Economic and tax contributions of Duke Energy Corporation's energy modernization investments (2025-2034)

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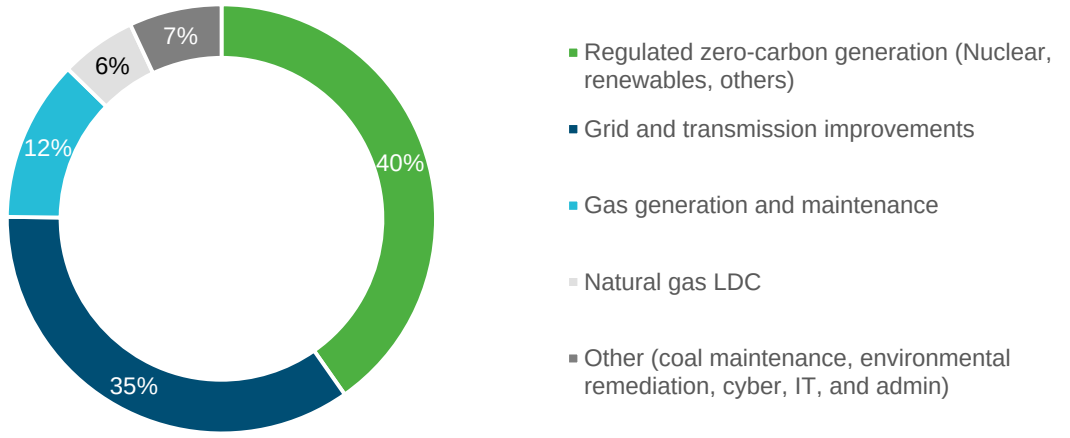
Building a better working world

Contents

Executive summary

EY was engaged by Duke Energy Corporation (Duke Energy) to estimate the economic and tax contributions of planned capital and operational investments in energy modernization projects in the years 2025 through 2034. Duke Energy is planning to invest between $190 and $200 billion over the next decade.[1] The analysis in this report uses a midpoint of $195 billion which will be spent on regulated zero-carbon generation from nuclear, renewables, and other sources ($79 billion), grid and transmission improvements ($70 billion), gas generation and maintenance ($24 billion), natural gas local distribution companies (LDC) ($11 billion), and other expenses ($11 billion) such as cyber, IT and admin. These expenditures are referred to in this report as Duke Energy's "energy modernization expenditures" and are shown in Figure ES-1 below.

Figure ES-1. Duke Energy's planned energy modernization expenditures of $195 billion by category (2025-2034)



Note: Gas generation includes new gas generation and maintenance. Analysis does not include spending on purchased power, which may result in additional economic contributions. Figures may not appear to sum due to rounding.
Source: Data provided by Duke Energy management.

This report estimates the direct, indirect and induced economic and tax contributions of Duke Energy's planned investments in energy modernization projects using the 2023 IMPLAN input-output model – a widely used economic modeling tool that measures how spending in one sector supports jobs, income, and output across the broader economy. The analysis includes three types of economic and tax contributions:

(1) **Direct economic contributions** due to the building, maintenance and operation of energy modernization investments. These efforts are supported by existing Duke Energy employees, current contractors, and new hires, with the associated employment, labor income, GDP, output (GDP plus intermediate purchases), and taxes reflecting the activity of building and operating new and existing energy modernization infrastructure.

[1]As presented by Duke Energy in the First Quarter 2025 Earnings Review and Business Update on May 6, 2025.

(2) **Indirect economic contributions** of employment, labor income, GDP, output, and taxes resulting from purchases from US suppliers by Duke Energy. For example, suppliers can include manufacturers of building materials and equipment.

(3) **Induced economic contributions** of employment, labor income, GDP, output, and taxes resulting from spending by Duke Energy employees, contractor employees and their suppliers. For example, induced economic contributions can include expenditures by employees on goods and services such as groceries, clothing, gasoline, restaurant meals and health care services.

Table ES-1 shows the estimated economic contributions related to Duke Energy's energy modernization expenditures. Over the next decade, capital and operational expenditures will support, on average, 80,180 direct jobs nationwide and an additional 87,940 jobs through indirect (supplier) and induced (consumer) activity. The total of 168,120 jobs supported annually will earn an estimated $131 billion in labor income (wages and benefits) from 2025 to 2034. In addition to jobs and labor income, Duke Energy's energy modernization expenditures will support $211 billion in GDP contributions and nearly $370 billion in economic output, including indirect and induced activity.

Table ES-1. Total economic contributions of Duke Energy's energy modernization expenditures, 2025-2034

Number of average annual jobs, Billions of 2025 dollars

	Direct	Indirect	Induced	Total contributions
Average annual employment	80,180	39,520	48,420	**168,120**
Labor income (10-year total)	$63	$38	$30	**$131**
GDP (10-year total)	$88	$66	$57	**$211**
Economic output (10-year total)	$124	$152	$94	**$370**

Note: Figures may not appear to sum due to rounding. Figures shown are the cumulative economic contributions over the capital spend period. Table ES-3 shows the average incremental contributions above current (2024) baseline.
Source: EY analysis using the IMPLAN input-output multiplier model and data provided by Duke Energy management.

The energy modernization expenditures will also generate tax revenue for state and local jurisdictions. Table ES-2 details the state and local tax contributions from Duke Energy's planned investments. Taxes include property taxes from new real and personal property, sales taxes due to purchases of equipment and building materials, individual income taxes on wages and salaries paid to employees, and corporate income, excise, license and other taxes due to taxable income and sales activity generated at supplier and other businesses. Property tax is the largest tax contribution category with nearly $8.3 billion generated during the 10-year period followed by state and local sales taxes at just under $6 billion.

