



FIRST QUARTER EARNINGS REVIEW AND BUSINESS UPDATE



May 9, 2017

PRESENTED BY:
LYNN GOOD | CHAIRMAN, PRESIDENT AND CEO
STEVE YOUNG | EXECUTIVE VP AND CFO

Safe Harbor statement

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

Regulation G disclosure

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



Bringing the future to light.



BUSINESS UPDATE

Lynn Good, Chairman, President & CEO

- First Quarter 2017 Financial and Operational Highlights
- Our Strategic Vision
- Grid Modernization
- Update on Strategic Initiatives

FINANCIAL UPDATE

Steve Young, Executive VP & CFO

- First Quarter 2017 Earnings Drivers
- Economic Conditions and Load Growth Trends
- Regulatory Update
- Key Investor Considerations

\$1.02

REPORTED DILUTED EPS
FOR 1Q 2017
COMPARED TO
\$1.01 IN 1Q 2016

\$1.04

ADJUSTED DILUTED EPS
FOR 1Q 2017
COMPARED TO
\$1.13 IN 1Q 2016

ON TRACK

TO ACHIEVE 2017 EPS
GUIDANCE RANGE
OF \$4.50 - \$4.70 ⁽¹⁾

Financial Performance

- Ongoing investments driving solid growth in electric and gas utilities
- Warm winter weather compared to normal across each of our jurisdictions
- Cost management to address warm weather, in addition to ongoing efficiency efforts

Operational Highlights

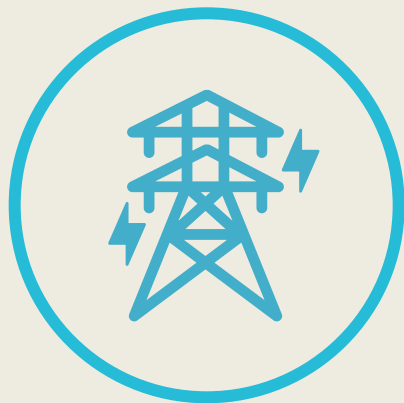
- Midwest LDCs received 2016 American Gas Association Safety Achievement award
- Piedmont named a Top Utility Environmental Champion of 2017

(1) Based on adjusted diluted EPS

INVESTING IN INFRASTRUCTURE OUR CUSTOMERS VALUE.
DELIVERING SUSTAINABLE GROWTH.



ACHIEVE
TOP QUARTILE
CUSTOMER SATISFACTION



MODERNIZE THE
ENERGY GRID

\$25 B

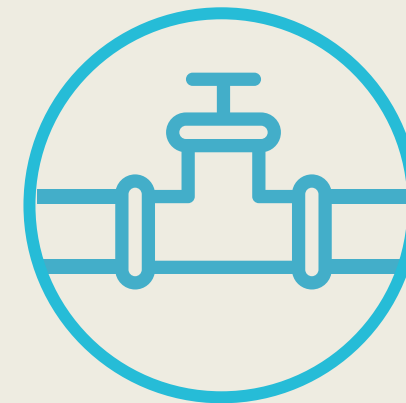
INVESTMENTS IN
GRID MODERNIZATION
OVER 10 YEARS



GENERATE
CLEANER ENERGY

\$11 B

INVESTMENTS IN
CLEANER GENERATION
OVER 10 YEARS⁽¹⁾



EXPAND **NATURAL GAS**
INFRASTRUCTURE

15%

PROPORTION OF OUR
BUSINESS MIX FROM GAS
IN 10 YEARS **FROM 8% TODAY⁽²⁾**

**ALL
JURISDICTIONS**

REVENUES RECOVERED VIA
MODERN REGULATORY MECHANISMS
WITHIN 10 YEARS

⁽¹⁾ Includes natural gas and renewables generation. Excludes nuclear relicensing and new nuclear projects

