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November 30, 2020

VIA ELECTRONIC FILING

Ms. Kimberley A. Campbell, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Progress, LLC's Quarterly Surveillance Report E.S.-1
Docket No. M-1, Sub 12DEP**

Dear Ms. Campbell:

Pursuant to the North Carolina Utilities Commission's ("Commission") January 30, 2010 *Order Requiring Electronic Filing of Quarterly Financial and Operational Data* in Docket No. M-100, Sub 157, I enclose Duke Energy Progress, LLC's ("DEP") verified quarterly surveillance report, Commission Form E.S.-1, for the period ending September 30, 2020 for filing in connection for the referenced matter. Pursuant to the requirements of Docket No. E-2, Sub 931, I also enclose supplemental schedules related to demand-side management, energy efficiency, and the Distribution System Demand Response Program.

In this report, the use of composite allocation factors from the December 31, 2019 Cost of Service Study and current book numbers give a somewhat different perspective than would a cost of service study using the same 12 months data. In addition, different methodologies are used in arriving at the Income for Return and Rate Base Components for ratemaking purposes than are represented in this report. Therefore, DEP respectfully submits that this report should be used for informational purposes only and not for jurisdictional ratemaking purposes.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

Lawrence B. Somers

Enclosure

cc: Parties of Record

OFFICIAL COPY

Nov 30 2020

Rate of Return Calculations
Duke Energy Progress
Twelve Months Ended September 30, 2020

N.C. Rate Base Method
Schedule 1
(\$000s)

| | | Total Company (Booked) | | | | | |
|----------|----------------------|----------------------------|----------------------------------|--|---------------------------|-------------------------|----------------------------|
| Line No. | Item | Average Capitalization (a) | Average Capitalization Ratio (b) | Capitalization or Rate Base (c) | Average Embedded Cost (d) | Overall Cost Rate % (e) | Total Company Earnings (f) |
| 1 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 8,858,398 | 3.80% | 1.82% | 336,922 |
| 2 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 3 | Common Equity | 9,702,425 | 52.27% | 9,702,425 | 7.35% | 3.84% | 713,328 |
| 4 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 18,560,823</u> | | <u>5.66%</u> | <u>\$ 1,050,250</u> |
| 5 | | | | | | | |
| 6 | | Total Company Booked | | Wholesale Electric Operations Portion | | | |
| 7 | | | | | | | |
| 8 | | | | | | | Net Operating Income |
| 9 | | | | Rate Base | | | |
| 10 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 1,713,423 | 3.80% | 1.82% | \$ 65,168 |
| 11 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 12 | Common Equity | 9,702,425 | 52.27% | 1,876,402 | 5.32% | 2.78% | 99,737 |
| 13 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 3,589,825</u> | | <u>4.59%</u> | <u>\$ 164,905</u> |
| 14 | | | | | | | |
| 15 | | | | North Carolina Retail Electric Jurisdiction | | | |
| 16 | | | | | | | |
| 17 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 5,136,445 | 3.80% | 1.82% | \$ 195,360 |
| 18 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 19 | Common Equity | 9,702,425 | 52.27% | 5,625,016 | [A,B] 9.95% | 5.20% | 559,781 |
| 20 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 10,761,461</u> | | <u>7.02%</u> | <u>\$ 755,141</u> |
| 21 | | | | | | | |
| 22 | | | | South Carolina Retail Electric Jurisdiction | | | |
| 23 | | | | | | | |
| 24 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 791,020 | 3.80% | 1.82% | \$ 30,086 |
| 25 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 26 | Common Equity | 9,702,425 | 52.27% | 866,260 | [A] 11.56% | 6.04% | 100,118 |
| 27 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 1,657,280</u> | | <u>7.86%</u> | <u>\$ 130,204</u> |
| 28 | | | | | | | |
| 29 | | | | Other Company Operations - Residual Balances | | | |
| 30 | | | | Residual Capital | | | Residual Income |
| 31 | | | | | | | |
| 32 | | | | | | | |
| 33 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 1,217,509 | 3.80% | 1.81% | \$ 46,308 |
| 34 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 35 | Common Equity | 9,702,425 | 52.27% | 1,334,747 | -3.47% | -1.81% | (46,308) |
| 36 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 2,552,257</u> | | <u>0.00%</u> | <u>\$ -</u> |

[A] If adjusted for weather, this rate would be 10.56% for NC Retail and 12.21% for SC Retail.

[B] This rate is based on historical information and average rate base over a 13-month period. It is not reflective of expected future returns. Future returns will be impacted by significant rate base additions, new costs, and the elimination of one-time expenses occurring in the historical period.

[C] These computed values are based upon jurisdictional ratemaking components and allocation and are not representative of the ratemaking standards utilized by our Wholesale (FERC) or South Carolina regulatory bodies.

[D] Allocation factors based on 2019 COS.

NCUC Form E.S.-1
Rate of Return Calculations
Ratio of Earnings to Fixed Charges - SEC Method
Duke Energy Progress
Twelve Months Ended September 30, 2020

Financial Method
Schedule 1a
(\$000s)

| Line No. | Item | Total Company Booked (a) | Wholesale and Other Jurisdiction (b) | N.C. Retail Operations (c) | S.C. Retail Operations (d) | Other Company Operations (e) |
|----------|--|-----------------------------|---|-------------------------------|-------------------------------|---------------------------------|
| 1 | <u>Rate of Return on Investment</u> | | | | | |
| 2 | Net Operating Income | \$ 1,050,250 | \$ 164,905 | \$ 755,141 | \$ 130,204 | \$ - |
| 3 | Net Investment Including Materials and Supplies | \$ 22,571,312 | \$ 5,171,712 | \$ 15,087,755 | \$ 2,311,846 | \$ - |
| 4 | | | | | | |
| 5 | Rate of Return on Investment (L2/L3) | 4.653% | 3.189% | 5.005% | 5.632% | |
| 6 | | | | | | |
| 7 | <u>Ratio of Earnings to Fixed Charges (SEC)</u> | | | | | |
| 8 | Net Income | \$ 828,805 | \$ 113,735 | \$ 607,523 | \$ 107,654 | \$ (107) |
| 9 | Add Back: | | | | | |
| 10 | Federal Income Tax Including | \$ 161,321 | \$ 13,057 | \$ 127,275 | \$ 20,989 | \$ - |
| 11 | Investment Tax Credits | | | | | |
| 12 | State Income Tax | (13,996) | (1,714) | (10,442) | (1,841) | - |
| 13 | Total Net Income Plus Income Taxes (L8+L10+L12) | \$ 976,130 | \$ 125,078 | \$ 724,357 | \$ 126,802 | \$ (107) |
| 14 | | | | | | |
| 15 | <u>Fixed Charges</u> | | | | | |
| 16 | Interest Expense [A] | \$ 293,689 | \$ 65,621 | \$ 198,408 | \$ 29,659 | \$ - |
| 17 | 1/3 Rentals Included in Fixed Charges | 58,224 | 13,460 | 38,832 | 5,932 | - |
| 18 | Total Fixed Charges (L16+L17) | \$ 351,912 | \$ 79,082 | \$ 237,240 | \$ 35,590 | \$ - |
| 19 | Earnings as Adjusted (L13+L18) | \$ 1,328,042 | \$ 204,160 | \$ 961,596 | \$ 162,393 | \$ (107) |
| 20 | | | | | | |
| 21 | Ratio of Earnings to Fixed Charges (L19/L18) [B] | 3.77 | 2.58 | 4.05 | 4.56 | 0.00 |
| 22 | | | | | | |
| 23 | Common Stock Dividends Paid/Declared | \$ - | | | | |
| 24 | | | | | | |
| 25 | <u>No. of Shares Outstanding: (Rounded to Thousands)</u> | | | | | |
| 26 | Weighted End of Period | n/a | | | | |
| 27 | Weighted Yearly Average | n/a | | | | |

Notes:

[A] Includes interest on customer deposits of \$9,097 for NC Retail and \$741 for SC Retail.

[B] Calculation of Fixed Charge Coverage of 3.77 shown above differs from published rate due to non-operating items included in the published rate.

[C] These computed values are based upon North Carolina ratemaking components and allocation and are not representative of the ratemaking standards utilized by our Wholesale (FERC) or South Carolina regulatory bodies.

NCUC Form E.S.-1
Capital
Duke Energy Progress
Period Ending September 30, 2020

N.C. Rate Base Method
Schedule 2
(\$000s)

| Line No. | Item | Long-term Debt [A] | Total Members' Equity (b) | Total Capital (c) = (a)+(b) |
|----------|---|--------------------|---------------------------|-----------------------------|
| 1 | <u>Total Company</u> | | | |
| 2 | | | | |
| 3 | Balance at Beginning of Period | \$ 8,781,583 | \$ 9,364,432 | \$ 18,146,015 |
| 4 | Balance at End of: | | | |
| 5 | First Month | 8,781,684 | 9,423,686 | 18,205,370 |
| 6 | Second Month | 8,781,785 | 9,485,311 | 18,267,096 |
| 7 | Third Month | 8,781,885 | 9,522,701 | 18,304,586 |
| 8 | Fourth Month | 8,781,986 | 9,613,759 | 18,395,745 |
| 9 | Fifth Month | 8,782,087 | 9,660,648 | 18,442,735 |
| 10 | Sixth Month | 8,782,188 | 9,724,386 | 18,506,574 |
| 11 | Seventh Month | 8,815,627 | 9,753,678 | 18,569,305 |
| 12 | Eighth Month | 8,778,410 | 9,827,045 | 18,605,455 |
| 13 | Ninth Month | 8,792,451 | 9,889,150 | 18,681,601 |
| 14 | Tenth Month | 8,790,763 | 9,996,161 | 18,786,924 |
| 15 | Eleventh Month | 9,404,305 | 10,077,802 | 19,482,107 |
| 16 | Twelfth Month | 9,104,415 | 9,792,762 | 18,897,177 |
| 17 | Total (Sum of Lines 3 through 15) | \$ 115,159,169 | \$ 126,131,521 | \$ 241,290,690 |
| 18 | 13 Month Average (L16/13) | \$ 8,858,398 | \$ 9,702,425 | \$ 18,560,823 |
| 19 | | | | |
| 20 | 13 Month Average Ratio | 47.73% | 52.27% | 100.00% |
| 21 | | | | |
| 22 | <u>Allocation of Total Company Data</u> | | | |
| 23 | Wholesale Jurisdictional Amount | \$ 2,047,911 | \$ 2,243,036 | \$ 4,290,947 |
| 24 | N.C. Retail Elect. Jurisdictional Amount | \$ 5,908,011 | \$ 6,470,925 | \$ 12,378,936 |
| 25 | S.C. Retail Elect. Jurisdictional Amount | \$ 902,476 | \$ 988,464 | \$ 1,890,939 |
| 26 | Other Co. Jurisdictional Amount | \$ - | \$ - | \$ - |
| 27 | | | | |
| 28 | Actual Interest Accrued for the Period | 336,922 | | |
| 29 | | | | |
| 30 | Average Embedded Cost for the Period (Col. a, L29/L18) | 3.8034% | | |
| 31 | | | | |
| 32 | Preferred Dividends Declared for the Period | | \$ - | |
| 33 | | | | |
| 34 | Average Embedded Cost (Col. b, L33/L18 minus issue costs) | | 0.00% | |

[A] Long-term Debt Plus Current Maturities

N.C. Rate Base Method
Schedule 3
(\$000s)

[illegible]