Table ES-2. State and local tax contributions of Duke Energy's energy modernization expenditures

Cumulative totals for 2025-2034; Millions of 2025 dollars

Tax type	Direct	Indirect	Induced	Total contributions
Property	$6,320	$1,127	$808	$8,255
State sales	$3,368	$753	$603	$4,723
Local sales	$846	$225	$174	$1,245
Individual income	$1,322	$877	$651	$2,849
Corporate income, excise, license	-	$818	$593	$1,410
Total	**$11,856**	**$3,799**	**$2,828**	**$18,482**

Note: Figures may not sum due to rounding. Property taxes were estimated using effective property tax rates based on Duke Energy's 2023 property costs and values. Sales taxes were calculated using sales tax rates on taxable capital spend. Corporate income, excise, and license taxes were not calculated directly for Duke Energy. Source: EY analysis based on data provided by Duke Energy, US Census Bureau, and the Bureau of Economic Analysis.

The projected economic and tax contributions of Duke Energy's investments are shown by year in Table ES-3. During the 10-year period, Duke Energy will support between 136,010 and 190,750 jobs annually, depending on the level of expenditures each year. Labor income support varies from $10 billion to nearly $16 billion, and gross domestic product contributions range from $16 billion to nearly $26 billion. Annual state and local tax contributions range from an estimated $1.0 billion in 2025 to $2.7 billion in 2034.

Table ES-3 also shows the average annual economic contributions during the next 10 years and compares it to the level of economic activity supported with Duke Energy's historic capital expenditures in 2024. The average annual benefit above the 2024 level is more than 60,000 total (direct, indirect, and induced) jobs supported, nearly $5 billion in annual labor income, $8 billion in GDP, and nearly $14 billion in gross economic output.

Table ES-3. Total economic contributions of Duke Energy's energy modernization expenditures by year

Number of annual jobs, Billions of 2025 dollars

	Employment (annual)	Labor income	GDP	Gross economic output	State and local taxes
Baseline (2024)	107,952	$8.4	$13.0	$23.5	$0.9
2025	136,010	$10.4	$16.1	$28.7	$1.0
2026	137,800	$10.5	$16.4	$29.0	$1.2
2027	152,320	$11.5	$18.0	$31.6	$1.4
2028	157,220	$11.9	$18.7	$32.8	$1.5
2029	163,980	$12.5	$19.7	$34.6	$1.7
2030	189,060	$14.4	$23.1	$40.5	$2.0
2031	178,520	$14.0	$22.8	$40.1	$2.1
2032	190,750	$15.3	$25.1	$43.7	$2.4
2033	190,260	$15.5	$25.6	$44.1	$2.5
2034	185,320	$15.4	$25.7	$44.3	$2.7
Total (10-year)	168,120	$131.4	$211.0	$369.5	$18.5
Annual average	168,120*	$13.1	$21.1	$36.9	$1.8
Average annual increment above baseline (2024)**	**60,168**	**$4.7**	**$8.1**	**$13.5**	**$0.9**

Note: * Average annual employment across the investment period is 168,120. **Increases in impacts from 2024 to subsequent years are due to increased expenditures, changes in spending patterns, and updates to the economic model. Figures may not appear to sum due to rounding.
Source: EY analysis using the IMPLAN input-output multiplier model and data provided by Duke Energy management.

1. Methodology and data

1.1 Economic contribution methodology

Duke Energy is planning to spend approximately $195 billion[2] over the next decade on energy modernization projects including investment in grid and transmission improvements, regulated zero-carbon generation (nuclear, renewables, and others), gas generation and maintenance, and other expenses such as corporate activities and coal maintenance.[3] Each spend category is an aggregation of various subcategories:

- **Regulated zero-carbon generation** includes solar, battery, wind, hydropower, nuclear and SMR nuclear related expenditures.
- **Grid and transmission improvements** include new customer additions and grid modernization capital expenditures.
- **Gas generation and maintenance** includes new natural gas generation and maintenance.
- **Natural gas LDC** includes only activities related to local distribution companies.
- **Other expenses** include coal maintenance and the coal ash program, and the corporate activities (cyber, IT and admin) needed to support energy modernization efforts.

This analysis uses an input-output model to estimate the economic contributions of Duke Energy's energy modernization investments. The economic contributions in this study were estimated using the 2023 IMPLAN input-output model. IMPLAN is used by more than 500 universities and government agencies. Unlike other economic models, IMPLAN includes the interaction of 528 industry sectors, thus identifying the interaction of specific industries that relate to the projects studied in this report.

Total contributions presented in this report include direct, indirect and induced effects. Direct effects include employment and spending by Duke Energy and its contractors. Indirect effects are attributable to purchases from local suppliers. Induced effects are attributable to spending by direct and indirect employees, based on regional household spending patterns for different levels of income.

Indirect and induced effects are driven by (1) input purchases by Duke Energy and its suppliers; (2) the percentage of each type of commodity that is purchased from within the state(s); and (3) household consumption profiles for Duke Energy employees and its contractors and suppliers.

Duke Energy provided data regarding energy modernization expenditures, mainly concentrated across six states (Florida, Indiana, Kentucky, North Carolina, Ohio, and South Carolina). The spend by Duke Energy towards energy modernization will support employment, income, GDP and

[2] Duke Energy's planned expenditures range between $190 million to $200 million as presented in the First Quarter 2025 Earnings Review and Business Update on May 6, 2025. This analysis uses the midpoint of this range.

[3] This analysis does not incorporate the effects of possible tariffs on imported goods and equipment. Expenditures modeled are exclusive of such measures.

economic output across the states where the spend will occur as well as the broader US through indirect and induced effects.

- **Direct economic contributions** due to the building, maintenance and operation of energy modernization investments. Employment that supports these efforts could be supplied by existing Duke Energy employees, current contractors and new hires. Direct employment, labor income, GDP, output and taxes reflect the activity of building and operating new and existing energy modernization infrastructure.