⁽²⁾ Based on adjusted diluted EPS



MODERNIZE THE ENERGY GRID

\$25 B

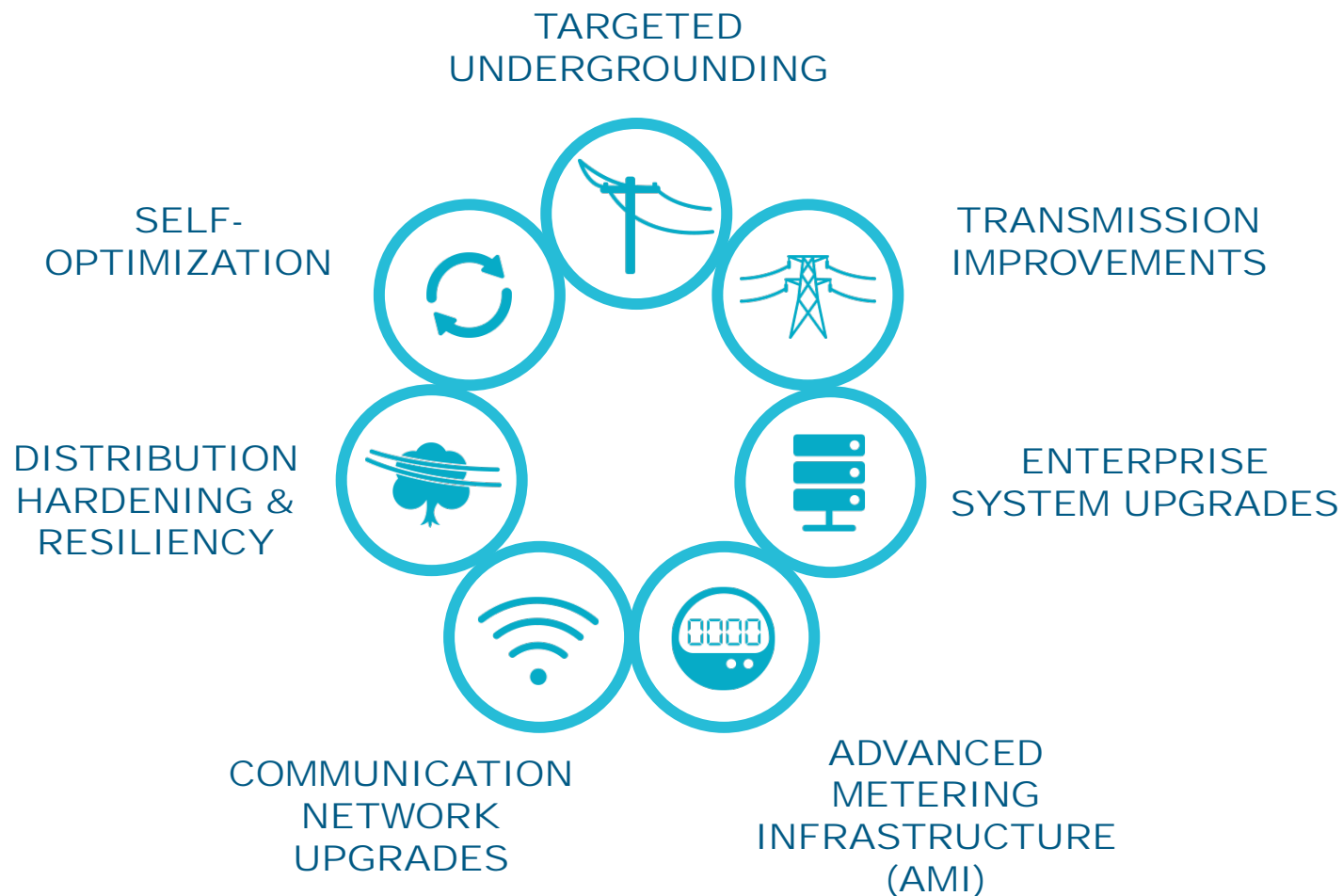
OF GRID INVESTMENTS OVER 10 YEARS

#1

DUKE'S T&D SYSTEM IS LARGEST IN THE U.S. WITH OVER 300K LINE MILES

50% ↓

REDUCTION IN OUTAGE FREQUENCY AND DURATION OVER NEXT 10 YEARS





MODERNIZE THE ENERGY GRID



ENGAGE STAKEHOLDERS

\$13 B

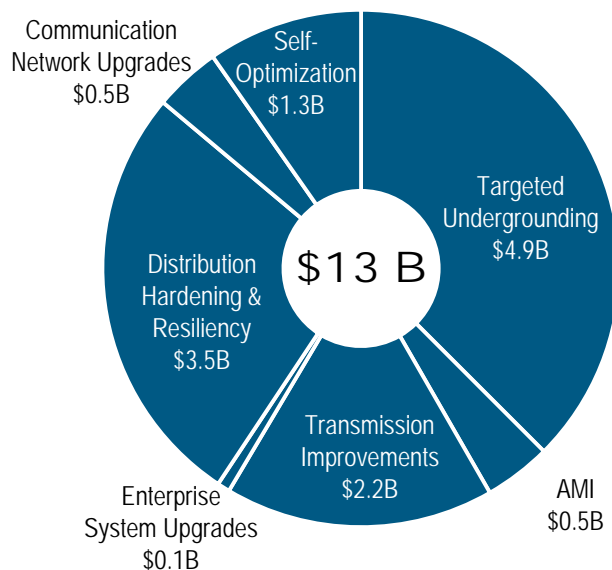
10-YEAR POWER/FORWARD CAROLINAS INITIATIVE ANNOUNCED APRIL 12



POWER/FORWARD CAROLINAS

BUILDING A BETTER ENERGY FUTURE FOR NORTH CAROLINA

WHILE GENERATING JOBS AND STIMULATING ECONOMIC GROWTH ⁽¹⁾



PEOPLE/POWER



13,907
Average jobs

ECONOMIC/POWER



\$21.5 billion
10-year total economic output

FUTURE/POWER



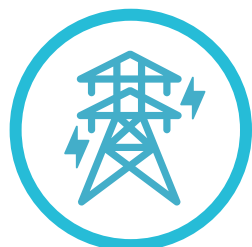
A smarter, safer energy system for our customers and communities

(1) Source: EY Quantitative Economics and Statistics (QUEST). Quantifying the potential North Carolina impacts of Duke Energy's capital improvements. March 2017

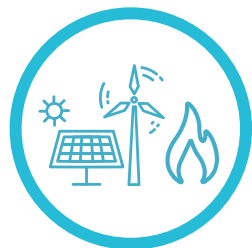
STATUS UPDATE



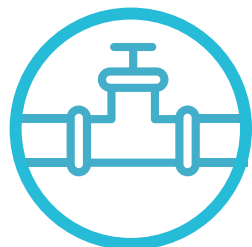
ENGAGE
STAKEHOLDERS



MODERNIZE THE
ENERGY GRID



GENERATE
CLEANER ENERGY



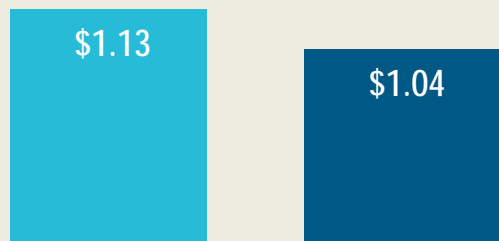
EXPAND NATURAL GAS
INFRASTRUCTURE

- Power/Forward Carolinas Announcement
- Over 2 million smart meters deployed to-date, including over 1 million in the Carolinas
- Indiana grid modernization (TDSIC) underway
- W.S. Lee CCGT on track
- Citrus County CCGT on track
- Western Carolinas Modernization Project on track
- Sabal Trail on track
- ACP awaiting Final Environmental Impact Statement
- Constitution permitting still pending
- Gas infrastructure for W.S. Lee (Piedmont) and Citrus County (Sabal Trail) on track



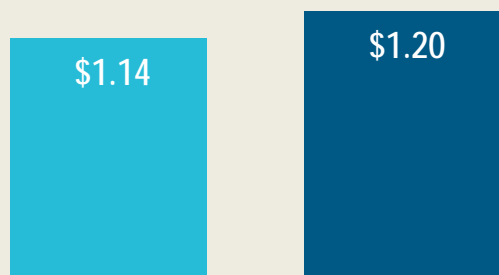
TRANSFORM THE
CUSTOMER
EXPERIENCE

ADJUSTED DILUTED EARNINGS PER SHARE



1Q 2016 1Q 2017

WEATHER-NORMAL ADJUSTED DILUTED EARNINGS PER SHARE



1Q 2016⁽⁴⁾ 1Q 2017⁽⁵⁾

ON TRACK

TO ACHIEVE 2017 EPS GUIDANCE RANGE OF \$4.50 - \$4.70⁽⁶⁾

SEGMENT RESULTS VS. PRIOR YEAR QUARTER ⁽¹⁾⁽²⁾

Electric Utilities & Infrastructure, -\$29 M (-\$0.03 per share)

- ▼ Warm winter weather (-\$0.14)
- ▲ Lower O&M due to reduced storm restoration costs compared to prior year and ongoing cost savings
- ▲ Higher retail revenues from increased pricing, riders and volumes

Gas Utilities & Infrastructure, +\$101 M (+\$0.14 per share)

- ▲ Contribution from Piedmont Natural Gas⁽³⁾

Commercial Renewables, -\$1 M (Flat)

- ▲ Higher earnings from new projects brought on-line in 2016
- ▼ Lower solar ITCs in the current year

Other, -\$5 M (-\$0.01 per share)