NCUC Form E.S.-1
Rate Base Schedule 3-1 Working Capital
Duke Energy Progress
Period Ending September 30, 2020

| | Fuel Stock | Plant Material & Operating Supplies | Allowances | Store Expenses Undistributed | Debt Expense | Design Basis | Mayo 2 Amortization - WH | SFAS 158 | SFAS 109 |
|------------------------|------------|--|------------|---------------------------------|--------------|--------------|--------------------------------|-----------|-----------|
| Beginning balance | 229,630 | 671,837 | 111,332 | 37,632 | 47,847 | 11,144 | 277 | 431,461 | 116,773 |
| First Month | 242,580 | 664,707 | 113,043 | 33,415 | 47,371 | 11,084 | 271 | 430,283 | 116,773 |
| Second Month | 246,564 | 665,364 | 117,089 | 35,362 | 46,914 | 11,023 | 265 | 429,104 | 121,568 |
| Third Month | 247,793 | 657,322 | 120,004 | 28,793 | 46,819 | 10,963 | 259 | 402,804 | 122,556 |
| Fourth Month | 278,099 | 649,088 | 123,193 | 28,598 | 46,425 | 10,903 | 254 | 402,804 | 122,556 |
| Fifth Month | 271,721 | 652,373 | 125,649 | 28,615 | 45,909 | 10,843 | 248 | 399,977 | 122,556 |
| Sixth Month | 277,602 | 647,854 | 127,781 | 30,164 | 46,243 | 10,783 | 242 | 398,564 | 124,323 |
| Seventh Month | 321,067 | 648,286 | 131,935 | 31,108 | 46,506 | 10,723 | 236 | 397,151 | 124,323 |
| Eighth Month | 327,183 | 648,974 | 134,692 | 29,644 | 46,019 | 10,663 | 230 | 395,737 | 124,323 |
| Ninth Month | 298,655 | 650,426 | 112,908 | 30,992 | 46,129 | 10,603 | 224 | 395,152 | 125,618 |
| Tenth Month | 265,484 | 650,523 | 115,662 | 32,659 | 45,625 | 10,543 | 218 | 393,796 | 125,618 |
| Eleventh Month | 236,642 | 650,813 | 118,238 | 32,229 | 50,819 | 10,482 | 212 | 392,509 | 125,618 |
| Twelfth Month | 228,678 | 650,671 | 120,702 | 30,827 | 50,334 | 10,422 | 206 | 391,222 | 125,987 |
| Total Thirteen Month | 3,471,698 | 8,508,238 | 1,572,228 | 410,039 | 612,960 | 140,179 | 3,143 | 5,260,563 | 1,598,591 |
| Thirteen Month Average | 267,054 | 654,480 | 120,941 | 31,541 | 47,151 | 10,783 | 242 | 404,659 | 122,969 |

NCUC Form E.S.-1
Rate Base Schedule 3-1 Working Capital
Duke Energy Progress
Period Ending September 30, 2020

| | Storm Deferral | Rate Case Costs | VOP Costs | PSNC Pipeline | REPS | DSM/EE Deferral | Sale of land Harris deferral | Coal Inventory Rider | Asheville CC Deferral Amortization | SC Pollution Control Deferral |
|------------------------|----------------|--------------------|-----------|---------------|-------------|--------------------|------------------------------------|-------------------------|--|-------------------------------------|
| Beginning balance | 20,413 | 2,958 | 1,299 | 355 | (107,329) | 208,453 | - | 257 | - | 28,279 |
| First Month | 19,562 | 2,862 | 1,251 | 350 | (110,614) | 206,548 | - | 257 | - | 28,069 |
| Second Month | 18,712 | 2,766 | 1,203 | 346 | (113,420) | 208,025 | - | 257 | - | 27,860 |
| Third Month | 17,861 | 2,670 | 1,155 | 341 | (116,342) | 210,629 | - | 236 | - | 27,650 |
| Fourth Month | 17,011 | 2,574 | 1,107 | 337 | (119,474) | 209,490 | - | 214 | - | 27,441 |
| Fifth Month | 16,160 | 2,478 | 1,059 | 332 | (122,363) | 210,570 | - | 193 | - | 27,231 |
| Sixth Month | 15,310 | 2,382 | 1,010 | 327 | (125,967) | 212,060 | - | 172 | - | 27,022 |
| Seventh Month | 14,459 | 2,286 | 962 | 323 | (128,847) | 215,659 | (9,271) | 150 | - | 26,813 |
| Eighth Month | 13,609 | 2,190 | 914 | 318 | (131,822) | 221,505 | (9,271) | 129 | - | 26,603 |
| Ninth Month | 12,758 | 2,094 | 866 | 314 | (110,377) | 224,430 | (9,271) | 107 | - | 26,394 |
| Tenth Month | 11,907 | 1,998 | 818 | 309 | (111,309) | 223,466 | (9,271) | 86 | - | 26,184 |
| Eleventh Month | 11,057 | 1,902 | 770 | 305 | (114,235) | 222,221 | (9,271) | 64 | - | 25,975 |
| Twelfth Month | 10,206 | 1,806 | 721 | 300 | (117,145) | 221,200 | (13,447) | 43 | 26,627 | 25,765 |
| Total Thirteen Month | 199,025 | 30,970 | 13,135 | 4,257 | (1,529,244) | 2,794,256 | (59,802) | 2,165 | 26,627 | 351,286 |
| Thirteen Month Average | 15,310 | 2,382 | 1,010 | 327 | (117,634) | 214,943 | (4,600) | 167 | 2,048 | 27,022 |

NCUC Form E.S.-1
Rate Base Schedule 3-1 Working Capital
Duke Energy Progress
Period Ending September 30, 2020

| | Early Retired Plant | NC Regulatory Fee Deferral | DEP SC COR Giveback | SC DERP | SC AMI Meter Deferred Costs | SC H3659 Implementation | SC Grid Deferral | Coal Ash Spend | Non-AMI Meters | CPRE Rider | Preliminary Survey & Investigation Charges |
|------------------------|------------------------|-------------------------------|------------------------|---------|--------------------------------------|----------------------------|---------------------|-------------------|-------------------|------------|---|
| Beginning balance | - | 1,555 | 17,463 | 7,464 | 901 | 72 | 1,186 | 165,584 | 25,479 | 9,303 | 9,157 |
| First Month | - | 1,523 | 17,407 | 7,558 | 896 | 122 | 1,165 | 161,618 | 25,479 | 9,427 | 9,386 |
| Second Month | - | 1,492 | 17,351 | 7,512 | 891 | 265 | 1,144 | 157,651 | 25,479 | 9,506 | 9,535 |
| Third Month | - | 1,367 | 17,295 | 7,496 | 886 | 325 | 1,122 | 153,685 | 29,615 | 9,736 | 9,419 |
| Fourth Month | - | 1,336 | 17,239 | 7,512 | 881 | 343 | 1,101 | 149,718 | 29,615 | 9,969 | 9,293 |
| Fifth Month | - | 1,305 | 17,183 | 7,504 | 875 | 360 | 1,080 | 145,752 | 32,791 | 10,913 | 9,410 |
| Sixth Month | 129,908 | 1,273 | 17,127 | 7,496 | 870 | 409 | 1,059 | 141,785 | 32,791 | 11,505 | 9,523 |
| Seventh Month | 128,511 | 1,242 | 17,070 | 7,527 | 865 | 480 | 1,038 | 137,819 | 32,791 | 13,570 | 9,678 |
| Eighth Month | 127,114 | 1,211 | 17,014 | 7,479 | 860 | 502 | 1,017 | 133,852 | 32,791 | 14,187 | 9,809 |
| Ninth Month | 128,017 | 1,028 | 16,958 | 7,431 | 855 | 540 | 660 | 129,886 | 35,036 | 14,707 | 9,923 |
| Tenth Month | 126,424 | 997 | 16,902 | 7,551 | 850 | 563 | 646 | 125,919 | 35,036 | 14,796 | 10,045 |
| Eleventh Month | 124,832 | 965 | 16,846 | 7,510 | 845 | 612 | 632 | 121,953 | 35,036 | 14,902 | 10,122 |
| Twelfth Month | 126,349 | 934 | 16,790 | 7,612 | 840 | 643 | 932 | 157,851 | 34,791 | 14,737 | 5,458 |
| Total Thirteen Month | 891,155 | 16,228 | 222,645 | 97,654 | 11,314 | 5,236 | 12,782 | 1,883,072 | 406,731 | 157,257 | 120,758 |
| Thirteen Month Average | 68,550 | 1,248 | 17,127 | 7,512 | 870 | 403 | 983 | 144,852 | 31,287 | 12,097 | 9,289 |

NCUC Form E.S.-1
Rate Base Schedule 3-1 Working Capital
Duke Energy Progress
Period Ending September 30, 2020

| | Deferred Debits | Extended Amortization Assets | Accm Provision Rate Refund - Tax Reform | Customer Advances for Construction | State Tax Rate Change | Federal Tax Rate Change | Pole Attachment Deferred Revenue | NCEMPA Purchase Deferral | End of Life Reserves | SC Depreciation Deferral |
|------------------------|--------------------|------------------------------------|---|--|--------------------------|----------------------------|---|--------------------------------|-------------------------|--------------------------------|
| Beginning balance | 46,613 | 8,006 | (14,294) | (26,984) | (24,087) | (1,831,753) | (920) | 65,110 | (61,832) | 7,186 |
| First Month | 46,607 | 8,555 | (14,045) | (28,794) | (24,087) | (1,830,688) | (615) | 68,031 | (63,276) | 6,962 |
| Second Month | 46,585 | 9,104 | (7,467) | (17,416) | (24,087) | (1,829,035) | (309) | 71,170 | (64,720) | 6,737 |
| Third Month | 48,356 | 9,445 | (7,218) | (15,476) | (23,998) | (1,827,664) | (4,155) | 76,095 | (66,164) | 6,513 |
| Fourth Month | 179,659 | 9,786 | (6,969) | (11,819) | (23,998) | (1,827,664) | (3,809) | 90,317 | (67,608) | 6,288 |
| Fifth Month | 179,877 | 10,126 | (6,720) | (14,628) | (23,998) | (1,825,262) | (3,463) | 85,242 | (69,052) | 6,063 |
| Sixth Month | 49,048 | 10,467 | (6,471) | (14,430) | (23,998) | (1,822,609) | (3,117) | 90,746 | (70,496) | 5,839 |
| Seventh Month | 49,099 | 10,808 | (6,222) | (15,092) | (23,998) | (1,821,408) | (2,771) | 96,843 | (71,940) | 5,614 |
| Eighth Month | 49,323 | 11,149 | (5,973) | (14,722) | (23,998) | (1,820,207) | (2,425) | 102,085 | (73,383) | 5,390 |
| Ninth Month | 50,264 | 11,489 | (11,791) | (13,292) | (23,998) | (1,810,399) | (2,079) | 107,287 | (74,583) | 5,165 |
| Tenth Month | 45,290 | 13,497 | (11,278) | (14,709) | (23,998) | (1,809,198) | (1,733) | 109,164 | (75,782) | 4,941 |
| Eleventh Month | 45,741 | 14,046 | (10,765) | (15,910) | (23,998) | (1,807,997) | (1,387) | 112,607 | (77,715) | 4,716 |
| Twelfth Month | 42,910 | 14,046 | (10,253) | (14,912) | (23,998) | (1,787,296) | (1,042) | 116,156 | (79,000) | 4,491 |
| Total Thirteen Month | 879,371 | 140,523 | (119,466) | (218,184) | (312,237) | (23,651,178) | (27,824) | 1,190,854 | (915,549) | 75,906 |
| Thirteen Month Average | 67,644 | 10,809 | (9,190) | (16,783) | (24,018) | (1,819,321) | (2,140) | 91,604 | (70,427) | 5,839 |

NCUC Form E.S.-1
Rate Base Schedule 3-1 Working Capital
Duke Energy Progress
Period Ending September 30, 2020

| | Extended Amortization Liabilities | Rotable Spares | Customer Deposits | Lead Lag | Total Working Capital |
|------------------------|---|-------------------|----------------------|-----------|--------------------------|
| Beginning balance | (10,401) | 1,652 | (143,962) | 238,679 | 303,795 |
| First Month | (10,979) | 1,642 | (144,699) | 238,679 | 295,688 |
| Second Month | (11,556) | 1,631 | (145,083) | 238,679 | 324,062 |
| Third Month | (12,134) | 1,621 | (144,886) | 238,679 | 291,473 |
| Fourth Month | (12,712) | 1,610 | (145,402) | 238,679 | 453,986 |
| Fifth Month | (13,290) | 1,600 | (145,367) | 238,679 | 440,536 |
| Sixth Month | (13,868) | 1,566 | (145,776) | 238,679 | 445,199 |
| Seventh Month | (14,446) | 1,532 | (146,023) | 244,031 | 490,488 |
| Eighth Month | (15,023) | 1,499 | (146,035) | 244,031 | 499,188 |
| Ninth Month | (15,601) | 1,465 | (145,632) | 244,031 | 485,388 |
| Tenth Month | (16,179) | 1,432 | (145,541) | 244,031 | 443,982 |
| Eleventh Month | (16,757) | 1,398 | (145,480) | 244,031 | 413,135 |
| Twelfth Month | (16,757) | 1,345 | (145,485) | 244,031 | 476,300 |
| Total Thirteen Month | (179,702) | 19,992 | (1,889,371) | 3,134,940 | 5,363,220 |
| Thirteen Month Average | (13,823) | 1,538 | (145,336) | 241,149 | 412,555 |

