%		171	21	714.3%	
Total Generation <sup>(d)</sup>	12,107	11,092	9.2%		30,870	28,436	8.6%	
Purchased Power and Net Interchange <sup>(e)</sup>	1,466	2,106	(30.4%)		3,662	5,385	(32.0%)	
Total Sources of Energy	13,573	13,198	2.8%		34,532	33,821	2.1%	
Less: Line Loss and Other	577	823	(29.9%)		2,064	2,023	2.0%	
Total GWh Sources	12,996	12,375	5.0%		32,468	31,798	2.1%	
<b>Owned MW Capacity <sup>(c)</sup></b>								
Summer					10,218	9,304		
Winter					11,308	10,255		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	—	—	—%		271	385	(29.6%)	
Cooling Degree Days	1,545	1,517	1.8%		2,948	2,833	4.1%	
<b>Variance from Normal</b>								
Heating Degree Days	—%	—%			(28.6%)	(1.3%)		
Cooling Degree Days	4.0%	2.1%			8.3%	4.5%		

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

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

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales <sup>(a)</sup></b>								
Residential	2,637	2,648	(0.4%)		6,921	7,263	(4.7%)	
General Service	2,655	2,683	(1.0%)		7,153	7,343	(2.6%)	
Industrial	1,520	1,521	(0.1%)		4,318	4,379	(1.4%)	
Other Energy Sales	27	27	—%		81	81	—%	
Unbilled Sales	136	(43)	416.3%		78	(161)	148.4%	
Total Retail Sales	6,975	6,836	2.0%	(0.6%)	18,551	18,905	(1.9%)	(0.6%)
Wholesale and Other	160	128	25.0%		408	278	46.8%	
Total Electric Sales — Duke Energy Ohio	7,135	6,964	2.5%		18,959	19,183	(1.2%)	
<b>Average Number of Customers</b>								
Residential	770,403	764,487	0.8%		770,910	765,550	0.7%	
General Service	88,356	88,182	0.2%		88,253	88,219	—%	
Industrial	2,456	2,483	(1.1%)		2,466	2,492	(1.0%)	
Other Energy Sales	3,406	3,340	2.0%		3,392	3,334	1.7%	
Total Retail Customers	864,621	858,492	0.7%		865,021	859,595	0.6%	
Wholesale and Other	1	1	—%		1	1	—%	
Total Average Number of Customers — Duke Energy Ohio	864,622	858,493	0.7%		865,022	859,596	0.6%	
<b>Sources of Electric Energy (GWh)</b>								
Generated — Net Output <sup>(c)</sup>								
Coal	1,070	991	8.0%		2,768	1,810	52.9%	
Oil and Natural Gas	101	44	129.5%		133	113	17.7%	
Total Generation <sup>(d)</sup>	1,171	1,035	13.1%		2,901	1,923	50.9%	
Purchased Power and Net Interchange <sup>(e)</sup>	6,233	6,584	(5.3%)		17,740	19,468	(8.9%)	
Total Sources of Energy	7,404	7,619	(2.8%)		20,641	21,391	(3.5%)	
Less: Line Loss and Other	269	655	(58.9%)		1,682	2,208	(23.8%)	
Total GWh Sources	7,135	6,964	2.5%		18,959	19,183	(1.2%)	
<b>Owned MW Capacity <sup>(c)</sup></b>								
Summer					1,076	1,076		
Winter					1,164	1,164		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	—	29	(100.0%)		2,918	3,095	(5.7%)	
Cooling Degree Days	1,026	910	12.7%		1,359	1,453	(6.5%)	
<b>Variance from Normal</b>								
Heating Degree Days	(100.0%)	(48.0%)			(4.7%)	0.5%		
Cooling Degree Days	36.0%	20.4%			25.6%	33.6%		

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

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

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2019	2018	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales <sup>(a)</sup></b>								
Residential	2,466	2,519	(2.1%)		7,110	7,473	(4.9%)	
General Service	2,280	2,373	(3.9%)		6,238	6,398	(2.5%)	
Industrial	2,700	2,798	(3.5%)		7,815	7,995	(2.3%)	
Other Energy Sales	12	13	(7.7%)		38	39	(2.6%)	
Unbilled Sales	117	(28)	517.9%		24	(164)	(114.6%)	
Total Retail Sales	7,575	7,675	(1.3%)	(1.9%)	21,225	21,741	(2.4%)	(1.2%)
Wholesale and Other	1,136	1,439	(21.1%)		2,956	4,159	(28.9%)	
Total Electric Sales — Duke Energy Indiana	8,711	9,114	(4.4%)		24,181	25,900	(6.6%)	
<b>Average Number of Customers</b>								
Residential	731,741	723,026	1.2%		732,408	722,446	1.4%	
General Service	101,755	101,637	0.1%		101,632	101,485	0.1%	
Industrial	2,686	2,720	(1.3%)		2,692	2,722	(1.1%)	
Other Energy Sales	1,768	1,712	3.3%		1,751	1,704	2.8%	
Total Retail Customers	837,950	829,095	1.1%		838,483	828,357	1.2%	
Wholesale and Other	4	5	(20.0%)		4	5	(20.0%)	
Total Average Number of Customers — Duke Energy Indiana	837,954	829,100	1.1%		838,487	828,362	1.2%	
<b>Sources of Electric Energy (GWh)</b>								
Generated — Net Output <sup>(c)</sup>								
Coal	4,249	6,295	(32.5%)		13,994	18,069	(22.6%)	
Hydro	52	41	26.8%		106	93	14.0%	
Oil and Natural Gas	922	1,004	(8.2%)		2,075	3,191	(35.0%)	
Renewable Energy	10	9	11.1%		23	23	—%	
Total Generation <sup>(d)</sup>	5,233	7,349	(28.8%)		16,198	21,376	(24.2%)	
Purchased Power and Net Interchange <sup>(e)</sup>	3,556	2,261	57.3%		8,875	5,976	48.5%	
Total Sources of Energy	8,789	9,610	(8.5%)		25,073	27,352	(8.3%)	
Less: Line Loss and Other	78	496	(84.3%)		892	1,452	(38.6%)	
Total GWh Sources	8,711	9,114	(4.4%)		24,181	25,900	(6.6%)	
<b>Owned MW Capacity <sup>(c)</sup></b>								
Summer					6,606	6,606		
Winter					7,023	7,007		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	—	37	(100.0%)		3,358	3,415	(1.7%)	
Cooling Degree Days	930	896	3.8%		1,224	1,457	(16.0%)	
<b>Variance from Normal</b>								
Heating Degree Days	(100.0%)	(43.5%)			1.2%	2.8%		
Cooling Degree Days	24.6%	20.0%			13.3%	35.0%		

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

## Gas Utilities and Infrastructure

## Quarterly Highlights

September 2019

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	2018	% Inc. (Dec.)	2019	2018	% Inc. (Dec.)
<b>Total Sales</b>						
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup>	121,378,484	135,403,188	(10.4%)	377,729,141	407,144,529	(7.2%)
Duke Energy Midwest LDC throughput (Mcf)	9,997,444	9,370,743	6.7%	62,278,623	62,111,858	0.3%
<b>Average Number of Customers — Piedmont Natural Gas</b>						
Residential	971,955	955,615	1.7%	978,739	964,776	1.4%
Commercial	103,179	102,757	0.4%	104,046	103,711	0.3%
Industrial	974	963	1.1%	970	962	0.8%
Power Generation	16	17	(5.9%)	16	17	(5.9%)
Total Average Number of Gas Customers — Piedmont Natural Gas	1,076,124	1,059,352	1.6%	1,083,771	1,069,466	1.3%
<b>Average Number of Customers — Duke Energy Midwest</b>						
Residential	485,307	481,520	0.8%	489,401	485,462	0.8%
General Service	41,291	41,094	0.5%	43,250	43,177	0.2%
Industrial	1,491	1,518	(1.8%)	1,574	1,584	(0.6%)
Other	136	136	—%	135	138	(2.2%)
Total Average Number of Gas Customers — Duke Energy Midwest	528,225	524,268	0.8%	534,360	530,361	0.8%

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

## Commercial Renewables

## Quarterly Highlights

September 2019

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	2018	% Inc. (Dec.)	2019	2018	% Inc. (Dec.)
Renewable Plant Production, GWh	2,146	1,897	13.1%	6,528	6,548	(0.3)%
Net Proportional MW Capacity in Operation <sup>(a)</sup>	n/a	n/a		3,162	2,976	6.3 %

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Third Quarter Earnings Review & Business Update**  
**November 8, 2019**

**Adjusted Diluted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of adjusted diluted EPS for the quarter and year-to-date periods ended September 30, 2019 and 2018.

The non-GAAP financial measure, adjusted diluted EPS, represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. Reconciliations of adjusted diluted EPS for the quarter and year-to-date periods ended September 30, 2019 and 2018, to the most directly comparable GAAP measures are included herein.

Special items for the quarter and year-to-date periods ended September 30, 2019 and 2018, include the following items, which management believes do not reflect ongoing costs:

- Impairment Charges represents a reduction of a prior-year impairment at Citrus County CC, an other-than-temporary-impairment ("OTTI") of an investment in Constitution and a Commercial Renewables goodwill impairment.
- Costs to Achieve Piedmont Merger represents charges that resulted from the Piedmont acquisition.
- Regulatory and Legislative Impacts represents charges related to rate case orders, settlements or other actions of regulators or legislative bodies.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impacts of the Tax Act represents an AMT valuation allowance recognized and a true up of prior-year tax estimates related to the Tax Act.

**Adjusted Diluted EPS Guidance**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a reference to the forecasted 2019 adjusted diluted EPS guidance range of \$4.95 - \$5.25 per share, narrowed from \$4.80 - \$5.20 per share during the third quarter of 2019. The materials also reference the long-term range of annual growth of 4% - 6% through 2023 off the original midpoint of 2019 adjusted EPS guidance range of \$5.00. Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, adjusted for the per share impact of special items (as discussed above under Adjusted Diluted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.



## **Adjusted Segment Income and Adjusted Other Net Loss**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2019 and 2018, and a discussion of 2019 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income and other net loss adjusted for special items (as discussed above under Adjusted Diluted EPS). When a per share impact is provided for a segment income driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure and Gas Utilities and Infrastructure, segment statutory tax rate of 23% for Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average diluted shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income and adjusted other net loss are reported segment income and other net loss, which represents segment income and other net loss from continuing operations, including any special items. A reconciliation of adjusted segment income and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2019 and 2018, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted Diluted EPS guidance.

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter and year-to-date periods ended September 30, 2019. The materials also include a discussion of the 2019 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the quarter and year-to-date periods ended September 30, 2019, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the 2019 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

## **Available Liquidity**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of September 30, 2019, to the most directly comparable GAAP measure is included herein.



## Core Electric and Gas Earnings per Share

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, reference Core Electric and Gas Earnings per Share for the year-to-date periods ended September 30, 2019 and 2018, and December 31, 2018 and 2017. The Core Electric and Gas Earnings per Share is calculated by adding Adjusted Earnings per segment, excluding the Commercial Renewables segment, and dividing by the total weighted average shares, diluted (reported and adjusted).

Core Electric and Gas Earnings per Share is a non-GAAP financial measure, as it represents reported diluted EPS adjusted for special items. Special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance (as discussed above under Adjusted Diluted EPS). The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. Reconciliations of adjusted diluted EPS for the year-to-date periods ended September 30, 2019 and 2018, and December 31, 2018 and 2017, to the most directly comparable GAAP measures are included herein.

## Non-Rider Recoverable O&M

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 8, 2019, include a discussion of Duke Energy's non-rider recoverable operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2018, 2017, 2016 and 2015 as well as the forecasted year-to-date period ended December 31, 2019. Non-rider recoverable O&M expenses are non-GAAP financial measures, as they represent reported O&M expenses adjusted for special items and expenses recovered through riders. The most directly comparable GAAP financial measure for non-rider recoverable O&M expenses is reported operating, maintenance and other expenses. A reconciliation of nonrecoverable O&M expenses for the year-to-date periods ended December 31, 2018, 2017, 2016, and 2015, as well as the forecasted year-to-date period ended December 31, 2019, to the most directly comparable GAAP measure are included here-in. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2019  
(Dollars in millions, except per-share amounts)

		<u>Special Item</u>		
	Reported Earnings	Impairment Charge	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 1,385	\$ (19) A	\$ (19)	\$ 1,366
Gas Utilities and Infrastructure	26	—	—	26
Commercial Renewables	40	—	—	40
<b>Total Reportable Segment Income</b>	<b>1,451</b>	<b>(19)</b>	<b>(19)</b>	<b>1,432</b>
Other	(124)	—	—	(124)
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 1,327</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 1,308</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 1.82</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 1.79</b>

A — Net of \$6 million tax expense. \$25 million reduction of a prior year impairment recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

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

DUKE ENERGY CORPORATION  
REPORTED TO ADJUSTED EARNINGS RECONCILIATION  
Nine Months Ended September 30, 2019  
(Dollars in millions, except per-share amounts)

		<u>Special Item</u>		
	Reported Earnings	Impairment Charge	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 2,944	\$ (19) A	\$ (19)	\$ 2,925
Gas Utilities and Infrastructure	292	—	—	292
Commercial Renewables	139	—	—	139
<b>Total Reportable Segment Income</b>	<b>3,375</b>	<b>(19)</b>	<b>(19)</b>	<b>3,356</b>
Other	(328)		—	(328)
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 3,047</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 3,028</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 4.18</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 4.15</b>

A — Net of \$6 million tax expense. \$25 million reduction of a prior year impairment recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

Weighted Average Shares, Diluted (reported and adjusted) — 728 million

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2018  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Impairment Charges	Impacts of the Tax Act			
<b>SEGMENT INCOME</b>							
Electric Utilities and Infrastructure	\$ 1,167	\$	\$	\$ 8	\$	\$ 8	\$ 1,175
Gas Utilities and Infrastructure	17			1		1	18
Commercial Renewables	(62)		91	B (3)		88	26
<b>Total Reportable Segment Income</b>	<b>1,122</b>		<b>91</b>	<b>6</b>		<b>97</b>	<b>1,219</b>
Other	(44)	13	A	(9)		4	(40)
Discontinued Operations	4				(4) D	(4)	
<b>Net Income Attributable to Duke Energy Corporation</b>	<b>\$ 1,082</b>	<b>\$ 13</b>	<b>\$ 91</b>	<b>\$ (3) C</b>	<b>\$ (4)</b>	<b>\$ 97</b>	<b>\$ 1,179</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 1.51</b>	<b>\$ 0.02</b>	<b>\$ 0.12</b>	<b>\$</b>	<b>\$</b>	<b>\$ 0.14</b>	<b>\$ 1.65</b>

**A** Net of \$3 million tax benefit. \$16 million recorded with n Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** Net of \$2 million Noncontrolling Interests. \$93 million goodwill impairment recorded with n Impairment charges on the Condensed Consolidated Statements of Operations.

**C** \$3 million tax benefit true up of prior year Tax Act estimates recorded with n Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**D** Recorded n Income (Loss) from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) 714 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2018**  
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items					Discontinued Operations	Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Regulatory and Legislative Impacts	Sale of Retired Plant	Impairment Charges	Impacts of the Tax Act			
<b>SEGMENT INCOME</b>									
Electric Utilities and Infrastructure	\$ 2,492	\$	\$ 202	B \$	\$	\$ 8	\$	\$ 210	\$ 2,702
Gas Utilities and Infrastructure	161				42	D 1		43	204
Commercial Renewables	(4)				91	E (3)		88	84
<b>Total Reportable Segment Income</b>	<b>2,649</b>		<b>202</b>		<b>133</b>	<b>6</b>		<b>341</b>	<b>2,990</b>
Other	(446)	41	A	82	C	67		190	(256)
<b>Discontinued Operations</b>	<b>(1)</b>						1	G 1	
Net Income Attributable to Duke Energy Corporation	\$ 2,202	\$ 41	\$ 202	\$ 82	\$ 133	\$ 73	F \$ 1	\$ 532	\$ 2,734
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 3.11</b>	<b>\$ 0.06</b>	<b>\$ 0.29</b>	<b>\$ 0.12</b>	<b>\$ 0.19</b>	<b>\$ 0.10</b>	<b>\$</b>	<b>\$ 0.76</b>	<b>\$ 3.87</b>

**A** Net of \$12 million on tax benefit. \$53 million on recorded with Non Operating Expenses on the Condensed Consolidated Statements of Operations.

**B** Net of \$16 million on tax benefit at Duke Energy Progress and \$47 million on tax benefit at Duke Energy Carolinas.

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

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

**C** Net of \$25 million on tax benefit. \$107 million on recorded with Gains (Losses) on Sales of Other Assets and Other, net on the Condensed Consolidated Statements of Operations.

**D** Net of \$13 million on tax benefit. \$55 million on recorded with Other Income and Expenses on the Condensed Consolidated Statements of Operations.

**E** Net of \$2 million on Noncontrolling Interests. \$93 million on goodwill impairment recorded with Impairment charges on the Condensed Consolidated Statement of Operations.

**F** \$76 million on AMT valuation allowance and \$3 million on tax benefit true up of prior year Tax Act estimates with Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

**G** Recorded net Income (Loss) from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares, Diluted (reported and adjusted) 706 million**

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

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

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

B — Net of \$16 million tax benefit at Duke Energy Progress and \$47 million tax benefit at Duke Energy Carolinas.

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

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

C — Net of \$25 million tax benefit. \$107 million recorded within Gains (Losses) on Sales of Other Assets and Other, net on the Consolidated Statements of Operations.

D — Net of \$14 million tax benefit. \$60 million recorded within Impairment Charges on Duke Energy Florida's Consolidated Statements of Operations.

E — Net of \$13 million tax benefit. \$55 million included within Other Income and Expenses on the Consolidated Statements of Operations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Three Months Ended September 30, 2019		Nine Months Ended September 30, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 1,511		\$ 3,388	
Impairment Charge	(25)		(25)	
Noncontrolling Interests	19		110	
Preferred Dividends	(15)		(27)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 1,490</b>		<b>\$ 3,446</b>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 188	12.4%	\$ 424	12.5%
Impairment Charge	(6)		(6)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 182</b>	<b>12.2%</b>	<b>\$ 418</b>	<b>12.1%</b>

	Three Months Ended September 30, 2018		Nine Months Ended September 30, 2018	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 1,230		\$ 2,640	
Costs to Achieve Piedmont Merger	16		53	
Regulatory and Legislative Impacts			265	
Sale of Retired Plant			107	
Impairment of Equity Method Investment	91		146	
Noncontrolling Interests	16		12	
<b>Pretax Income Including Noncontrolling Interests and Excluding Special Items</b>	<b>\$ 1,353</b>		<b>\$ 3,223</b>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 168	13.7%	\$ 449	17.0%
Costs to Achieve Piedmont Merger	3		12	
Regulatory and Legislative Impacts			63	
Sale of Retired Plant			25	
Impairment of Equity Method Investment			13	
Impacts of the Tax Act	3		(73)	
<b>Tax Expense Including Noncontrolling Interests and Excluding Special Items</b>	<b>\$ 174</b>	<b>12.9%</b>	<b>\$ 489</b>	<b>15.2%</b>



**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of September 30, 2019**  
**(In millions)**

Cash and Cash Equivalents	\$ 379	
Less: Certain Amounts Held in Foreign Jurisdictions	(22)	
Less: Unavailable Domestic Cash	<u>(91)</u>	
	266	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,897</u>	
Total Available Liquidity (a)	<u><u>\$ 6,163</u></u>	approximately 6.2 billion

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

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

	Actual December 31, 2015	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Forecast December 31, 2019
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$5,539</b>	<b>\$6,223</b>	<b>\$5,944</b>	<b>\$6,463</b>	<b>\$6,035</b>
Impact of the Adoption of New Accounting Standards <sup>(b)</sup>	103	—	—	—	—
Adjustments:					
Costs to Achieve, Mergers <sup>(c)</sup>	(69)	(238)	(94)	(83)	—
Severance <sup>(c)</sup>	(142)	(92)	—	(187)	—
Litigation Reserve <sup>(c)</sup>	—	—	—	—	—
Ash Basin Settlement and Penalties <sup>(c)</sup>	(14)	—	—	—	—
Regulatory settlement <sup>(c)</sup>	—	—	(5)	(40)	—
Reagents Recoverable <sup>(d)</sup>	(111)	(93)	(90)	(112)	(100)
Energy Efficiency Recoverable <sup>(d)</sup>	(287)	(417)	(485)	(446)	(433)
Other Deferrals and Recoverable <sup>(d)</sup>	(93)	(233)	(246)	(477)	(452)
Margin based O&M for Commercial Businesses	(48)	(185)	(94)	(113)	(213)
Short-term incentive payments (over)/under budget	(19)	(90)	(22)	(30)	—
<b>Non-Rider Recoverable operation, maintenance and other</b>	<b>\$ 4,859</b>	<b>\$ 4,875</b>	<b>\$ 4,908</b>	<b>\$ 4,974</b>	<b>\$ 4,837</b>
<i>YoY change</i>	3%	0%	1%	1%	-3%

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

(b) Beginning January 1, 2018, Duke Energy adopted new accounting guidance for the presentation of net periodic costs related to benefit plans. Prior to this guidance, Duke Energy presented the total non-capitalized net periodic costs within Operation, maintenance and other expense. Retrospective application of this guidance required Duke Energy to reclassify the presentation of non-service cost (benefit) components of net periodic costs to Other income and expenses. In accordance with the transition guidance for the new accounting rules, Operations, maintenance and other expense has been recast for the years ended December 31, 2017 and 2016 and periods prior to January 1, 2016 have not required recasting. This adjustment reflects the historical impact of adopting the new accounting standard to the earliest periods presented (December 31, 2015).