- ▼ Higher interest expense⁽³⁾
- ▲ Higher earnings from NMC

Share Dilution (-\$0.02 per share)

PREVIOUSLY DISPOSED BUSINESS

International Energy, -\$117 M (-\$0.17 per share)

(1) Detailed drivers of adjusted segment income (expense) are available in the 1Q 2017 earnings release located on our Investor Relations website at www.duke-energy.com/investors/

(2) Prior year segment income recast to conform to the new segment structure

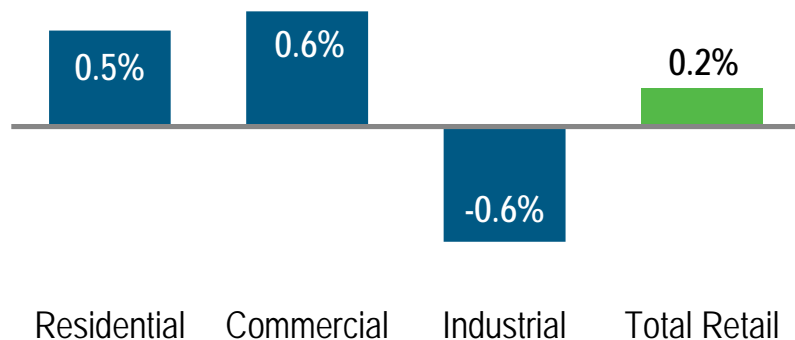
(3) Piedmont's earnings contribution excludes financing costs recorded in Other

(4) Includes results from International Energy, which was sold in Dec. 2016, and \$0.05 of abnormal storm expense in 1Q 2016

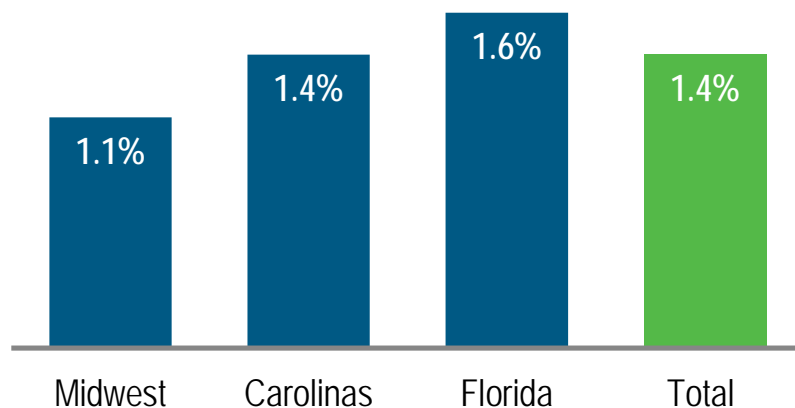
(5) Weather-normal adjustment includes \$0.15 in Electric Utilities and Infrastructure and \$0.01 in Gas Utilities and Infrastructure related to Midwest LDCs

(6) Based on adjusted diluted EPS

Rolling 12 Month Retail Sales Growth



Annual Growth in Number of Residential Customers



RESIDENTIAL

- Continued strength in average customer growth (+1.4% over the rolling 12 months) partially offset by lower usage per customer
- New permit applications for single-family housing starts are up over 10% across all of our service territories

COMMERCIAL

- Office vacancies continue to decline even as new office space is being added
- Consumers are driving sales in tourism and amusement activities (restaurants, lodging, etc.)

INDUSTRIAL

- Industries supporting sales to U.S. consumers (construction, home furnishings) are showing resilience as the job market and incomes continue to improve
- Industries more heavily dependent on global trade continue to face headwinds from a continued strong dollar and geopolitical uncertainties

Excluding the impact of leap day in the prior year, rolling 12 month retail volumes were up 0.5%



ENGAGE
STAKEHOLDERS

ON TRACK
TO ACHIEVE 2017
REGULATORY
PRIORITIES



DUKE ENERGY
FLORIDA



DUKE ENERGY
INDIANA



DUKE ENERGY
PROGRESS



DUKE ENERGY
CAROLINAS



PIEDMONT
NATURAL GAS

FILING TYPE	STATUS	KEY DRIVERS
Generation Base Rate Adjustment (GBRA)	<ul style="list-style-type: none"> Osprey rates effective Feb. '17 Hines chiller rates effective Apr. '17 	<ul style="list-style-type: none"> Osprey CCGT acquisition Hines Chiller Project
Transmission, Distribution and Storage System Improvement Charge (TDSIC)	<ul style="list-style-type: none"> TDSIC-1 rates effective Apr. '17 TDSIC-2 filed on Apr. 25, 2017 	<ul style="list-style-type: none"> TDSIC-1 investments through Jun. '16 TDSIC-2 investments through Dec. '16
General Rate Case	Filed notice on May 2 with NCUC	Nuclear projects, Sutton CTs, Asheville CWIP, Hurricane Matthew, utility-owned solar, coal ash
General Rate Case	Plan to file Summer 2017	Lee CCGT, nuclear projects, AMI, utility-owned solar, coal ash
Integrity Management Rider	NC: Filed May 1 for rates effective June 1	Integrity and safety investments through Mar. 1, 2017