| Line No. | Item | Total Company Booked (a) | Electric Operations | | | |
|----------|---|--------------------------|--------------------------------------|------------------------------|------------------------------|------------------------------|
| | | | Wholesale and Other Jurisdiction (b) | N.C. Retail Jurisdiction (c) | S.C. Retail Jurisdiction (d) | Other Company Operations (f) |
| 1 | <u>OPERATING REVENUES</u> | | | | | |
| 2 | Residential Sales | \$ 2,081,738 | \$ - | \$ 1,832,797 | \$ 248,941 | \$ - |
| 3 | Commercial Sales | 1,239,899 | - | 1,080,382 | 159,518 | - |
| 4 | Industrial Sales | 650,528 | - | 508,917 | 141,611 | - |
| 5 | Public Street & Highway Lighting Sales | 21,087 | - | 17,379 | 3,708 | - |
| 6 | Public Authority Sales | 83,691 | - | 80,311 | 3,380 | - |
| 7 | Sales for Resale: | | | | | |
| 8 | Special Contracts | - | - | - | - | - |
| 9 | Wholesale | 1,153,782 | 1,153,782 | - | - | - |
| 10 | Other | 12,943 | 3,747 | 7,887 | 1,308 | - |
| 11 | Joint Dispatch | 113,451 | 32,846 | 69,136 | 11,469 | - |
| 12 | Provision for Rate Refund | 4,042 | - | - | 4,042 | - |
| 13 | Unbilled Revenue | (15,733) | - | (12,815) | (2,918) | - |
| 14 | Total Revenue from Sales of Electricity | \$ 5,345,427 | \$ 1,190,375 | \$ 3,583,993 | \$ 571,059 | \$ - |
| 15 | All Other Electric Revenues | 149,466 | 97,776 | 44,669 | 7,021 | - |
| 16 | Total Electric Operating Revenues | <u>\$ 5,494,893</u> | <u>\$ 1,288,150</u> | <u>\$ 3,628,663</u> | <u>\$ 578,080</u> | <u>\$ -</u> |
| 17 | | | | | | |
| 18 | <u>OPERATING EXPENSES</u> | | | | | |
| 19 | Fuel Used in Electric Generation | \$ 1,188,760 | \$ 297,475 | \$ 783,530 | \$ 107,755 | \$ - |
| 20 | Purchased Power excluding Joint Dispatch | 564,920 | 164,179 | 344,015 | 56,726 | - |
| 21 | Purchased Power Joint Dispatch | 24,130 | 7,013 | 14,695 | 2,423 | - |
| 22 | Maintenance | 397,011 | 89,271 | 264,850 | 42,890 | - |
| 23 | Other Operating Expenses (except Taxes) [A] | 833,494 | 179,655 | 559,429 | 94,410 | - |
| 24 | Total Operating Expenses | \$ 3,008,317 | \$ 737,594 | \$ 1,966,520 | \$ 304,203 | \$ - |
| 25 | Depreciation and Amortization | 1,116,465 | 334,228 | 675,504 | 106,733 | - |
| 26 | Total Expenses & Depreciation | <u>\$ 4,124,781</u> | <u>\$ 1,071,821</u> | <u>\$ 2,642,024</u> | <u>\$ 410,936</u> | <u>\$ -</u> |
| 27 | | | | | | |
| 28 | <u>OPERATING TAXES</u> | | | | | |
| 29 | Federal Income Tax Liability | \$ 119,399 | \$ 8,768 | \$ 95,282 | \$ 15,349 | \$ - |
| 30 | Federal Income Tax - Deferred | 46,856 | 5,739 | 34,955 | 6,162 | - |
| 31 | Investment Tax Credit Normalization | - | - | - | - | - |
| 32 | Amortization of Investment Tax Credits | (4,934) | (1,449) | (2,963) | (522) | - |
| 33 | Total Federal Taxes - Operating | \$ 161,321 | \$ 13,057 | \$ 127,275 | \$ 20,989 | \$ - |
| 34 | State Income Taxes | 11,158 | 1,367 | 8,324 | 1,467 | - |
| 35 | State Income Tax - Deferred | (25,154) | (3,081) | (18,765) | (3,308) | - |
| 36 | Other Operating Taxes | 172,537 | 40,081 | 114,664 | 17,792 | - |
| 37 | Total Operating Taxes | <u>\$ 319,862</u> | <u>\$ 51,424</u> | <u>\$ 231,497</u> | <u>\$ 36,940</u> | <u>\$ -</u> |
| 38 | Total Operating Expenses, Depr. & Taxes | <u>\$ 4,444,643</u> | <u>\$ 1,123,245</u> | <u>\$ 2,873,521</u> | <u>\$ 447,876</u> | <u>\$ -</u> |
| 39 | Net Operating Income (L16-L38) | <u>\$ 1,050,250</u> | <u>\$ 164,905</u> | <u>\$ 755,141</u> | <u>\$ 130,204</u> | <u>\$ -</u> |

[A] Includes interest on customer deposits of \$9,097 for NC Retail and \$741 for SC Retail.

| Line No. | Item | Total Company Booked (a) | Electric Operations | | | |
|----------|---|--------------------------|--------------------------------------|------------------------------|------------------------------|------------------------------|
| | | | Wholesale and Other Jurisdiction (b) | N.C. Retail Jurisdiction (c) | S.C. Retail Jurisdiction (d) | Other Company Operations (f) |
| 40 | <u>OTHER INCOME</u> | | | | | |
| 41 | Allow. for Equity Funds Used During Constr. | \$ 37,799 | \$ 8,739 | \$ 25,210 | \$ 3,851 | \$ - |
| 42 | Equity and Earnings of Subsidiary Companies | (107) | - | - | - | (107) |
| 43 | Interest and Dividend Income | (481) | (111) | (321) | (49) | - |
| 44 | Miscellaneous Income | 48,060 | 11,111 | 32,053 | 4,896 | - |
| 45 | Total Other Income | <u>\$ 85,271</u> | <u>\$ 19,738</u> | <u>\$ 56,942</u> | <u>\$ 8,698</u> | <u>\$ (107)</u> |
| 46 | | | | | | |
| 47 | <u>OTHER DEDUCTIONS</u> | | | | | |
| 48 | Miscellaneous Income Deductions | 37,863 | 8,753 | 25,253 | 3,857 | - |
| 49 | Taxes Applicable to Other Inc. and Deductions | 1,472 | 340 | 982 | 150 | - |
| 50 | Total Other Deductions | <u>\$ 39,336</u> | <u>\$ 9,094</u> | <u>\$ 26,234</u> | <u>\$ 4,007</u> | <u>\$ -</u> |
| 51 | | | | | | |
| 52 | <u>INTEREST CHARGES</u> | | | | | |
| 53 | Interest on Long-term Debt | 326,496 | 75,480 | 217,753 | 33,263 | - |
| 54 | Amortization of Debt Discount and Expense | 7,204 | 1,665 | 4,804 | 734 | - |
| 55 | Amortization of Premium on Debt. (Cr.) | | | | | |
| 56 | Interest on Advances from Affiliated Companies | | | | | |
| 57 | Other Interest Expense [A] | (49,848) | (11,524) | (33,246) | (5,078) | - |
| 58 | Allow. for Borrowed Funds Used During Constr. | (16,470) | (3,808) | (10,985) | (1,678) | - |
| 59 | Total Interest Charges | <u>\$ 267,381</u> | <u>\$ 61,814</u> | <u>\$ 178,327</u> | <u>\$ 27,240</u> | <u>\$ -</u> |
| 60 | | | | | | |
| 61 | Net Inc. Before Extraordinary and Delayed Items | \$ 828,805 | \$ 113,735 | \$ 607,523 | \$ 107,654 | \$ (107) |
| 62 | Extraordinary & Delayed Items | - | - | - | - | - |
| 63 | | | | | | |
| 64 | Net Income | \$ 828,805 | \$ 113,735 | \$ 607,523 | \$ 107,654 | \$ (107) |
| 65 | Less Preferred Dividends | - | - | - | - | - |
| 66 | Net Income Available for Members' Equity | <u>\$ 828,805</u> | <u>\$ 113,735</u> | <u>\$ 607,523</u> | <u>\$ 107,654</u> | <u>\$ (107)</u> |
| 67 | | | | | | |
| 68 | Members' Equity Capital - Year End | 9,792,762 | 2,263,920 | 6,531,175 | 997,667 | - |
| 69 | Members' Equity Capital - Simple Average | 9,578,597 | 2,214,409 | 6,388,340 | 975,848 | - |
| 70 | | | | | | |
| 71 | Rate of Return on Members' Equity - Year End | 8.46 | 5.02 | 9.30 | 10.79 | - |
| 72 | Rate of Return on Members' Equity - Simple Avg. | 8.65 | 5.14 | 9.51 | 11.03 | - |

[A] Excludes interest on customer deposits of \$9,097 for NC Retail and \$741 for SC Retail.

NCUC Form E.S.-1
Condensed Balance Sheet
Duke Energy Progress
Period Ending September 30, 2020

Financial Method
Schedule 5
(\$000s)

| Line No. | Item | Total Company Booked (a) | Allocation Factor (b) | Wholesale and Other Jurisdiction (c) | Allocation Factor (d) | N. C. Retail Jurisdiction (e) | Allocation Factor (f) | S. C. Retail Jurisdiction (g) | Allocation Factor (i) | Other Company Operations (k) |
|----------|--|-----------------------------|--------------------------|---|--------------------------|----------------------------------|--------------------------|----------------------------------|--------------------------|---------------------------------|
| 1 | ASSETS | | | | | | | | | |
| 2 | Electric Plant in Service | \$ 34,384,479 | 22.5099% | \$ 7,739,902 | 67.1017% | \$ 23,072,581 | 10.3884% | \$ 3,571,996 | 0.0000% | \$ - |
| 3 | Less: Accum. Depreciation & Amortization | 12,844,283 | 21.7119% | 2,788,732 | 67.7443% | 8,701,269 | 10.5439% | 1,354,282 | 0.0000% | - |
| 4 | Net Plant in Service (L2 + L3) | \$ 21,540,196 | | \$ 4,951,170 | | \$ 14,371,313 | | \$ 2,217,714 | | \$ - |
| 5 | Plus: Materials and Supplies | 1,031,116 | 21.3887% | 220,542 | 69.4822% | 716,442 | 9.1291% | 94,132 | 0.0000% | - |
| 6 | Net Plant in Service and Mat'ls & Supplies (L4 + L5) | \$ 22,571,312 | | \$ 5,171,712 | | \$ 15,087,755 | | \$ 2,311,846 | | \$ - |
| 7 | | | | | | | | | | |
| 8 | Percent of Total (Line 6) | 100.0000% | | 22.9128% | | 66.8448% | | 10.2424% | | 0.0000% |
| 9 | | | | | | | | | | |
| 10 | CWIP Allowed in General Rate Cases | - | - | - | - | - | - | - | - | - |
| 11 | CWIP - All Other | 748,879 | 23.1183% | 173,128 | 66.6939% | 499,457 | 10.1878% | 76,294 | 0.0000% | - |
| 12 | | | | | | | | | | |
| 13 | Other Property and Investments (Less Depr.) | 3,615,607 | 23.1183% | 835,867 | 66.6939% | 2,411,389 | 10.1878% | 368,351 | 0.0000% | - |
| 14 | Current Assets | 929,501 | 23.1183% | 214,885 | 66.6939% | 619,920 | 10.1878% | 94,696 | 0.0000% | - |
| 15 | Deferred Debits | 7,485,608 | 23.1183% | 1,730,545 | 66.6939% | 4,992,444 | 10.1878% | 762,619 | 0.0000% | - |
| 16 | Other Assets | | 0.0000% | | 0.0000% | | 0.0000% | | 0.0000% | - |
| 17 | Total Assets (Sum L6 through L16) | \$ 35,350,907 | | \$ 8,126,137 | | \$ 23,610,965 | | \$ 3,613,805 | | \$ - |
| 18 | | | | | | | | | | |
| 19 | LIABILITIES AND MEMBERS' EQUITY | | | | | | | | | |
| 20 | Total Members' Equity | \$ 9,515,411 | 23.1183% | \$ 2,199,801 | 66.6939% | \$ 6,346,199 | 10.1878% | \$ 969,411 | 0.0000% | \$ - |
| 21 | Total Long-term Debt | 9,104,415 | 23.1183% | 2,104,786 | 66.6939% | 6,072,090 | 10.1878% | 927,540 | 0.0000% | - |
| 22 | Total Capitalization (L20 + L21) | \$ 18,619,827 | | \$ 4,304,587 | | \$ 12,418,288 | | \$ 1,896,951 | | \$ - |
| 23 | | | | | | | | | | |
| 24 | Short-Term Obligations | 1,464,107 | 23.1183% | 338,477 | 66.6939% | 976,470 | 10.1878% | 149,160 | 0.0000% | - |
| 25 | Deferred Credits | 3,787,532 | 22.5894% | 855,582 | 66.5906% | 2,522,142 | 10.8199% | 409,808 | 0.0000% | - |
| 26 | Operating Reserves (Net) | 363,748 | 15.8713% | 57,732 | 77.1345% | 280,575 | 6.9942% | 25,441 | 0.0000% | - |
| 27 | Accumulated Deferred Income Taxes (Net) | 4,696,792 | 23.1183% | 1,085,818 | 66.6939% | 3,132,474 | 10.1878% | 478,500 | 0.0000% | - |
| 28 | Other Liabilities | 6,418,902 | 23.1183% | 1,483,941 | 66.6939% | 4,281,016 | 10.1878% | 653,945 | 0.0000% | - |
| 29 | Total Liabilities (Sum L22 through L28) | \$ 35,350,907 | | \$ 8,126,137 | | \$ 23,610,965 | | \$ 3,613,805 | | \$ - |