- **Indirect economic contributions** of employment, labor income, GDP, output, and taxes resulting from purchases from US suppliers by Duke Energy. For example, these suppliers include manufacturers of materials.

- **Induced economic contributions** of employment, labor income, GDP, output, and taxes resulting from spending by Duke Energy employees, contractor employees and their suppliers. For example, induced economic contributions are due to expenditures by employees on goods and services such as groceries, clothing, gasoline, restaurant meals and health care services.

Direct, indirect and induced impacts of Duke Energy's capital investment were measured across given economic indicators using the 2023 IMPLAN economic model and reported in 2025 dollars. Figure 1 illustrates the relationship between the key economic impact measures.

- **Employment.** Employment reflects the total number of part- and full-time jobs (headcount) supported by the construction, maintenance and operations of Duke's energy modernization expenditures. Direct employees include Duke Energy current employees, contractors and potential new hires.

- **Labor income.** Labor income is a component of GDP and includes employee compensation (value of wages and benefits) and proprietor income. The analysis includes income received directly by Duke Energy employees and contractors, and income related to indirect and induced employees.

- **Gross Domestic Product (GDP).** GDP, or value added, is a component of economic output and includes labor income, payments to capital and indirect taxes.

- **Economic output.** Economic output is the broadest measure of economic activity and includes Gross Domestic Product and intermediate input purchases from suppliers. For most industries, economic output is equivalent to total revenue (production value).

- **State and local taxes.** Estimated tax impacts include property, sales, individual income, corporate income, excise and license taxes at the state and local level.[4]

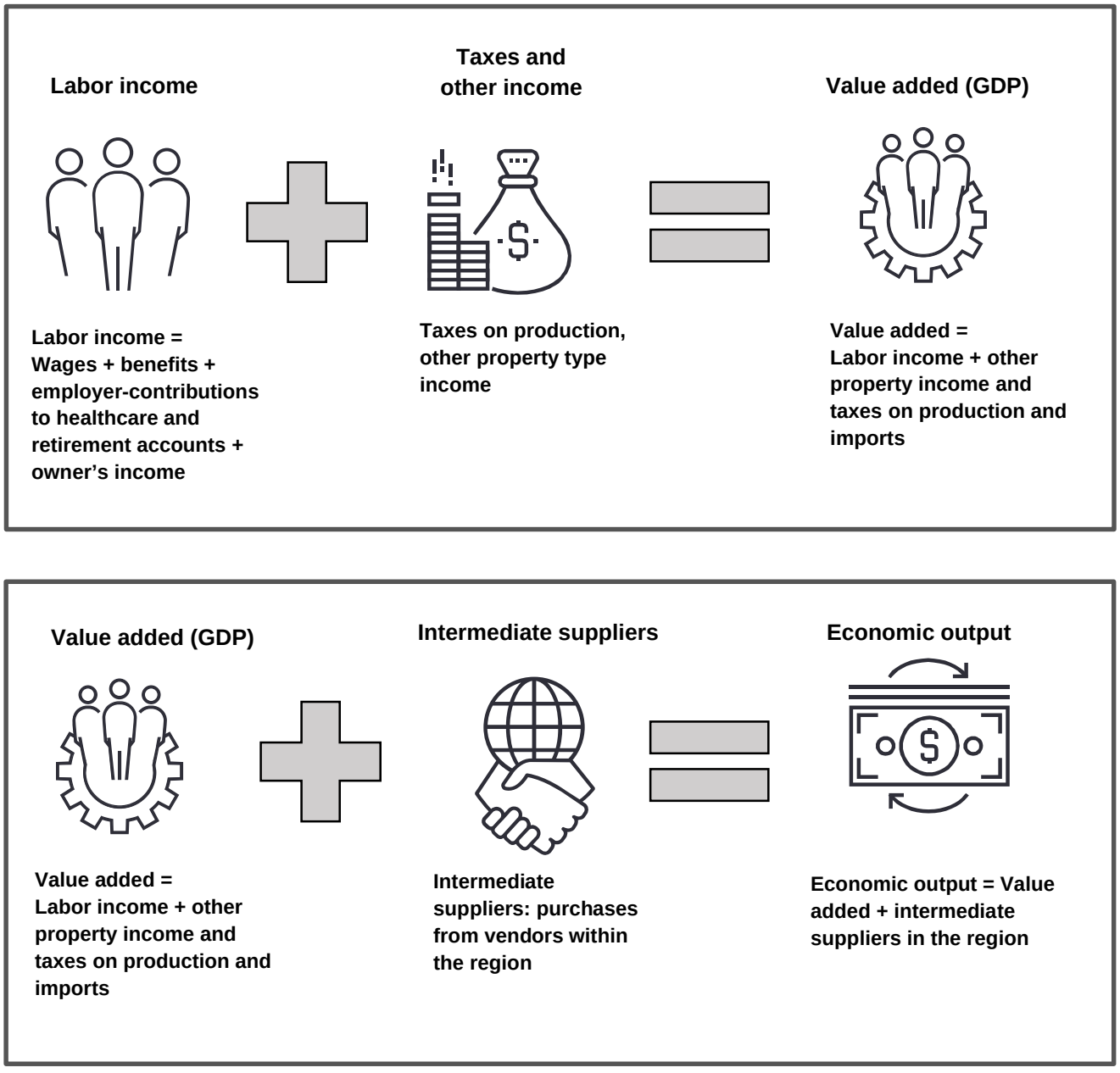
This analysis used annual capital expenditure projections from Duke Energy at the state level to estimate the economic and tax contributions. In order to estimate the contributions the capital

[4] Excludes any federal tax payments, non-tax revenues, and special assessments not collected at the state and local level.

expenditures will have on regions outside each investment state, a Multi-Regional Input-Output (MRIO) Analysis was used. This approach simlutaneously captures how the direct expenditures affect the state economy as well as the broader US economy.