DUK
LISTED
NYSE

A SOLID LONG-TERM HOLDING



SUPPORTED BY THE STRENGTH OF OUR BALANCE SHEET

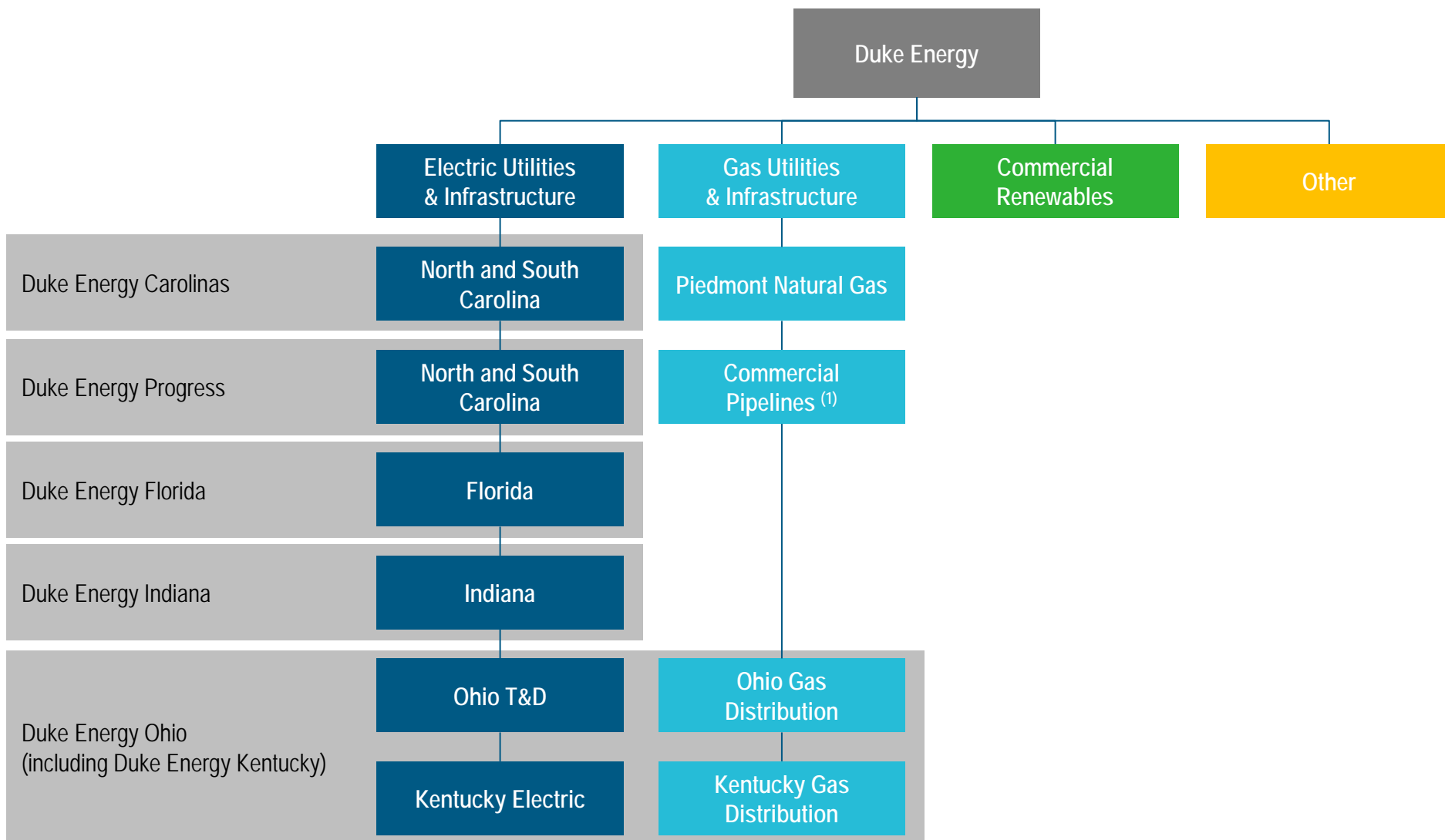
(1) As of May 8, 2017

(2) 4-6% dividend growth subject to approval by the Board of Directors

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

(4) Based on adjusted diluted EPS off the midpoint of the 2017 guidance range of \$4.50-\$4.70

Item	Slide(s)
Duke Energy business segment structure	15
Update on Key 2017 Assumptions	16-18
1Q 2017 Supplemental Data	19-27
Financial Supplement	28-33
Other Information	34-38



(1) On Apr. 1, 2017, Piedmont transferred its ownership interests in ACP and Constitution to a wholly owned subsidiary of Duke Energy

Update on Key 2017 Assumptions

Key 2017 adjusted earnings guidance assumptions

(\$ in millions)	Original 2017 assumptions ⁽¹⁾	2017 YTD (thru 3/31/2017)
Adjusted segment income/(expense) ⁽²⁾:		
Electric Utilities & Infrastructure	\$3,109	\$635
Gas Utilities & Infrastructure	\$282	\$133
Commercial Renewables	\$99	\$25
Other	(\$268)	(\$67)
Duke Energy Consolidated	\$3,222	\$726
Additional consolidated information:		
Interest expense	\$1,974	\$491
Adjusted effective tax rate	32-33%	32.5%
Debt AFUDC and capitalized interest	\$124	\$33
AFUDC equity	\$278	\$62
Capital expenditures ⁽³⁾⁽⁴⁾	\$9,425	\$2,455
Weighted-average shares outstanding	~700 million	~700 million

(1) As disclosed on Feb. 16, 2017

(2) Adjusted net income for 2017 assumption is based upon midpoint of adjusted diluted EPS guidance range of \$4.50 to \$4.70

(3) Includes debt AFUDC and capitalized interest. Original 2017 assumption includes ~\$650 million of 2017 projected coal ash closure spend

(4) Includes coal ash closure spend of \$120 million in 2017 YTD that was included in operating cash flows

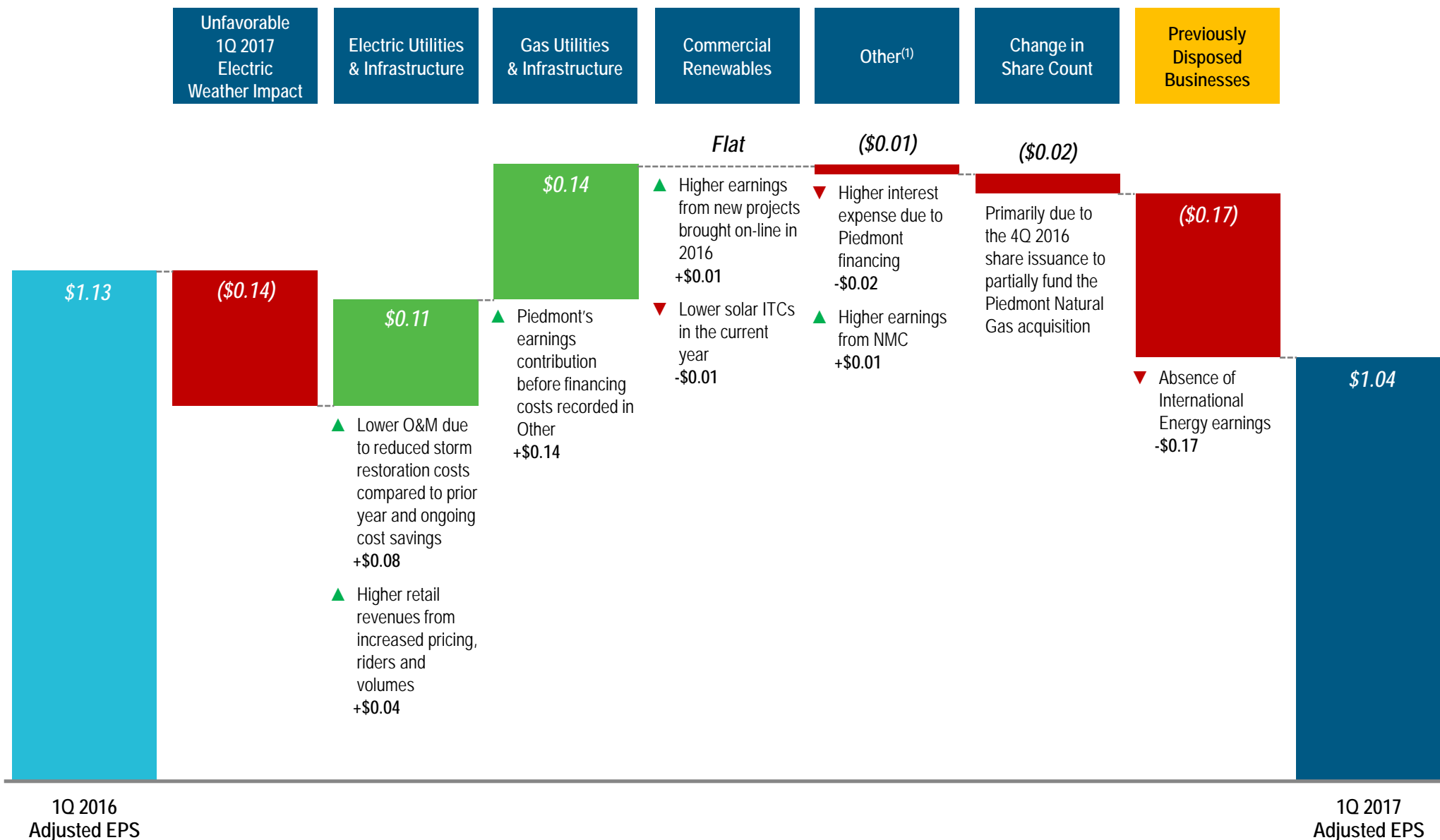
Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.40
	\$1 billion change in rate base	+/- \$0.08
	1% change in Electric Utilities volumes	+/- \$0.10
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.04
	\$200 million change in rate base	+/- \$0.01
	1% change in number of new customers	+/- \$0.01
Consolidated	1% change in interest rates ⁽¹⁾	+/- \$0.08
Other	\$10/barrel change in Brent crude oil prices	+/- \$0.01 - 0.02