| Electric Operations | | | | | | | | | |
|--|--|---------------|--|---|--|---------------|--|---------------|--|
| N.C. Retail Revenues and Expenses (\$000s) | | | | | | | | | |
| Test Year 12 Months Ended 12/31/2016 End of Period After Increase E-2, Sub 1142 | | | | Actual Operations for 12 Months Ended 30-Sep-2020 | | | | | |
| | | | | Allocation Factors in E-2, Sub 1142 | | | Current Allocation Cost Study if One Has Been Made Since Last Rate Case | | |
| | | | | | | | Study Date | 12/31/2019 | Updated |
| Line No. | Item | Retail Amount | Expenses as a % of Revenue Expenses | Retail Amount | Expenses as a % of Revenue Expenses | Retail Amount | Expenses as a % of Revenue Expenses | Retail Amount | Expenses as a % of Revenue Expenses |
| | | (a) | (b) (c) | (d) (e) (f) | (g) (h) (i) | | | | |
| 1 | OPERATING REVENUES | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | Gross Operating Revenues | \$ 3,343,502 | 100.00% | \$ 3,639,702 | 100.00% | \$ 3,628,663 | 100.00% | | |
| 4 | | | | | | | | | |
| 5 | OPERATING REVENUE DEDUCTIONS | | | | | | | | |
| 6 | | | | | | | | | |
| 7 | Fuel Expense | \$ 637,994 | 19.08% 23.07% | \$ 131,691 | 3.62% 5.93% | \$ 783,530 | 21.59% 27.27% | | |
| 8 | Purchased Power | 322,537 | 9.65% 11.66% | 357,912 | 9.83% 16.11% | 358,710 | 9.89% 12.48% | | |
| 9 | Operating & Maintenance Expense | | | | | | | | |
| 10 | (Excluding Fuel & Purchased Power) | 887,338 | 26.54% 32.09% | 824,359 | 22.65% 37.12% | 815,182 | 22.47% 28.37% | | |
| 11 | Depreciation and Amortization | 568,240 | 17.00% 20.55% | 668,832 | 18.38% 30.11% | 675,504 | 18.62% 23.51% | | |
| 12 | Taxes Other Than Income Taxes | 99,877 | 2.99% 3.61% | 112,122 | 3.08% 5.05% | 114,664 | 3.16% 3.99% | | |
| 13 | Taxes - Federal/State/Deferred Income | 242,712 | 7.26% 8.78% | 120,167 | 3.30% 5.41% | 119,796 | 3.30% 4.17% | | |
| 14 | Amortization of Investment Tax Credits (ITC) | (2,093) | -0.06% -0.08% | (3,091) | -0.08% -0.14% | (2,963) | -0.08% -0.10% | | |
| 15 | Interest on Customer Deposits | 8,662 | 0.26% 0.31% | 9,097 | 0.25% 0.41% | 9,097 | 0.25% 0.32% | | |
| 16 | Total Operating Expenses | \$ 2,765,267 | 82.71% 100.00% | \$ 2,221,089 | 61.02% 100.00% | \$ 2,873,521 | 79.19% 100.00% | | |
| 17 | Net Operating Income for Return | \$ 578,235 | 17.29% | \$ 1,418,613 | 38.98% | \$ 755,141 | 20.81% | | |

| | | Rate Base | | | | | | | | |
|----------|---|--|-------------------|--------------------|-------------------------------------|-------------------|--------------------|---|-------------------|--------------------|
| Line No. | Item | Test Year 12 Months Ended 12/31/2016 End of Period After Increase E-2, Sub 1142 | | | 13 Month Average 30-Sep-2020 | | | | | |
| | | Total Company | Allocation Factor | N.C. Retail Amount | Allocation Factors in E-2, Sub 1142 | | | Current Allocation Cost Study if One Has Been Made Since Last Rate Case | | |
| | | | | | Total Company | Allocation Factor | N.C. Retail Amount | Study Date | 12/31/2019 | Updated |
| | | (a) | (b) | (c) | (d) | (e) | (f) | Total Company | Allocation Factor | N.C. Retail Amount |
| | | | | | | | | (g) | (h) | (i) |
| 18 | INVESTMENT IN ELECTRIC PLANT | | | | | | | | | |
| 19 | | | | | | | | | | |
| 20 | Electric Plant in Service | \$ 24,610,547 | 65.93% | \$ 16,225,370 | \$ 29,533,319 | 65.15% | \$ 19,240,955 | \$ 29,533,319 | 67.20% | \$ 19,847,670 |
| 21 | Net Nuclear Fuel | 439,389 | 54.00% | 237,285 | 371,798 | 60.81% | 226,091 | 371,798 | 60.94% | 226,571 |
| 22 | Construction Work in Progress | - | 100.00% | 102,930 | 34,834 | 100.00% | 34,834 | 34,834 | 100.00% | 34,834 |
| 23 | Less: Accumulated Provision for Depreciation | (11,013,727) | 69.02% | (7,601,372) | (12,037,911) | 65.76% | (7,916,702) | (12,037,911) | 67.79% | (8,160,283) |
| 24 | Less: Accumulated Deferred Income Taxes | (3,380,514) | 61.09% | (2,065,238) | (2,260,061) | 62.78% | (1,418,899) | (2,260,061) | 66.22% | (1,496,707) |
| 25 | Net Investment in Electric Plant | \$ 10,655,695 | 64.74% | \$ 6,898,975 | \$ 15,641,978 | 64.99% | \$ 10,166,278 | \$ 15,641,978 | 66.82% | \$ 10,452,084 |
| 26 | | | | | | | | | | |
| 27 | | | | | | | | | | |
| 28 | ALLOWANCE FOR WORKING CAPITAL AND DEFERRED DEBITS & CREDITS | | | | | | | | | |
| 29 | | | | | | | | | | |
| 30 | Materials & Supplies | \$ 1,162,558 | 54.42% | \$ 632,680 | \$ 1,074,016 | 67.92% | \$ 729,471 | \$ 1,074,016 | 69.29% | \$ 744,160 |
| 31 | Operating Reserves | (102,714) | 65.22% | (66,990) | (45,968) | 48.02% | (22,072) | (45,968) | 67.20% | (30,889) |
| 32 | Working Capital | 1,200,340 | 56.26% | 675,356 | (661,460) | 65.06% | (430,370) | (661,460) | 61.06% | (403,895) |
| 33 | Total (Lines 30 thru 32) | \$ 2,260,184 | 54.91% | \$ 1,241,046 | \$ 366,588 | 75.57% | \$ 277,030 | \$ 366,588 | 84.39% | \$ 309,376 |
| 34 | Original Cost Rate Base (L25+L33) | \$ 12,915,879 | 63.02% | \$ 8,140,021 | \$ 16,008,566 | 65.24% | \$ 10,443,307 | \$ 16,008,566 | 67.22% | \$ 10,761,460 |

NCUC Form E.S.-1
Long-Term Debt and Interest Charges
Duke Energy Progress
Twelve Months Ended September 30, 2020

N.C. Rate Base Method / Financial Method
Schedule 7
(\$000s)

| Line No. | Type Obligation (Bonds, Debentures, Notes, etc.) | Issue Date (a) | Maturity Date (b) | Face Amount (c) | Amount Outstanding (d) | Interest Rate (e) | Interest Booked for 12 Months Ended This Report [A] (f) | Interest Annualized On O/S Long-Term Debt Col. (e)*(d) [A] (g) |
|-----------------------------------|--|-------------------|----------------------|----------------------|---------------------------|----------------------|--|---|
| Bonds (221) | | | | | | | | |
| 1 | 8 5/8% Series Due 09-15-2021 | 10/1/1991 | 9/15/2021 | 100,000 | 100,000 | 8.625 | 8,625 | 8,625 |
| 2 | Series W Pollu Control Bonds - Wake 2002 | 2/6/2002 | 6/1/2041 | 48,485 | 48,485 | 4.000 | 1,939 | 1,939 |
| 3 | 4.375% Series Due 3-30-2044 | 3/6/2014 | 3/30/2044 | 400,000 | 400,000 | 4.375 | 17,500 | 17,500 |
| 4 | 6.125% Series Due 9-15-2033 | 9/11/2003 | 9/15/2033 | 200,000 | 200,000 | 6.125 | 12,250 | 12,250 |
| 5 | 5.70% Series Due 4-01-2035 | 3/22/2005 | 4/1/2035 | 200,000 | 200,000 | 5.700 | 11,400 | 11,400 |
| 6 | 6.3% Series Due 4-1-2038 | 3/13/2008 | 4/1/2038 | 325,000 | 325,000 | 6.300 | 20,475 | 20,475 |
| 7 | 3% Series Due 9-15-21 | 9/15/2011 | 9/15/2021 | 500,000 | 500,000 | 3.000 | 15,000 | 15,000 |
| 8 | 2.8% Series Due 5-15-2022 | 5/15/2012 | 5/15/2022 | 500,000 | 500,000 | 2.800 | 14,000 | 14,000 |
| 9 | 4.10% Series Due 5-15-2042 | 5/15/2012 | 5/15/2042 | 500,000 | 500,000 | 4.100 | 20,500 | 20,500 |
| 10 | 4.10% Series Due 3-15-2043 | 3/15/2013 | 3/15/2043 | 500,000 | 500,000 | 4.100 | 20,500 | 20,500 |
| 11 | 3.45% Series Due 3-15-2029 | 3/15/2019 | 3/15/2029 | 600,000 | 600,000 | 3.450 | 20,700 | 20,700 |
| 12 | 2.50% Series Due 8-15-2050 | 8/20/2020 | 8/15/2050 | 600,000 | 600,000 | 2.500 | 1,708 | 15,000 |
| 12 | DEP FMB 500M 4.15% 12-1-44 | 11/20/2014 | 12/1/2044 | 500,000 | 500,000 | 4.150 | 20,750 | 20,750 |
| 13 | DEP FMB 500M 3.25% 8/15/2025 | 8/15/2015 | 8/15/2025 | 500,000 | 500,000 | 3.250 | 16,250 | 16,250 |
| 14 | DEP FMB 700M 4.20% 8/15/2045 | 8/15/2015 | 8/15/2045 | 700,000 | 700,000 | 4.200 | 29,400 | 29,400 |
| 15 | 2016 Q3/Q4 Issuance | 9/15/2016 | 10/15/2046 | 450,000 | 450,000 | 3.700 | 16,650 | 16,650 |
| 16 | DEP FMB 300M Floating 09-08-20 | 9/8/2017 | 9/8/2020 | 300,000 | 0 | 0.498 | 4,145 | - |
| 17 | DEP FMB 500M 3.60% 9/15/2047 | 9/8/2017 | 9/15/2047 | 500,000 | 500,000 | 3.600 | 18,000 | 18,000 |
| 18 | DEP FMB 300M 3.375% 9/1/2023 | 8/9/2018 | 9/1/2023 | 300,000 | 300,000 | 3.375 | 10,125 | 10,125 |
| 19 | DEP FMB 500M 3.70% 9/1/2028 | 8/9/2018 | 9/1/2028 | 500,000 | 500,000 | 3.700 | 18,500 | 18,500 |
| 20 | Total First Mortgage Bonds | | | <u>\$ 8,223,485</u> | <u>\$ 7,923,485</u> | | <u>\$ 298,417</u> | <u>\$ 307,564</u> |
| Other Long-Term Debt (224) | | | | | | | | |
| 21 | Other Long-Term Debt (224) | | | | | | | |
| 22 | DEPR Debt Due 4-13-2023 | 12/20/13 | 4/13/2023 | 200,977 | 210,000 | 0.9224 [B] | 3,913 | 1,937 |
| 23 | DEPR Debt Due 4-13-2023 | 12/20/13 | 4/13/2023 | 133,984 | 140,000 | 1.4500 [B] | 2,684 | 2,030 |
| 24 | DEP 700M TRM Loan FLTG | 12/14/2018 | 12/31/2020 | 50,000 | 0 | 0.0000 [B] | 918 | - |
| 25 | DEP 700M TRM Loan FLTG | 01/24/19 | 12/31/2020 | 250,000 | 0 | 0.0000 [B] | 4,590 | - |
| 26 | DEP 700M TRM Loan FLTG | 02/15/19 | 12/31/2020 | 400,000 | 0 | 0.0000 [B] | 7,344 | - |
| 27 | DEP 700M Floater 2/18/22 | 8/20/2020 | 2/18/2022 | 700,000 | 700,000 | 0.4298 [B] | 351 | 3,008 |
| 28 | Accrued Interest on Interest Rate Swaps | | | | | | (1,381) | |
| 29 | Amortization of Terminated Swaps | | | | | | 9,659 | 9,467 |
| 30 | Total Other Long-Term Debt | | | <u>\$ 1,734,961</u> | <u>\$ 1,050,000</u> | | <u>\$ 28,078</u> | <u>\$ 16,442</u> |
| 31 | Unamortized Debt Discount/Premium | | | | (19,070) | | 1,222 | 1,323 |
| 32 | Amortization of Debt Exp and loss on reacquired debt | | | | | | 5,981 | 7,078 |
| 33 | Advances from Associated Companies | | | 150,000 | 150,000 | 0.2281 | 3,223 | 342 |
| 34 | Total Long-Term Debt | | | <u>\$ 10,108,446</u> | <u>\$ 9,104,415</u> | | <u>\$ 336,922</u> | <u>\$ 332,749</u> |
| 35 | Current Portion of Long-Term Debt | | | | (600,000) | | (39,357) | (23,625) |
| 36 | Long-Term Debt excluding Current Portion | | | | <u>\$ 8,504,415</u> | | <u>\$ 297,564</u> | <u>\$ 309,124</u> |
| 37 | Wholesale & Other Electric Jurisdiction Amount | | | 2,336,901 | 2,104,786 | | 77,891 | 76,926 |
| 38 | N.C. Retail Electric Jurisdiction Amount | | | 6,741,717 | 6,072,090 | | 224,706 | 221,923 |
| 39 | S.C. Retail Electric Jurisdiction Amount | | | 1,029,828 | 927,540 | | 34,325 | 33,900 |
| 40 | Other Company Operations Amount | | | 0 | 0 | | 0 | 0 |
| 41 | Total Company | | | <u>\$ 10,108,446</u> | <u>\$ 9,104,415</u> | | <u>\$ 336,922</u> | <u>\$ 332,749</u> |