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

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



# Earnings Review & Business Update

THIRD QUARTER 2020

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

November 5, 2020

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Oct 06 2022

## Safe Harbor statement

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

## Regulation G disclosure

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



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

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



2019 SUSTAINABILITY REPORT

Ready for what's



## ACHIEVING A NET **ZERO** CARBON FUTURE

Duke Energy 2020 Climate Report



## BUSINESS UPDATE

### Lynn Good, Chair, President & CEO

- 2020 financial overview
- ESG Day key messages
- Stakeholder engagement updates

## FINANCIAL UPDATE

### Steve Young, Executive VP & CFO

- Third-quarter 2020 earnings drivers
- Load growth and economic update
- 2020 financial commitments
- 2021 earnings drivers and clean energy transition plan
- Key investor considerations

**\$1.74/\$1.87**

3Q 2020 REPORTED/  
ADJUSTED EPS  
COMPARED TO  
\$1.82/\$1.79 IN 3Q 2019

**\$5.05-\$5.20**

NARROWING 2020 EPS  
GUIDANCE RANGE<sup>(1)</sup>

**~7% CAGR**

2024-2029 EXPECTED  
EARNINGS BASE  
GROWTH FROM CLEAN  
ENERGY INVESTMENT  
OPPORTUNITIES

<sup>(1)</sup> Based on adjusted EPS

## DELIVERING ON 2020 FINANCIAL COMMITMENTS

- Solid Q3 results driven by growth at the electric utilities and strong mitigation
- Confident in ability to deliver within original guidance range for 2020
  - Outstanding cost management offsets COVID impacts and partially mitigates ACP and unfavorable weather and storm headwinds
  - Narrowing 2020 guidance range to \$5.05 - \$5.20
- Consistent with historical practice, 2021 guidance range to be provided in Feb.
  - Continue to point to \$5.15 midpoint<sup>(1)</sup> in 2021, with upside potential

## ESG DAY KEY MESSAGES

- Clean energy vision centers around ambitious goals to achieve net-zero carbon emissions by 2050 and net-zero methane emissions by 2030
- Duke Energy is a leader in carbon-free generation
- Our path is underpinned by world-class governance and strong commitment to social responsibility

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**EXPECT TO ACHIEVE TOP END OF 4% TO 6% EPS GROWTH RATE THROUGH 2024 OFF A 2021 BASE ANCHORED BY CLEAN ENERGY INVESTMENTS AND COST TRANSFORMATION<sup>(1)</sup>**

## NORTH CAROLINA

- ✓ Reached settlements with solar industry on interconnection queue reform in September
- Expect Clean Energy Plan report to the Governor by December
- Expect IRP hearings in Q2 2021

## SOUTH CAROLINA

- ✓ EV infrastructure pilot approved by PSC in October
- ✓ Reached net metering settlement with solar developers in September
- Expect IRP hearings in April 2021

## INDIANA

- ✓ Reduced average remaining depreciable lives of coal assets by ~40% in recent rate case/IRP
- Actively engaged in cross-functional 21<sup>st</sup> Century Energy Policy Task Force; expect report in late November

## FLORIDA

- Clean Energy Connection: 750 MW, \$1 billion shared solar program proposed to the FPSC July 1<sup>st</sup>; hearing November 17<sup>th</sup>
- Solar Base Rate Adjustment: 700 MW, \$1 billion utility scale investment approved; ~345 MW completed with remaining ~375MW to be completed by Q2 2022

**BALANCING CUSTOMER AFFORDABILITY AND THE FINANCIAL HEALTH OF OUR UTILITIES**

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## SCALE OWNER OF PREMIUM UTILITIES

- Duke Energy is the largest regulated utility in North America by rate base, electric customers and total assets
- Operate premium utilities in 7 states across the country, benefiting from diversification and strong regional growth trends

## LOWER-RISK, REGULATED BUSINESS

- 95% of earnings from regulated entities<sup>(1)</sup>
- Premium regulated electric and gas franchises

## STRONG REGULATED GROWTH OUTLOOK

- \$58B 5-year capital plan through 2024 is de-risked, focused on smaller scale projects
- Utilities rate base growth rate increasing from 6.5% (2019-2024) to 7% in second half of the decade
- Strong customer and load growth fundamentals

**CLEAN ENERGY STRATEGY  
CENTERED AROUND AMBITIOUS  
NET-ZERO CARBON GOAL**

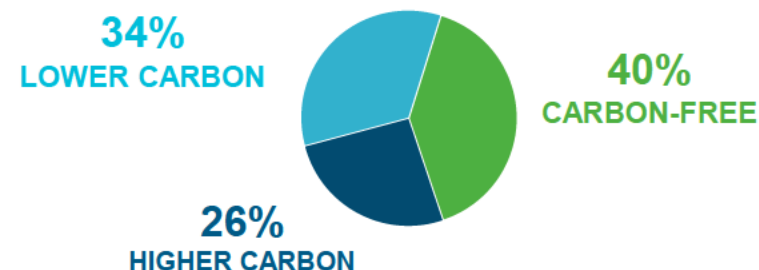
<sup>(1)</sup> Based on adjusted segment income

<sup>(2)</sup> Based on Duke Energy's ownership share of generating plants as of Dec. 31, 2019.

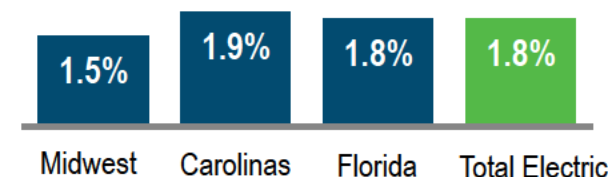
**53 GWS**  
**TOTAL GENERATING CAPACITY**

**310 K**  
**ELECTRIC T&D MILES**

## 2019 GENERATION<sup>(2)</sup>



## YTD 2020 GROWTH IN RESIDENTIAL CUSTOMERS

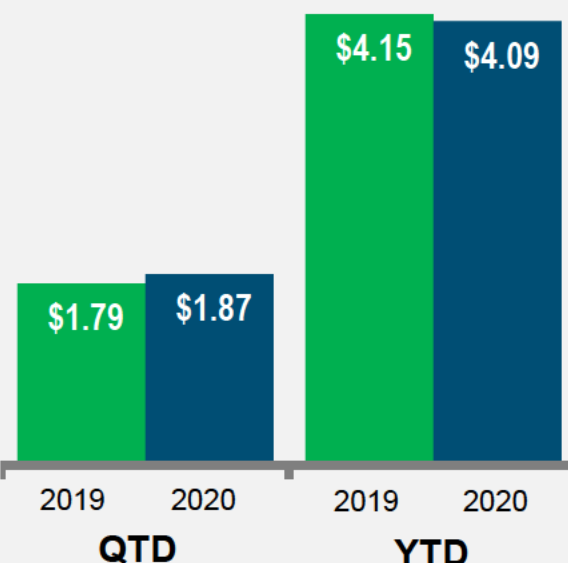


**OUR PURPOSE: POWER THE LIVES OF OUR CUSTOMERS AND VITALITY OF OUR COMMUNITIES**

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## ADJUSTED EARNINGS PER SHARE



**\$5.05-\$5.20**

NARROWING 2020 EPS GUIDANCE RANGE<sup>(3)</sup>

## SEGMENT RESULTS VS. PRIOR YEAR QUARTER<sup>(1)</sup>

### Electric Utilities & Infrastructure, +\$46 M (+\$0.06 per share<sup>(2)</sup>)

- ▲ O&M mitigation efforts (+\$0.08 per share)
- ▲ Contribution from base rate changes in NC, IN, FL and KY (+\$0.07 per share)
- ▲ Income tax expense, wholesale and other (+\$0.06 per share)
- ▼ Weather (-\$0.08 per share)
- ▼ Higher depreciation and amortization, primarily due to a growing asset base (-\$0.06 per share)
- ▼ Lower retail volumes (-\$0.01 per share)

### Gas Utilities & Infrastructure, -\$34 M (-\$0.05 per share)

- ▼ ACP investment
- ▲ Contribution from base rate change in NC

### Commercial Renewables, +\$20 M (+\$0.03 per share)

- ▲ Growth from new projects

### Other, +\$21 M (+\$0.05 per share)

- ▲ Lower income tax expense and financing costs
- ▲ Higher investment returns in non-qualified benefit plans

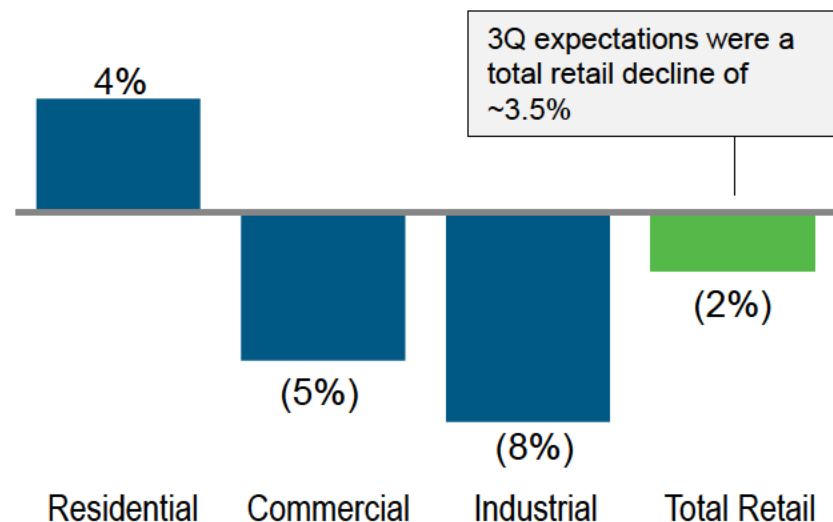
### Share Dilution (-\$0.01 per share)

(1) Detailed drivers of adjusted segment income (loss) are available in the 3Q 2020 earnings release located on our Investor Relations website

(2) Excludes share dilution

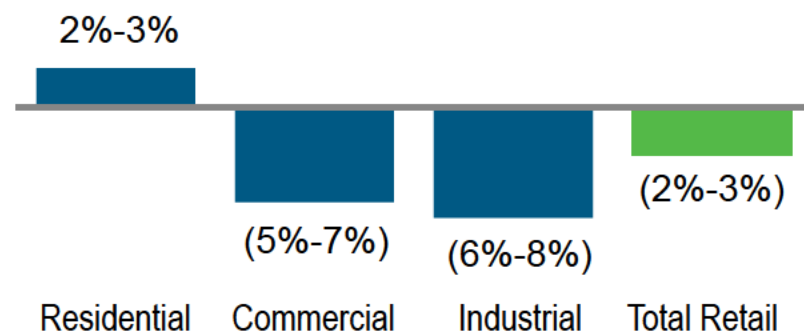
(3) Based on adjusted EPS

## 3Q 2020 RETAIL ELECTRIC VOLUMES<sup>(1)</sup>



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

(based on company's current economic assumptions)



(1) Compared to 2019 actuals

## 3Q 2020 VOLUME TRENDS

- 3Q 2020 load results slightly favorable to original COVID-19 forecast shared in May
  - 3Q20 impact versus Feb. budget of (\$0.08) EPS consistent with original COVID-19 expectations
  - Sales mix kept earnings flat to COVID-19 expectations as people return to work
- Approximately 85% of larger C&I customers that significantly curtailed activity have resumed operations
- Continued strong customer growth in all of our states

## 2020 FULL YEAR VOLUME EXPECTATIONS

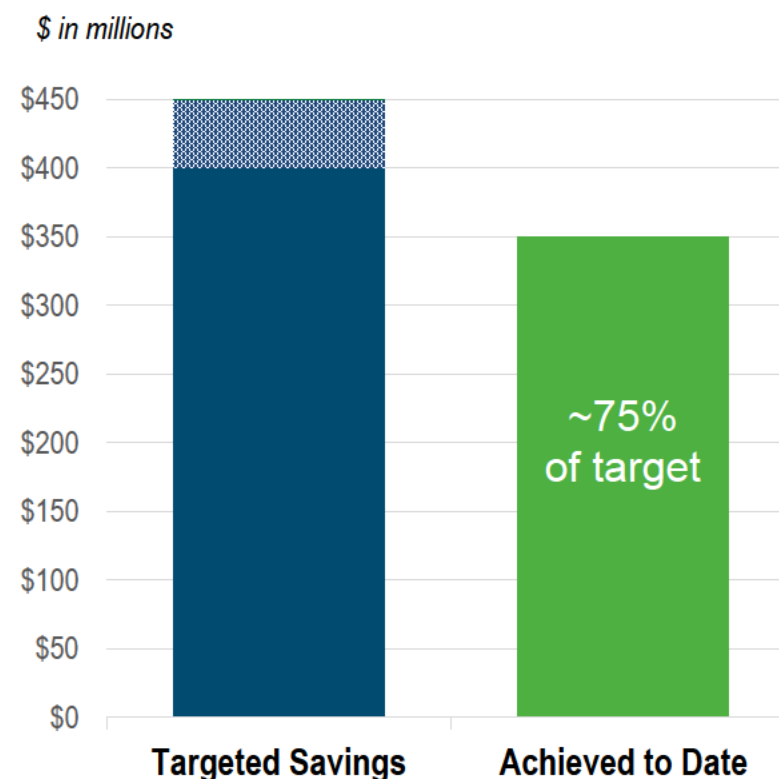
- Updating forecast for retail volumes to decline 2%-3% for full year 2020 vs. prior forecast decline of 3%-5%
- YTD impact of (\$0.16) EPS compared to Feb. plan
- Total COVID-19 EPS impact estimated at (\$0.25 - \$0.35), inclusive of waived fees and COVID costs, net of deferrals

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- Confident in our ability to deliver in the narrowed 2020 EPS guidance range of \$5.05-\$5.20<sup>(1)</sup>
  - COVID-19 impacts of (\$0.25-\$0.35) EPS forecasted for the full year
  - ACP cancellation results in loss of (\$0.13) EPS in second half of 2020
  - 2020 unfavorable weather and storms (\$0.10 - \$0.15) EPS including Oct. impact from Hurricane Zeta
- Highly confident in achieving \$0.40 - \$0.45 EPS benefit in O&M reductions and other mitigation representing high-end of original target
- Achieved ~\$350 million, or ~\$0.35 EPS, in mitigation through 3Q
  - Business transformation teams are developing solutions to make many of these initiatives sustainable for 2021 and beyond

## 2020 MITIGATION<sup>(2)</sup>



(1) Based on adjusted EPS

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

**CONFIDENT IN NARROWED 2020 EPS GUIDANCE RANGE OF \$5.05 - \$5.20<sup>(1)</sup>**

## 2021 PRIMARY GROWTH DRIVERS

### Electric Utilities & Infrastructure

- ▲ Florida multi-year rate plan and Solar BRA
- ▲ Rate case activity to recover and earn on investments:
  - DEC NC: interim rates effective Aug. 2020
  - DEP NC: interim rates effective Sept. 2020
  - DEI/DEK: new rates effective Aug. 2020/May 2020
- ▲ Midwest grid investment riders (DEI/DEO)
- ▲ Customer volumes up in 2021 compared to 2020
- ▲ Normal storms and weather
- ▼ Operations and maintenance costs
- ▼ Depreciation and interest expense on a growing asset base

### Gas Utilities & Infrastructure

- ▲ Piedmont TN rate case and annual SC RSA filings
- ▲ Customer growth and integrity management investments
- ▼ ACP (\$0.07 of EPS in 2020)

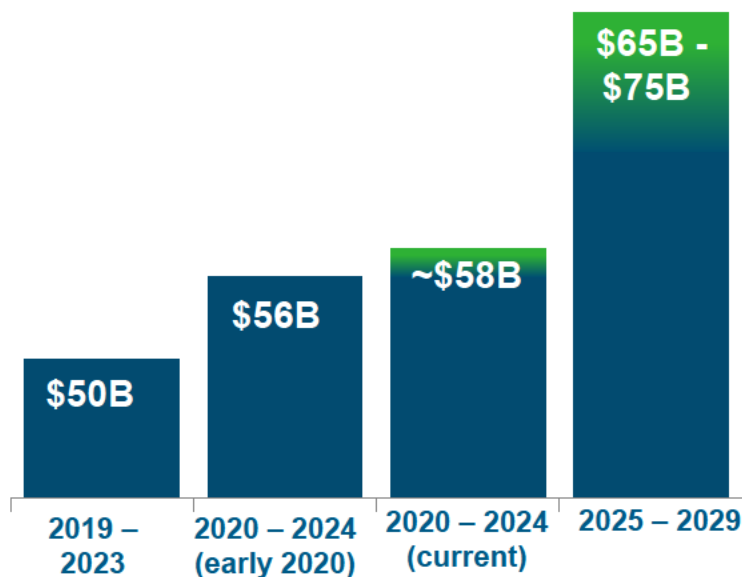
### Other

- ▼ Equity forward of \$2.5 billion to settle by year-end 2020 (\$0.13 of EPS net dilution)
- ▼ Share dilution from DRIP/ATM program

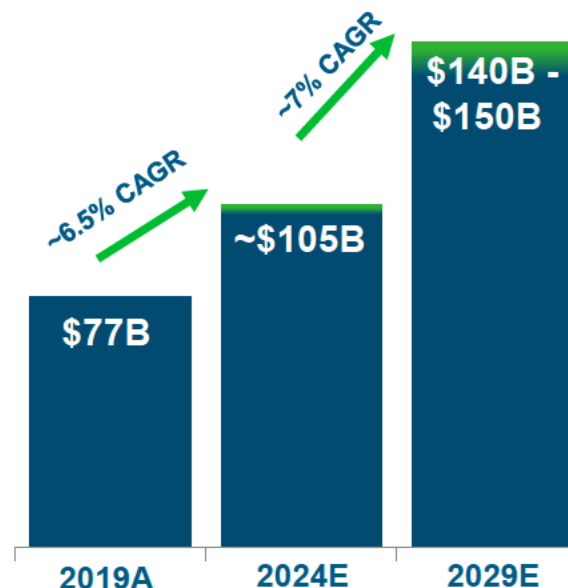
(1) Based on adjusted EPS

**CONTINUE TO POINT TO \$5.15 MIDPOINT FOR 2021 WITH UPSIDE POTENTIAL<sup>(1)</sup>**

Growing 5-year capex profile...



...leads to higher earnings base growth...



...with ability to mitigate customer rate impacts...

- ✓ Fuel savings
- ✓ Lower O&M than coal plants
- ✓ Efficiencies from technology/digital
- ✓ Strong customer growth

...results in positive customer and community outcomes

- ✓ Significant carbon reductions
- ✓ Accelerated coal retirements
- ✓ Job creation & community investment
- ✓ Affordable rates

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

**NO CHANGES TO PREVIOUSLY DISCLOSED COMMON EQUITY ISSUANCE PLAN**

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DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

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

(1) As of Nov 2, 2020

(2) Subject to approval by the Board of Directors.

(3) Total shareholder return proposition at a constant P/E ratio

(4) Based on adjusted EPS





## Appendix





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## 2020 financial supplement

# Key 2020 adjusted earnings guidance assumptions

(\$ in millions)	Original 2020 Assumptions <sup>(1)</sup>	2020 YTD (thru 9/30/2020)
<b>Adjusted segment income/(expense) <sup>(2)</sup>:</b>		
Electric Utilities & Infrastructure	\$3,640	\$2,870
Gas Utilities & Infrastructure	\$530	\$291
Commercial Renewables	\$240	\$207
Other	(\$540)	(\$374)
Duke Energy Consolidated	\$3,870	\$2,994
<b>Additional consolidated information:</b>		
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	11-13%	9.3%
AFUDC equity (excludes ACP)	\$138	\$112
Capital expenditures <sup>(3)(4)</sup>	\$11,825	\$7,704
Weighted-average shares outstanding – basic	~737 million	735 million

(1) Full year amounts for 2020, as disclosed on Feb. 13, 2020

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

(3) Includes debt AFUDC and capitalized interest

(4) 2020 YTD actual (through 09/30/20) includes coal ash closure spend of ~\$425 million that was included in operating cash flows and excludes tax equity funding of Commercial Renewables projects of ~\$400 million. 2020 Assumptions include ~\$750 million of projected coal ash closure spend.