Note: EPS amounts based on forecasted 2017 share count of ~700 million shares

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

1Q 2017 Supplemental Data

1Q 2016 – 1Q 2017 adjusted diluted EPS waterfall



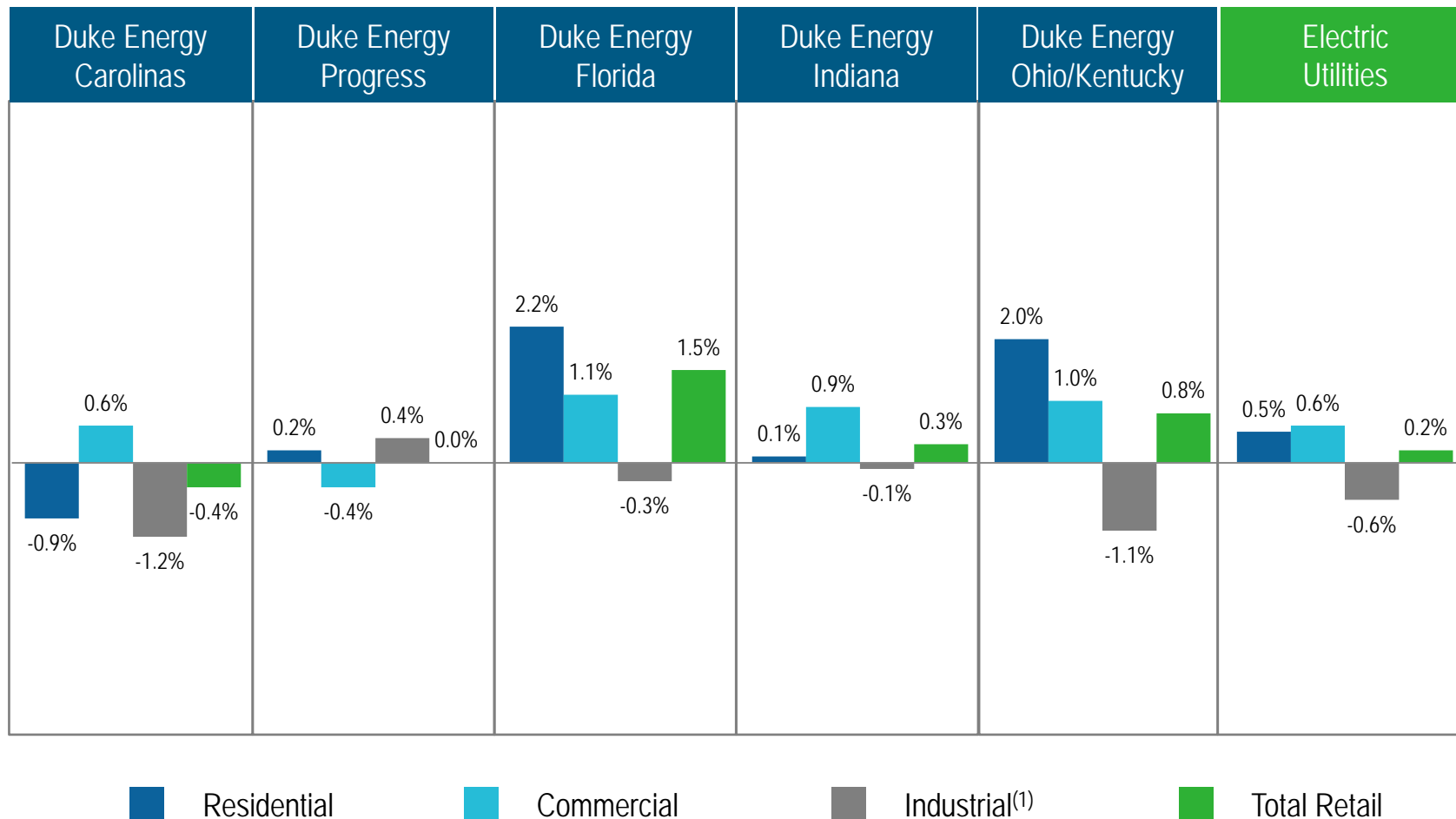
(1) Due to the Piedmont acquisition and the sale of International Energy in the fourth quarter of 2016, Duke Energy's segment structure has been realigned. The Other segment now includes the results of National Methanol Company (NMC), which were previously included in the International Energy segment

Weather segment income to normal:	2017			2016		
	Pretax impact	Weighted avg. diluted shares	EPS impact – favorable / (unfavorable)	Pretax impact	Weighted avg. shares	EPS impact – favorable / (unfavorable)
First Quarter	(\$175)	700	(\$0.15)	(\$10)	689	(\$0.01)
Second Quarter				\$40	690	\$0.04
Third Quarter				\$190	691	\$0.17
Fourth Quarter				(\$70)	699	(\$0.06)
Year-to-Date ⁽¹⁾	(\$175)	700	(\$0.15)	\$150	691	\$0.14