[A] Due to payment dates, interest rate changes, and issue dates, the interest for 12 months and interest annualized for 12 months will not agree.

[B] Variable rate as of the last day of the quarter.

| Line No. | Item | Electric Operations | | | | | |
|----------|---|---------------------|----------------------------------|------------|--------------------------|------------|--------------------------|
| | | Total Company | Wholesale and Other Jurisdiction | % of Total | N.C. Retail Jurisdiction | % of Total | S.C. Retail Jurisdiction |
| | | (a) | (b) | (c) | (d) | (e) | (f) |
| 1 | <u>Operating Revenues (\$000s)</u> | | | | | | |
| 2 | Residential Sales | \$ 2,081,738 | \$ - | | \$ 1,832,797 | 88.04% | \$ 248,941 |
| 3 | Commercial Sales | 1,239,899 | - | | 1,080,382 | 87.13% | 159,518 |
| 4 | Industrial Sales | 650,528 | - | | 508,917 | 78.23% | 141,611 |
| 5 | Public Street & Highway Lighting Sales | 21,087 | - | | 17,379 | 82.41% | 3,708 |
| 6 | Public Authority Sales | 83,691 | - | | 80,311 | 95.96% | 3,380 |
| 7 | Sales for Resale: | | | | | | |
| 8 | Special Contracts | - | - | | - | | - |
| 9 | Wholesale [A] | 1,153,782 | 1,153,782 | 100.00% | - | | - |
| 10 | Other | 12,943 | 3,747 | 28.95% | 7,887 | 60.94% | 1,308 |
| 11 | Joint Dispatch | 113,451 | 32,846 | 28.95% | 69,136 | 60.94% | 11,469 |
| 12 | Provision for Rate Refund | 4,042 | - | | - | | 4,042 |
| 13 | Unbilled | (15,733) | - | | (12,815) | | (2,918) |
| 14 | Total Revenue from Sales of Electricity | <u>\$ 5,345,427</u> | <u>\$ 1,190,375</u> | 22.27% | <u>\$ 3,583,993</u> | 67.05% | <u>\$ 571,059</u> |
| 15 | | | | | | | |
| 16 | <u>Kilowatt-Hours Sold (000s)</u> | | | | | | |
| 17 | Residential Sales | 17,775,247 | | | 15,746,329 | 88.59% | 2,028,918 |
| 18 | Commercial Sales | 13,118,478 | | | 11,521,901 | 87.83% | 1,596,577 |
| 19 | Industrial Sales | 10,103,442 | | | 7,835,862 | 77.56% | 2,267,580 |
| 20 | Public Street & Highway Lighting Sales | 77,422 | | | 63,122 | 81.53% | 14,300 |
| 21 | Public Authority Sales | 1,427,429 | | | 1,380,475 | 96.71% | 46,954 |
| 22 | Sales for Resale: | | | | | | |
| 23 | Special Contracts | - | - | | - | | - |
| 24 | Wholesale [B] | 17,214,469 | 17,214,469 | 100.00% | - | | - |
| 25 | Other | 193,649 | 56,061 | 28.95% | 118,010 | 60.94% | 19,578 |
| 26 | Joint Dispatch | 6,094,682 | 1,764,410 | 28.95% | 3,714,099 | 60.94% | 616,173 |
| 27 | Mitigation | | | | | | |
| 28 | Provision for Rate Refund | | | | | | |
| 29 | Unbilled | (206,306) | - | | (154,335) | | (51,972) |
| 30 | Total KWH Sales | <u>65,798,512</u> | <u>19,034,940</u> | 28.93% | <u>40,225,463</u> | 61.13% | <u>6,538,108</u> |
| 31 | | | | | | | |
| 32 | <u>Revenue Per KWH Sold (Cents) [C]</u> | | | | | | |
| 33 | Residential Sales | 11.71 | | | 11.64 | | 12.27 |
| 34 | Commercial Sales | 9.45 | | | 9.38 | | 9.99 |
| 35 | Industrial Sales | 6.44 | | | 6.49 | | 6.25 |
| 36 | Public Street & Highway Lighting Sales | 27.24 | | | 27.53 | | 25.93 |
| 37 | Public Authority Sales | 5.86 | | | 5.82 | | 7.20 |
| 38 | Sales for Resale: | | | | | | |
| 39 | Special Contracts | 0.00 | | | | | |
| 40 | Wholesale | 6.70 | 6.70 | | | | |
| 41 | Other | 6.68 | 6.68 | | 6.68 | | 6.68 |
| 42 | Joint Dispatch | | | | | | |
| 43 | Mitigation | | | | | | |
| 44 | Provision for Rate Refund | | | | | | |
| 45 | Unbilled | | | | | | |
| 46 | Total Revenue per KWH Sold | 8.12 | 6.25 | | 8.91 | | 8.73 |

[A] NC Portion - Revenue - \$1,139,828

[B] NC Portion - KWH - 17,022,513

[C] Revenue per KWH Sold (Cents) was calculated with Unbilled Revenue and KWHs included in the revenue classes.

| Line No. | Item | Electric Operations | | | | | |
|----------|--|---------------------|----------------------------------|------------|--------------------------|------------|--------------------------|
| | | Total Company | Wholesale and Other Jurisdiction | % of Total | N.C. Retail Jurisdiction | % of Total | S.C. Retail Jurisdiction |
| | | (a) | (b) | (c) | (d) | (e) | (f) |
| 47 | <u>Period End Number of Customers</u> | | | | | | |
| 48 | Residential Sales | 1,383,330 | | | 1,243,743 | 89.91% | 139,587 |
| 49 | Commercial Sales | 240,353 | | | 208,509 | 86.75% | 31,844 |
| 50 | Industrial Sales | 3,999 | | | 3,409 | 85.25% | 590 |
| 51 | Public Street & Highway Lighting Sales | 1,415 | | | 1,120 | 79.15% | 295 |
| 52 | Public Authority Sales | 5 | | | 4 | 80.00% | 1 |
| 53 | Sales for Resale: | | | | | | |
| 54 | Special Contracts | 0 | | | | | |
| 55 | Wholesale | 1 | 1 | 100.00% | | | |
| 56 | Other [A] | 8 | | | | | |
| 57 | Customers - Period End | <u>1,629,111</u> | <u>1</u> | | <u>1,456,785</u> | 89.42% | <u>172,317</u> |
| 58 | | | | | | | |
| 59 | <u>Average Number of Customers</u> | | | | | | |
| 60 | Residential Customers | 1,371,672 | | | 1,233,015 | 89.89% | 138,657 |
| 61 | Commercial Customers | 238,650 | | | 206,999 | 86.74% | 31,651 |
| 62 | Industrial Customers | 4,000 | | | 3,405 | 85.13% | 595 |
| 63 | Public Street & Highway Lighting Sales | 1,415 | | | 1,120 | 79.15% | 295 |
| 64 | Public Authority Sales | 5 | | | 4 | 80.00% | 1 |
| 65 | Sales for Resale: | | | | | | |
| 66 | Special Contracts | 0 | | | | | |
| 67 | Wholesale | 1 | 1 | 100.00% | | | |
| 68 | Other [A] | 8 | | | | | |
| 69 | Total Customers - Average | <u>1,615,751</u> | <u>1</u> | | <u>1,444,543</u> | 89.40% | <u>171,199</u> |

[A] The number of customers for Other-Sales for Resale was not allocated to jurisdictions.

NCUC Form E.S.-1
NCUC Form E.S.-1 vs. NCUC Fee
Duke Energy Progress
Quarter Ended September 30, 2020

Reconciliation of NC Retail Jurisdictional Revenue
Schedule 9
(\$000s)