An additional key aspect of the analysis was the use of the Regional Purchasing Coefficient (RPC). The RPC uses purchaser data to estimate the amount of demand met by local suppliers. The assumption is that not all demand will be met by the local economy, and in some cases, would be met by firms outside the US through imported goods.

Figure 1. Overview of economic impact measurements



1.2 Tax contribution methodology

State and local taxes were estimated using information provided by Duke Energy management and data from federal, state and local government sources.

- Direct individual income tax and all indirect and induced taxes were estimated based on the historical relationship between state and local tax revenue collections (by tax type) and personal income in the state(s) in which the investment is planned to take place or the expenditure is expected to occur. This ratio was then used to estimate taxes based on labor income supported by Duke Energy's capital spend.[5]
- Direct business property taxes were estimated using historic (2023) effective property tax rates on capital expenditures by state from Duke Energy management. The effective tax rate captures the relationship between actual taxes paid by Duke Energy in local jurisdictions compared to the expenditures made by the company for new property. The effective tax rates were multiplied by Duke Energy's planned expenditures to estimate the new property taxes paid in a future typical year based on the company's historic property taxes.
- Direct state and local sales taxes were estimated by mutliplying the relevant tax rate by the expected taxable portion of Duke Energy's capital purchases. Sales tax was not applied to goods or services anticipated to qualify for an exemption under current state statutes.
- The estimated tax contributions assume current tax structures and rates will remain constant throughout the entirety of the capital spend period.

Duke Energy property taxes associated with energy modernization expenditures will support public services such as police, fire, and public education. The analysis in section 3.3 is intended only as an illustrative example of how many public sector jobs can be hypothetically supported if every dollar of Duke Energy's property taxes is used solely for public sector salaries.

- The $6.3 billion in cumulative Duke Energy property tax was divided by 10 years for $632 million annually in estimated property tax contributions between 2025 and 2034. The $632 million was then divided by the average salary of each type of public sector worker to produce the number of public sector jobs supported in an average year of the capital spend period. Data on public sector salaries was assembled from the National Center of Education Statistics and the US Bureau of Economic Analysis.
- It is estimated that Duke Energy will pay over $1.2 billion in annual property taxes after 2034 once all property has been purchased or developed related to the energy modernization investments.[6] The $1.2 billion in annual property taxes was divided by the average salary of each type of public sector worker to produce the number of public sector jobs supported.

[5] State tax collections by state are provided by the US Census Bureau, and state and county personal income amounts are provided by the Bureau of Economic Analysis.
[6] This analysis focuses on Duke's current 10-year planned expenditure. Annual property tax numbers after 2034 do not include potential additional spending on low-carbon and zero-carbon energy generation.

2. Economic contributions of capital investments

The economic contributions of Duke Energy's planned capital expenditures include a total annual average of 168,120 jobs, $131 billion in cumulative labor income, $211 billion in GDP and nearly $370 billion in gross economic output. Table 1 shows the projected total employment, labor income, GDP and economic output supported by Duke's energy modernization projects.

Table 1. Total (direct, indirect and induced) economic contributions of Duke Energy's energy modernization expenditures by spend category (2025-2034)
Number of average annual jobs; Billions of 2025 dollars

		Cumulative 10-year totals		
Expenditure category	**Average annual employment**	**Labor Income**	**GDP**	**Gross economic output**
Regulated zero-carbon generation	56,670	$49.8	$88.2	$148.5
Grid and transmission improvements	66,160	$48.8	$72.0	$135.1
Gas generation and maintenance	26,060	$18.2	$28.3	$46.3
Natural gas LDC	12,730	$9.1	$14.2	$23.9
Other	6,500	$5.5	$8.4	$15.6
Total	**168,120**	**$131.4**	**$211.0**	**$369.5**

Note: Figures may not appear to sum due to rounding. Expenditure category is organized by magnitude of spend.
Source: EY analysis using the IMPLAN input-output multiplier model and data provided by Duke Energy management.

2.1 Employment contributions

Table 2 shows the employment impacts related to Duke's energy modernization expenditures over the 10-year period. Jobs are shown as the average annual employment over the period. For every job related to energy modernization, one additional job will be supported in other sectors of the US economy due to indirect and induced multiplier effects. As shown in Table 2, Duke's investment activities will support an average of 168,120 jobs per year over the 10-year period.

Table 2. Average annual employment supported by Duke Energy's energy modernization expenditures by spend category, (2025-2034)
Number of average annual jobs