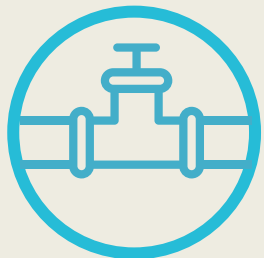
1Q 2016	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,661	(5.9%)	1,514	(7.1%)	401	4.2%	2,521	(9.3%)	2,349	(9.5%)
Cooling degree days / Variance from normal	19	171.4%	36	260.0%	199	7.6%	--	(100.0%)	--	(100.0%)
1Q 2017	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,291	(26.2%)	1,203	(25.6%)	176	(53.6%)	2,208	(20.1%)	2,044	(20.7%)
Cooling degree days / Variance from normal	10	66.7%	10	11.1%	273	49.2%	--	(100.0%)	1	(75.0%)

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

Rolling Twelve Months, as of Mar. 31, 2017



(1) Industrial weakness primarily related to a large customer at Duke Energy Carolinas who is progressing through a bankruptcy process, and several large phosphate customers at Duke Energy Florida who have been impacted by mine closures in the face of weakness in the agriculture industry. These impacts are considered temporary.



EXPAND NATURAL GAS INFRASTRUCTURE

90%

RESIDENTIAL CUSTOMERS

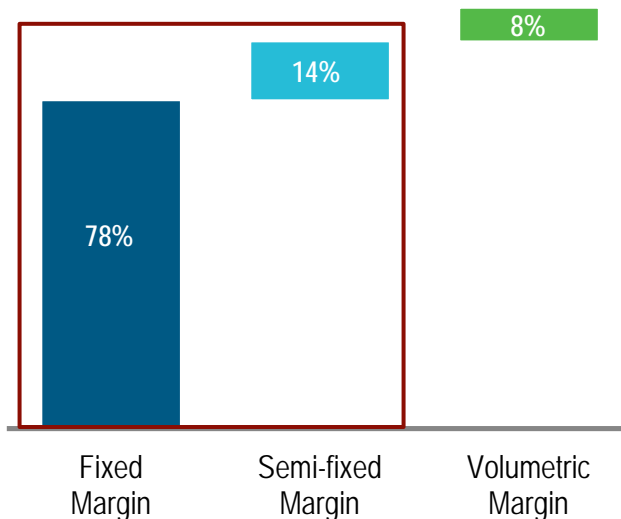
92%

MOSTLY FIXED MARGINS⁽¹⁾

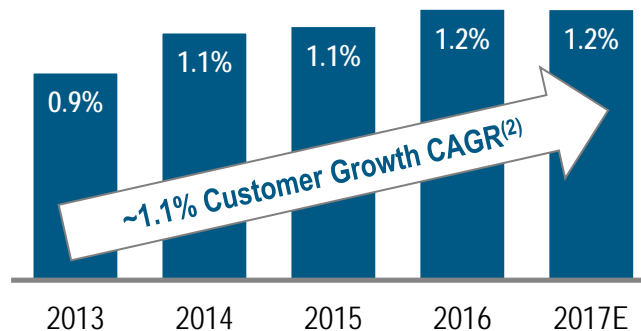
(1) As of Oct. 31, 2016

(2) Piedmont CAGR: 1.5%, Midwest LDC CAGR: 0.5%

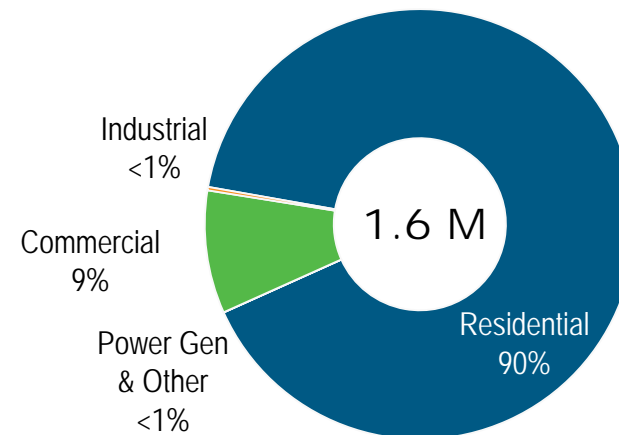
LOW VOLUMETRIC EXPOSURE DUE TO MOSTLY FIXED MARGINS...