| Line No. | Item | NCUC Form E.S.-1 | | | NCUC Fee | | Variance |
|----------|--|---------------------|---------------------|---------------------|----------------------------|-----------------|----------|
| | | Total Co | NC Retail Alloc Fac | NC Retail | Quarter September 30, 2020 | | |
| 1 | <u>Operating Revenues (\$000s)</u> | | | | | | |
| 2 | Residential Sales | \$ 630,196 | 88.4585% | \$ 557,462 | \$ 557,462 | \$ - | |
| 3 | Commercial Sales | 354,225 | 87.1062% | 308,552 | \$ 308,552 | \$ - | |
| 4 | Industrial Sales | 179,009 | 78.9451% | 141,319 | \$ 141,319 | \$ - | |
| 5 | Public Street Lighting Sales | 5,233 | 82.4953% | 4,317 | \$ 4,317 | \$ - | |
| 6 | Public Authority Sales | 26,159 | 96.3533% | 25,205 | \$ 25,205 | \$ - | |
| 7 | Sales for Resale: | | | | | | |
| 8 | Special Contracts | - | 0.0000% | - | \$ - | \$ - | |
| 9 | Wholesale | 354,452 | 0.0000% | - | \$ - | \$ - | |
| 10 | Other | 3,729 | 60.9393% | 2,272 | \$ - | \$ 2,272 | |
| 11 | Joint Dispatch | 27,905 | 60.9393% | 17,005 | \$ - | \$ 17,005 | |
| 12 | Provision for Rate Refund | 1,538 | 0.0000% | - | \$ - | \$ - | |
| 13 | Unbilled Revenue | (16,554) | 100.0000% | (13,136) | \$ - | \$ (13,136) | |
| 14 | Total Revenue from Sales of Electricity | <u>\$ 1,565,893</u> | | <u>\$ 1,042,996</u> | <u>\$ 1,036,855</u> | <u>\$ 6,141</u> | |
| 15 | | | | | | | |
| 16 | <u>All Other Electric Revenues</u> | | | | | | |
| 17 | 0450100 - Late Pmt and Forf Disc | (0) | 32.2810% | (0) | \$ (0) | \$ - | |
| 18 | 0450200 - Charge on Returned Checks | - | 32.2810% | - | \$ - | \$ - | |
| 19 | 0451100 - Misc Service Revenue | 1,534 | 32.2810% | 495 | \$ 495 | \$ - | |
| 20 | 0454004 - Rent - Joint Use | 109 | 32.2810% | 35 | \$ 35 | \$ - | |
| 21 | 0454100 - Extra - Facilities | 4,265 | 32.2810% | 1,377 | \$ 1,377 | \$ - | |
| 22 | 0454105 - IC Other Elec Rents | (165) | 32.2810% | (53) | \$ (53) | \$ - | |
| 23 | 0454200 - Pole and Line Attachments | 3,404 | 32.2810% | 1,099 | \$ 1,099 | \$ - | |
| 24 | 0454300 - Tower Lease Revenues | 116 | 32.2810% | 37 | \$ 37 | \$ - | |
| 25 | 0454400 - Other Electric Rents | 749 | 32.2810% | 242 | \$ 242 | \$ - | |
| 26 | 0454500 - Leased Facilities Fee - Catawba | 349 | 32.2810% | 113 | \$ 113 | \$ - | |
| 27 | 0454510 - Rtn & Dep-Joint-Owner Gen Plt | - | 32.2810% | - | \$ - | \$ - | |
| 28 | 0454601 - Other Miscellaneous Revenue | - | 32.2810% | - | \$ - | \$ - | |
| | 0456000 - Other Variable Revenues | 330 | 32.2810% | 107 | \$ 107 | \$ - | |
| 29 | 0456001 - Other Variable Revenues-Reg | 88 | 32.2810% | 28 | \$ 28 | \$ - | |
| 30 | 0456002 - Demand Profile Plot Change | 31 | 32.2810% | 10 | \$ 10 | \$ - | |
| 31 | 0456004 - Magnetic Tape Pulse Data | 0 | 32.2810% | 0 | \$ 0 | \$ - | |
| 32 | 0456005 - ELEC REV-COGEN/SMALL PWR PRO | 281 | 32.2810% | 91 | \$ 91 | \$ - | |
| 33 | 0456016 - I/C Joint Disp - Trans NW Rev | - | 32.2810% | - | \$ - | \$ - | |
| 34 | 0456050 - Transmission Study Revenue | (28) | 32.2810% | (9) | \$ (9) | \$ - | |
| 35 | 0456100 - Profit Or Loss on Sale of M&S | - | 32.2810% | - | \$ - | \$ - | |
| 36 | 0456102 - Distribution Charge - Network | - | 32.2810% | - | \$ - | \$ - | |
| 37 | 0456103 - Metering - Network | 71 | 32.2810% | 23 | \$ 23 | \$ - | |
| 38 | 0456104 - Transmission Charge Network | 17,274 | 32.2810% | 5,576 | \$ 5,576 | \$ - | |
| 39 | 0456105 - Sched, Sys Cntl, Disp-Network | 426 | 32.2810% | 138 | \$ 138 | \$ - | |
| 40 | 0456106 - Reactive Pur/Volt Cntl Svc | 916 | 32.2810% | 296 | \$ 296 | \$ - | |
| 41 | 0456107 - Regulation/Frequency Response | 6 | 32.2810% | 2 | \$ 2 | \$ - | |
| 42 | 0456108 - Op Res - Spinning Reserve | 9 | 32.2810% | 3 | \$ 3 | \$ - | |
| 43 | 0456109 - Op Res - Supplemental Reserve | 6 | 32.2810% | 2 | \$ 2 | \$ - | |
| 44 | 0456110 - Transmission Charge Ptp | 1,043 | 32.2810% | 337 | \$ 337 | \$ - | |
| 45 | 0456111 - Other Transmission Revenues | 423 | 32.2810% | 137 | \$ 137 | \$ - | |
| 46 | 0456114 - Prod Ancillary Serv Rev (I) | - | 32.2810% | - | \$ - | \$ - | |
| 47 | 0456115 - Transmission Tariff Rev (I) | - | 32.2810% | - | \$ - | \$ - | |
| 48 | 0456117 -I/C WHEELING-TRANSMISSION-DUKE | 118 | 32.2810% | 38 | \$ 38 | \$ - | |
| 49 | 0456118 -I/C Revenue Sharing - Duke | 496 | 32.2810% | 160 | \$ 160 | \$ - | |
| 50 | 0456119 -I/C Wheeling - Prod ANC SER- Duke | 10 | 32.2810% | 3 | \$ 3 | \$ - | |
| 51 | 0456191 - NC Unbilled Coal Inv Rev | (57) | 32.2810% | (19) | \$ (19) | \$ - | |
| 52 | 0456300 - Comp For Serv Oth JointOwner | - | 32.2810% | - | \$ - | \$ - | |
| 53 | 0456390 - T&LF Est Rev Cr-Other-WVPA | - | 32.2810% | - | \$ - | \$ - | |
| 54 | 0456392 - Jobs Retention Rider | 3,545 | 32.2810% | 1,144 | \$ 1,144 | \$ - | |
| 54 | 0456560 - NC EE Deferred Revenue | - | 0.0000% | - | \$ - | \$ - | |
| 55 | 0456610 - Other Electric Revenues | 74 | 32.2810% | 24 | \$ 24 | \$ - | |
| 56 | 0456630 - Gross Up - Contr in Aid of Const | 641 | 0.0000% | - | \$ - | \$ - | |
| 57 | All Other Electric Revenues | <u>\$ 36,066</u> | 31.7069% | <u>\$ 11,435</u> | <u>\$ 11,435</u> | <u>\$ -</u> | |
| 58 | Less: Uncollectible Revenues | | | | <u>\$ (826)</u> [A] | <u>\$ 826</u> | |
| 59 | Total Electric Operating Revenues | <u>\$ 1,601,959</u> | | <u>\$ 1,054,432</u> | <u>\$ 1,047,464</u> | <u>\$ 6,967</u> | |

[A] Uncollectible revenues are included as a portion of operation and maintenance expenses in Form ES-1.

| | | Total Company (Booked) | | | | | |
|----------|----------------------|----------------------------|----------------------------------|--|---------------------------------------|-------------------------|----------------------------|
| Line No. | Item | Average Capitalization (a) | Average Capitalization Ratio (b) | Capitalization or Rate Base (c) | Average Embedded Cost (d) | Overall Cost Rate % (e) | Total Company Earnings (f) |
| 1 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 8,858,398 | 3.80% | 1.82% | \$ 336,920 |
| 2 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 3 | Common Equity | 9,702,425 | 52.27% | 9,702,425 | 7.11% | 3.72% | 690,257 |
| 4 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 18,560,823</u> | | <u>5.53%</u> | <u>\$ 1,027,177</u> |
| 5 | | | | | | | |
| 6 | | Total Company Booked | | | Wholesale Electric Operations Portion | | |
| 7 | | | | | | | |
| 8 | | | | | | | Net Operating Income |
| 9 | | | | Rate Base | | | |
| 10 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 1,713,423 | 3.80% | 1.82% | \$ 65,168 |
| 11 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 12 | Common Equity | 9,702,425 | 52.27% | 1,876,402 | 5.32% | 2.78% | 99,737 |
| 13 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 3,589,825</u> | | <u>4.59%</u> | <u>\$ 164,905</u> |
| 14 | | | | | | | |
| 15 | | | | North Carolina Retail Electric Jurisdiction | | | |
| 16 | | | | | | | |
| 17 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 5,136,445 | 3.80% | 1.82% | \$ 195,360 |
| 18 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 19 | Common Equity | 9,702,425 | 52.27% | 5,625,016 | 9.54% | 4.99% | 536,708 |
| 20 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 10,761,461</u> | | <u>6.80%</u> | <u>\$ 732,068</u> |
| 21 | | | | | | | |
| 22 | | | | South Carolina Retail Electric Jurisdiction | | | |
| 23 | | | | | | | |
| 24 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 791,020 | 3.80% | 1.82% | \$ 30,086 |
| 25 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 26 | Common Equity | 9,702,425 | 52.27% | 866,260 | 11.56% | 6.04% | 100,118 |
| 27 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 1,657,280</u> | | <u>7.86%</u> | <u>\$ 130,204</u> |
| 28 | | | | | | | |
| 29 | | | | Other Company Operations - Residual Balances | | | |
| 30 | | | | Residual Capital | | | Residual Income |
| 31 | | | | | | | |
| 32 | | | | | | | |
| 33 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 1,217,509 | 3.80% | 1.81% | \$ 46,306 |
| 34 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 35 | Common Equity | 9,702,425 | 52.27% | 1,334,747 | -3.47% | -1.81% | (46,306) |
| 36 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 2,552,257</u> | | <u>0.00%</u> | <u>\$ -</u> |

[A] These computed values are based upon jurisdictional ratemaking components and allocation and are not representative of the ratemaking standards utilized by our Wholesale (FERC) or South Carolina regulatory bodies.

| Line No. | Item | Total Company Booked (a) | Electric Operations | | | |
|----------|---|--------------------------|--------------------------------------|------------------------------|------------------------------|------------------------------|
| | | | Wholesale and Other Jurisdiction (b) | N.C. Retail Jurisdiction (c) | S.C. Retail Jurisdiction (d) | Other Company Operations (f) |
| 1 | <u>OPERATING REVENUES</u> | | | | | |
| 2 | Residential Sales | \$ 2,133,922 | \$ - | \$ 1,884,981 | \$ 248,941 | \$ - |
| 3 | Commercial Sales | 1,166,923 | - | 1,007,406 | 159,518 | - |
| 4 | Industrial Sales | 641,894 | - | 500,283 | 141,611 | - |
| 5 | Public Street & Highway Lighting Sales | 21,343 | - | 17,635 | 3,708 | - |
| 6 | Public Authority Sales | 83,654 | - | 80,274 | 3,380 | - |
| 7 | Sales for Resale: | - | - | - | - | - |
| 8 | Special Contracts | - | - | - | - | - |
| 9 | Wholesale | 1,153,782 | 1,153,782 | - | - | - |
| 10 | Other | 12,943 | 3,747 | 7,887 | 1,308 | - |
| 11 | Joint Dispatch | 113,451 | 32,846 | 69,136 | 11,469 | - |
| 12 | Provision for Rate Refund | 4,042 | - | - | 4,042 | - |
| 13 | Unbilled Revenue | (15,733) | - | (12,815) | (2,918) | - |
| 14 | Total Revenue from Sales of Electricity | \$ 5,316,221 | \$ 1,190,375 | \$ 3,554,787 | \$ 571,059 | \$ - |
| 15 | All Other Electric Revenues | 149,466 | 97,776 | 44,669 | 7,021 | - |
| 16 | Total Electric Operating Revenues | <u>\$ 5,465,687</u> | <u>\$ 1,288,150</u> | <u>\$ 3,599,456</u> | <u>\$ 578,080</u> | <u>\$ -</u> |
| 17 | | | | | | |
| 18 | <u>OPERATING EXPENSES</u> | | | | | |
| 19 | Fuel Used in Electric Generation | \$ 1,188,760 | \$ 297,475 | \$ 783,530 | \$ 107,755 | \$ - |
| 20 | Purchased Power excluding Joint Dispatch | \$ 564,920 | 164,179 | 344,015 | 56,726 | - |
| 21 | Purchased Power Joint Dispatch | \$ 24,130 | 7,013 | 14,695 | 2,423 | - |
| 22 | Maintenance | \$ 397,011 | 89,271 | 264,850 | 42,890 | - |
| 23 | Other Operating Expenses (except Taxes) (A) | \$ 833,494 | 179,655 | 559,429 | 94,410 | - |
| 24 | Total Operating Expenses | \$ 3,008,317 | \$ 737,594 | \$ 1,966,520 | \$ 304,203 | \$ - |
| 25 | Depreciation and Amortization | 1,116,465 | 334,228 | 675,504 | 106,733 | - |
| 26 | Total Expenses & Depreciation | <u>\$ 4,124,781</u> | <u>\$ 1,071,821</u> | <u>\$ 2,642,024</u> | <u>\$ 410,936</u> | <u>\$ -</u> |
| 27 | | | | | | |
| 28 | <u>OPERATING TAXES</u> | | | | | |
| 29 | Federal Income Tax Liability | \$ 113,265 | \$ 8,768 | \$ 89,149 | \$ 15,349 | \$ - |
| 30 | Federal Income Tax - Deferred | 46,856 | 5,739 | 34,955 | 6,162 | - |
| 31 | Investment Tax Credit Normalization | - | - | - | - | - |
| 32 | Amortization of Investment Tax Credits | (4,934) | (1,449) | (2,963) | (522) | - |
| 33 | Total Federal Taxes - Operating | \$ 155,187 | \$ 13,057 | \$ 121,142 | \$ 20,989 | \$ - |
| 34 | State Income Taxes | 11,158 | 1,367 | 8,324 | 1,467 | - |
| 35 | State Income Tax - Deferred | (25,154) | (3,081) | (18,765) | (3,308) | - |
| 36 | Other Operating Taxes | 172,537 | 40,081 | 114,664 | 17,792 | - |
| 37 | Total Operating Taxes | <u>\$ 313,728</u> | <u>\$ 51,424</u> | <u>\$ 225,364</u> | <u>\$ 36,940</u> | <u>\$ -</u> |
| 38 | Total Operating Expenses, Depr. & Taxes | <u>\$ 4,438,510</u> | <u>\$ 1,123,245</u> | <u>\$ 2,867,388</u> | <u>\$ 447,876</u> | <u>\$ -</u> |
| 39 | Net Operating Income (L16-L38) | <u>\$ 1,027,177</u> | <u>\$ 164,905</u> | <u>\$ 732,068</u> | <u>\$ 130,204</u> | <u>\$ -</u> |

(A) Includes interest on customer deposits of \$9,097 for NC Retail and \$741 for SC Retail.