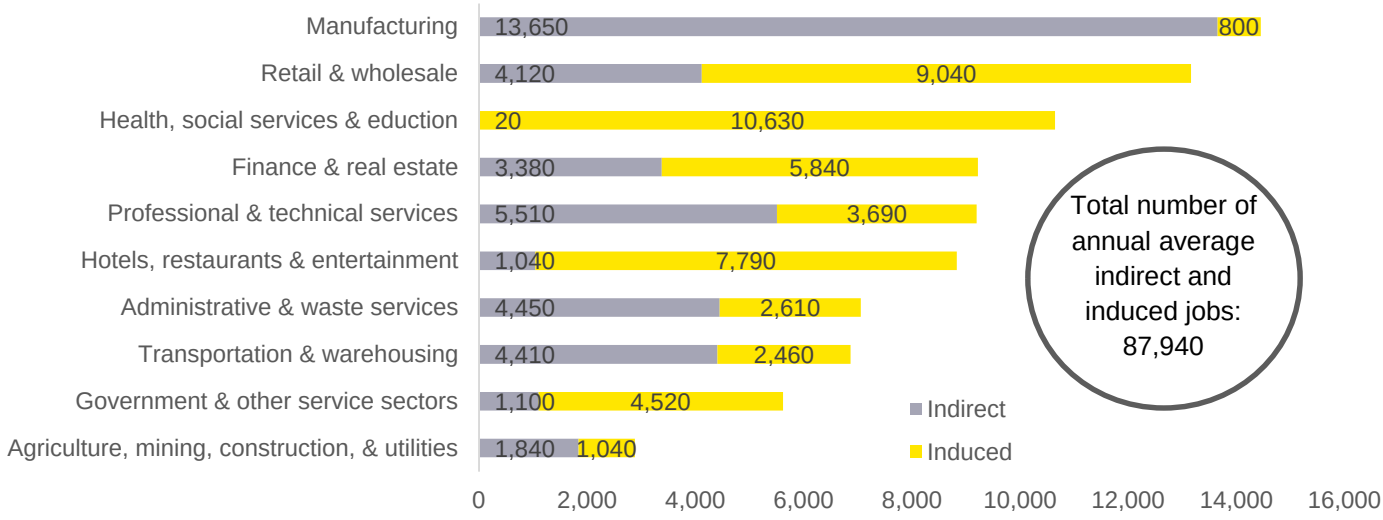
Expenditure category	**Direct**	**Indirect**	**Induced**	**Total contributions**
Regulated zero-carbon generation	25,350	13,190	18,130	56,670
Grid and transmission improvements	29,360	18,340	18,460	66,160
Gas generation and maintenance	15,570	3,950	6,540	26,060
Natural gas LDC	7,380	2,100	3,250	12,730
Other	2,520	1,940	2,040	6,500
Total	**80,180**	**39,520**	**48,420**	**168,120**

Note: Figures may not appear to sum due to rounding. Expenditure category is organized by magnitude of spend.
Source: EY analysis using the IMPLAN input-output multiplier model and data provided by Duke Energy management.

Figure 2 illustrates the private industries in which the indirect and induced jobs will be supported. On average, Duke's investments will support 13,650 indirect and 800 induced annual jobs in the

manufacturing sector. Jobs within this sector include electronic assemblers and electrical engineers, inspectors, testers and material movers. The retail and wholesale sector has the second largest set of jobs at 4,120 indirect and 9,040 induced, including stockers and order fillers, salespeople, and cashiers. The 10,650 supported jobs in the health, social services and education sector excluding private sector jobs in education, jobs at colleges and universities, as well as physician offices, dental offices, hospitals, nursing homes and childcare services. These jobs are supported as direct and indirect workers spend their paychecks. Figure 2 shows the private sector jobs impact and does not include estimates of public sector jobs (such as elementary public-school teachers).

Figure 2. Average annual indirect and induced employment supported in US economy due to energy modernization expenditures by Duke Energy



Note: Figures may not sum due to rounding; Total indirect and induced employment effects due to planned investments divided by 10.
Source: EY analysis using the IMPLAN input-output multiplier model and data provided by Duke Energy management.

2.2 Labor income contributions

The economic activity from Duke Energy's expenditures over the next decade will support $131 billion in labor income including $63 billion of direct labor income and $68 billion in labor income for jobs in other industries (indirect and induced jobs). Table 3 shows the labor income contributions by expenditure category with regulated zero-carbon generation projected to have the largest contribution to labor income at nearly $50 billion.

Table 3. Labor income supported by Duke Energy's energy modernization expenditures by spend category, (2025-2034)
Billions of 2025 dollars

Expenditure category	Direct	Indirect	Induced	Total contributions
Regulated zero-carbon generation	$25.2	$13.5	$11.1	$49.8
Grid and transmission improvements	$19.4	$17.8	$11.7	$48.8
Gas generation and maintenance	$10.8	$3.4	$3.9	$18.2
Natural gas LDC	$5.3	$1.8	$2.0	$9.1
Other	$2.3	$1.9	$1.3	$5.5
Total	**$63.0**	**$38.4**	**$30.0**	**$131.4**

Note: Figures may not appear to sum due to rounding. Expenditure category is organized by magnitude of spend.
Source: EY analysis using the IMPLAN input-output multiplier model and data provided by Duke Energy management.

2.3 Gross Domestic Product (GDP) contributions

Duke Energy's expenditures are estimated to contribute nearly $211 billion in gross domestic product. The largest share of GDP will be supported by investment in regulated zero-carbon generation (nuclear, renewables, others) ($88.2 billion), followed by grid and transmission improvements ($72.0 billion) and gas generation and maintenance ($28.3 billion). Table 4 shows the direct, indirect and induced contributions to GDP by expenditure category.

Table 4. GDP supported by Duke Energy's energy modernization expenditures by spend category, (2025-2034)
Billions of 2025 dollars

Expenditure category	Direct	Indirect	Induced	Total contributions
Regulated zero-carbon generation	$42.2	$24.7	$21.2	$88.2
Grid and transmission improvements	$20.2	$29.6	$22.1	$72.0
Gas generation and maintenance	$14.9	$5.8	$7.5	$28.3
Natural gas LDC	$7.2	$3.1	$3.8	$14.2
Other	$2.9	$3.0	$2.5	$8.4
Total	**$87.6**	**$66.3**	**$57.1**	**$211.0**

Note: Figures may not appear to sum due to rounding. Expenditure category is organized by magnitude of spend.
Source: EY analysis using the IMPLAN input-output multiplier model and data provided by Duke Energy management.

2.4 Economic output contributions

The final economic contribution measure included in this report is economic output supported by Duke Energy's energy modernization expenditures. Table 5 below details economic output by spend category across direct, indirect and induced effects. The total direct economic output is estimated to be $123.6 billion over ten years. For indirect and induced activity, economic output is estimated at $152.4 billion and $93.5 billion, respectively. Of the total $369.5 billion in economic output supported by Duke Energy's investment, roughly 40% through regulated zero-carbon

generation (nuclear, renewables, others), and 37% is supported through grid and transmission improvements.