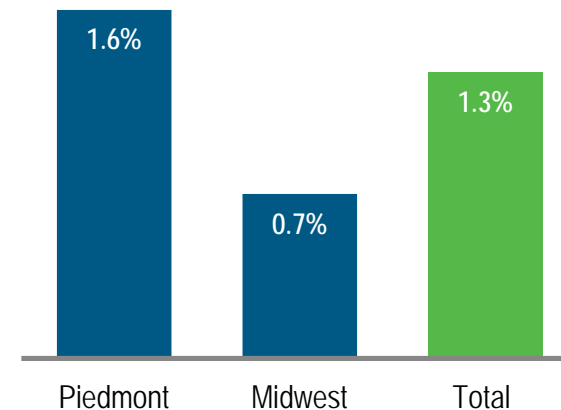
...WITH EARNINGS DRIVEN BY INVESTMENT AND STRONG CUSTOMER GROWTH

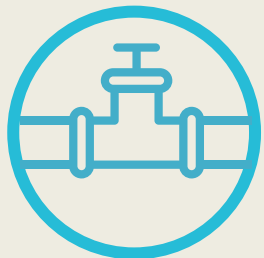


CUSTOMER MIX AS OF MAR. 31, 2017



ANNUAL GROWTH IN NUMBER OF RESIDENTIAL CUSTOMERS AS OF MAR. 31, 2017

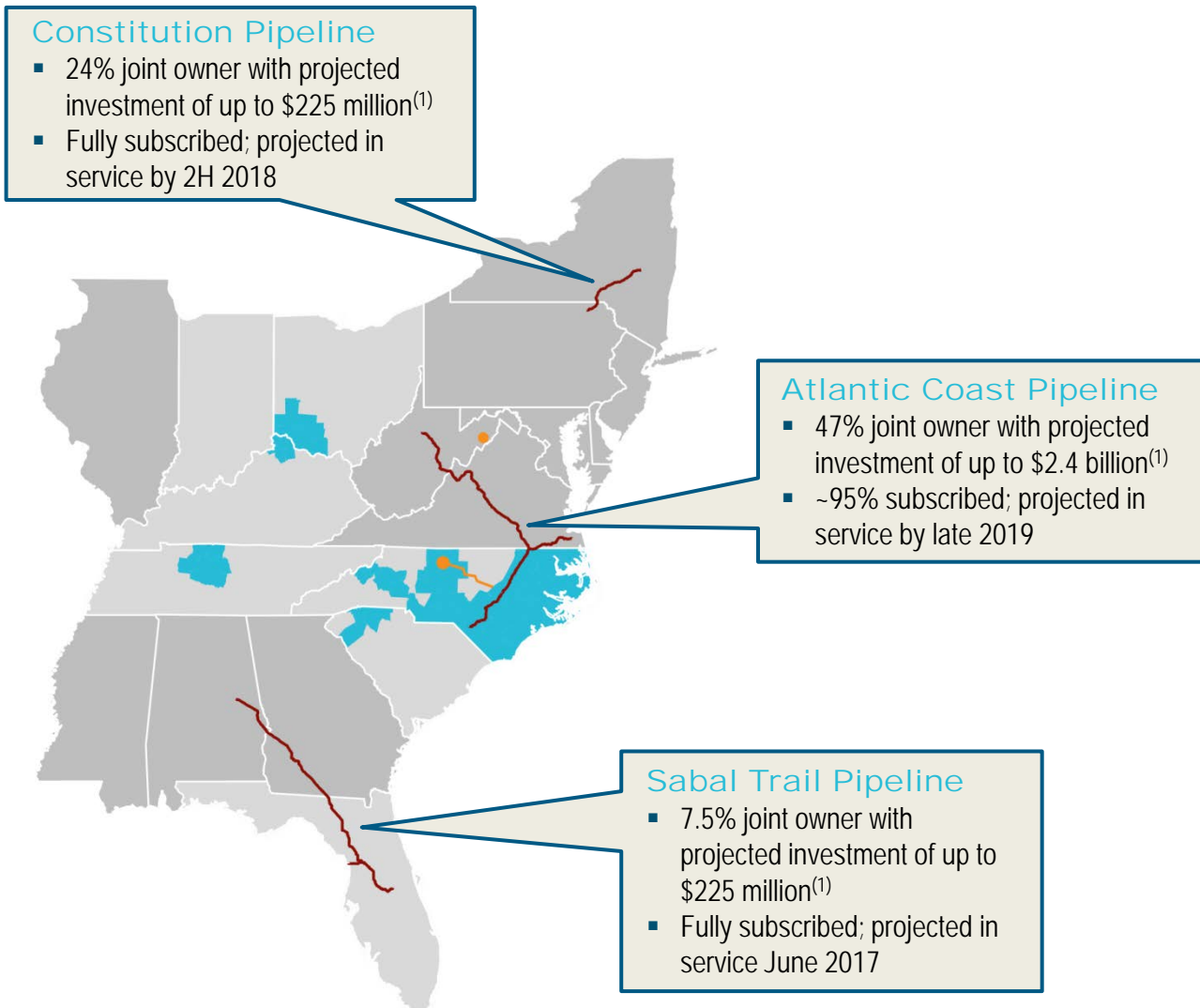




EXPAND NATURAL GAS INFRASTRUCTURE

\$3.3 B

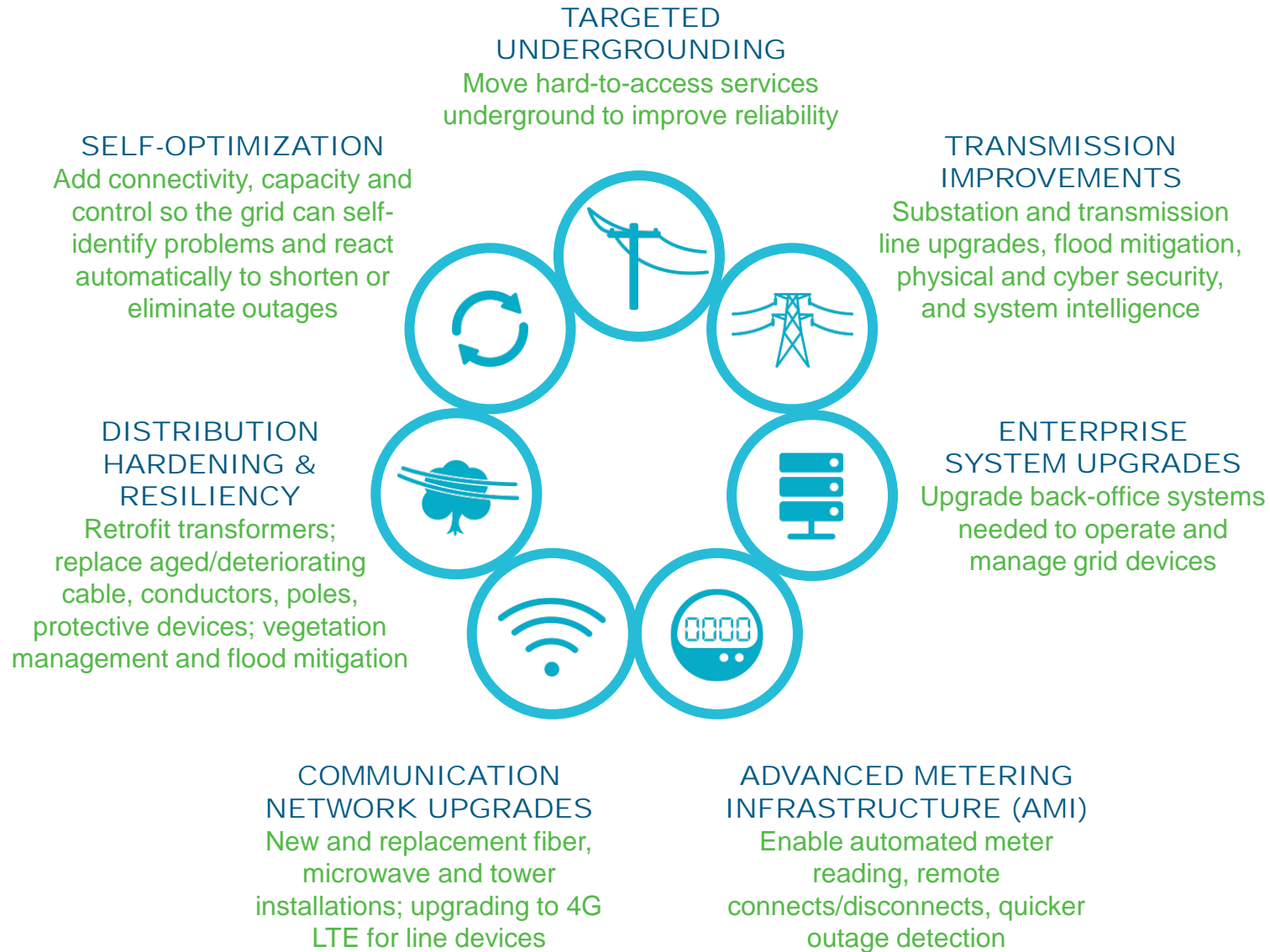
INVESTMENTS IN MIDSTREAM PIPELINES OVER 5 YEARS⁽²⁾