# Electric utilities quarterly weather impacts

Weather segment income to normal:	2020			2019		
	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)	Pretax impact	Weighted avg. shares	EPS impact favorable / (unfavorable)
First Quarter	(\$110)	734	(\$0.11)	(\$55)	727	(\$0.06)
Second Quarter	(\$8)	735	(\$0.01)	\$80	728	\$0.08
Third Quarter	\$67	735	\$0.07	\$145	729	\$0.15
Fourth Quarter				\$30	731	\$0.03
Year-to-Date <sup>(1)</sup>	(\$51)	735	(\$0.05)	\$200	729	\$0.20

3Q 2020	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	37	-	23	-	-	-	52	-	50	-
Cooling degree days / Variance from normal	1,027	(14.8%)	1,157	(6.2%)	1,569	1.6%	789	(15.2%)	825	(19.6%)
3Q 2019	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	-	-	-	-	-	-	-	-	-	-
Cooling degree days / Variance from normal	1,205	21.8%	1,233	16.2%	1,545	4.0%	930	24.6%	1,026	36%

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

Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.52
	\$1 billion change in rate base	+/- \$0.07
	1% change in retail volumes: Industrial +/- \$0.02 <sup>(2)</sup> Commercial +/- \$0.05 <sup>(2)</sup> Residential +/- \$0.08 <sup>(2)</sup>	+/- \$0.15 <sup>(1) (2)</sup>
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.07
	\$200 million change in rate base	+/- \$0.01
	1% change in number of new customers	+/- \$0.01
Consolidated	1% change in interest rates <sup>(3)</sup>	+/- \$0.10

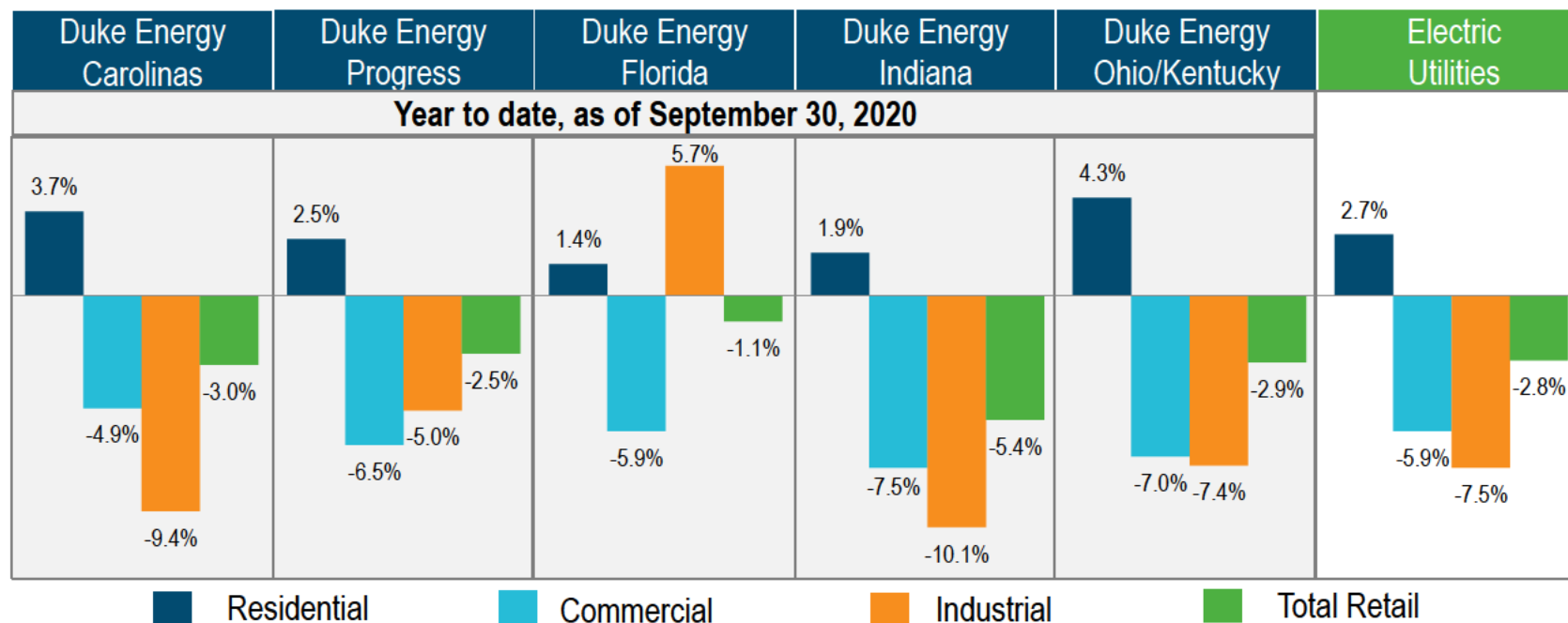
*Note: EPS amounts based on forecasted 2020 basic share count of ~737 million shares*

<sup>(1)</sup> Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins

<sup>(2)</sup> Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted.

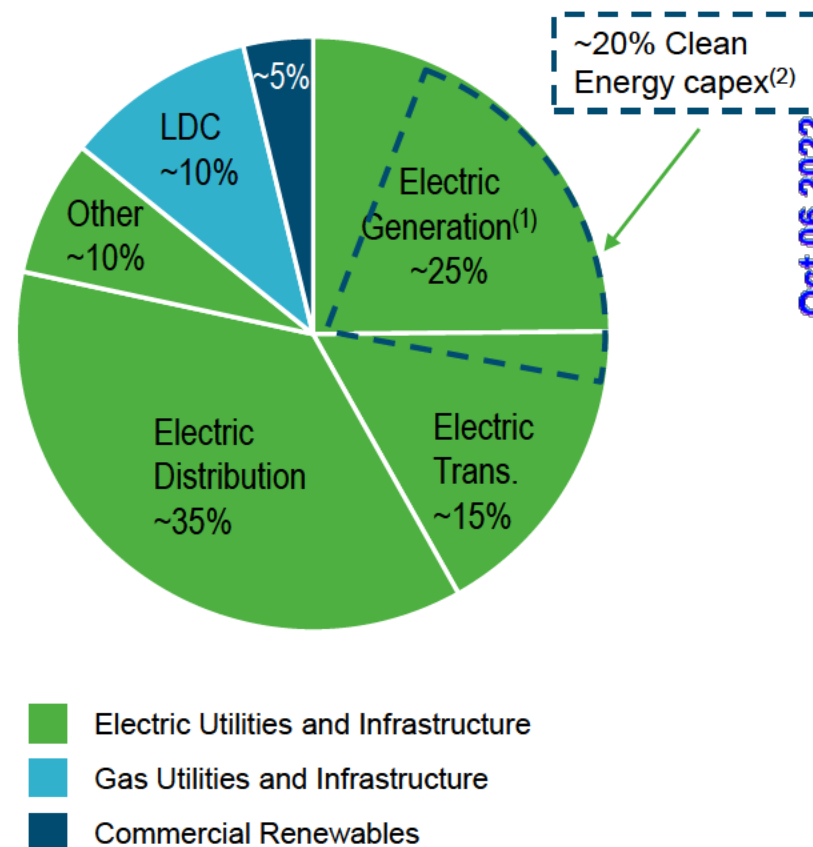
<sup>(3)</sup> Based on average variable-rate debt outstanding throughout the year. There was \$8.6 billion in floating rate debt as of December 31, 2019.

# Weather normalized volume trends, by electric jurisdiction



- \$58 billion capital plan drives shareholder value creation through 2024
- Clean energy transition and robust customer growth drive significant capital needs:
  - Generation investments driven by IRP capital in the Carolinas and Indiana, and solar build-out in Florida
  - Transmission investments to accommodate coal retirements, enable renewables and energy storage, and maintain grid stability
  - Distribution investments allow for dynamic power flows in a clean energy future, improve resiliency, enable electric vehicle charging and battery systems, and support innovative customer programs and rate designs
- No changes to previously disclosed common equity issuance plan

## \$58 BILLION CAPITAL PLAN (2020 – 2024)



(1) Includes battery storage investments

(2) Includes Carolinas IRP capital (renewables, battery and transmission), Florida renewables, and nuclear capex (fuel and maintenance)





## Financing plan update and current liquidity

## KEY MESSAGES

- Joint DEC and DEP Financing petition filed in NC on Oct. 26 to securitize storm costs
  - ~\$750 million for DEP and ~\$230 million for DEC
  - Expect financing orders to be issued mid-2021
- Received remaining refundable AMT credits and interest of \$592 million in Q3 2020
  - AMT credits and O&M reductions support consolidated FFO/Debt of ~15% in 2020
- Equity forward of \$2.5 billion priced in Nov. 2019 expected to be settled by year-end 2020
  - Sized to address cancellation of ACP
  - Continued annual equity issuances in our plan of \$500 million per year through 2022 via DRIP/ATM programs
  - No changes to previously disclosed common equity issuance plan

Equity Issuance	Priced YTD	Equity Forward?	Forward Settled
ATM	\$235 M	Yes	Q4
DRIP	\$157 M	No	n/a
<b>Total Common</b>	<b>\$392 M</b>		



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

Issuer	Planned Amount (\$ in millions)	Security	Completed (\$ in millions)	Date Issued	Term	Rate	2020 Maturities <sup>(5)</sup>
Holding Company	\$500	Common Equity (ATM/DRIP) <sup>(2)</sup>	\$392	YTD	-	-	-
Holding Company	\$1,000 - \$1,500	Senior Notes or other LT securities (excludes bank loan borrowings in Q1)	\$500	May 2020	10-Year	2.45%	\$350 (June, 2020)
			\$650	Sept. 2020	5-Year	0.90%	
			\$350	Sept. 2020	10-Year <sup>(3)</sup>	1.75%	
DE Carolinas	\$800 - \$1,000	Senior Debt	\$500	Jan. 2020	10-year	Fixed – 2.45%	\$450 (June, 2020)
			\$400		29-Year <sup>(4)</sup>	Fixed – 3.20%	
DE Progress	\$500 - \$700	Senior Debt	\$700	Aug. 2020	18-Months	Floating – L+18	\$1,000 (Sept. & Dec. 2020)
			\$600	Aug. 2020	30-Year	Fixed – 2.50%	
DE Florida	\$400 - \$600	Senior Debt	\$500	June 2020	10-Year	1.75%	\$500 (Jan. & April 2020)
DE Indiana	\$450 - \$650	Senior Debt	\$550	March 2020	30-year	2.75%	\$500 (July 2020)
DE Ohio	\$300 - \$500	Senior Debt	\$400	May 2020	10-Year	2.125%	-
Piedmont	\$300 - \$500	Senior Debt	\$400	May 2020	30-Year	3.35%	-
DE Kentucky	\$50 - \$70	Senior Debt	\$70	June 2020	10-year 30-year	Fixed – 2.65% Fixed – 3.66%	-

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

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

(3) The September issuance of \$350 million involved the re-opening of the existing 2.45% 2030s. Priced at a premium to yield 1.75%

(4) Reopened the existing 3.20% 2049s

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

# Liquidity summary (as of September 30, 2020)

(\$ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility <sup>(1)</sup>	\$ 2,650	\$ 1,475	\$ 1,250	\$ 800	\$ 600	\$ 450	\$ 175	\$ 600	\$ 8,000
Less: Notes payable and commercial paper <sup>(2)</sup>	(693)	(300)	(308)	(62)	(229)	(43)	(63)	(309)	(2,007)
Outstanding letters of credit (LOCs)	(34)	(4)	(2)	(0)	-	-	-	-	(40)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 1,923	\$ 1,171	\$ 940	\$ 738	\$ 290	\$ 407	\$ 112	\$ 291	\$ 5,872
Funded Revolver and Term Loan <sup>(3)</sup>	\$ 1,844								\$ 1,844
Less: Borrowings Under Credit Facilities	(1,344)								(1,344)
Available capacity	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Equity Forwards	\$ 2,620								\$ 2,620
Cash & short-term investments									228
<b>Total available liquidity</b>									<b>\$ 9,220</b>

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

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

(3) Duke Energy Corp 3-year funded revolver of \$1B and term loan of \$844M. Borrowings under these facilities will be used for general corporate purposes.

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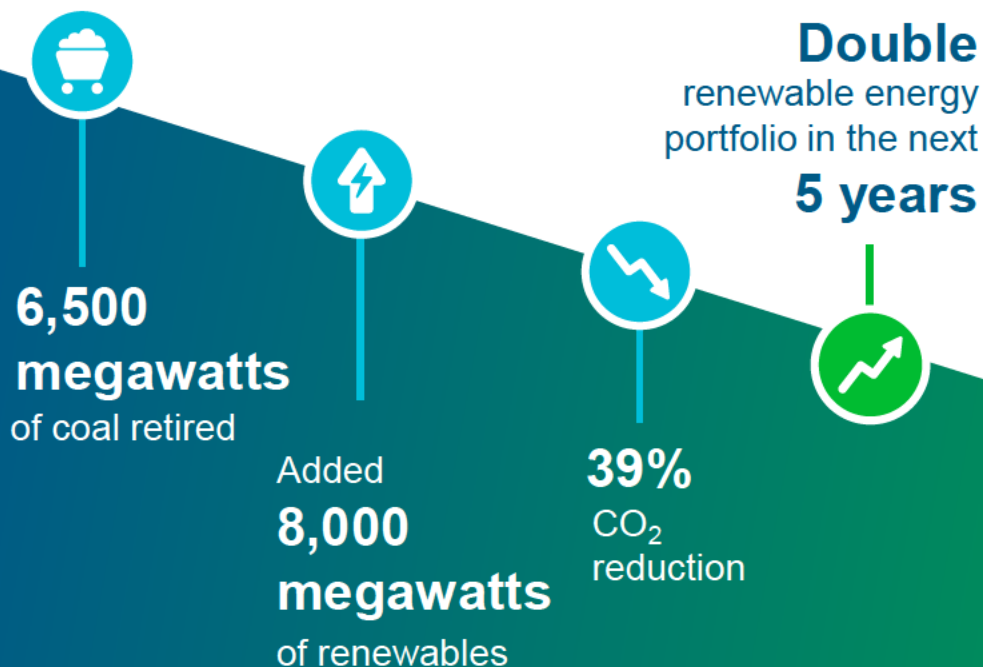
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## Sustainability / Environmental Social and Governance (ESG)

# Road to Net-Zero

## Where we've been (2005 – 2019)



## Where we're going (2020 & beyond)

Increased renewables, storage and new technologies

Retire all coal-only units in the Carolinas by 2030

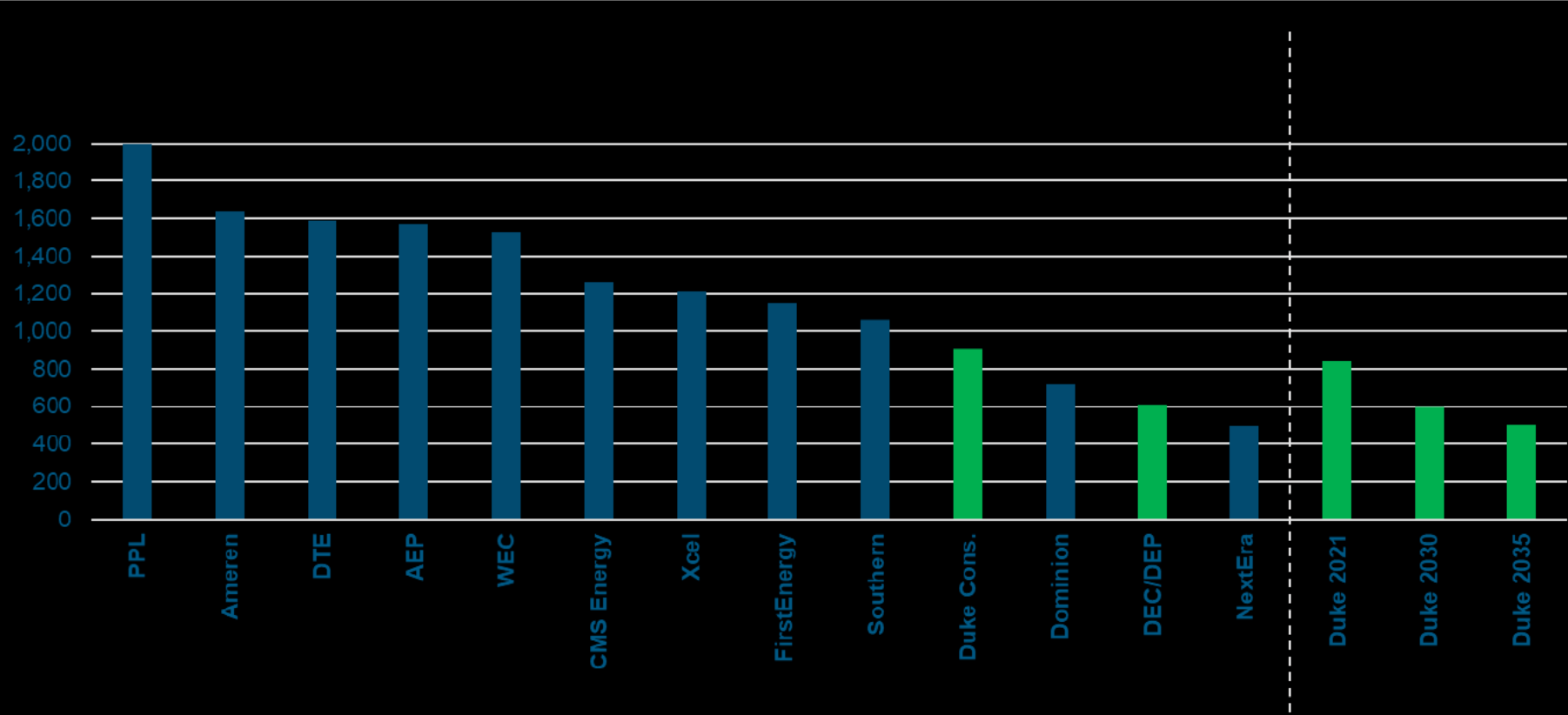
At least 50% CO<sub>2</sub> reduction by 2030<sup>(1)</sup>

Net-zero Carbon by 2050<sup>(1)</sup>

<sup>(1)</sup> From electricity generation; at least 50 percent below 2005 levels by 2030  
<sup>(2)</sup> Based on adjusted EPS

CLEAN ENERGY INVESTMENTS ACCELERATE RATE BASE CAGR TO ~7%  
EXPECT TO ACHIEVE TOP END OF 4% to 6% EPS GROWTH RATE THROUGH 2024<sup>(2)</sup>

# National leader in low carbon intensity energy



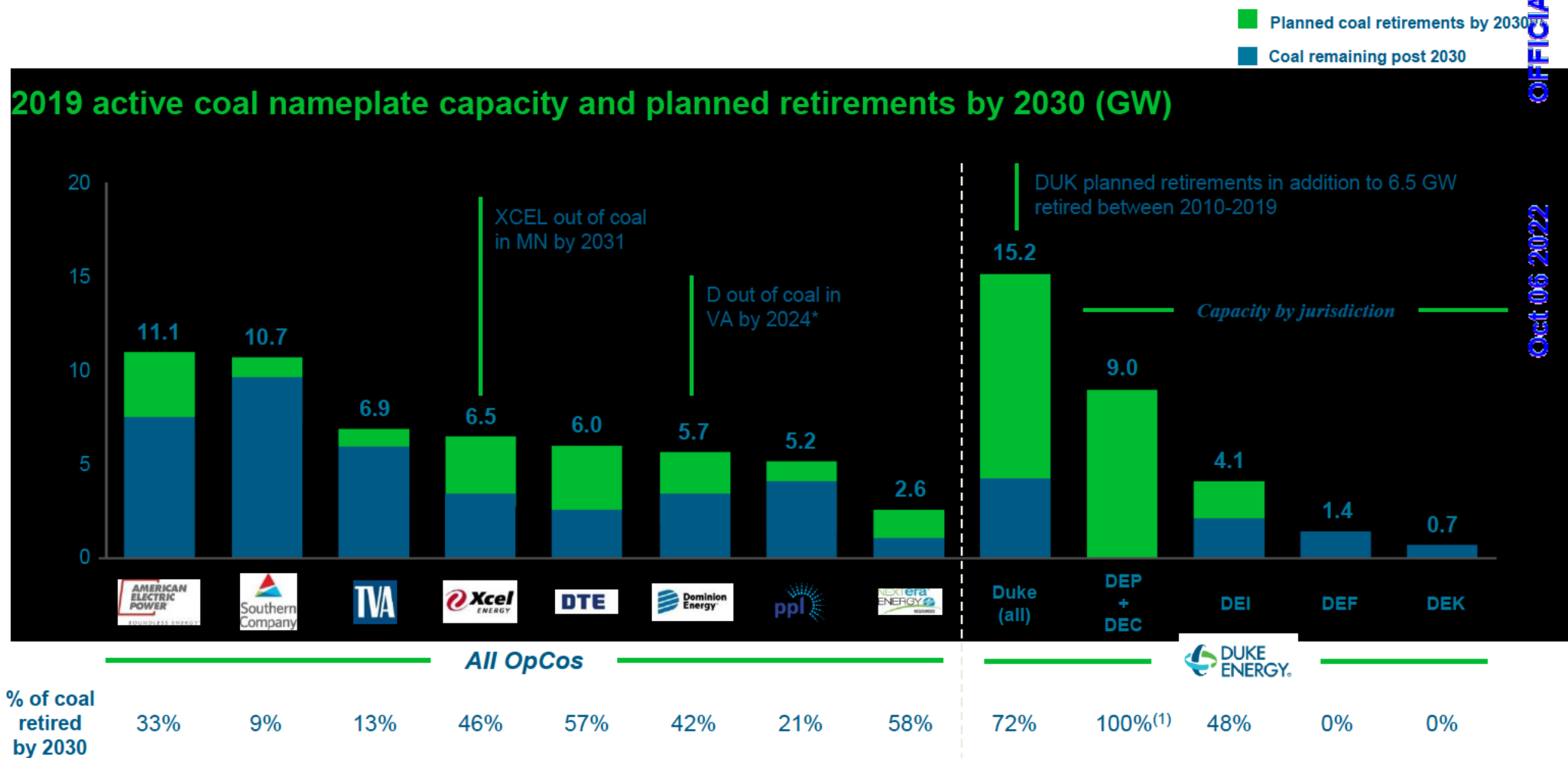
Source: 2016 Benchmarking Air Emissions by the Bracley

Carbon intensity rate of combined DEC/DEP fleet is 37% lower than the industry average

# Duke Energy contemplates the largest coal closure in the industry over the next decade

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(1) In Earliest Practicable portfolio, starting in 2030, dual fuel unit Cliffside 6 operates on natural gas only

**Note:** \*Coal co-owned with a cooperative utility and Virginia City Hybrid Energy Center are exceptions; TVA sites potential to retire additional 2.2GW coal if cost-effective; Dominion SCE&G IRP explored additional 1.3GW retirements; DEI capacity excludes Edwardsport IGCC; Duke Carolinas retirement schedule based on "Earliest Practicable" Portfolio detailed in 2020 IRP







**Source:** SNL 2019 active nameplate capacity (operating plants based on ownership % and fuel categorization, may exclude dual fuel w/ non-coal firing); planned coal retirements based on company latest IRP, utility commission reports, sustainability reports, and news releases



# IRP portfolio results – Carolinas combined

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	Base without Carbon Policy		Base with Carbon Policy		Earliest Practicable Coal Retirements		70% CO <sub>2</sub> Reduction: High Wind		70% CO <sub>2</sub> Reduction: High SMR		No New Gas Generation	
Pathway	A		B		C		D		E		F	
System CO <sub>2</sub> Reduction (2030   2035)	56%	53%	59%	62%	64%	64%	70%	73%	71%	74%	65%	73%
Present Value Revenue Requirement (PVRR) [\$B](through 2050) <sup>1</sup>	\$79.8		\$82.5		\$84.1		\$100.5		\$95.5		\$108.1	
Estimated Transmission Investment Required [\$B] <sup>2</sup>	\$0.9		\$1.8		\$1.3		\$7.5		\$3.1		\$8.9	
Total Solar [MW] <sup>3, 4</sup>	8,650		12,300		12,400		16,250		16,250		16,400	
Incremental Onshore Wind [MW] <sup>3</sup>	0		750		1,350		2,850		2,850		3,150	
Incremental Offshore Wind [MW] <sup>3</sup>	0		0		0		2,650		250		2,650	
Incremental SMR Capacity [MW] <sup>3</sup>	0		0		0		0		1,350		700	
Incremental Storage [MW] <sup>3, 5</sup>	1,050		2,200		2,200		4,400		4,400		7,400	
Incremental Gas [MW] <sup>3</sup>	9,600		7,350		9,600		6,400		6,100		0	
Total Contribution from Energy Efficiency and Demand Response Initiatives [MW] <sup>6</sup>	2,050		2,050		2,050		3,350		3,350		3,350	
Dependency on Technology & Policy Advancement	 Not Dependent		 Slightly Dependent		 Moderately Dependent		 Mostly Dependent		 Completely Dependent		 Completely Dependent	