Table 5. Economic output supported by Duke Energy's energy modernization expenditures by spend category, (2025-2034)
Billions of 2025 dollars

Expenditure category	Direct	Indirect	Induced	Total contributions
Regulated zero-carbon generation	$62.5	$51.3	$34.7	$148.5
Grid and transmission improvements	$23.0	$75.9	$36.3	$135.1
Gas generation and maintenance	$21.7	$12.3	$12.3	$46.3
Natural gas LDC	$11.2	$6.5	$6.2	$23.9
Other	$5.2	$6.4	$4.0	$15.6
Total	**$123.6**	**$152.4**	**$93.5**	**$369.5**

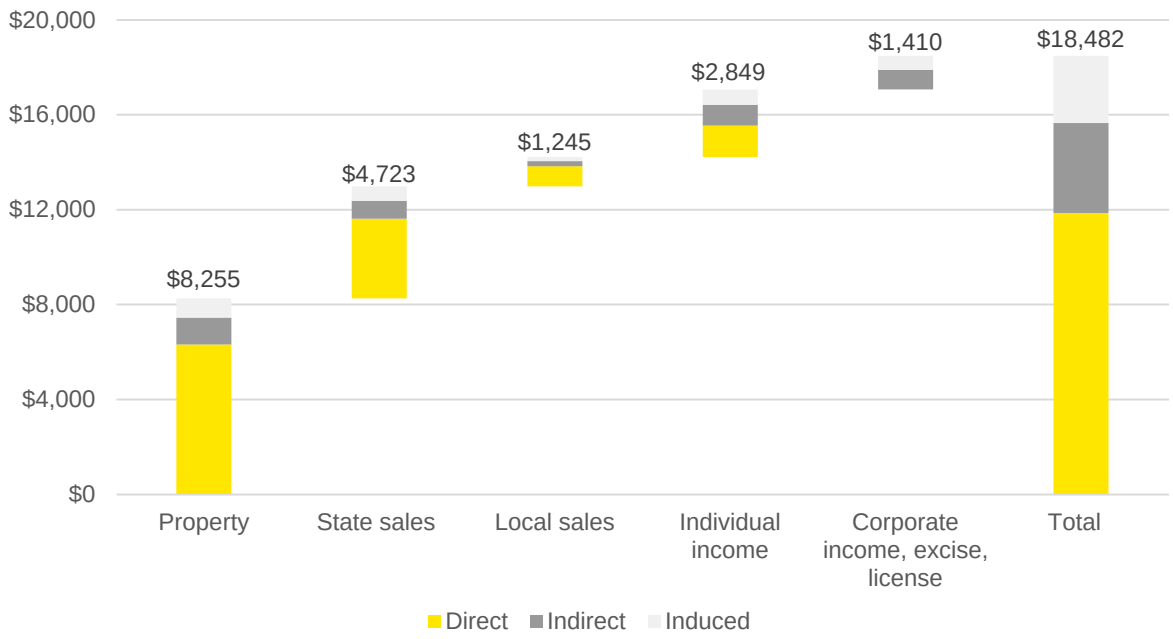
Note: Figures may not appear to sum due to rounding. Expenditure category is organized by magnitude of spend.
Source: EY analysis using the IMPLAN input-output multiplier model and data provided by Duke Energy management.

3. Fiscal contributions of energy modernization expenditures

3.1 State and local tax estimates by tax type

In addition to the economic contributions supported by Duke Energy's energy modernization projects, capital expenditures will generate significant state and local tax contributions. Based on the taxes analyzed by EY, it is estimated that Duke Energy will contribute nearly $18.5 billion in state and local taxes during the 10-year period, with nearly $12 billion being contributed directly by Duke Energy in the form of property taxes, one-time sales and use taxes on purchases, and employee individual income taxes. The energy modernization expenditures made by Duke will also indirectly generate nearly $3.8 billion in state and local taxes due to supplier purchases. The indirect tax impacts will occur in both the state economies where Duke makes investments as well as states where suppliers operate, and employees reside. The remaining $2.8 billion in taxes will result from induced business activity generated from direct and indirect employee household expenditures across the local economies. Figure 3 illustrates below the breakout of tax contributions by tax type.

Figure 3. Total state and local tax contributions by tax type from energy modernization expenditures, (2025-2034)
Millions of 2025 dollars



Note: Figures may not sum due to rounding.
Source: EY analysis based on data provided by Duke Energy, US Census Bureau, and the Bureau of Economic Analysis.

Table 6 provides a detailed breakout of the projected state and local tax contributions by direct, indirect and induced activity for each tax category. The largest direct share will be in property taxes from new Duke Energy property with total direct taxes of $6.3 billion during the 10-year period. Property taxes total nearly $8.3 billion, or 45% of the total tax contributions, when indirect

and induced contributions are included. The second largest category for tax contributions is state and local sales taxes due to one-time purchases of taxable equipment and materials. Direct state and local sales tax is estimated to be $4.2 billion. Once sales tax contributed from indirect and induced activity is included, it is estimated that sales tax will total nearly $6 billion with 80% of sales tax revenue generated at the state level and 20% going to local jurisdictions. Individual income taxes paid by employees on wages and salaries is expected to total nearly $2.8 billion across direct, indirect and induced activities.

Table 6. Enterprise-wide state and local revenue by tax type due to energy modernization expenditures (2025-2034)
Millions of 2025 dollars

Tax type	Direct	Indirect	Induced	Total contributions	% of total
Property	$6,320	$1,127	$808	$8,255	45%
State sales	$3,368	$753	$603	$4,723	26%
Local sales	$846	$225	$174	$1,245	7%
Individual income	$1,322	$877	$651	$2,849	15%
Corporate income, excise, license	$0	$818	$593	$1,410	8%
Total	**$11,856**	**$3,799**	**$2,828**	**$18,482**	**100%**

Note: Figures may not sum due to rounding.
Source: EY analysis based on data provided by Duke Energy, US Census Bureau, and the Bureau of Economic Analysis.