(B) Excludes PPI Revenues

| | | Total Company (Booked) | | | | | |
|----------|----------------------|-------------------------------|-------------------------------------|--|------------------------------|----------------------------|-------------------------------|
| Line No. | Item | Average Capitalization (a) | Average Capitalization Ratio (b) | Capitalization or Rate Base (c) | Average Embedded Cost (d) | Overall Cost Rate % (e) | Total Company Earnings (f) |
| 1 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 8,858,398 | 3.80% | 1.82% | \$ 336,920 |
| 2 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 3 | Common Equity | 9,702,425 | 52.27% | 9,702,425 | 6.54% | 3.42% | 634,145 |
| 4 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 18,560,823</u> | | <u>5.23%</u> | <u>\$ 971,065</u> |
| 5 | | | | | | | |
| 6 | | Total Company Booked | | Wholesale Electric Operations Portion | | | |
| 7 | | | | | | | |
| 8 | | | | | | | Net Operating Income |
| 9 | | | | Rate Base | | | |
| 10 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 1,713,423 | 3.80% | 1.82% | \$ 65,168 |
| 11 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 12 | Common Equity | 9,702,425 | 52.27% | 1,876,402 | 5.32% | 2.78% | 99,737 |
| 13 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 3,589,825</u> | | <u>4.59%</u> | <u>\$ 164,905</u> |
| 14 | | | | | | | |
| 15 | | | | North Carolina Retail Electric Jurisdiction | | | |
| 16 | | | | | | | |
| 17 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 5,136,445 | 3.80% | 1.86% | \$ 195,360 |
| 18 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 19 | Common Equity | 9,702,425 | 52.27% | 5,488,310 | 8.99% | 4.70% | 493,573 |
| 20 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 10,499,923</u> | | <u>6.56%</u> | <u>\$ 688,933</u> |
| 21 | | | | | | | |
| 22 | | | | South Carolina Retail Electric Jurisdiction | | | |
| 23 | | | | | | | |
| 24 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 778,283 | 3.80% | 1.82% | \$ 29,601 |
| 25 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 26 | Common Equity | 9,702,425 | 52.27% | 852,312 | 10.28% | 5.37% | 87,626 |
| 27 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 1,630,596</u> | | <u>7.19%</u> | <u>\$ 117,227</u> |
| 28 | | | | | | | |
| 29 | | | | Other Company Operations - Residual Balances | | | |
| 30 | | | | Residual Capital | | | Residual Income |
| 31 | | | | | | | |
| 32 | | | | | | | |
| 33 | Long-term Debt | \$ 8,858,398 | 47.73% | \$ 1,230,246 | 3.80% | 1.65% | \$ 46,791 |
| 34 | Preferred Stock | - | 0.00% | - | 0.00% | 0.00% | - |
| 35 | Common Equity | 9,702,425 | 52.27% | 1,485,401 | -3.15% | -1.65% | (46,791) |
| 36 | Total Capitalization | <u>\$ 18,560,823</u> | <u>100.00%</u> | <u>\$ 2,840,479</u> | | <u>0.00%</u> | <u>\$ (0)</u> |

[A] These computed values are based upon jurisdictional ratemaking components and allocation and are not representative of the ratemaking standards utilized by our Wholesale (FERC) or South Carolina regulatory bodies.

N.C. Rate Base Method
Schedule 3 - Excluding EIT - All
(\$000s)

[illegible]

NCUC Form E.S.-1
Rate Base
Duke Energy Progress
Period Ending September 30, 2020

N.C. Rate Base Method
Schedule 3 - EIT - All
(\$000s)

| Line No. | Item | Cost Free Capital | | | | | | Rate Base (a+b-c-d-e+f) | Total Company Booked CWIP (h) |
|----------|---|-------------------------|---------------------|---|--|---------------------------|----------------------------------|----------------------------|-------------------------------------|
| | | Plant in Service (a) | CWIP Allowed (b) | Accumulated Provision for Depreciation (c) | Accumulated Deferred Income Taxes (d) | Operating Reserves (e) | Working Capital Allowance (f) | | |
| 1 | Total Company Jurisdictional Data | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | Balance at Beginning of Period | \$ 216,239 | \$ - | \$ 85,784 | \$ 76,210 | \$ - | \$ 208,453 | \$ 262,698 | \$ - |
| 4 | Balance at End of: | | | | | | | | |
| 5 | First Month | 216,798 | - | 86,292 | 75,771 | - | 206,548 | 261,283 | - |
| 6 | Second Month | 217,556 | - | 86,802 | 76,121 | - | 208,025 | 262,657 | - |
| 7 | Third Month | 248,738 | - | 88,463 | 78,284 | - | 210,629 | 292,620 | - |
| 8 | Fourth Month | 251,094 | - | 88,972 | 78,094 | - | 209,490 | 293,520 | - |
| 9 | Fifth Month | 253,475 | - | 89,490 | 78,377 | - | 210,570 | 296,178 | - |
| 10 | Sixth Month | 261,275 | - | 90,014 | 78,740 | - | 212,060 | 304,581 | - |
| 11 | Seventh Month | 255,617 | - | 90,558 | 79,574 | - | 215,583 | 301,069 | - |
| 12 | Eighth Month | 257,011 | - | 91,091 | 80,970 | - | 221,509 | 306,459 | - |
| 13 | Ninth Month | 240,357 | - | 91,628 | 81,572 | - | 224,002 | 291,159 | - |
| 14 | Tenth Month | 241,389 | - | 92,135 | 81,453 | - | 223,482 | 291,282 | - |
| 15 | Eleventh Month | 242,792 | - | 92,646 | 81,151 | - | 222,233 | 291,228 | - |
| 16 | Twelfth Month | 244,992 | - | 93,162 | 80,906 | - | 221,200 | 292,125 | - |
| 17 | Total (Sum of Lines 3 through 15) | \$ 3,147,335 | \$ - | \$ 1,167,037 | \$ 1,027,223 | \$ - | \$ 2,793,786 | \$ 3,746,860 | \$ - |
| 18 | 13 Month Average (L16/13) | \$ 242,103 | \$ - | \$ 89,772 | \$ 79,017 | \$ - | \$ 214,907 | \$ 288,220 | \$ - |
| 19 | | | | | | | | | |
| 20 | Allocation of Total Company Jurisdictional Data | | | | | | | | |
| 21 | Wholesale Electric Jurisdiction Amount | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | N.C. Retail Electric Jurisdiction Amount | \$ 209,855 | \$ - | \$ 77,814 | \$ 71,899 | \$ - | \$ 201,396 | \$ 261,538 | \$ - |
| 23 | S.C. Retail Electric Jurisdiction Amount | \$ 32,248 | \$ - | \$ 11,958 | \$ 7,118 | \$ - | \$ 13,512 | \$ 26,684 | \$ - |
| 24 | Other Company Operations | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | NCR | \$ 211,993 | \$ - | \$ 80,613 | \$ 72,784 | \$ - | \$ 203,397 | \$ 261,993 | \$ - |
| | SCR | \$ 32,999 | \$ - | \$ 12,549 | \$ 8,122 | \$ - | \$ 17,815 | \$ 30,144 | \$ - |

| Line No. | Item | Total Company Booked (a) | Electric Operations | | | |
|----------|--|-----------------------------|---|---------------------------------|---------------------------------|---------------------------------|
| | | | Wholesale and Other Jurisdiction (b) | N.C. Retail Jurisdiction (c) | S.C. Retail Jurisdiction (d) | Other Company Operations (f) |
| 1 | OPERATING REVENUES | | | | | |
| 2 | Residential Sales | \$ 1,975,707 | \$ - | \$ 1,742,248 | \$ 233,459 | \$ - |
| 3 | Commercial Sales | 1,166,656 | - | 1,014,928 | 151,729 | - |
| 4 | Industrial Sales | 643,466 | - | 502,658 | 140,808 | - |
| 5 | Public Street & Highway Lighting Sales | 21,008 | - | 17,306 | 3,702 | - |
| 6 | Public Authority Sales | 83,691 | - | 80,311 | 3,380 | - |
| 7 | Sales for Resale: | - | - | - | - | - |
| 8 | Special Contracts | - | - | - | - | - |
| 9 | Wholesale | 1,153,782 | 1,153,782 | - | - | - |
| 10 | Other | 12,943 | 3,747 | 7,887 | 1,308 | - |
| 11 | Joint Dispatch | 113,451 | 32,846 | 69,136 | 11,469 | - |
| 12 | Provision for Rate Refund | 4,042 | - | - | 4,042 | - |
| | Interest on Undercollection | - | - | - | - | - |
| 13 | Unbilled Revenue | (15,733) | - | (12,815) | (2,918) | - |
| 14 | Total Revenue from Sales of Electricity | \$ 5,159,012 | \$ 1,190,375 | \$ 3,421,658 | \$ 546,979 | \$ - |
| 15 | All Other Electric Revenues | 149,466 | 97,776 | 44,669 | 7,021 | - |
| 16 | Total Electric Operating Revenues | <u>\$ 5,308,478</u> | <u>\$ 1,288,150</u> | <u>\$ 3,466,328</u> | <u>\$ 554,000</u> | <u>\$ -</u> |
| 17 | | | | | | |
| 18 | OPERATING EXPENSES | | | | | |
| 19 | Fuel Used in Electric Generation | \$ 1,188,760 | \$ 297,475 | \$ 783,530 | \$ 107,755 | \$ - |
| 20 | Purchased Power excluding Joint Dispatch | 564,920 | 164,179 | 344,015 | 56,726 | - |
| 21 | Purchased Power Joint Dispatch | 24,130 | 7,013 | 14,695 | 2,423 | - |
| 22 | Maintenance | 397,011 | 89,271 | 264,850 | 42,890 | - |
| | DSDR Expenses | - | - | - | - | - |
| 23 | Other Operating Expenses (except Taxes) (A) | 745,516 | 179,655 | 483,800 | 82,060 | - |
| 24 | Total Operating Expenses | \$ 2,920,338 | \$ 737,594 | \$ 1,890,890 | \$ 291,854 | \$ - |
| | DSDR O&M Deferral (4074006) | - | - | - | - | - |
| | DSDR Capital Deferral (4074007) | - | - | - | - | - |
| | Reg Debit - DSDR NC (4073107) | - | - | - | - | - |
| | Reg Debit - DSDR SC (4073109) | - | - | - | - | - |
| | Reg Debit - DSDR NC O&M (4073110) | - | - | - | - | - |
| | Reg Debit - DSDR SC O&M (4073111) | - | - | - | - | - |
| | Reg Credit - DSDR Other (4074009) | - | - | - | - | - |
| | Depreciation Expense | 1,121,438 | 334,228 | 675,382 | 111,829 | - |
| 25 | Depreciation and Amortization | 1,121,438 | 334,228 | 675,382 | 111,829 | - |
| | Interest on Undercollection | - | - | - | - | - |
| 26 | Total Expenses & Depreciation | <u>\$ 4,041,776</u> | <u>\$ 1,071,821</u> | <u>\$ 2,566,272</u> | <u>\$ 403,683</u> | <u>\$ -</u> |
| 27 | | | | | | |
| 28 | OPERATING TAXES | | | | | |
| 29 | Federal Income Tax Liability | \$ 98,227 | \$ 8,768 | \$ 77,555 | \$ 11,904 | \$ - |
| 30 | Federal Income Tax - Deferred | \$ 46,856 | 5,739 | 34,955 | 6,162 | - |
| 31 | Investment Tax Credit Normalization | \$ - | - | - | - | - |
| 32 | Amortization of Investment Tax Credits | \$ (4,934) | (1,449) | (2,963) | (522) | - |
| 33 | Total Federal Taxes - Operating | \$ 140,149 | \$ 13,057 | \$ 109,548 | \$ 17,544 | \$ - |
| | State Income Taxes | 8,566 | 1,367 | 6,156 | 1,043 | - |
| | R&E Tax Credit | - | - | - | - | - |
| 34 | State Income Taxes | 8,566 | 1,367 | 6,156 | 1,043 | - |
| 35 | State Income Tax - Deferred | (25,154) | (3,081) | (18,765) | (3,308) | - |
| | Property Taxes - Deferral | - | - | - | - | - |
| | Property Taxes - Expense | 172,077 | 40,081 | 114,184 | 17,812 | - |
| | Property Taxes - Amortization | - | - | - | - | - |
| | Gross Receipt Tax - Excl. from Revenue Above | - | - | - | - | - |
| 36 | Other Operating Taxes | \$ 172,077 | \$ 40,081 | \$ 114,184 | \$ 17,812 | \$ - |
| 37 | Total Operating Taxes | \$ 295,638 | \$ 51,424 | \$ 211,122 | \$ 33,091 | \$ - |
| 38 | Total Operating Expenses, Depr. & Taxes | <u>\$ 4,337,414</u> | <u>\$ 1,123,245</u> | <u>\$ 2,777,394</u> | <u>\$ 436,774</u> | <u>\$ -</u> |
| 39 | Net Operating Income (L16-L38) | <u>\$ 971,065</u> | <u>\$ 164,905</u> | <u>\$ 688,933</u> | <u>\$ 117,227</u> | <u>\$ -</u> |