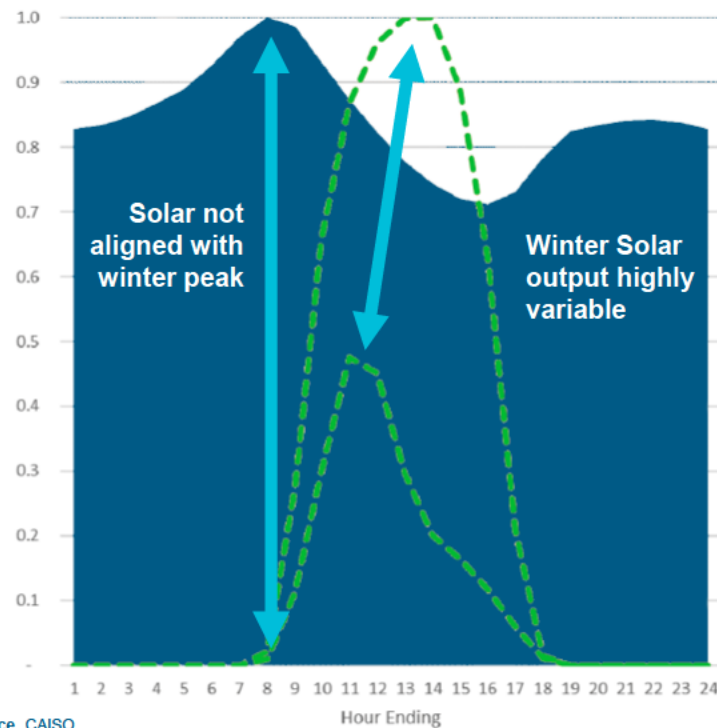
- 1) PVRRs exclude the cost of CO<sub>2</sub> as tax. Including CO<sub>2</sub> costs as tax would increase PVRRs by ~\$11-\$16B through 2050  
 2) Represents an estimated nominal transmission investment; cost is included in PVRR calculation  
 3) All capacities are Total/Incremental nameplate capacity within the RP planning horizon  
 4) Total solar nameplate capacity includes 3,925 MW connected in DEC and DEP combined as of year-end 2020 (projected)  
 5) Includes 4-hr, 6-hr, and 8-hr grid-tied storage, storage at solar plus storage sites, and pumped storage

- 6) Contribution of EE/DR (including Integrated Volt-Var Control (IVVC) and Distribution System Demand Response (DSDR)) in 2035 to peak winter planning hour  
 7) Earliest Practicable retirement dates with delaying one (1) Belevs Creek unit and Roxboro 1&2 to EOY 2029 for integration of offshore wind/SMR by 2030  
 8) Most Economic retirement dates with delaying Roxboro 1&2 to EOY 2029 for integration of offshore wind by 2030

# Serving the Carolinas' winter peak

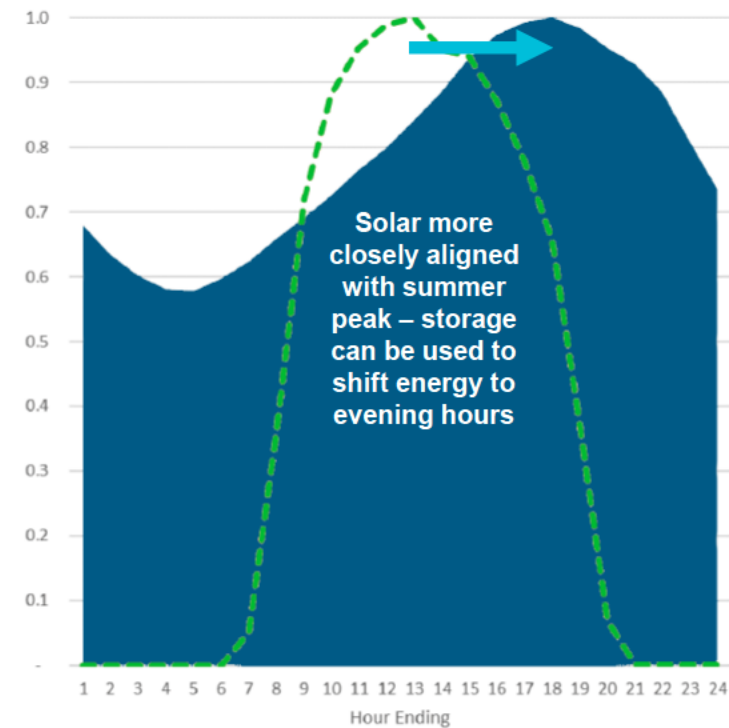
..... Solar generation  
■ Load

## Carolinas Winter Peaking



Source CAISO

## California Summer Peaking



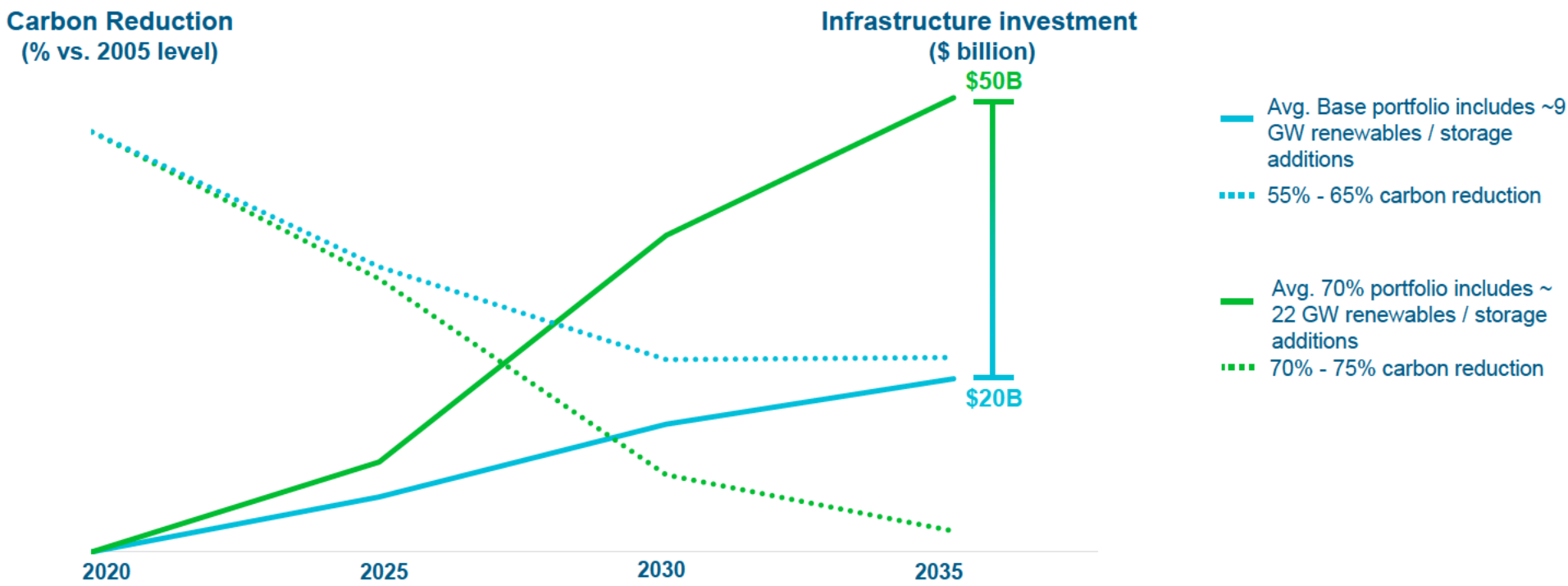
**Solar + storage insufficient to meet winter peak in the Carolinas;  
Natural gas generation needed to supply power on cold/dark mornings**



# Clean energy future drives infrastructure growth opportunity in Carolinas

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## Carolinas IRP- related infrastructure needs<sup>(1)</sup> – irrespective of ownership



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(1) Incremental distribution capital not reflected in the Carolinas IRPs

ALL CAROLINAS IRP PORTFOLIOS REQUIRE SIGNIFICANT INFRASTRUCTURE, ACCELERATING IN 2025-2029

# Grid investments support fleet transformation across all jurisdictions

## Grid capital plan significantly trending up in second half of the decade

- Transmission investments total ~\$7B in current five-year plan. Significant incremental capital over the next decade for transmission upgrades:
  - Accommodate coal retirements
  - Enable renewables and energy storage
  - Maintain grid stability
  - Average \$4 billion in Carolina's IRP from 2020 – 2035, and will also require significant investment in Florida and Midwest
- Distribution investments total ~\$17B in current five-year plan. Significant incremental distribution capital over the next decade to:
  - Improve resiliency and allow for dynamic power flows in a clean energy future
  - Enable electric vehicle charging and battery systems
  - Support innovative customer programs and rate designs
  - Install localized intelligent control systems



Transmission Improvements



Integrated Volt-var Control (IVVC)



Battery Storage



System Intelligence and Grid Automation



Integrated System Operations & Planning



Self-Optimizing Grid



Advanced Metering Infrastructure (AMI)

INVESTING IN THE LARGEST GRID IN THE U.S. TO ENABLE  
EXTENSIVE DEPLOYMENT OF RENEWABLES

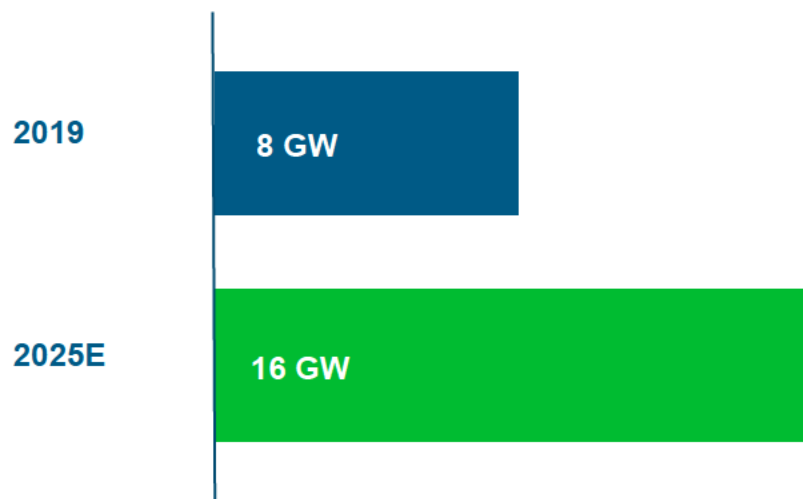
# Significant renewable energy investments delivering cleaner energy

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## Renewables will be Duke Energy's largest source of energy by 2050

*Projected to add upwards of 40,000 MWs of new renewables, making up 40% of our generation mix*

### Regulated and non-regulated renewable capacity<sup>(1)</sup>:



*(1) Includes renewables owned, operated and under contract*

### Commercial Renewables projects under construction:



**Frontier II Wind power** – 350 MW  
(online by end of 2020)



**Maryneal Wind power** – 180 MW  
(online by Q1 2021)

### Regulated Renewables:



DEF Clean Energy Connection program to add approx. **750 megawatts (MW)** of cost-effective solar for residential/ small customers.



Carolinas – Renewables investments included in recently-filed IRPs to support growth of green energy

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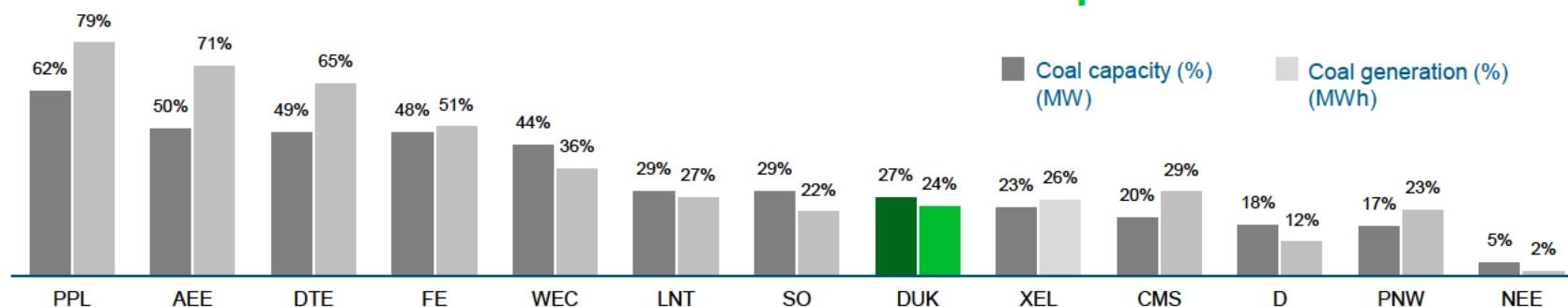
**TOP TEN OWNER OF SOLAR AND WIND FACILITIES IN THE U.S.**

# Duke is an industry leader in carbon-free generation

The Carolinas' utilities rank second among large, regulated utilities with 53% of generation from carbon-free resources<sup>(1)</sup>, driven by...

- Best in class nuclear fleet
- North Carolina ranked 2<sup>nd</sup> in the nation for solar development

Duke is less “coal-heavy” than other utilities and has done more to reduce its carbon footprint<sup>(2)</sup>



(1) Based on 2019 owned generation (Mwh). Carbon-free generation includes nuclear, solar, hydro and biomass. Excludes purchased power.

(2) Source: SNL. Generation metrics include owned and purchased power. AEE and FE data reflects 2018 generation data given lack of disclosure.

LARGEST REGULATED NUCLEAR FLEET CRITICAL TO CLEAN ENERGY TRANSFORMATION

# Fostering a culture rooted in social responsibility, strong governance and innovating for the future

## Employees

Leading employer for diversity, women and LGBTQ community

Strong focus on development and reskilling

## Duke Energy Foundation

Over \$30 million annual investment to better our communities

Employees and retirees volunteered over 136,000 hours

## Diversity and Inclusion

Over 400 D&I-related conversations with employees in the summer of 2020

\$5 billion of spend with diverse suppliers over the past 5 years

Leadership team with 24% women and 15% minorities

## Board of Directors

38% racial, gender and ethnic diversity represented

Ongoing refreshment with 7 new Board members in the last 4 years

Climate goal to be added to executive compensation

## Stakeholders

Ongoing engagement in Carolinas IRPs, path ahead for solar energy and subsequent license renewal for nuclear units

## COVID-19 Response

Swift response to pandemic, prioritizing employee safety

One of the first utilities to proactively suspend disconnections for customers

Donated ~\$6.5 million to support our communities

## Strong ESG rankings

A

MSCI score

1

ISS QualityScore governance rating

14

Years on the Dow Jones Sustainability Index

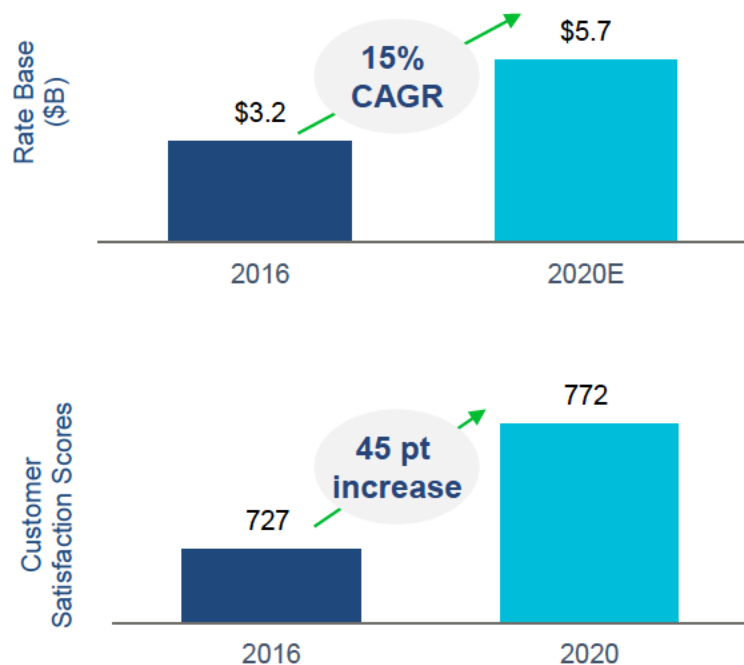
OUR PURPOSE: POWER THE LIVES OF OUR CUSTOMERS  
AND VITALITY OF OUR COMMUNITIES

# Piedmont acquisition has been a tremendous success

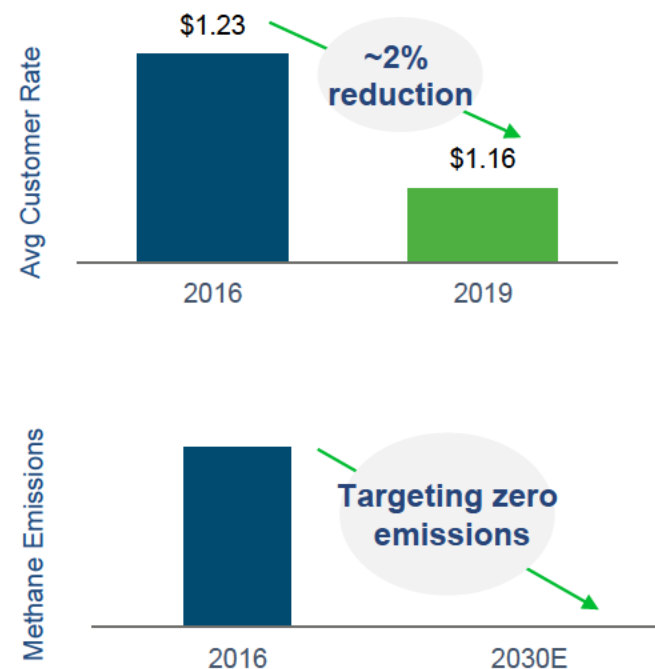
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## SIGNIFICANT GROWTH IN RATE BASE AND CUSTOMER SATISFACTION...



## ... WHILE CUSTOMER RATES AND EMISSIONS TREND DOWN



(1) Based on adjusted segment income

EXPECTED FIVE-YEAR EPS CAGR OF 8-10%<sup>(1)</sup> IN THE NATURAL GAS SEGMENT





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## Upcoming events & other

Event	Date
EEI Financial Conference	November 9-11, 2020
4Q 2020 earnings call (tentative)	February 11, 2021



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### **CINDY LEE, DIRECTOR INVESTOR RELATIONS**

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

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

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Third Quarter Earnings Review & Business Update**  
**November 5, 2020**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of adjusted EPS for the quarter and year-to-date periods ended September 30, 2020 and 2019.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended September 30, 2020 and 2019, to the most directly comparable GAAP measure are included herein.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit costs related to Constitution.
- Regulatory Settlements represents charges related to Duke Energy Carolinas and Duke Energy Progress partial settlements in the 2019 North Carolina rate cases.
- Severance represents the reversal of 2018 costs which were deferred as a result of the partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.
- Impairment Charges represents a reduction of a prior year impairment at Citrus County CC.

**Adjusted EPS Guidance**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a reference to the forecasted 2020 adjusted EPS guidance range of \$5.05 to \$5.20 per share, narrowed from \$5.05 - \$5.45 per share during the third quarter of 2020. In addition, the materials reference a preliminary estimate of 2021 Adjusted EPS midpoint of approximately \$5.15, with refinements to the estimate to be made through the rest of the year, considering analysis of economic conditions and other factors. The materials also reference the long-term range of annual growth of 4% - 6% off 2021 earnings. In addition, the materials reference the expected five-year EPS growth in the natural gas segment of 8-10% (on a compound annual growth rate (CAGR) basis). The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2020 and a discussion of 2020 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2020 and 2019, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the nine months ended September 30, 2020. The materials also include a discussion of the 2020 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the nine months ended September 30, 2020, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**Available Liquidity**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility and available equity forwards as of September 30, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of September 30, 2020, to the most directly comparable GAAP measure is included herein.

**Business Mix Percentage**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, reference ninety-five percent of earnings coming from the regulated electric and gas utilities as a percentage of the total projected 2020 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's regulated electric and gas utilities are included in the Electric Utilities and Infrastructure and Gas Utilities and Infrastructure segments, respectively.

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

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020 include a reference to the expected 2020 FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, imputed operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended September 30, 2020**  
**(Dollars in millions, except per share amounts)**

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Regulatory Settlements		
<b>SEGMENT INCOME (LOSS)</b>					
Electric Utilities and Infrastructure	\$ 1,381	\$ 4	A \$ 27	C \$ 31	\$ 1,412
Gas Utilities and Infrastructure	(73)	65	B —	65	(8)
Commercial Renewables	60	—	—	—	60
<b>Total Reportable Segment Income</b>	<b>1,368</b>	<b>69</b>	<b>27</b>	<b>96</b>	<b>1,464</b>
Other	(103)	—	—	—	(103)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,265</b>	<b>\$ 69</b>	<b>\$ 27</b>	<b>\$ 96</b>	<b>\$ 1,361</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.74</b>	<b>\$ 0.09</b>	<b>\$ 0.04</b>	<b>\$ 0.13</b>	<b>\$ 1.87</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

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

**B** - Net of \$20 million tax benefit.

- \$78 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Condensed Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Condensed Consolidated Statements of Operations.