3.2 Year-by-year state and local tax revenue estimates

Total tax contributions resulting from Duke's energy modernization investments, including direct, indirect and induced contributions, are expected to increase consistently between 2025 and 2034. Table 7 reflects the estimated annual contributions by tax type based on Duke Energy's annual projected investments. Annual estimates for all other tax types are distributed based on Duke Energy's annual investments by year. The years which are expected to show the greatest year-over-year change in total tax contributions are 2029-2030, with an expected 20% increase, and 2026-2027, which will experience a 17% increase.

Table 7. Total state and local tax contributions by tax type due to direct, indirect and induced activity, 2025-2034
Millions of 2025 dollars

Year	Property	State sales	Local sales	Individual income	Corporate income, excise, license	Total
2025	$250	$365	$96	$220	$109	$1,040
2026	$355	$373	$98	$225	$111	$1,162
2027	$479	$406	$107	$245	$121	$1,358
2028	$596	$419	$110	$253	$125	$1,503
2029	$721	$441	$116	$266	$132	$1,676
2030	$889	$520	$137	$313	$155	$2,014
2031	$1,016	$511	$135	$308	$153	$2,123
2032	$1,176	$559	$147	$337	$167	$2,387
2033	$1,319	$565	$149	$341	$169	$2,543
2034	$1,455	$565	$149	$341	$169	$2,677
Total (10-year)	**$8,255**	**$4,723**	**$1,245**	**$2,849**	**$1,410**	**$18,482**

Note: Figures may not sum due to rounding. Property taxes reflect that property placed into service one year provides property taxes in subsequent years. Other taxes are one-time events, such as sales taxes at the point of sale.
Source: EY analysis based on data provided by Duke Energy, US Census Bureau, and the Bureau of Economic Analysis.

3.3 Potential public sector benefits

The employment estimates presented so far in this report have been for jobs supported in the private sector. State and local taxes will support public sector jobs in states where Duke is making investments. Property taxes paid by Duke Energy will support essential services such as police and fire, and public education. Table 8 provides context around the potential employment benefits for governments due to property tax revenue from the energy modernization projects. Over the 10-year investment period, it is estimated that Duke Energy will pay $6.3 billion in direct property taxes for an average of $632 million annually during this period. Table 8 provides examples of how many public sector salaries can be supported if local property taxes were used to solely support one type of public sector employee (police officers or public-school teachers or fire fighters).

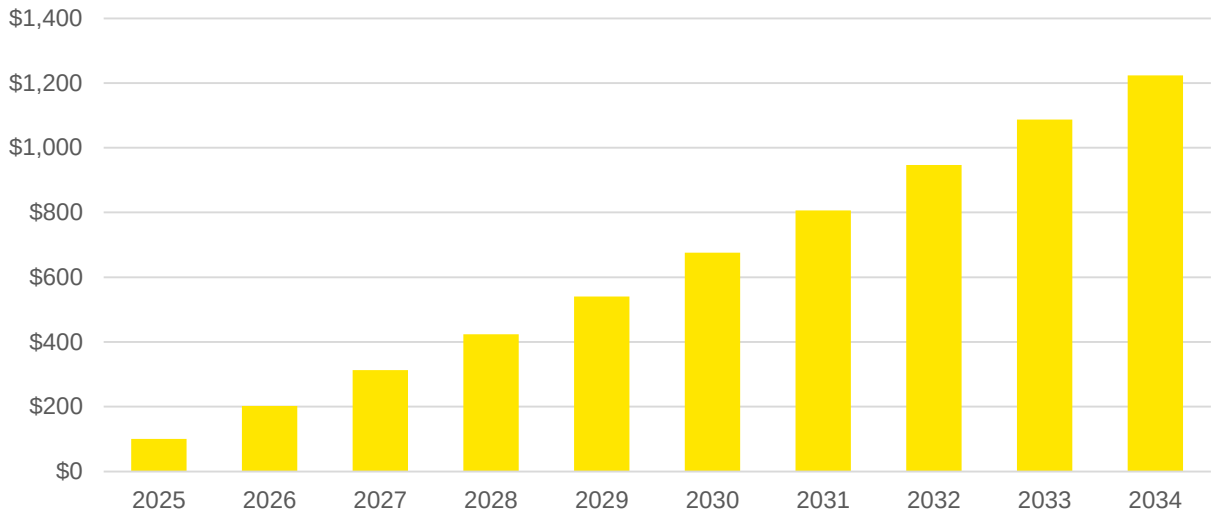
Table 8. Examples of public sector jobs supported through Duke Energy's property taxes associated with energy modernization expenditures (2025-2034)

		Public sector jobs supported		
	Duke Energy	**Teachers or**	**Police officers or**	**Fire fighters**
Duke Energy cumulative property taxes (10-year total)	$6.3 billion			
Average annual property taxes	$632 million			
Average public sector salary*		$60,200	$64,600	$50,200
Number of public sector jobs supported annually due to Duke Energy property taxes		**10,500**	**9,790**	**12,580**

Note: *Average salary is weighted based on regional distribution of expected property taxes being contributed by Duke Energy due to energy modernization expenditures. Average wages for teachers derived from National Education Association (NEA),2023-2024. Wages for police officers and fire fighters were derived from JobsEQ based on Q4-2024 data. Figures may not sum due to rounding.
Source: EY analysis based on data provided by Duke Energy, NEA, JobsEQ, and the Bureau of Economic Analysis.