| Line No. | Item | Total Company Booked (a) | Electric Operations | | | |
|----------|--|-----------------------------|---|---------------------------------|---------------------------------|---------------------------------|
| | | | Wholesale and Other Jurisdiction (b) | N.C. Retail Jurisdiction (c) | S.C. Retail Jurisdiction (d) | Other Company Operations (f) |
| 1 | <u>OPERATING REVENUES</u> | | | | | |
| 2 | Residential Sales | \$ 106,031 | \$ - | \$ 90,549 | \$ 15,482 | \$ - |
| 3 | Commercial Sales | 73,243 | - | 65,454 | 7,789 | - |
| 4 | Industrial Sales | 7,062 | - | 6,259 | 803 | - |
| 5 | Public Street & Highway Lighting Sales | 79 | - | 73 | 6 | - |
| 6 | Public Authority Sales | - | - | - | - | - |
| 7 | Sales for Resale: | - | - | - | - | - |
| 8 | Special Contracts | - | - | - | - | - |
| 9 | Wholesale | - | - | - | - | - |
| 10 | Other | - | - | - | - | - |
| 11 | Joint Dispatch | - | - | - | - | - |
| 12 | Provision for Rate Refund | - | - | - | - | - |
| | Interest on Undercollection | - | - | - | - | - |
| 13 | Unbilled Revenue | - | - | - | - | - |
| 14 | Total Revenue from Sales of Electricity | \$ 186,415 | \$ - | \$ 162,335 | \$ 24,080 | \$ - |
| 15 | All Other Electric Revenues | - | - | - | - | - |
| 16 | Total Electric Operating Revenues | <u>\$ 186,415</u> | <u>\$ -</u> | <u>\$ 162,335</u> | <u>\$ 24,080</u> | <u>\$ -</u> |
| 17 | | | | | | |
| 18 | <u>OPERATING EXPENSES</u> | | | | | |
| 19 | Fuel Used in Electric Generation | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Purchased Power excluding Joint Dispatch | - | - | - | - | - |
| 21 | Purchased Power Joint Dispatch | - | - | - | - | - |
| 22 | Maintenance | - | - | - | - | - |
| | DSDR Expenses | 87,979 | - | 75,629 | 12,349 | - |
| 23 | Other Operating Expenses (except Taxes) (A) | 87,979 | - | 75,629 | 12,349 | - |
| 24 | Total Operating Expenses | <u>\$ 87,979</u> | <u>\$ -</u> | <u>\$ 75,629</u> | <u>\$ 12,349</u> | <u>\$ -</u> |
| | DSDR O&M Deferral (4074006) | (87,979) | - | (75,629) | (12,349) | - |
| | DSDR Capital Deferral (4074007) | (6,661) | - | (5,727) | (934) | - |
| | Reg Debit - DSDR NC (4073107) | 22,704 | - | 22,704 | - | - |
| | Reg Debit - DSDR SC (4073109) | 2,706 | - | - | 2,706 | - |
| | Reg Debit - DSDR NC O&M (4073110) | 76,605 | - | 76,605 | - | - |
| | Reg Debit - DSDR SC O&M (4073111) | 7,134 | - | - | 7,134 | - |
| | Reg Credit - DSDR Other (4074009) | (26,144) | - | (23,557) | (2,586) | - |
| | Depreciation Expense | 6,661 | - | 5,727 | 934 | - |
| 25 | Depreciation and Amortization | (4,973) | - | 122 | (5,096) | - |
| | Interest on Undercollection | - | - | - | - | - |
| 26 | Total Expenses & Depreciation | <u>\$ 83,005</u> | <u>\$ -</u> | <u>\$ 75,752</u> | <u>\$ 7,254</u> | <u>\$ -</u> |
| 27 | | | | | | |
| 28 | <u>OPERATING TAXES</u> | | | | | |
| 29 | Federal Income Tax Liability | \$ 21,172 | \$ - | \$ 17,727 | \$ 3,445 | \$ - |
| 30 | Federal Income Tax - Deferred | - | - | - | - | - |
| 31 | Investment Tax Credit Normalization | - | - | - | - | - |
| 32 | Amortization of Investment Tax Credits | - | - | - | - | - |
| 33 | Total Federal Taxes - Operating | <u>\$ 21,172</u> | <u>\$ -</u> | <u>\$ 17,727</u> | <u>\$ 3,445</u> | <u>\$ -</u> |
| | State Income Taxes | 2,592 | - | 2,168 | 424 | - |
| | R&E Tax Credit | - | - | - | - | - |
| 34 | State Income Taxes | 2,592 | - | 2,168 | 424 | - |
| 35 | State Income Tax - Deferred | - | - | - | - | - |
| | Property Taxes - Deferral | (1,152) | - | (696) | (456) | - |
| | Property Taxes - Expense | 1,152 | - | 696 | 456 | - |
| | Property Taxes - Amortization | 460 | - | 480 | (20) | - |
| | Gross Receipt Tax - Excl. from Revenue Above | - | - | - | - | - |
| 36 | Other Operating Taxes | <u>\$ 460</u> | <u>\$ -</u> | <u>\$ 480</u> | <u>\$ (20)</u> | <u>\$ -</u> |
| 37 | Total Operating Taxes | <u>\$ 24,224</u> | <u>\$ -</u> | <u>\$ 20,375</u> | <u>\$ 3,849</u> | <u>\$ -</u> |
| 38 | Total Operating Expenses, Depr. & Taxes | <u>\$ 107,229</u> | <u>\$ -</u> | <u>\$ 96,127</u> | <u>\$ 11,103</u> | <u>\$ -</u> |
| 39 | Net Operating Income (L16-L38) | <u><u>\$ 79,186</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 66,208</u></u> | <u><u>\$ 12,977</u></u> | <u><u>\$ -</u></u> |

ES 1 Returns

North Carolina

12 months ending September 30, 2020

DSM Return

Carrying Cost

| | | |
|--------|--------------|-------|
| return | <u>2,999</u> | 7.09% |
| base | 42,290 | |

ROE

| | | |
|--------|--------------|-------|
| return | <u>1,560</u> | 7.14% |
| base | 21,843 | |

EE Return

Carrying Cost

| | | |
|--------|--------------|-------|
| return | <u>7,403</u> | 7.09% |
| base | 104,381 | |

| | | |
|--------|--------------|-------|
| return | <u>3,849</u> | 7.06% |
| base | 54,561 | |

DSDR Returns*

Carrying Cost

| | | |
|--------|--------------|-------|
| return | <u>1,213</u> | 6.85% |
| base | 17,710 | |

| | | |
|--------|--------------|-------|
| return | <u>4,660</u> | 7.82% |
| base | 59,595 | |

Capital return

| | | |
|--------|--------------|-------|
| return | <u>7,748</u> | 7.54% |
| base | 102,814 | |

* Adjustments were made to the property balances during the 2010 year.

Jurisdictional Earnings

| | | |
|--------|-----------------------------|---------------|
| Sep-19 | DSM | 2,999 |
| Oct-19 | EE | 7,403 |
| Nov-19 | DSDR | 1,213 |
| Dec-19 | DSDR Capital | <u>7,748</u> |
| Jan-20 | Total Carrying Costs | 19,363 |
| Feb-20 | CC Equity Tax Gross up | <u>4,254</u> |
| Mar-20 | DSM/EE/DSDR Total Returns | <u>23,617</u> |
| Apr-20 | | |
| May-20 | Net Lost Revenues | 33,697 |
| Jun-20 | Uncollectibles | - |
| Jul-20 | PPI | 29,206 |
| Aug-20 | EMF True Up | (418) |
| Sep-20 | Interest on Undercollection | - |
| | Provision | - |
| | NC DSDR True Up | - |
| | rounding | |

ES1

| | | |
|-------------------|--------------------------|---------------|
| 1Net Lost Revenue | Total pretax Earnings | <u>86,102</u> |
| | | |
| | Federal Tax | 17,727 |
| | State Tax | 2,168 |
| | | |
| | Total after tax Earnings | <u>66,208</u> |
| | | 66,208 |
| | | 0 |

Capital Structure

Program Expenses

| | |
|---------------|---------------|
| LT Debt | 48.00% |
| Preferred | 0.00% |
| Common Stock | <u>52.00%</u> |
| Total Capital | 100% |

North Carolina Cost of Capital (Per NCUC 2012 Rate Order, Docket NO. E-2, Sub 1174):

check

Annual
Weighted Cost
of Capital

| |
|--------------|
| 1.94% |
| 0.00% |
| <u>5.15%</u> |
| 7.09% |

DSDR Capital

| | |
|----------------------|---------------|
| Long Term Debt | 48.00% |
| Preferred Equity | 0.00% |
| Common Equity | <u>52.00%</u> |
| Total Capitalization | 100.00% |

North Carolina Cost of Capital (Per NCUC 2012 Rate Order, Docket NO. E-2, Sub 1174):

Annual
Weighted Cost
of Capital

| |
|--------------|
| 1.94% |
| 0.00% |
| <u>5.15%</u> |
| 7.09% |

VERIFICATION UNDER OATH REGARDING ACCURACY OF REPORT

(NOTE: THIS VERIFICATION SHALL BE COMPLETED BY EITHER THE CHIEF EXECUTIVE OFFICER, A SENIOR LEVEL FINANCIAL OFFICER, OR THE RESPONSIBLE ACCOUNTING OFFICER.)

I, Dwight L. Jacobs, state and attest that the attached NCUC Form E.S.-1 Report is filed on behalf of Duke Energy Progress, LLC as required by the North Carolina Utilities Commission; that I have reviewed said Report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information provided therein; and that, to the best of my knowledge, information, and belief, all of the information contained therein is accurate and true, no material information or fact has been knowingly omitted or misstated therein, and all of the information contained in said Report has been prepared and presented in accordance with all applicable North Carolina General Statutes, Commission Rules, and Commission Orders.

Dwight L. Jacobs
Signature of Person Making Verification

Dwight L. Jacobs
Typed or Printed Name of Person Signing

Senior Vice President, Chief Accounting Officer, Tax and Controller
Title

11/23/20
Date Signed

Mecklenburg County, North Carolina

Signed and sworn to before me this day by Dwight L. Jacobs

Date: 11/23/2020

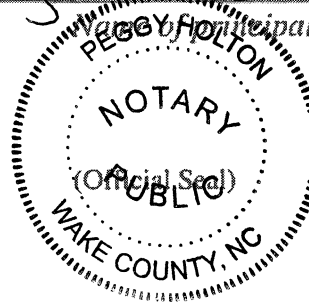
Peggy Holton
Official Signature of Notary

Peggy Holton, Notary Public
Notary's printed or typed name

My commission expires: 12/22/2021

I signed this notarial certificate on 11/23/2020 according to the emergency video notarization requirements contained in G.S. 10B-25.

Notary Public location during video notarization: Wake County
Stated physical location of principal during video notarization: Mecklenburg County

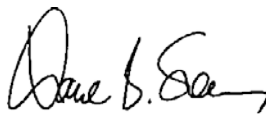


CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Quarterly Surveillance Report, in Docket No. M-1, Sub 12DEP, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the following parties:

Dianna Downey
Public Staff
North Carolina Utilities Commission
4326 Mail Service Center
Raleigh, NC 27699-4300
dianna.downey@psncuc.nc.gov

This the 30th day of November, 2020.



By: _____

Lawrence B. Somers
Deputy General Counsel
Duke Energy Corporation
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Tel 919.546.6722
bo.somers@duke-energy.com