**C** - Net of \$6 million tax benefit at Duke Energy Carolinas and \$2 million tax benefit at Duke Energy Progress.

- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2020**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements		
<b>SEGMENT INCOME (LOSS)</b>						
Electric Utilities and Infrastructure	\$ 2,839	\$ 4 A	\$ —	\$ 27 D	\$ 31	\$ 2,870
Gas Utilities and Infrastructure	(1,400)	1,691 B	—	—	1,691	291
Commercial Renewables	207	—	—	—	—	207
<b>Total Reportable Segment Income</b>	<b>1,646</b>	<b>1,695</b>	<b>—</b>	<b>27</b>	<b>1,722</b>	<b>3,368</b>
Other	(299)	—	(75) C		(75)	(374)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,347</b>	<b>\$ 1,695</b>	<b>\$ (75)</b>	<b>\$ 27</b>	<b>\$ 1,647</b>	<b>\$ 2,994</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.85</b>	<b>\$ 2.30</b>	<b>\$ (0.10)</b>	<b>\$ 0.04</b>	<b>\$ 2.24</b>	<b>\$ 4.09</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

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

**B** - Net of \$394 million tax benefit.

- \$2,078 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Condensed Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Condensed Consolidated Statements of Operations.

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

**D** - Net of \$6 million tax benefit at Duke Energy Carolinas and \$2 million tax benefit at Duke Energy Progress.

- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2019  
(Dollars in millions, except per share amounts)

		<u>Special Item</u>		
	<u>Reported Earnings</u>	<u>Impairment Charge</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 1,385	\$ (19) A	\$ (19)	\$ 1,366
Gas Utilities and Infrastructure	26	—	—	26
Commercial Renewables	40	—	—	40
<b>Total Reportable Segment Income</b>	<b>1,451</b>	<b>(19)</b>	<b>(19)</b>	<b>1,432</b>
Other	(124)		—	(124)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,327</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 1,308</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.82</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 1.79</b>

A – Net of \$6 million tax expense. \$25 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 729 million



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2019**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item Impairment Charge	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 2,944	\$ (19) <b>A</b>	\$ (19)	\$ 2,925
Gas Utilities and Infrastructure	292	—	—	292
Commercial Renewables	139	—	—	139
<b>Total Reportable Segment Income</b>	<b>3,375</b>	<b>(19)</b>	<b>(19)</b>	<b>3,356</b>
Other	(328)	—	—	(328)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,047</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 3,028</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.18</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 4.15</b>

**A** – Net of \$6 million tax expense. \$25 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 728 million**

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

	Three Months Ended September 30, 2020		Nine Months Ended September 30, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 1,339		\$ 1,158	
Gas Pipeline Investments	90		2,090	
Severance	—		(98)	
Regulatory Settlements	35		35	
Noncontrolling Interests	70		208	
Preferred Dividends	(39)		(93)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 1,495</b>		<b>\$ 3,300</b>	
<b>Reported Income Tax Expense (Benefit)</b>	\$ 105	7.8%	\$ (74)	(6.4)%
Gas Pipeline Investments	21		395	
Severance	—		(23)	
Regulatory Settlements	8		8	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 134</b>	<b>9.0%</b>	<b>\$ 306</b>	<b>9.3 %</b>

	Three Months Ended September 30, 2019		Nine Months Ended September 30, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 1,511		\$ 3,388	
Impairment Charge	(25)		(25)	
Noncontrolling Interests	19		110	
Preferred Dividends	(15)		(27)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 1,490</b>		<b>\$ 3,446</b>	
<b>Reported Income Tax Expense</b>	\$ 188	12.4%	\$ 424	12.5%
Impairment Charge	(6)		(6)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 182</b>	<b>12.2%</b>	<b>\$ 418</b>	<b>12.1%</b>

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of September 30, 2020**  
(In millions)

Cash and Cash Equivalents	\$ 308	
Less: Certain Amounts Held in Foreign Jurisdictions	(12)	
Less: Unavailable Domestic Cash	<u>(68)</u>	
	228	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>6,372</u>	
Plus: Remaining Availability from Equity Forwards	<u>2,620</u>	
Total Available Liquidity (a), September 30, 2020	<u>\$ 9,220</u>	approximately 9.2 billion

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility and available equity forwards as of September 30, 2020. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

## News Release



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Office: 704.382.2640

Nov. 5, 2020

### Duke Energy reports third quarter 2020 financial results

- **Third quarter 2020 reported EPS of \$1.74 and adjusted EPS of \$1.87**
- **Completed \$350 million of mitigation through 3Q 2020 and remain confident in achieving \$400 million to \$450 million by year-end**
- **\$58 billion capital plan increases rate base growth to 6.5% through 2024, growing to 7% in second half of decade as the company accelerates clean energy investments**
- **Company narrows 2020 adjusted EPS guidance range to \$5.05 to \$5.20**

CHARLOTTE, N.C. – Duke Energy (NYSE: DUK) today announced third quarter 2020 reported EPS of \$1.74, prepared in accordance with Generally Accepted Accounting Principles (GAAP), and adjusted EPS of \$1.87. This is compared to reported and adjusted EPS of \$1.82 and \$1.79, respectively, for the third quarter of 2019.

Adjusted EPS excludes the impact of certain items that are included in reported EPS. The difference between third quarter 2020 reported and adjusted EPS was due to exit obligations from gas pipeline investments and charges related to partial settlements in the Duke Energy Carolinas and Duke Energy Progress North Carolina rate cases.

Higher third quarter 2020 adjusted results compared to 2019 were led by the Electric Utilities and Infrastructure and Commercial Renewables segments. Electric Utilities and Infrastructure benefited from rate case contributions and lower O&M expenses driven by significant mitigation efforts targeted at reducing the impact of mild weather and lower load results due to the COVID-19 pandemic. Commercial Renewables continued to grow primarily due to new renewable projects as the company continues to expand its clean energy portfolio. The Other segment also reported favorable results due to lower taxes and financing costs. Lower results at Gas Utilities and Infrastructure were due to the loss of Atlantic Coast Pipeline (ACP) earnings, partially offset by the impact of the Piedmont North Carolina rate case.

“We delivered strong results in the quarter, thanks to the exceptional work of our team in serving our customers and swiftly offsetting costs across our business,” said Lynn Good, Duke Energy chair, president and chief executive officer. “We have met the challenges of 2020 and will build on this success as we continue to innovate for the future. We are well-positioned to achieve results within our narrowed 2020 EPS guidance range of \$5.05 to \$5.20 through disciplined mitigation while investing in cleaner energy and a smarter, more resilient energy grid.”

Our strategy to reach net-zero carbon emissions by 2050 and net-zero methane emissions by 2030 also benefits our investment potential. Our updated five-year, \$58 billion capital plan, backed by our strong balance sheet, underpins our confidence in growing at the top end of our long-term earnings growth rate of 4 to 6 percent off a preliminary 2021 base of approximately \$5.15. Duke Energy is on track to continue generating sustainable value for our customers, communities and shareholders for decades to come.”

### **Business segment results**

In addition to the following summary of third quarter 2020 business segment performance, comprehensive tables with detailed EPS drivers for the third quarter compared to prior year are provided at the end of this news release.

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

### **Electric Utilities and Infrastructure**

On a reported basis, Electric Utilities and Infrastructure recognized third quarter 2020 segment income of \$1,381 million, compared to \$1,385 million in the third quarter of 2019. Third quarter 2020 reported results included impacts of partial settlements from the Duke Energy Carolinas and Duke Energy Progress North Carolina rate cases.

On an adjusted basis, Electric Utilities and Infrastructure recognized third quarter 2020 segment income of \$1,412 million, compared to \$1,366 million in the third quarter of 2019, an increase of \$0.06 per share, excluding share dilution of \$0.01 per share. Higher quarterly results were primarily due to lower O&M expenses (+\$0.08 per share), contributions from rate cases (+\$0.07 per share), lower tax expense (+\$0.05 per share), wholesale formula rate adjustments (+\$0.03 per share) and higher energy efficiency and grid modernization rider programs (+0.02 per share). Lower O&M is driven by lower employee-related expenses, lower storm costs, operational efficiencies and other mitigation efforts.

These results were partially offset by mild weather compared to the prior year quarter (-\$0.08 per share), higher depreciation and amortization on a growing asset base (-\$0.06 per share), lower retail margin (-\$0.04 per share) and weak volumes due to the economic conditions caused by COVID-19 (-\$0.01 per share).

### **Gas Utilities and Infrastructure**

On a reported basis, Gas Utilities and Infrastructure recognized third quarter 2020 segment loss of \$73 million, compared to segment income of \$26 million in the third quarter of 2019. In addition to the drivers outlined below, lower third quarter 2020 results were due to costs for exit obligations of gas pipeline investments, primarily ACP. These charges were treated as special items and excluded from adjusted earnings.

On an adjusted basis, Gas Utilities and Infrastructure recognized third quarter 2020 adjusted segment loss of \$8 million, compared to adjusted segment income of \$26 million in the third quarter of 2019, a decrease of \$0.05 per share. Lower quarterly results were driven by the loss of ACP earnings and higher income taxes (-\$0.06 per share), partially offset by contributions from the Piedmont North Carolina rate case (+\$0.01 per share).

### **Commercial Renewables**

On a reported and adjusted basis, Commercial Renewables recognized third quarter 2020 segment income of \$60 million, compared to \$40 million in the third quarter of 2019. This represents an increase of \$0.03 per share. Higher quarterly results were primarily driven by growth in new renewable projects (+\$0.04 per share).

### **Other**

Other primarily includes interest expense on holding company debt, other unallocated corporate costs and results from Duke Energy's captive insurance company.

On a reported and adjusted basis, Other recognized a third quarter 2020 net loss of \$103 million, compared to a net loss of \$124 million in the third quarter of 2019. Higher quarterly results at Other were primarily due to lower income tax expense (+\$0.03 per share), lower financing costs (+\$0.01 per share) and unrealized investment gains on non-pension executive benefit trusts (+\$0.01 per share).

### **Effective tax rate**

Duke Energy's consolidated reported effective tax rate for the third quarter of 2020 was 7.8% compared to 12.4% in the third quarter of 2019. The decrease in the effective tax rate was primarily due to an increase in the amortization of excess deferred taxes.

The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the third quarter of 2020 was 9% compared to the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items of 12.2% in the third quarter of 2019. The decrease was primarily due to an increase in the amortization of excess deferred taxes.

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

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

An earnings conference call for analysts is scheduled from 10 to 11 a.m. ET today to discuss third quarter 2020 financial results. The conference call will be hosted by Lynn Good, chair, president and chief executive officer, and Steve Young, executive vice president and chief financial officer.

The call can be accessed via the investors section ([duke-energy.com/investors](http://duke-energy.com/investors)) of Duke Energy's website or by dialing 888.204.4368 in the United States or 323.994.2093 outside the United States. The confirmation code is 5902971. Please call in 10 to 15 minutes prior to the scheduled start time.

A replay of the conference call will be available until 1 p.m. ET, Nov. 15, 2020, by calling 888.203.1112 in the United States or 719.457.0820 outside the United States and using the code 5902971. An audio replay and transcript will also be available by accessing the investors section of the company's website.

### Special Items and Non-GAAP Reconciliation

The following table presents a reconciliation of GAAP reported to adjusted EPS for third quarter 2020 financial results:

(In millions, except per share amounts)	After-Tax Amount	3Q 2020 EPS	3Q 2019 EPS
EPS, as reported		\$ 1.74	\$ 1.82
Adjustments to reported EPS:			
<b>Third Quarter 2020</b>			
Gas pipeline investments	\$ 69	0.09	
Regulatory settlements	27	0.04	
<b>Third Quarter 2019</b>			
Impairment charge	(19)		(0.03)
Total adjustments		\$ 0.13	\$ (0.03)
EPS, adjusted		\$ 1.87	\$ 1.79

### Non-GAAP financial measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings, adjusted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Adjusted earnings and adjusted EPS represent income from continuing operations available to Duke Energy Corporation common stockholders in dollar and per share amounts, adjusted for the dollar and per share impact of special items. The effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is calculated using pretax earnings and income tax expense, both as adjusted for the impact of noncontrolling interests, preferred dividends and special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. The most directly comparable GAAP measures for adjusted earnings, adjusted EPS and effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items are Net Income Available to Duke Energy Corporation common stockholders (GAAP reported earnings), Basic earnings per share Available to Duke Energy Corporation common stockholders (GAAP reported earnings per share), and the reported effective tax rate, respectively.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit costs related to Constitution.
- Regulatory Settlements represents charges related to Duke Energy Carolinas and Duke Energy Progress partial settlements in the 2019 North Carolina rate cases.
- Impairment Charges represents a reduction of a prior year impairment at Citrus County CC.

Due to the forward-looking nature of any forecasted adjusted earnings guidance, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods (such as legal settlements, the impact of regulatory orders or asset impairments).

Management evaluates segment performance based on segment income (loss) and other net loss. Segment income (loss) is defined as income (loss) from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income (loss) includes intercompany revenues and expenses that are eliminated in the Condensed Consolidated Financial Statements. Management also uses adjusted segment income (loss) as a measure of historical and anticipated future segment performance. Adjusted segment income (loss) is a non-GAAP financial measure, as it is based upon segment income (loss) adjusted for special items, which are discussed above. Management believes the presentation of adjusted segment income (loss) provides useful information to investors, as it provides them with an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment income or adjusted other net loss is segment income (loss) and other net loss.

Due to the forward-looking nature of any forecasted adjusted segment income or adjusted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as the company is unable to forecast all special items, as discussed above.

Duke Energy's adjusted earnings, adjusted EPS and adjusted segment income may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

## **Duke Energy**

Duke Energy (NYSE: DUK), a Fortune 150 company headquartered in Charlotte, N.C., is one of the largest energy holding companies in the U.S. It employs 29,000 people and has an electric generating capacity of 51,000 megawatts through its regulated utilities and 2,300 megawatts through its nonregulated Duke Energy Renewables unit.



Duke Energy is transforming its customers' experience, modernizing the energy grid, generating cleaner energy and expanding natural gas infrastructure to create a smarter energy future for the people and communities it serves. The Electric Utilities and Infrastructure unit's regulated utilities serve 7.8 million retail electric customers in six states: North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky. The Gas Utilities and Infrastructure unit distributes natural gas to 1.6 million customers in five states: North Carolina, South Carolina, Tennessee, Ohio and Kentucky. The Duke Energy Renewables unit operates wind and solar generation facilities across the U.S., as well as energy storage and microgrid projects.

Duke Energy was named to Fortune's 2020 "World's Most Admired Companies" list and Forbes' "America's Best Employers" list. More information about the company is available at [duke-energy.com](https://www.duke-energy.com). The [Duke Energy News Center](#) contains news releases, fact sheets, photos, videos and other materials. Duke Energy's [illumination](#) features stories about people, innovations, community topics and environmental issues. Follow Duke Energy on [Twitter](#), [LinkedIn](#), [Instagram](#) and [Facebook](#).

### Forward-Looking Information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- The impact of the COVID-19 pandemic;
- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;

- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources;
- The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values; and
- The ability to implement our business strategy, including enhancing existing technology systems.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended September 30, 2020**  
**(Dollars in millions, except per share amounts)**

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Regulatory Settlements		
<b>SEGMENT INCOME (LOSS)</b>					
Electric Utilities and Infrastructure	\$ 1,381	\$ 4 A	\$ 27 C	\$ 31	\$ 1,412
Gas Utilities and Infrastructure	(73)	65 B	—	65	(8)
Commercial Renewables	60	—	—	—	60
<b>Total Reportable Segment Income</b>	<b>1,368</b>	<b>69</b>	<b>27</b>	<b>96</b>	<b>1,464</b>
Other	(103)	—	—	—	(103)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,265</b>	<b>\$ 69</b>	<b>\$ 27</b>	<b>\$ 96</b>	<b>\$ 1,361</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.74</b>	<b>\$ 0.09</b>	<b>\$ 0.04</b>	<b>\$ 0.13</b>	<b>\$ 1.87</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

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

**B** - Net of \$20 million tax benefit.

- \$78 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Condensed Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Condensed Consolidated Statements of Operations.

**C** - Net of \$6 million tax benefit at Duke Energy Carolinas and \$2 million tax benefit at Duke Energy Progress.

- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

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Oct 06 2022

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2020**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements		
<b>SEGMENT INCOME (LOSS)</b>						
Electric Utilities and Infrastructure	\$ 2,839	\$ 4 A	\$ —	\$ 27 D	\$ 31	\$ 2,870
Gas Utilities and Infrastructure	(1,400)	1,691 B	—	—	1,691	291
Commercial Renewables	207	—	—	—	—	207
<b>Total Reportable Segment Income</b>	<b>1,646</b>	<b>1,695</b>	<b>—</b>	<b>27</b>	<b>1,722</b>	<b>3,368</b>
Other	(299)	—	(75) C		(75)	(374)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,347</b>	<b>\$ 1,695</b>	<b>\$ (75)</b>	<b>\$ 27</b>	<b>\$ 1,647</b>	<b>\$ 2,994</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.85</b>	<b>\$ 2.30</b>	<b>\$ (0.10)</b>	<b>\$ 0.04</b>	<b>\$ 2.24</b>	<b>\$ 4.09</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

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

**B** - Net of \$394 million tax benefit.

- \$2,078 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Condensed Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Condensed Consolidated Statements of Operations.

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

**D** - Net of \$6 million tax benefit at Duke Energy Carolinas and \$2 million tax benefit at Duke Energy Progress.

- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

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Oct 06 2022

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2019  
(Dollars in millions, except per share amounts)

		<u>Special Item</u>		
	<u>Reported Earnings</u>	<u>Impairment Charge</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 1,385	\$ (19) <sup>A</sup>	\$ (19)	\$ 1,366
Gas Utilities and Infrastructure	26	—	—	26
Commercial Renewables	40	—	—	40
<b>Total Reportable Segment Income</b>	<b>1,451</b>	<b>(19)</b>	<b>(19)</b>	<b>1,432</b>
Other	(124)		—	(124)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,327</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 1,308</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>1.82</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>1.79</b>

<sup>A</sup> – Net of \$6 million tax expense. \$25 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 729 million

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**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2019**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item Impairment Charge	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 2,944	\$ (19) <b>A</b>	\$ (19)	\$ 2,925
Gas Utilities and Infrastructure	292	—	—	292
Commercial Renewables	139	—	—	139
<b>Total Reportable Segment Income</b>	<b>3,375</b>	<b>(19)</b>	<b>(19)</b>	<b>3,356</b>
Other	(328)	—	—	(328)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,047</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 3,028</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.18</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 4.15</b>

**A** – Net of \$6 million tax expense. \$25 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 728 million**

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

	Three Months Ended September 30, 2020		Nine Months Ended September 30, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 1,339		\$ 1,158	
Gas Pipeline Investments	90		2,090	
Severance	—		(98)	
Regulatory Settlements	35		35	
Noncontrolling Interests	70		208	
Preferred Dividends	(39)		(93)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 1,495</b>		<b>\$ 3,300</b>	
<b>Reported Income Tax Expense (Benefit)</b>	\$ 105	7.8%	\$ (74)	(6.4)%
Gas Pipeline Investments	21		395	
Severance	—		(23)	
Regulatory Settlements	8		8	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 134</b>	<b>9.0%</b>	<b>\$ 306</b>	<b>9.3 %</b>

	Three Months Ended September 30, 2019		Nine Months Ended September 30, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 1,511		\$ 3,388	
Impairment Charge	(25)		(25)	
Noncontrolling Interests	19		110	
Preferred Dividends	(15)		(27)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 1,490</b>		<b>\$ 3,446</b>	
<b>Reported Income Tax Expense</b>	\$ 188	12.4%	\$ 424	12.5%
Impairment Charge	(6)		(6)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 182</b>	<b>12.2%</b>	<b>\$ 418</b>	<b>12.1%</b>

**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
September 2020 QTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
<b>2019 QTD Reported Earnings Per Share</b>	<b>\$ 1.90</b>	<b>\$ 0.04</b>	<b>\$ 0.06</b>	<b>\$ (0.18)</b>	<b>\$ 1.82</b>
Impairment Charge	(0.03)	—	—	—	(0.03)
<b>2019 QTD Adjusted Earnings Per Share</b>	<b>\$ 1.87</b>	<b>\$ 0.04</b>	<b>\$ 0.06</b>	<b>\$ (0.18)</b>	<b>\$ 1.79</b>
Weather	(0.08)	—	—	—	(0.08)
Volume	(0.01)	—	—	—	(0.01)
Riders and Other Retail Margin <sup>(a)</sup>	(0.02)	—	—	—	(0.02)
Rate case impacts, net <sup>(b)</sup>	0.07	0.01	—	—	0.08
Wholesale	0.03	—	—	—	0.03
Operations and maintenance, net of recoverables <sup>(c)</sup>	0.08	—	—	—	0.08
Midstream Gas Pipelines <sup>(d)</sup>	—	(0.04)	—	—	(0.04)
Duke Energy Renewables <sup>(e)</sup>	—	—	0.03	—	0.03
Interest Expense	—	—	—	0.03	0.03
Depreciation and amortization <sup>(f)</sup>	(0.06)	—	—	—	(0.06)
Preferred Dividends	—	—	—	(0.02)	(0.02)
Other <sup>(g)</sup>	0.05	(0.02)	—	0.04	0.07
Total variance before share count	\$ 0.06	\$ (0.05)	\$ 0.03	\$ 0.05	\$ 0.09
Change in share count	(0.01)	—	—	—	(0.01)
<b>2020 QTD Adjusted Earnings Per Share</b>	<b>\$ 1.92</b>	<b>\$ (0.01)</b>	<b>\$ 0.09</b>	<b>\$ (0.13)</b>	<b>\$ 1.87</b>
Gas Pipeline Investments	—	(0.09)	—	—	(0.09)
Regulatory Settlements	(0.04)	—	—	—	(0.04)
<b>2020 QTD Reported Earnings Per Share</b>	<b>\$ 1.88</b>	<b>\$ (0.10)</b>	<b>\$ 0.09</b>	<b>\$ (0.13)</b>	<b>\$ 1.74</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 729 million shares to 735 million.