As Duke Energy invests in energy modernization over the next 10 years, Duke will pay associated property taxes on real and personal property. It is estimated that by 2034, $1.2 billion in local property taxes will be paid by Duke Energy annually on property included in planned energy modernization expenditures. The projected annual growth in property taxes is charted in Figure 4 below.

Figure 4. Duke Energy estimated property tax contributions from energy modernization expenditures, (2025-2034)
Millions of 2025 dollars



Source: EY analysis based on data provided by Duke Energy.

By the end of the investment period, Duke Energy's energy modernization expenditures are projected to contribute $1.2 billion annually in local property tax. Table 9 provides an example of how many public sector jobs could be supported by $1.2 billion in annual Duke Energy property taxes.

Table 9. Example of annual number of public sector jobs supported by Duke Energy's associated property taxes from energy modernization investments (after 2034)

		Public sector jobs supported		
	Duke Energy	**Teachers or**	**Police officers or**	**Fire officers**
Duke Energy annual property taxes (after 2034)	$1.2 billion			
Average public sector salary*		$60,200	$64,600	$50,200
Number of public sector jobs supported annually due to Duke Energy property taxes		**20,410**	**19,060**	**24,510**

Note: *Average salary is weighted based on regional distribution of expected property taxes being contributed by Duke Energy due to energy modernization expenditures. Average wages for teachers derived from National Education Association (NEA),2023-2024. Wages for police officers and fire fighters were derived from JobsEQ based on Q4-2024 data. Figures may not sum due to rounding.
Source: EY analysis based on data provided by Duke Energy, JobsEQ, and the Bureau of Economic Analysis.

4. Appendix

4.1 IMPLAN Input-output model

The economic contribution analysis of Duke Energy's energy modernization expenditures was estimated using detailed input-output models. The economic input-output model identifies the complex flows from producers to intermediate and final consumers within a region. The model uses data describing purchases of commodities and services by industries, compensation paid to employees, and total value added.

This analysis includes direct, indirect and induced economic effects. Direct effects are production changes associated with the immediate effects or final demand changes. Indirect effects are production changes in backward-linked industries caused by the changing input needs of directly affected industries (for example, additional purchases to produce additional output). Induced effects are the changes in regional household spending patterns caused by changes in household income generated from the direct and indirect effects and are included in the estimated impacts presented in this study.

Purchases for final use (final demand) drive the model. Industries producing goods and services for final demand purchase goods and services from other producers. These other producers, in turn, purchase goods and services. This buying of goods and services (indirect purchases) continues until leakage from the region (imports and value added) stops the cycle. These indirect and induced effects (the effects of household spending) can be mathematically estimated. The resulting sets of multipliers describe the change of output for each, and every regional industry caused by a one dollar change in final demand for any given industry.

The following IMPLAN industries were used in the US analysis, chosen to align with Duke's direct expenditures:

36	Electric power generation - Nuclear
439	Architectural, engineering, and related services
3047	Newly constructed power and communication structures
3207	Iron and steel and ferroalloy products
3210	Steel wire
3228	Fabricated structural metal products
3255	Mining machinery
3270	Turbine and turbine generator set units
3286	Scales, balances, and miscellaneous general-purpose machinery
3287	Electronic computers
3296	Semiconductors and related devices
3305	Electricity and signal testing instruments
3314	Power, distribution, and specialty transformers
3318	Batteries
3323	All other miscellaneous electrical equipment and components
3461	Waste management and remediation services
5001	Employee compensation change

4.2 Economic and tax contribution study limitations

The economic and tax contributions are estimates based on capital expenditure data provided by Duke Energy management and have not been independently verified by EY. Duke Energy is planning to spend between $190 billion and $200 billion over the next decade.[7] As Duke Energy focuses investment on energy modernization, investment in conventional energy sources is likely to decline. This report estimates only the positive activity associated with the construction and maintenance of new and existing renewable power generation and grid modernization and does not reflect negative economic activity that results from declines in other areas by Duke Energy. This report also does not capture the year-by-year "incremental" or "net new" economic impact above current (2025) capital expenditure levels, as the analysis does not account for potential reductions in economic impact from Duke Energy's other business decisions (e.g., reducing operations in certain types of energy generation). Table ES-3 compares the average annual supported level of economic activity during 2025-2034 to the 2024 baseline year to provide an indication over the 10-year period of what the incremental impact could likely be.

Direct jobs are related to the construction, maintenance and operation of energy generation and distribution. The analysis does not consider whether required labor is currently employed by Duke Energy or would require new employees. Employment results presented are estimates of the labor required to complete energy modernization projects. Direct, indirect and induced jobs are reported based on work location (where the job is located).

Indirect economic impacts were estimated based on relationships in the IMPLAN input-output model, which describe the mix of locally supplied goods and services, by history, based on historical purchasing relationships. The IMPLAN industry models were chosen to most closely resemble the mix of activities related to the planned capital expenditures.

The economic impacts presented in this report quantify the economic activity supported by Duke Energy's capital expenditures. In some cases, the indirect and induced jobs may not be net new to the states in which investments are occurring but are temporarily supported by Duke Energy's expenditures. Similarly, the analysis does not measure the potential impacts of jobs lost from the transition to low- and zero-carbon energy generation.

New property taxes due to the capital investments were estimated using the effective tax rates in each state that were calculated based on Duke Energy property costs and property taxes paid as of December 31, 2023. Ohio is set to reduce their electric utility property assessment ratios each year, which has been incorporated into the direct property estimates. Property tax estimates are shown for the year the tax liability was generated, not necessarily the year the tax is paid. The historical relationship between taxes and labor income in each state was used to estimate the indirect and induced taxes generated through capital expenditures.

[7] As presented by Duke Energy in the First Quarter 2025 Earnings Review and Business Update on May 6, 2025.