- (a) Primarily driven by lower retail margin due to a prior year favorable true-up of purchased power and lower late payment fees, net of deferrals (-\$0.04), partially offset by higher energy efficiency and grid modernization rider programs (+\$0.02).
- (b) Electric Utilities and Infrastructure includes the net impact of the DEC and DEP North Carolina interim rates, effective August and September 2020 (+\$0.03), DEI base rate increases, effective August 2020 (+\$0.02), the DEF SBRA and multi-year rate plan (+0.01) and DEK base rate increases (+0.01). Gas Utilities and Infrastructure includes the net impact of the Piedmont North Carolina rate case, effective November 2019.
- (c) Includes lower employee-related expenses, lower storm costs, operational efficiencies and other savings due to mitigation efforts.
- (d) Primarily the loss of ACP earnings.
- (e) Primarily due to growth in new renewable projects.
- (f) Excludes rate case impacts.
- (g) Electric Utilities and Infrastructure and Other includes lower tax expense.



**DUKE ENERGY CORPORATION**  
**EARNINGS VARIANCES**  
September 2020 YTD vs. Prior Year

(Dollars per share)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Consolidated
<b>2019 YTD Reported Earnings Per Share</b>	<b>\$ 4.05</b>	<b>\$ 0.40</b>	<b>\$ 0.19</b>	<b>\$ (0.46)</b>	<b>\$ 4.18</b>
Impairment Charge	(0.03)	—	—	—	(0.03)
<b>2019 YTD Adjusted Earnings Per Share</b>	<b>\$ 4.02</b>	<b>\$ 0.40</b>	<b>\$ 0.19</b>	<b>\$ (0.46)</b>	<b>\$ 4.15</b>
Weather	(0.21)	—	—	—	(0.21)
Volume	(0.02)	—	—	—	(0.02)
Riders and Other Retail Margin	(0.01)	0.02	—	—	0.01
Rate case impacts, net <sup>(a)</sup>	0.12	0.07	—	—	0.19
Wholesale	0.03	—	—	—	0.03
Operations and maintenance, net of recoverables <sup>(b)</sup>	0.15	—	—	—	0.15
Midstream Gas Pipelines <sup>(c)</sup>	—	(0.09)	—	—	(0.09)
Duke Energy Renewables <sup>(d)</sup>	—	—	0.09	—	0.09
Interest Expense	(0.01)	—	—	0.04	0.03
Depreciation and amortization <sup>(e)</sup>	(0.17)	—	—	—	(0.17)
Preferred Dividends	—	—	—	(0.07)	(0.07)
Other <sup>(f)</sup>	0.04	—	—	—	0.04
Total variance before share count	\$ (0.08)	\$ —	\$ 0.09	\$ (0.03)	\$ (0.02)
Change in share count	(0.04)	—	—	—	(0.04)
<b>2020 YTD Adjusted Earnings Per Share</b>	<b>\$ 3.90</b>	<b>\$ 0.40</b>	<b>\$ 0.28</b>	<b>\$ (0.49)</b>	<b>\$ 4.09</b>
Gas Pipeline Investments	—	(2.30)	—	—	(2.30)
Severance	—	—	—	0.10	0.10
Regulatory Settlements	(0.04)	—	—	—	(0.04)
<b>2020 YTD Reported Earnings Per Share</b>	<b>\$ 3.86</b>	<b>\$ (1.90)</b>	<b>\$ 0.28</b>	<b>\$ (0.39)</b>	<b>\$ 1.85</b>

Note: Earnings Per Share amounts are calculated using the consolidated statutory income tax rate for all drivers except for Commercial Renewables, which uses an effective rate. Weighted average shares outstanding increased from 728 million shares to 735 million.

- (a) Electric Utilities and Infrastructure includes the net impact of the DEC and DEP South Carolina rate cases, effective June 2019 (+0.03), DEC and DEP North Carolina interim rates effective August and September 2020, respectively (+0.03), the DEF SBRA and multi-year rate plan (+0.03), DEI base rate increases, effective August 2020 (+0.02) and DEK base rate increases (+0.01). Gas Utilities and Infrastructure includes the net impact of the Piedmont North Carolina rate case, effective November 2019.
- (b) Primarily due to lower employee-related expenses, lower outage costs and customer delivery charges and other savings due to mitigation efforts, partially offset by increased COVID-19 expenses, net of deferrals. For the nine months ended September 30, 2020, the Duke Energy Registrants incurred -\$0.09 of incremental COVID-19 O&M costs, the company has deferred +\$0.06 of these incremental costs.
- (c) Primarily related to a favorable income tax adjustment for equity method investments in the prior year and the loss of ACP earnings.
- (d) Primarily due to new renewable projects.
- (e) Excludes rate case impacts.
- (f) Electric Utilities and Infrastructure includes lower income tax expense. Other includes lower income tax expense which was offset primarily by unrealized investment losses on non-pension executive benefit trusts and lower interest income.

**September 2020**  
**QUARTERLY HIGHLIGHTS**  
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
<i>(In millions, except per share amounts and where noted)</i>				
<b>Earnings Per Share – Basic and Diluted</b>				
Net income per share available to Duke Energy Corporation common stockholders				
Basic and Diluted	\$ 1.74	\$ 1.82	\$ 1.85	\$ 4.18
Weighted average shares outstanding				
Basic	735	729	735	728
Diluted	735	729	735	728
<b>INCOME (LOSS) BY BUSINESS SEGMENT</b>				
Electric Utilities and Infrastructure <sup>(a)</sup>	\$ 1,381	\$ 1,385	\$ 2,839	\$ 2,944
Gas Utilities and Infrastructure <sup>(b)</sup>	(73)	26	(1,400)	292
Commercial Renewables	60	40	207	139
Total Reportable Segment Income	1,368	1,451	1,646	3,375
Other <sup>(c)</sup>	(103)	(124)	(299)	(328)
Net Income Available to Duke Energy Corporation common stockholders	\$ 1,265	\$ 1,327	\$ 1,347	\$ 3,047
<b>CAPITALIZATION</b>				
Total Common Equity (%)			42%	44%
Total Debt (%)			58%	56%
Total Debt			\$ 64,143	\$ 60,383
Book Value Per Share			\$ 64.26	\$ 65.03
Actual Shares Outstanding			736	729
<b>CAPITAL AND INVESTMENT EXPENDITURES</b>				
Electric Utilities and Infrastructure	\$ 1,809	\$ 1,906	\$ 5,637	\$ 6,092
Gas Utilities and Infrastructure	329	382	933	1,129
Commercial Renewables	197	359	894	932
Other	82	81	220	202
Total Capital and Investment Expenditures	\$ 2,417	\$ 2,728	\$ 7,684	\$ 8,355

- (a) Includes \$35 million (after tax \$27 million) of costs related to regulatory settlements for Duke Energy Carolinas and Duke Energy Progress for the three and nine months ended September 30, 2020, and a \$5 million (after tax \$4 million) impairment charge related to gas pipeline interconnections for the three and nine months ended September 30, 2020. Additionally, EUI includes a \$25 million (after tax \$19 million) reduction of a prior year impairment at Citrus County CC for the three and nine months ended September 30, 2019.
- (b) Includes costs related to exit obligations for gas pipeline investments of \$85 million (after tax \$65 million) for the three months ended September 30, 2020, and \$2.1 billion (after tax \$1.7 billion) for the nine months ended September 30, 2020.
- (c) Includes a \$98 million (after tax \$75 million) reversal of 2018 severance costs due to the partial settlement of the Duke Energy Carolina's 2019 North Carolina rate case for the nine months ended September 30, 2020.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
<b>Operating Revenues</b>				
Regulated electric	\$ 6,315	\$ 6,515	\$ 16,402	\$ 17,223
Regulated natural gas	214	223	1,115	1,231
Nonregulated electric and other	192	202	574	522
Total operating revenues	6,721	6,940	18,091	18,976
<b>Operating Expenses</b>				
Fuel used in electric generation and purchased power	1,849	1,978	4,645	5,228
Cost of natural gas	41	48	299	451
Operation, maintenance and other	1,450	1,484	4,142	4,337
Depreciation and amortization	1,217	1,186	3,497	3,364
Property and other taxes	324	335	1,003	1,012
Impairment charges	28	(20)	36	(16)
Total operating expenses	4,909	5,011	13,622	14,376
<b>Gains on Sales of Other Assets and Other, net</b>	2	—	10	—
<b>Operating Income</b>	1,814	1,929	4,479	4,600
<b>Other Income and Expenses</b>				
Equity in (losses) earnings of unconsolidated affiliates	(80)	50	(2,004)	137
Other income and expenses, net	127	104	310	308
Total other income and expenses	47	154	(1,694)	445
<b>Interest Expense</b>	522	572	1,627	1,657
<b>Income Before Income Taxes</b>	1,339	1,511	1,158	3,388
<b>Income Tax Expense (Benefit)</b>	105	188	(74)	424
<b>Net Income</b>	1,234	1,323	1,232	2,964
<b>Add: Net Loss Attributable to Noncontrolling Interests</b>	70	19	208	110
<b>Net Income Attributable to Duke Energy Corporation</b>	1,304	1,342	1,440	3,074
<b>Less: Preferred Dividends</b>	39	15	93	27
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 1,265	\$ 1,327	\$ 1,347	\$ 3,047
<b>Earnings Per Share – Basic and Diluted</b>				
Basic and Diluted	\$ 1.74	\$ 1.82	\$ 1.85	\$ 4.18
<b>Weighted average shares outstanding</b>				
Basic and Diluted	735	729	735	728

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

(In millions)	September 30, 2020	December 31, 2019
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 308	\$ 311
Receivables (net of allowance for doubtful accounts of \$27 at 2020 and \$22 at 2019)	719	1,066
Receivables of VIEs (net of allowance for doubtful accounts of \$106 at 2020 and \$54 at 2019)	2,320	1,994
Inventory	3,190	3,232
Regulatory assets (includes \$53 at 2020 and \$52 at 2019 related to VIEs)	1,637	1,796
Other (includes \$335 at 2020 and \$242 at 2019 related to VIEs)	505	764
Total current assets	8,679	9,163
<b>Property, Plant and Equipment</b>		
Cost	153,916	147,654
Accumulated depreciation and amortization	(48,185)	(45,773)
Generation facilities to be retired, net	29	246
Net property, plant and equipment	105,760	102,127
<b>Other Noncurrent Assets</b>		
Goodwill	19,303	19,303
Regulatory assets (includes \$951 at 2020 and \$989 at 2019 related to VIEs)	13,264	13,222
Nuclear decommissioning trust funds	8,363	8,140
Operating lease right-of-use assets, net	1,577	1,658
Investments in equity method unconsolidated affiliates	924	1,936
Other (includes \$90 at 2020 and \$110 at 2019 related to VIEs)	3,539	3,289
Total other noncurrent assets	46,970	47,548
<b>Total Assets</b>	<b>\$ 161,409</b>	<b>\$ 158,838</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 2,486	\$ 3,487
Notes payable and commercial paper	3,425	3,135
Taxes accrued	768	392
Interest accrued	556	565
Current maturities of long-term debt (includes \$466 at 2020 and \$216 at 2019 related to VIEs)	4,669	3,141
Asset retirement obligations	742	881
Regulatory liabilities	1,218	784
Other	2,829	2,367
Total current liabilities	16,693	14,752
<b>Long-Term Debt (includes \$3,628 at 2020 and \$3,997 at 2019 related to VIEs)</b>	<b>56,049</b>	<b>54,985</b>
<b>Other Noncurrent Liabilities</b>		
Deferred income taxes	9,170	8,878
Asset retirement obligations	12,912	12,437
Regulatory liabilities	14,546	15,264
Operating lease liabilities	1,379	1,432
Accrued pension and other post-retirement benefit costs	903	934
Investment tax credits	689	624
Other (includes \$342 at 2020 and \$228 at 2019 related to VIEs)	1,773	1,581
Total other noncurrent liabilities	41,372	41,150
<b>Commitments and Contingencies</b>		
<b>Equity</b>		
Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2020 and 2019	973	973
Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2020 and 2019	989	989
Common stock, \$0.001 par value, 2 billion shares authorized; 736 million shares outstanding at 2020 and 733 million shares outstanding at 2019	1	1
Additional paid-in capital	41,046	40,881
Retained earnings	3,260	4,108
Accumulated other comprehensive loss	(263)	(130)
Total Duke Energy Corporation stockholders' equity	46,006	46,822
Noncontrolling interests	1,289	1,129
Total equity	47,295	47,951
<b>Total Liabilities and Equity</b>	<b>\$ 161,409</b>	<b>\$ 158,838</b>

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

	Nine Months Ended September 30,	
	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 1,232	\$ 2,964
Adjustments to reconcile net income to net cash provided by operating activities	5,534	2,673
Net cash provided by operating activities	6,766	5,637
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash used in investing activities	(7,964)	(8,633)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash provided by financing activities	1,225	2,987
Net increase (decrease) in cash, cash equivalents and restricted cash	27	(9)
Cash, cash equivalents and restricted cash at beginning of period	573	591
Cash, cash equivalents and restricted cash at end of period	\$ 600	\$ 582

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

(In millions)	Three Months Ended September 30, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 6,379	\$ —	\$ —	\$ —	(64)	\$ 6,315
Regulated natural gas	—	238	—	—	(24)	214
Nonregulated electric and other	—	3	126	24	39	192
Total operating revenues	6,379	241	126	24	(49)	6,721
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,869	—	—	—	(20)	1,849
Cost of natural gas	—	41	—	—	—	41
Operation, maintenance and other	1,326	103	72	(21)	(30)	1,450
Depreciation and amortization	1,053	65	52	54	(7)	1,217
Property and other taxes	286	26	8	4	—	324
Impairment charges	20	7	—	—	1	28
Total operating expenses	4,554	242	132	37	(56)	4,909
<b>Gains on Sales of Other Assets and Other, net</b>	3	—	—	—	(1)	2
<b>Operating Income (Loss)</b>	1,828	(1)	(6)	(13)	6	1,814
<b>Other Income and Expenses</b>						
Equity in (losses) earnings of unconsolidated affiliates	(8)	(71)	(3)	3	(1)	(80)
Other income and expenses, net	75	16	2	40	(6)	127
Total Other Income and Expenses	67	(55)	(1)	43	(7)	47
<b>Interest Expense</b>	308	35	18	160	1	522
<b>Income (Loss) Before Income Taxes</b>	1,587	(91)	(25)	(130)	(2)	1,339
<b>Income Tax Expense (Benefit)</b>	206	(18)	(15)	(66)	(2)	105
<b>Net Income (Loss)</b>	1,381	(73)	(10)	(64)	—	1,234
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>	—	—	70	—	—	70
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	1,381	(73)	60	(64)	—	1,304
<b>Less: Preferred Dividends</b>	—	—	—	39	—	39
<b>Segment Income (Loss) / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 1,381	\$ (73)	\$ 60	\$ (103)	\$ —	\$ 1,265
<b>Special Items</b>	31	65	—	—	—	96
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 1,412	\$ (8)	\$ 60	\$ (103)	\$ —	\$ 1,361

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

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

(In millions)	Nine Months Ended September 30, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 16,596	\$ —	\$ —	\$ —	(194)	\$ 16,402
Regulated natural gas	—	1,186	—	—	(71)	1,115
Nonregulated electric and other	—	8	378	73	115	574
Total operating revenues	16,596	1,194	378	73	(150)	18,091
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	4,703	—	—	—	(58)	4,645
Cost of natural gas	—	300	—	—	(1)	299
Operation, maintenance and other	3,891	312	204	(181)	(84)	4,142
Depreciation and amortization	3,023	193	148	154	(21)	3,497
Property and other taxes	885	82	24	12	—	1,003
Impairment charges	23	7	6	—	—	36
Total operating expenses	12,525	894	382	(15)	(164)	13,622
<b>Gains on Sales of Other Assets and Other, net</b>	11	—	—	—	(1)	10
<b>Operating Income</b>	4,082	300	(4)	88	13	4,479
<b>Other Income and Expenses</b>						
Equity in (losses) earnings of unconsolidated affiliates	(3)	(2,004)	(5)	9	(1)	(2,004)
Other income and expenses, net	244	42	5	46	(27)	310
Total Other Income and Expenses	241	(1,962)	—	55	(28)	(1,694)
<b>Interest Expense</b>	991	103	49	498	(14)	1,627
<b>Income (Loss) Before Income Taxes</b>	3,332	(1,765)	(53)	(355)	(1)	1,158
<b>Income Tax Expense (Benefit)</b>	493	(365)	(52)	(149)	(1)	(74)
<b>Net Income (Loss)</b>	2,839	(1,400)	(1)	(206)	—	1,232
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>	—	—	208	—	—	208
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	2,839	(1,400)	207	(206)	—	1,440
<b>Less: Preferred Dividends</b>	—	—	—	93	—	93
<b>Segment Income (Loss) / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 2,839	\$ (1,400)	\$ 207	\$ (299)	\$ —	\$ 1,347
<b>Special Items</b>	31	1,691	—	(75)	—	1,647
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 2,870	\$ 291	\$ 207	\$ (374)	\$ —	\$ 2,994

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

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

(In millions)	Three Months Ended September 30, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 6,577	\$ —	\$ —	\$ —	(62)	\$ 6,515
Regulated natural gas	—	246	—	—	(23)	223
Nonregulated electric and other	—	3	138	25	36	202
Total operating revenues	6,577	249	138	25	(49)	6,940
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	1,994	—	—	—	(16)	1,978
Cost of natural gas	—	48	—	—	—	48
Operation, maintenance and other	1,357	108	81	(30)	(32)	1,484
Depreciation and amortization	1,026	64	43	53	—	1,186
Property and other taxes	301	24	6	4	—	335
Impairment charges	(20)	—	—	—	—	(20)
Total operating expenses	4,658	244	130	27	(48)	5,011
<b>Operating Income (Loss)</b>	1,919	5	8	(2)	(1)	1,929
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	5	37	(2)	10	—	50
Other income and expenses, net	82	5	15	14	(12)	104
Total Other Income and Expenses	87	42	13	24	(12)	154
<b>Interest Expense</b>	336	29	35	185	(13)	572
<b>Income (Loss) Before Income Taxes</b>	1,670	18	(14)	(163)	—	1,511
<b>Income Tax Expense (Benefit)</b>	285	(8)	(35)	(54)	—	188
<b>Net Income (Loss)</b>	1,385	26	21	(109)	—	1,323
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>	—	—	19	—	—	19
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	1,385	26	40	(109)	—	1,342
<b>Less: Preferred Dividends</b>	—	—	—	15	—	15
<b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 1,385	\$ 26	\$ 40	\$ (124)	\$ —	\$ 1,327
<b>Special Item</b>	(19)	—	—	—	—	(19)
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 1,366	\$ 26	\$ 40	\$ (124)	\$ —	\$ 1,308

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



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

(In millions)	Nine Months Ended September 30, 2019					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Operating Revenues</b>						
Regulated electric	\$ 17,381	\$ —	\$ —	\$ —	(158)	\$ 17,223
Regulated natural gas	—	1,302	—	—	(71)	1,231
Nonregulated electric and other	—	9	362	71	80	522
Total operating revenues	17,381	1,311	362	71	(149)	18,976
<b>Operating Expenses</b>						
Fuel used in electric generation and purchased power	5,286	—	—	—	(58)	5,228
Cost of natural gas	—	451	—	—	—	451
Operation, maintenance and other	3,957	325	211	(69)	(87)	4,337
Depreciation and amortization	2,924	192	123	125	—	3,364
Property and other taxes	899	84	18	10	1	1,012
Impairment charges	(16)	—	—	—	—	(16)
Total operating expenses	13,050	1,052	352	66	(144)	14,376
<b>Operating Income</b>	4,331	259	10	5	(5)	4,600
<b>Other Income and Expenses</b>						
Equity in earnings (losses) of unconsolidated affiliates	11	101	(4)	28	1	137
Other income and expenses, net	256	18	7	70	(43)	308
Total Other Income and Expenses	267	119	3	98	(42)	445
<b>Interest Expense</b>	1,004	86	78	536	(47)	1,657
<b>Income (Loss) Before Income Taxes</b>	3,594	292	(65)	(433)	—	3,388
<b>Income Tax Expense (Benefit)</b>	650	—	(94)	(132)	—	424
<b>Net Income (Loss)</b>	2,944	292	29	(301)	—	2,964
<b>Add: Net Loss Attributable to Noncontrolling Interest</b>	—	—	110	—	—	110
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	2,944	292	139	(301)	—	3,074
<b>Less: Preferred Dividends</b>	—	—	—	27	—	27
<b>Segment Income / Other Net Loss / Net Income Available to Duke Energy Corporation Common Stockholders</b>	\$ 2,944	\$ 292	\$ 139	\$ (328)	\$ —	\$ 3,047
<b>Special Item</b>	(19)	—	—	—	—	(19)
<b>Adjusted Earnings<sup>(a)</sup></b>	\$ 2,925	\$ 292	\$ 139	\$ (328)	\$ —	\$ 3,028

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

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

(In millions)	September 30, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Assets</b>						
Cash and cash equivalents	\$ 107	\$ 2	\$ 3	\$ 196	\$ —	\$ 308
Receivables, net	501	102	105	11	—	719
Receivables of variable interest entities, net	2,320	—	—	—	—	2,320
Receivables from affiliated companies	102	15	599	733	(1,449)	—
Notes receivable from affiliated companies	46	—	—	740	(786)	—
Inventory	2,971	84	101	35	(1)	3,190
Regulatory assets	1,420	120	—	97	—	1,637
Other	150	50	208	114	(17)	505
Total current assets	7,617	373	1,016	1,926	(2,253)	8,679
<b>Property, Plant and Equipment</b>						
Cost	132,668	12,424	6,536	2,389	(101)	153,916
Accumulated depreciation and amortization	(43,100)	(2,602)	(1,177)	(1,307)	1	(48,185)
Generation facilities to be retired, net	29	—	—	—	—	29
Net property, plant and equipment	89,597	9,822	5,359	1,082	(100)	105,760
<b>Other Noncurrent Assets</b>						
Goodwill	17,379	1,924	—	—	—	19,303
Regulatory assets	12,090	679	—	495	—	13,264
Nuclear decommissioning trust funds	8,363	—	—	—	—	8,363
Operating lease right-of-use assets, net	1,136	21	123	297	—	1,577
Investments in equity method unconsolidated affiliates	109	214	491	111	(1)	924
Investment in consolidated subsidiaries	540	6	2	63,058	(63,606)	—
Other	2,133	306	151	1,583	(634)	3,539
Total other noncurrent assets	41,750	3,150	767	65,544	(64,241)	46,970
<b>Total Assets</b>	<b>138,964</b>	<b>13,345</b>	<b>7,142</b>	<b>68,552</b>	<b>(66,594)</b>	<b>161,409</b>
Segment reclassifications, intercompany balances and other	(822)	(2)	(601)	(65,165)	66,590	—
<b>Segment Assets</b>	<b>\$ 138,142</b>	<b>\$ 13,343</b>	<b>\$ 6,541</b>	<b>\$ 3,387</b>	<b>\$ (4)</b>	<b>\$ 161,409</b>

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

(In millions)	September 30, 2020					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Commercial Renewables	Other	Eliminations/ Adjustments	Duke Energy
<b>Current Liabilities</b>						
Accounts payable	\$ 1,754	\$ 212	\$ 117	\$ 404	\$ (1)	\$ 2,486
Accounts payable to affiliated companies	466	93	263	573	(1,395)	—
Notes payable to affiliated companies	363	354	50	27	(794)	—
Notes payable and commercial paper	—	—	59	3,365	1	3,425
Taxes accrued	1,136	(360)	321	(329)	—	768
Interest accrued	371	45	1	139	—	556
Current maturities of long-term debt	2,074	189	161	2,249	(4)	4,669
Asset retirement obligations	742	—	—	—	—	742
Regulatory liabilities	1,089	126	—	2	1	1,218
Other	1,415	990	74	415	(65)	2,829
Total current liabilities	9,410	1,649	1,046	6,845	(2,257)	16,693
<b>Long-Term Debt</b>	35,059	3,289	1,453	16,345	(97)	56,049
<b>Long-Term Debt Payable to Affiliated Companies</b>	618	7	9	—	(634)	—
<b>Other Noncurrent Liabilities</b>						
Deferred income taxes	10,472	1,070	(619)	(1,753)	—	9,170
Asset retirement obligations	12,704	56	152	—	—	12,912
Regulatory liabilities	13,050	1,473	—	23	—	14,546
Operating lease liabilities	1,035	20	127	197	—	1,379
Accrued pension and other post-retirement benefit costs	578	32	1	291	1	903
Investment tax credits	687	2	—	—	—	689
Other	877	195	368	521	(188)	1,773
Total other noncurrent liabilities	39,403	2,848	29	(721)	(187)	41,372
<b>Equity</b>						
Total Duke Energy Corporation stockholders' equity	54,474	5,552	3,319	46,080	(63,419)	46,006
Noncontrolling interests	—	—	1,286	3	—	1,289
Total equity	54,474	5,552	4,605	46,083	(63,419)	47,295
<b>Total Liabilities and Equity</b>	138,964	13,345	7,142	68,552	(66,594)	161,409
Segment reclassifications, intercompany balances and other	(822)	(2)	(601)	(65,165)	66,590	—
<b>Segment Liabilities and Equity</b>	\$ 138,142	\$ 13,343	\$ 6,541	\$ 3,387	\$ (4)	\$ 161,409

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

(In millions)	Three Months Ended September 30, 2020						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 2,058	\$ 1,626	\$ 1,567	\$ 394	\$ 761	\$ (27)	\$ 6,379
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	497	537	551	94	222	(32)	1,869
Operation, maintenance and other	394	344	289	84	205	10	1,326
Depreciation and amortization	372	289	183	53	149	7	1,053
Property and other taxes	57	38	110	71	15	(5)	286
Impairment charges	20	5	(4)	—	—	(1)	20
Total operating expenses	1,340	1,213	1,129	302	591	(21)	4,554
<b>Gains on Sales of Other Assets and Other, net</b>	1	3	—	—	—	(1)	3
<b>Operating Income</b>	719	416	438	92	170	(7)	1,828
<b>Other Income and Expenses, net<sup>(b)</sup></b>	42	11	11	3	9	(9)	67
<b>Interest Expense</b>	122	66	81	22	29	(12)	308
<b>Income Before Income Taxes</b>	639	361	368	73	150	(4)	1,587
<b>Income Tax Expense</b>	78	10	79	10	29	—	206
<b>Segment Income</b>	\$ 561	\$ 351	\$ 289	\$ 63	\$ 121	\$ (4)	\$ 1,381

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

(b) Includes an equity component of allowance for funds used during construction of \$17 million for Duke Energy Carolinas, \$3 million for Duke Energy Progress, \$3 million for Duke Energy Florida, \$1 million for Duke Energy Ohio and \$7 million for Duke Energy Indiana.

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

(In millions)	Nine Months Ended September 30, 2020						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Other	Electric Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 5,416	\$ 4,207	\$ 3,897	\$ 1,070	\$ 2,070	\$ (64)	\$ 16,596
<b>Operating Expenses</b>							
Fuel used in electric generation and purchased power	1,326	1,337	1,291	258	577	(86)	4,703
Operation, maintenance and other	1,266	992	799	250	559	25	3,891
Depreciation and amortization	1,090	833	523	149	415	13	3,023
Property and other taxes	213	129	290	199	57	(3)	885
Impairment charges	22	5	(4)	—	—	—	23
Total operating expenses	3,917	3,296	2,899	856	1,608	(51)	12,525
<b>Gains on Sales of Other Assets and Other, net</b>	1	8	—	—	—	2	11
<b>Operating Income</b>	1,500	919	998	214	462	(11)	4,082
<b>Other Income and Expenses, net<sup>(b)</sup></b>	128	52	36	7	28	(10)	241
<b>Interest Expense</b>	370	203	245	62	114	(3)	991
<b>Income Before Income Taxes</b>	1,258	768	789	159	376	(18)	3,332
<b>Income Tax Expense</b>	167	73	161	22	73	(3)	493
<b>Segment Income</b>	\$ 1,091	\$ 695	\$ 628	\$ 137	\$ 303	\$ (15)	\$ 2,839

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

(b) Includes an equity component of allowance for funds used during construction of \$46 million for Duke Energy Carolinas, \$22 million for Duke Energy Progress, \$8 million for Duke Energy Florida, \$2 million for Duke Energy Ohio and \$18 million for Duke Energy Indiana.

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

(In millions)	September 30, 2020						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/ Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Assets</b>							
Cash and cash equivalents	\$ 23	\$ 43	\$ 19	\$ 8	\$ 15	\$ (1)	\$ 107
Receivables, net	177	103	91	81	48	1	501
Receivables of variable interest entities, net	770	559	512	—	—	479	2,320
Receivables from affiliated companies	64	45	3	74	84	(168)	102
Notes receivable from affiliated companies	65	—	—	—	—	(19)	46
Inventory	992	910	468	93	507	1	2,971
Regulatory assets	495	472	303	19	119	12	1,420
Other	44	54	25	(2)	30	(1)	150
Total current assets	2,630	2,186	1,421	273	803	304	7,617
<b>Property, Plant and Equipment</b>							
Cost	50,622	35,479	21,662	7,257	17,223	425	132,668
Accumulated depreciation and amortization	(17,406)	(12,548)	(5,452)	(2,099)	(5,579)	(16)	(43,100)
Generation facilities to be retired, net	—	29	—	—	—	—	29
Net property, plant and equipment	33,216	22,960	16,210	5,158	11,644	409	89,597
<b>Other Noncurrent Assets</b>							
Goodwill	—	—	—	596	—	16,783	17,379
Regulatory assets	3,400	4,449	1,821	356	1,184	880	12,090
Nuclear decommissioning trust funds	4,506	3,189	668	—	—	—	8,363
Operating lease right-of-use assets, net	117	357	354	20	55	233	1,136
Investments in equity method unconsolidated affiliates	—	—	1	—	—	108	109
Investment in consolidated subsidiaries	49	14	2	240	1	234	540
Other	1,179	720	339	49	228	(382)	2,133
Total other noncurrent assets	9,251	8,729	3,185	1,261	1,468	17,856	41,750
<b>Total Assets</b>	<b>45,097</b>	<b>33,875</b>	<b>20,816</b>	<b>6,692</b>	<b>13,915</b>	<b>18,569</b>	<b>138,964</b>
Segment reclassifications, intercompany balances and other	(215)	(93)	(73)	(244)	(64)	(133)	(822)
<b>Reportable Segment Assets</b>	<b>\$ 44,882</b>	<b>\$ 33,782</b>	<b>\$ 20,743</b>	<b>\$ 6,448</b>	<b>\$ 13,851</b>	<b>\$ 18,436</b>	<b>\$ 138,142</b>

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

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

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

(In millions)	September 30, 2020						
	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio <sup>(a)</sup>	Duke Energy Indiana	Eliminations/Adjustments <sup>(b)</sup>	Electric Utilities and Infrastructure
<b>Current Liabilities</b>							
Accounts payable	\$ 583	\$ 372	\$ 424	\$ 203	\$ 172	\$ —	\$ 1,754
Accounts payable to affiliated companies	155	144	77	16	65	9	466
Notes payable to affiliated companies	—	167	66	58	83	(11)	363
Taxes accrued	400	208	261	169	111	(13)	1,136
Interest accrued	130	80	73	24	63	1	371
Current maturities of long-term debt	751	603	623	(26)	13	110	2,074
Asset retirement obligations	267	297	1	7	170	—	742
Regulatory liabilities	430	436	109	39	76	(1)	1,089
Other	487	389	357	67	97	18	1,415
Total current liabilities	3,203	2,696	1,991	557	850	113	9,410
<b>Long-Term Debt</b>	11,497	8,605	7,294	2,515	3,941	1,207	35,059
<b>Long-Term Debt Payable to Affiliated Companies</b>	300	150	—	18	150	—	618
<b>Other Noncurrent Liabilities</b>							
Deferred income taxes	3,962	2,438	2,176	686	1,180	30	10,472
Asset retirement obligations	5,507	5,503	555	45	1,044	50	12,704
Regulatory liabilities	6,243	4,140	669	366	1,648	(16)	13,050
Operating lease liabilities	102	329	308	20	53	223	1,035
Accrued pension and other post-retirement benefit costs	76	236	207	79	151	(171)	578
Investment tax credits	237	133	146	3	168	—	687
Other	644	89	59	66	55	(36)	877
Total other noncurrent liabilities	16,771	12,868	4,120	1,265	4,299	80	39,403
<b>Equity</b>	13,326	9,556	7,411	2,337	4,675	17,169	54,474
<b>Total Liabilities and Equity</b>	45,097	33,875	20,816	6,692	13,915	18,569	138,964
Segment reclassifications, intercompany balances and other	(215)	(93)	(73)	(244)	(64)	(133)	(822)
<b>Reportable Segment Liabilities and Equity</b>	\$ 44,882	\$ 33,782	\$ 20,743	\$ 6,448	\$ 13,851	\$ 18,436	\$ 138,142

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

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

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

(In millions)	Three Months Ended September 30, 2020				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 79	\$ 162	\$ —	\$ —	\$ 241
<b>Operating Expenses</b>					
Cost of natural gas	3	39	—	(1)	41
Operation, maintenance and other	28	73	1	1	103
Depreciation and amortization	20	45	—	—	65
Property and other taxes	12	13	—	1	26
Impairment charges	—	7	—	—	7
Total operating expenses	63	177	1	1	242
<b>Operating Income (Loss)</b>	16	(15)	(1)	(1)	(1)
<b>Other Income and Expenses</b>					
Equity in losses of unconsolidated affiliates	—	—	(71)	—	(71)
Other income and expenses, net	1	13	—	2	16
Total other income and expenses	1	13	(71)	2	(55)
<b>Interest Expense</b>	3	29	—	3	35
<b>Income (Loss) Before Income Taxes</b>	14	(31)	(72)	(2)	(91)
<b>Income Tax Expense (Benefit)</b>	5	(5)	(16)	(2)	(18)
<b>Segment Loss</b>	\$ 9	\$ (26)	\$ (56)	\$ —	\$ (73)

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

(b) Includes losses from the cancellation of the ACP pipeline and earnings from investments in Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.



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

(In millions)	Nine Months Ended September 30, 2020				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage <sup>(b)</sup>	Eliminations/Adjustments	Gas Utilities and Infrastructure
<b>Operating Revenues</b>	\$ 324	\$ 871	\$ —	\$ (1)	\$ 1,194
<b>Operating Expenses</b>					
Cost of natural gas	46	254	—	—	300
Operation, maintenance and other	77	231	4	—	312
Depreciation and amortization	60	133	—	—	193
Property and other taxes	45	37	—	—	82
Impairment charges	—	7	—	—	7
Total operating expenses	228	662	4	—	894
<b>Operating Income (Loss)</b>	96	209	(4)	(1)	300
<b>Other Income and Expenses</b>					
Equity in losses of unconsolidated affiliates	—	—	(2,004)	—	(2,004)
Other income and expenses, net	4	37	—	1	42
Total other income and expenses	4	37	(2,004)	1	(1,962)
<b>Interest Expense</b>	13	89	—	1	103
<b>Income (Loss) Before Income Taxes</b>	87	157	(2,008)	(1)	(1,765)
<b>Income Tax Expense (Benefit)</b>	19	5	(388)	(1)	(365)
<b>Segment Loss</b>	\$ 68	\$ 152	\$ (1,620)	\$ —	\$ (1,400)

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

(b) Includes losses from the cancellation of the ACP pipeline and earnings from investments in Sabal Trail and Cardinal pipelines, as well as Hardy and Pine Needle storage facilities.

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

(In millions)	September 30, 2020				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Assets</b>					
Cash and cash equivalents	\$ 2	\$ —	\$ —	\$ —	2
Receivables, net	8	93	—	1	102
Receivables from affiliated companies	4	63	—	(52)	15
Inventory	37	47	—	—	84
Regulatory assets	1	119	—	—	120
Other	—	50	1	(1)	50
Total current assets	52	372	1	(52)	373
<b>Property, Plant and Equipment</b>					
Cost	3,547	8,877	—	—	12,424
Accumulated depreciation and amortization	(889)	(1,713)	—	—	(2,602)
Net property, plant and equipment	2,658	7,164	—	—	9,822
<b>Other Noncurrent Assets</b>					
Goodwill	324	49	—	1,551	1,924
Regulatory assets	256	287	—	136	679
Operating lease right-of-use assets, net	—	21	—	—	21
Investments in equity method unconsolidated affiliates	—	—	209	5	214
Investment in consolidated subsidiaries	—	—	—	6	6
Other	10	279	15	2	306
Total other noncurrent assets	590	636	224	1,700	3,150
<b>Total Assets</b>	<b>3,300</b>	<b>8,172</b>	<b>225</b>	<b>1,648</b>	<b>13,345</b>
Segment reclassifications, intercompany balances and other	(3)	(45)	(15)	61	(2)
<b>Reportable Segment Assets</b>	<b>\$ 3,297</b>	<b>\$ 8,127</b>	<b>\$ 210</b>	<b>\$ 1,709</b>	<b>\$ 13,343</b>

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

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

(In millions)	September 30, 2020				
	Duke Energy Ohio <sup>(a)</sup>	Piedmont Natural Gas LDC	Midstream Pipelines and Storage	Eliminations/ Adjustments <sup>(b)</sup>	Gas Utilities and Infrastructure
<b>Current Liabilities</b>					
Accounts payable	\$ 35	\$ 177	\$ —	\$ —	\$ 212
Accounts payable to affiliated companies	19	47	79	(52)	93
Notes payable to affiliated companies	28	327	—	(1)	354
Taxes accrued	15	31	(406)	—	(360)
Interest accrued	9	37	—	(1)	45
Current maturities of long-term debt	26	160	—	3	189
Regulatory liabilities	25	101	—	—	126
Other	4	59	927	—	990
Total current liabilities	161	939	600	(51)	1,649
<b>Long-Term Debt</b>	549	2,620	—	120	3,289
<b>Long-Term Debt Payable to Affiliated Companies</b>	7	—	—	—	7
<b>Other Noncurrent Liabilities</b>					
Deferred income taxes	289	759	20	2	1,070
Asset retirement obligations	39	17	—	—	56
Regulatory liabilities	388	1,070	—	15	1,473
Operating lease liabilities	—	20	—	—	20
Accrued pension and other post-retirement benefit costs	25	7	—	—	32
Investment tax credits	2	—	—	—	2
Other	30	145	19	1	195
Total other noncurrent liabilities	773	2,018	39	18	2,848
<b>Equity</b>	1,810	2,595	(414)	1,561	5,552
<b>Total Liabilities and Equity</b>	3,300	8,172	225	1,648	13,345
Segment reclassifications, intercompany balances and other	(3)	(45)	(15)	61	(2)
<b>Reportable Segment Liabilities and Equity</b>	\$ 3,297	\$ 8,127	\$ 210	\$ 1,709	\$ 13,343

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

(b) Includes the elimination of intercompany balances and purchase accounting adjustments.

**Electric Utilities and Infrastructure**  
**Quarterly Highlights**  
**September 2020**

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	2019	% Inc.(Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>Gigawatt-hour (GWh) Sales<sup>(a)</sup></b>								
Residential	26,157	25,304	3.4%	4.1%	65,817	66,345	(0.8%)	2.7%
General Service	21,113	22,396	(5.7%)	(5.3%)	55,263	59,328	(6.9%)	(5.9%)
Industrial	12,662	13,669	(7.4%)	(7.5%)	35,583	38,480	(7.5%)	(7.5%)
Other Energy Sales	130	146	(11.0%)	n/a	421	436	(3.4%)	n/a
Unbilled Sales	(1,171)	110	(1,164.5%)	n/a	(219)	461	(147.5%)	n/a
Total Retail Sales	58,891	61,625	(4.4%)	(2.1)%	156,865	165,050	(5.0%)	(2.8%)
Wholesale and Other	11,984	12,306	(2.6%)		29,687	31,799	(6.6%)	
Total Consolidated Electric Sales – Electric Utilities and Infrastructure	70,875	73,931	(4.1%)		186,552	196,849	(5.2%)	
<b>Average Number of Customers (Electric)</b>								
Residential	6,883,872	6,747,169	2.0%		6,848,397	6,727,714	1.8%	
General Service	1,005,196	993,468	1.2%		1,000,760	990,882	1.0%	
Industrial	17,270	17,291	(0.1%)		17,294	17,342	(0.3%)	
Other Energy Sales	31,157	30,639	1.7%		31,042	29,278	6.0%	
Total Retail Customers	7,937,495	7,788,567	1.9%		7,897,493	7,765,216	1.7%	
Wholesale and Other	46	50	(8.0%)		45	48	(6.3%)	
Total Average Number of Customers – Electric Utilities and Infrastructure	7,937,541	7,788,617	1.9%		7,897,538	7,765,264	1.7%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	17,245	18,535	(7.0%)		33,201	43,713	(24.0%)	
Nuclear	18,852	18,970	(0.6%)		55,890	55,698	0.3%	
Hydro	640	240	166.7%		2,544	2,072	22.8%	
Oil and Natural Gas	22,424	22,421	—%		59,585	58,266	2.3%	
Renewable Energy	334	197	69.5%		894	519	72.3%	
Total Generation <sup>(d)</sup>	59,495	60,363	(1.4%)		152,114	160,268	(5.1%)	
Purchased Power and Net Interchange <sup>(e)</sup>	15,631	16,238	(3.7%)		44,441	46,285	(4.0%)	
Total Sources of Energy	75,126	76,601	(1.9%)		196,555	206,553	(4.8%)	
Less: Line Loss and Other	4,251	2,670	59.2%		10,003	9,704	3.1%	
Total GWh Sources	70,875	73,931	(4.1%)		186,552	196,849	(5.2%)	
<b>Owned Megawatt (MW) Capacity<sup>(c)</sup></b>								
Summer					50,759	50,871		
Winter					54,272	54,566		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					95	96		

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.
- (f) Statistics reflect 100% of jointly owned stations.

**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**September 2020**

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	8,657	8,452	2.4%		21,879	22,375	(2.2%)	
General Service	8,023	8,546	(6.1%)		21,077	22,539	(6.5%)	
Industrial	5,273	5,790	(8.9%)		14,612	16,126	(9.4%)	
Other Energy Sales	68	82	(17.1%)		229	241	(5.0%)	
Unbilled Sales	(816)	(158)	(416.5%)		(418)	(169)	(147.3%)	
Total Retail Sales	21,205	22,712	(6.6%)	(3.4%)	57,379	61,112	(6.1%)	(3.0%)
Wholesale and Other	2,521	2,875	(12.3%)		6,666	7,907	(15.7%)	
Total Consolidated Electric Sales – Duke Energy Carolinas	23,726	25,587	(7.3%)		64,045	69,019	(7.2%)	
<b>Average Number of Customers</b>								
Residential	2,316,390	2,266,663	2.2%		2,300,089	2,256,206	1.9%	
General Service	368,342	363,073	1.5%		366,071	361,739	1.2%	
Industrial	6,097	6,113	(0.3%)		6,103	6,124	(0.3%)	
Other Energy Sales	22,981	22,555	1.9%		22,880	21,219	7.8%	
Total Retail Customers	2,713,810	2,658,404	2.1%		2,695,143	2,645,288	1.9%	
Wholesale and Other	21	23	(8.7%)		22	19	15.8%	
Total Average Number of Customers – Duke Energy Carolinas	2,713,831	2,658,427	2.1%		2,695,165	2,645,307	1.9%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	5,940	8,124	(26.9%)		11,587	16,416	(29.4%)	
Nuclear	11,463	11,666	(1.7%)		33,642	34,147	(1.5%)	
Hydro	423	104	306.7%		1,783	1,423	25.3%	
Oil and Natural Gas	4,712	4,697	0.3%		12,975	12,585	3.1%	
Renewable Energy	47	45	4.4%		132	123	7.3%	
Total Generation <sup>(d)</sup>	22,585	24,636	(8.3%)		60,119	64,694	(7.1%)	
Purchased Power and Net Interchange <sup>(e)</sup>	2,823	2,187	29.1%		7,521	8,030	(6.3%)	
Total Sources of Energy	25,408	26,823	(5.3%)		67,640	72,724	(7.0%)	
Less: Line Loss and Other	1,682	1,236	36.1%		3,595	3,705	(3.0%)	
Total GWh Sources	23,726	25,587	(7.3%)		64,045	69,019	(7.2%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					20,191	20,192		
Winter					21,127	21,129		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>					96	98		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	37	—	—%		1,735	1,730	0.3%	
Cooling Degree Days	1,027	1,205	(14.8%)		1,474	1,841	(19.9%)	
<b>Variance from Normal</b>								
Heating Degree Days	144.2%	(100.0%)			(11.5%)	(11.5%)		
Cooling Degree Days	3.0%	21.8%			(1.9%)	23.8%		

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

**Duke Energy Progress**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**September 2020**

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	5,427	5,299	2.4%		13,705	14,107	(2.8%)	
General Service	4,283	4,552	(5.9%)		10,901	11,808	(7.7%)	
Industrial	2,721	2,903	(6.3%)		7,588	8,018	(5.4%)	
Other Energy Sales	19	19	—%		58	58	—%	
Unbilled Sales	(216)	(171)	(26.3%)		(147)	10	(1,570%)	
Total Retail Sales	12,234	12,602	(2.9%)	(1.3%)	32,105	34,001	(5.6%)	(2.5%)
Wholesale and Other	6,801	6,900	(1.4%)		17,407	18,071	(3.7%)	
Total Consolidated Electric Sales – Duke Energy Progress	19,035	19,502	(2.4%)		49,512	52,072	(4.9%)	
<b>Average Number of Customers</b>								
Residential	1,380,981	1,351,180	2.2%		1,371,672	1,346,472	1.9%	
General Service	239,941	237,037	1.2%		238,656	236,328	1.0%	
Industrial	3,997	4,018	(0.5%)		4,000	4,032	(0.8%)	
Other Energy Sales	1,415	1,413	0.1%		1,415	1,415	—%	
Total Retail Customers	1,626,334	1,593,648	2.1%		1,615,743	1,588,247	1.7%	
Wholesale and Other	9	9	—%		9	12	(25.0%)	
Total Average Number of Customers – Duke Energy Progress	1,626,343	1,593,657	2.1%		1,615,752	1,588,259	1.7%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	3,162	3,792	(16.6%)		4,602	7,484	(38.5%)	
Nuclear	7,389	7,304	1.2%		22,248	21,551	3.2%	
Hydro	160	84	90.5%		624	543	14.9%	
Oil and Natural Gas	6,155	5,959	3.3%		16,235	15,825	2.6%	
Renewable Energy	68	77	(11.7%)		193	202	(4.5%)	
Total Generation <sup>(d)</sup>	16,934	17,216	(1.6%)		43,902	45,605	(3.7%)	
Purchased Power and Net Interchange <sup>(e)</sup>	2,738	2,796	(2.1%)		7,223	7,978	(9.5%)	
Total Sources of Energy	19,672	20,012	(1.7%)		51,125	53,583	(4.6%)	
Less: Line Loss and Other	637	510	24.9%		1,613	1,511	6.8%	
Total GWh Sources	19,035	19,502	(2.4%)		49,512	52,072	(4.9%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					12,534	12,779		
Winter					13,594	13,942		
<b>Nuclear Capacity Factor (%)<sup>(f)</sup></b>								
					94	92		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	23	—	—%		1,433	1,600	(10.4%)	
Cooling Degree Days	1,157	1,233	(6.2%)		1,670	1,954	(14.5%)	
<b>Variance from Normal</b>								
Heating Degree Days	138.8%	(100.0%)			(19.9%)	(11.2%)		
Cooling Degree Days	8.5%	16.2%			2.6%	21.4%		

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

**Duke Energy Florida**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**September 2020**

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	6,795	6,450	5.3%		16,289	15,832	2.9%	
General Service	4,143	4,363	(5.0%)		10,895	11,590	(6.0%)	
Industrial	831	756	9.9%		2,356	2,203	6.9%	
Other Energy Sales	6	6	—%		17	18	(5.6%)	
Unbilled Sales	—	186	(100.0%)		544	518	5.0%	
Total Retail Sales	11,775	11,761	0.1%	0.2%	30,101	30,161	(0.2%)	1.1%
Wholesale and Other	1,198	1,235	(3.0%)		2,289	2,457	(6.8%)	
Total Electric Sales – Duke Energy Florida	12,973	12,996	(0.2%)		32,390	32,618	(0.7%)	
<b>Average Number of Customers</b>								
Residential	1,659,206	1,627,182	2.0%		1,650,696	1,621,718	1.8%	
General Service	205,232	203,247	1.0%		204,590	202,930	0.8%	
Industrial	2,000	2,018	(0.9%)		2,004	2,028	(1.2%)	
Other Energy Sales	1,493	1,497	(0.3%)		1,493	1,501	(0.5%)	
Total Retail Customers	1,867,931	1,833,944	1.9%		1,858,783	1,828,177	1.7%	
Wholesale and Other	11	13	(15.4%)		9	12	(25.0%)	
Total Average Number of Customers – Duke Energy Florida	1,867,942	1,833,957	1.9%		1,858,792	1,828,189	1.7%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	1,621	1,300	24.7%		2,420	3,051	(20.7%)	
Oil and Natural Gas	10,595	10,742	(1.4%)		27,889	27,648	0.9%	
Renewable Energy	210	65	223.1%		546	171	219.3%	
Total Generation <sup>(d)</sup>	12,426	12,107	2.6%		30,855	30,870	—%	
Purchased Power and Net Interchange <sup>(e)</sup>	1,233	1,466	(15.9%)		3,304	3,662	(9.8%)	
Total Sources of Energy	13,659	13,573	0.6%		34,159	34,532	(1.1%)	
Less: Line Loss and Other	686	577	18.9%		1,769	1,914	(7.6%)	
Total GWh Sources	12,973	12,996	(0.2%)		32,390	32,618	(0.7%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					10,335	10,218		
Winter					11,347	11,308		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	—	—	—%		220	271	(18.8%)	
Cooling Degree Days	1,569	1,545	1.6%		3,229	2,948	9.5%	
<b>Variance from Normal</b>								
Heating Degree Days	—%	—%			(10.8%)	(28.6%)		
Cooling Degree Days	5.5%	4.0%			17.4%	8.3%		

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

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**Duke Energy Ohio**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**September 2020**

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	2,725	2,637	3.3%		6,911	6,921	(0.1%)	
General Service	2,458	2,655	(7.4%)		6,593	7,153	(7.8%)	
Industrial	1,403	1,520	(7.7%)		3,978	4,318	(7.9%)	
Other Energy Sales	25	27	(7.4%)		79	81	(2.5%)	
Unbilled Sales	(70)	136	(151.5%)		(54)	78	(169.2%)	
Total Retail Sales	6,541	6,975	(6.2%)	(1.5%)	17,507	18,551	(5.6%)	(2.9%)
Wholesale and Other	137	160	(14.4%)		256	408	(37.3%)	
Total Electric Sales – Duke Energy Ohio	6,678	7,135	(6.4%)		17,763	18,959	(6.3%)	
<b>Average Number of Customers</b>								
Residential	782,281	770,403	1.5%		781,935	770,910	1.4%	
General Service	89,075	88,356	0.8%		89,027	88,253	0.9%	
Industrial	2,479	2,456	0.9%		2,488	2,466	0.9%	
Other Energy Sales	3,440	3,406	1.0%		3,439	3,392	1.4%	
Total Retail Customers	877,275	864,621	1.5%		876,889	865,021	1.4%	
Wholesale and Other	1	1	—%		1	1	—%	
Total Average Number of Customers – Duke Energy Ohio	877,276	864,622	1.5%		876,890	865,022	1.4%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	940	1,070	(12.1%)		1,833	2,768	(33.8%)	
Oil and Natural Gas	33	101	(67.3%)		40	133	(69.9%)	
Total Generation <sup>(d)</sup>	973	1,171	(16.9%)		1,873	2,901	(35.4%)	
Purchased Power and Net Interchange <sup>(e)</sup>	6,399	6,233	2.7%		17,693	17,740	(0.3%)	
Total Sources of Energy	7,372	7,404	(0.4%)		19,566	20,641	(5.2%)	
Less: Line Loss and Other	694	269	158.0%		1,803	1,682	7.2%	
Total GWh Sources	6,678	7,135	(6.4%)		17,763	18,959	(6.3%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					1,076	1,076		
Winter					1,164	1,164		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	50	—	—%		2,826	2,918	(3.2%)	
Cooling Degree Days	825	1,026	(19.6%)		1,177	1,359	(13.4%)	
<b>Variance from Normal</b>								
Heating Degree Days	(12.3%)	(100.0%)			(8.3%)	(4.7%)		
Cooling Degree Days	9.4%	36.0%			8.1%	25.6%		

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.



**Duke Energy Indiana**  
**Quarterly Highlights**  
**Supplemental Electric Utilities and Infrastructure Information**  
**September 2020**

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>	2020	2019	% Inc. (Dec.)	% Inc. (Dec.) Weather Normal <sup>(b)</sup>
<b>GWh Sales<sup>(a)</sup></b>								
Residential	2,553	2,466	3.5%		7,033	7,110	(1.1%)	
General Service	2,206	2,280	(3.2%)		5,797	6,238	(7.1%)	
Industrial	2,434	2,700	(9.9%)		7,049	7,815	(9.8%)	
Other Energy Sales	12	12	—%		38	38	—%	
Unbilled Sales	(69)	117	(159.0%)		(144)	24	(700.0%)	
Total Retail Sales	7,136	7,575	(5.8%)	(3.3%)	19,773	21,225	(6.8%)	(5.4%)
Wholesale and Other	1,327	1,136	16.8%		3,069	2,956	3.8%	
Total Electric Sales – Duke Energy Indiana	8,463	8,711	(2.8%)		22,842	24,181	(5.5%)	
<b>Average Number of Customers</b>								
Residential	745,014	731,741	1.8%		744,005	732,408	1.6%	
General Service	102,606	101,755	0.8%		102,416	101,632	0.8%	
Industrial	2,697	2,686	0.4%		2,699	2,692	0.3%	
Other Energy Sales	1,828	1,768	3.4%		1,815	1,751	3.7%	
Total Retail Customers	852,145	837,950	1.7%		850,935	838,483	1.5%	
Wholesale and Other	4	4	—%		4	4	—%	
Total Average Number of Customers – Duke Energy Indiana	852,149	837,954	1.7%		850,939	838,487	1.5%	
<b>Sources of Electric Energy (GWh)</b>								
Generated – Net Output <sup>(c)</sup>								
Coal	5,582	4,249	31.4%		12,759	13,994	(8.8%)	
Hydro	57	52	9.6%		137	106	29.2%	
Oil and Natural Gas	929	922	0.8%		2,446	2,075	17.9%	
Renewable Energy	9	10	(10.0%)		23	23	—%	
Total Generation <sup>(d)</sup>	6,577	5,233	25.7%		15,365	16,198	(5.1%)	
Purchased Power and Net Interchange <sup>(e)</sup>	2,438	3,556	(31.4%)		8,700	8,875	(2.0%)	
Total Sources of Energy	9,015	8,789	2.6%		24,065	25,073	(4.0%)	
Less: Line Loss and Other	552	78	607.7%		1,223	892	37.1%	
Total GWh Sources	8,463	8,711	(2.8%)		22,842	24,181	(5.5%)	
<b>Owned MW Capacity<sup>(c)</sup></b>								
Summer					6,623	6,606		
Winter					7,040	7,023		
<b>Heating and Cooling Degree Days</b>								
<b>Actual</b>								
Heating Degree Days	52	—	—%		3,142	3,358	(6.4%)	
Cooling Degree Days	789	930	(15.2%)		1,132	1,224	(7.5%)	
<b>Variance from Normal</b>								
Heating Degree Days	(19.6%)	(100.0%)			(5.0%)	1.2%		
Cooling Degree Days	5.7%	24.6%			5.0%	13.3%		

- (a) Except as indicated in footnote (b), represents non-weather normalized billed sales, with energy delivered but not yet billed (i.e., unbilled sales) reflected as a single amount and not allocated to the respective retail classes.
- (b) Represents weather-normal total retail calendar sales (i.e., billed and unbilled sales).
- (c) Statistics reflect Duke Energy's ownership share of jointly owned stations.
- (d) Generation by source is reported net of auxiliary power.
- (e) Purchased power includes renewable energy purchases.

## Gas Utilities and Infrastructure

## Quarterly Highlights

September 2020

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020	2019	% Inc. (Dec.)	2020	2019	% Inc. (Dec.)
<b>Total Sales</b>						
Piedmont Natural Gas Local Distribution Company (LDC) throughput (dekatherms) <sup>(a)</sup>	115,549,371	121,378,484	(4.8%)	360,861,306	377,725,958	(4.5%)
Duke Energy Midwest LDC throughput (Mcf)	9,678,342	9,997,444	(3.2%)	58,570,583	62,278,623	(6.0%)
<b>Average Number of Customers – Piedmont Natural Gas</b>						
Residential	1,003,014	971,955	3.2%	1,000,857	978,739	2.3%
Commercial	104,572	103,179	1.4%	105,023	104,046	0.9%
Industrial	965	974	(0.9%)	970	970	—%
Power Generation	19	16	18.8%	18	16	12.5%
Total Average Number of Gas Customers – Piedmont Natural Gas	1,108,570	1,076,124	3.0%	1,106,868	1,083,771	2.1%
<b>Average Number of Customers – Duke Energy Midwest</b>						
Residential	493,169	485,307	1.6%	495,049	489,401	1.2%
General Service	41,729	41,291	1.1%	43,371	43,250	0.3%
Industrial	1,524	1,491	2.2%	1,572	1,574	(0.1%)
Other	132	136	(2.9%)	132	135	(2.2%)
Total Average Number of Gas Customers – Duke Energy Midwest	536,554	528,225	1.6%	540,124	534,360	1.1%

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

## Commercial Renewables

## Quarterly Highlights

September 2020

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020	2019	% Inc. (Dec.)	2020	2019	% Inc. (Dec.)
Renewable Plant Production, GWh	2,563	2,146	19.4%	7,660	6,528	17.3%
Net Proportional MW Capacity in Operation <sup>(a)</sup>	n/a	n/a		3,984	3,162	26.0%

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Third Quarter Earnings Review & Business Update**  
**November 5, 2020**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of adjusted EPS for the quarter and year-to-date periods ended September 30, 2020 and 2019.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended September 30, 2020 and 2019, to the most directly comparable GAAP measure are included herein.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit costs related to Constitution.
- Regulatory Settlements represents charges related to Duke Energy Carolinas and Duke Energy Progress partial settlements in the 2019 North Carolina rate cases.
- Severance represents the reversal of 2018 costs which were deferred as a result of the partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.
- Impairment Charges represents a reduction of a prior year impairment at Citrus County CC.

**Adjusted EPS Guidance**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a reference to the forecasted 2020 adjusted EPS guidance range of \$5.05 to \$5.20 per share, narrowed from \$5.05 - \$5.45 per share during the third quarter of 2020. In addition, the materials reference a preliminary estimate of 2021 Adjusted EPS midpoint of approximately \$5.15, with refinements to the estimate to be made through the rest of the year, considering analysis of economic conditions and other factors. The materials also reference the long-term range of annual growth of 4% - 6% off 2021 earnings. In addition, the materials reference the expected five-year EPS growth in the natural gas segment of 8-10% (on a compound annual growth rate (CAGR) basis). The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

## **Adjusted Segment Income (Loss) and Adjusted Other Net Loss**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2020 and a discussion of 2020 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2020 and 2019, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the nine months ended September 30, 2020. The materials also include a discussion of the 2020 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the nine months ended September 30, 2020, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**Available Liquidity**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility and available equity forwards as of September 30, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of September 30, 2020, to the most directly comparable GAAP measure is included herein.

**Business Mix Percentage**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020, reference ninety-five percent of earnings coming from the regulated electric and gas utilities as a percentage of the total projected 2020 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's regulated electric and gas utilities are included in the Electric Utilities and Infrastructure and Gas Utilities and Infrastructure segments, respectively.

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

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 5, 2020 include a reference to the expected 2020 FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, imputed operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended September 30, 2020**  
**(Dollars in millions, except per share amounts)**

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Regulatory Settlements		
<b>SEGMENT INCOME (LOSS)</b>					
Electric Utilities and Infrastructure	\$ 1,381	\$ 4	A \$ 27	C \$ 31	\$ 1,412
Gas Utilities and Infrastructure	(73)	65	B —	65	(8)
Commercial Renewables	60	—	—	—	60
<b>Total Reportable Segment Income</b>	<b>1,368</b>	<b>69</b>	<b>27</b>	<b>96</b>	<b>1,464</b>
Other	(103)	—	—	—	(103)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,265</b>	<b>\$ 69</b>	<b>\$ 27</b>	<b>\$ 96</b>	<b>\$ 1,361</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.74</b>	<b>\$ 0.09</b>	<b>\$ 0.04</b>	<b>\$ 0.13</b>	<b>\$ 1.87</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

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

**B** - Net of \$20 million tax benefit.

- \$78 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Condensed Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Condensed Consolidated Statements of Operations.

**C** - Net of \$6 million tax benefit at Duke Energy Carolinas and \$2 million tax benefit at Duke Energy Progress.

- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2020**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements		
<b>SEGMENT INCOME (LOSS)</b>						
Electric Utilities and Infrastructure	\$ 2,839	\$ 4 A	\$ —	\$ 27 D	\$ 31	\$ 2,870
Gas Utilities and Infrastructure	(1,400)	1,691 B	—	—	1,691	291
Commercial Renewables	207	—	—	—	—	207
<b>Total Reportable Segment Income</b>	<b>1,646</b>	<b>1,695</b>	<b>—</b>	<b>27</b>	<b>1,722</b>	<b>3,368</b>
Other	(299)	—	(75) C		(75)	(374)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,347</b>	<b>\$ 1,695</b>	<b>\$ (75)</b>	<b>\$ 27</b>	<b>\$ 1,647</b>	<b>\$ 2,994</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.85</b>	<b>\$ 2.30</b>	<b>\$ (0.10)</b>	<b>\$ 0.04</b>	<b>\$ 2.24</b>	<b>\$ 4.09</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

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

**B** - Net of \$394 million tax benefit.

- \$2,078 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Condensed Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Condensed Consolidated Statements of Operations.

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

**D** - Net of \$6 million tax benefit at Duke Energy Carolinas and \$2 million tax benefit at Duke Energy Progress.

- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Condensed Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 735 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2019  
(Dollars in millions, except per share amounts)

		<u>Special Item</u>		
	<u>Reported Earnings</u>	<u>Impairment Charge</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 1,385	\$ (19) A	\$ (19)	\$ 1,366
Gas Utilities and Infrastructure	26	—	—	26
Commercial Renewables	40	—	—	40
<b>Total Reportable Segment Income</b>	<b>1,451</b>	<b>(19)</b>	<b>(19)</b>	<b>1,432</b>
Other	(124)		—	(124)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,327</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 1,308</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.82</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 1.79</b>

A – Net of \$6 million tax expense. \$25 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 729 million



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2019**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item Impairment Charge	Total Adjustments	Adjusted Earnings
<b>SEGMENT INCOME</b>				
Electric Utilities and Infrastructure	\$ 2,944	\$ (19) <b>A</b>	\$ (19)	\$ 2,925
Gas Utilities and Infrastructure	292	—	—	292
Commercial Renewables	139	—	—	139
<b>Total Reportable Segment Income</b>	<b>3,375</b>	<b>(19)</b>	<b>(19)</b>	<b>3,356</b>
Other	(328)	—	—	(328)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,047</b>	<b>\$ (19)</b>	<b>\$ (19)</b>	<b>\$ 3,028</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.18</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 4.15</b>

**A** – Net of \$6 million tax expense. \$25 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 728 million**

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

	Three Months Ended September 30, 2020		Nine Months Ended September 30, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 1,339		\$ 1,158	
Gas Pipeline Investments	90		2,090	
Severance	—		(98)	
Regulatory Settlements	35		35	
Noncontrolling Interests	70		208	
Preferred Dividends	(39)		(93)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 1,495</b>		<b>\$ 3,300</b>	
<b>Reported Income Tax Expense (Benefit)</b>	\$ 105	7.8%	\$ (74)	(6.4)%
Gas Pipeline Investments	21		395	
Severance	—		(23)	
Regulatory Settlements	8		8	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 134</b>	<b>9.0%</b>	<b>\$ 306</b>	<b>9.3 %</b>

	Three Months Ended September 30, 2019		Nine Months Ended September 30, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income Before Income Taxes</b>	\$ 1,511		\$ 3,388	
Impairment Charge	(25)		(25)	
Noncontrolling Interests	19		110	
Preferred Dividends	(15)		(27)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 1,490</b>		<b>\$ 3,446</b>	
<b>Reported Income Tax Expense</b>	\$ 188	12.4%	\$ 424	12.5%
Impairment Charge	(6)		(6)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 182</b>	<b>12.2%</b>	<b>\$ 418</b>	<b>12.1%</b>

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of September 30, 2020**  
(In millions)

Cash and Cash Equivalents	\$ 308	
Less: Certain Amounts Held in Foreign Jurisdictions	(12)	
Less: Unavailable Domestic Cash	<u>(68)</u>	
	228	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>6,372</u>	
Plus: Remaining Availability from Equity Forwards	<u>2,620</u>	
Total Available Liquidity (a), September 30, 2020	<u>\$ 9,220</u>	approximately 9.2 billion

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility and available equity forwards as of September 30, 2020. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

Duke Energy Progress, LLC  
Docket No. E-2 Sub 1300  
E1-21- Annual Reports  
For the Test Year Ending 2021



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Oct 06 2022

Q3 / 2021

# EARNINGS REVIEW AND BUSINESS UPDATE

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

November 4, 2021

## Safe Harbor statement

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

## Regulation G disclosure

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