Map credit: SNL

⁽¹⁾ Investment level will depend upon how the project and Duke investment are financed

⁽²⁾ As disclosed on Feb. 16, 2017



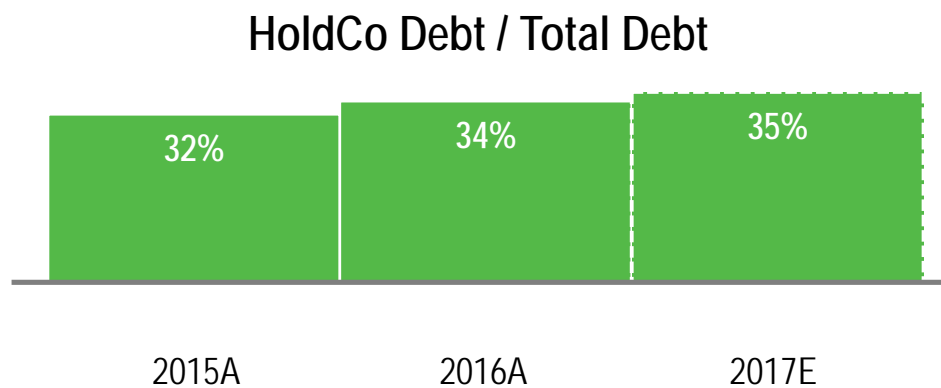
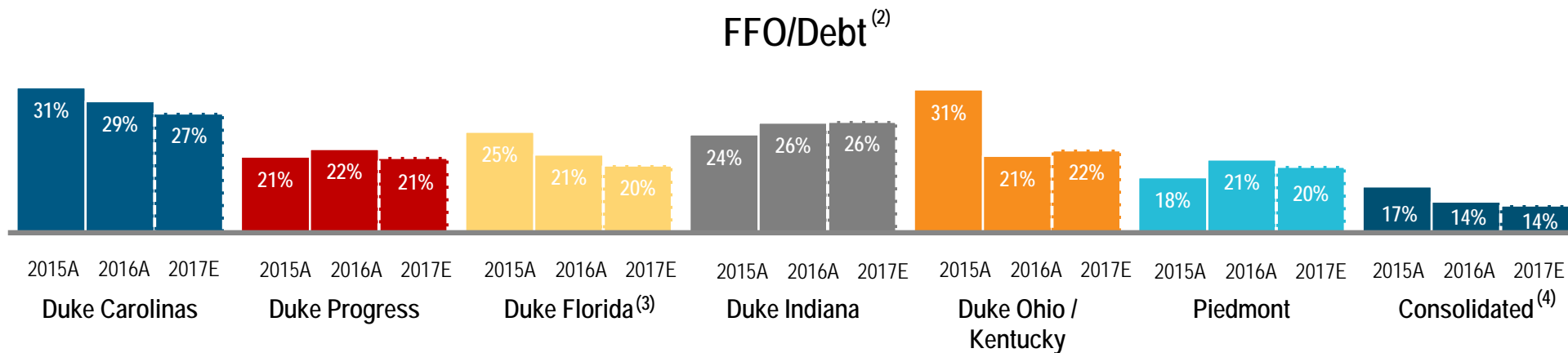
Jurisdiction	Regulatory Filing	Docket Number
Duke Energy Carolinas	Coal Ash Cost Deferral	NC: E-7 Sub 1110
	Avoided Cost	NC: E-100 Sub 148
Duke Energy Progress	Coal Ash Cost Deferral	NC: E-2 Sub 1103
	Avoided Cost	NC: E-100 Sub 148
	2016 Storm Cost Deferral	NC: E-2 Sub 1131
Duke Energy Indiana	TDSIC - 2	IURC 44720
	Coal Combustion Residuals (CCR) Cost Recovery	IURC 44765
Duke Energy Ohio	Recovery of OVEC costs	17-872-EL-RDR
	General Rate Case (Electric)	17-32-EL-AIR
Piedmont Natural Gas	Integrity Management Rider	NC: G-9, Sub 708 TN: 16-00140

Overview of state commissions by jurisdiction

	North Carolina	South Carolina	Florida	Indiana	Ohio	Kentucky	Tennessee
Number of Commissioners	7	7	5	5	5	3	5
Term	6-year terms	4-year terms	4-year terms	4-year terms	5-year terms	4-year terms	6-year terms
Appointed or Elected	Appointed by Governor	Elected by the General Assembly	Appointed by Governor	Appointed by Governor	Appointed by Governor	Appointed by Governor	Appointed by Governor and Legislature
Chair (Term Expires)	Ed Finley (June '19, Chair term expires June '17)	Swain Whitfield (June '20, Chair term expires June '18)	Julie Imanuel Brown (January '19)	Jim Atterholt (January '20)	Asim Haque (April '21)	Michael Schmitt (June '19)	David Jones (June '18)
Other Commissioners (Term Expires)	<ul style="list-style-type: none"> ▪ Bryan Beatty (June '17) ▪ ToNola Brown-Bland (June '17, re-nominated May 1) ⁽¹⁾ ▪ Don Bailey (June '17) ▪ Jerry Dockham (June '19) ▪ James Patterson (June '19) ▪ Lyons Gray (June '21) ▪ Daniel Clodfelter (nominated May 1) ⁽¹⁾ ▪ Charlotte Mitchell (nominated May 1) ⁽¹⁾ 	<ul style="list-style-type: none"> ▪ Nikki Hall (June '18) ▪ Lib Fleming (June '18) ▪ Elliott Elam (June '18) ▪ Butch Howard (June '20) ▪ Comer Randall (June '20) ▪ G. O' Neal Hamilton (June '20) 	<ul style="list-style-type: none"> ▪ Art Graham (January '18) ▪ Ronald Brise (January '18) ▪ Jimmy Patronis (January '19) ▪ Donald Polmann (January '21) 	<ul style="list-style-type: none"> ▪ Jim Huston (March '17) ▪ Sarah Freeman (December '17) ▪ Angela Weber (March '18) ▪ David Ziegner (April '19) 	<ul style="list-style-type: none"> ▪ Beth Trombold (April '18) ▪ Thomas Johnson (April '19) ▪ Lawrence Friedeman (April '20) ▪ Daniel Conway (April '22) 	<ul style="list-style-type: none"> ▪ Daniel Logsdon (June '17) ▪ Robert Cicero (June '20) 	<ul style="list-style-type: none"> ▪ Keith Jordan (June '18) ▪ Robin Morrison (June '20) ▪ Kenneth Hill (June '20) ▪ Herbert Hilliard (June '23)

(1) Nominations subject to confirmation by NC House and Senate; current commissioners serve until replacements confirmed

Financial Supplement



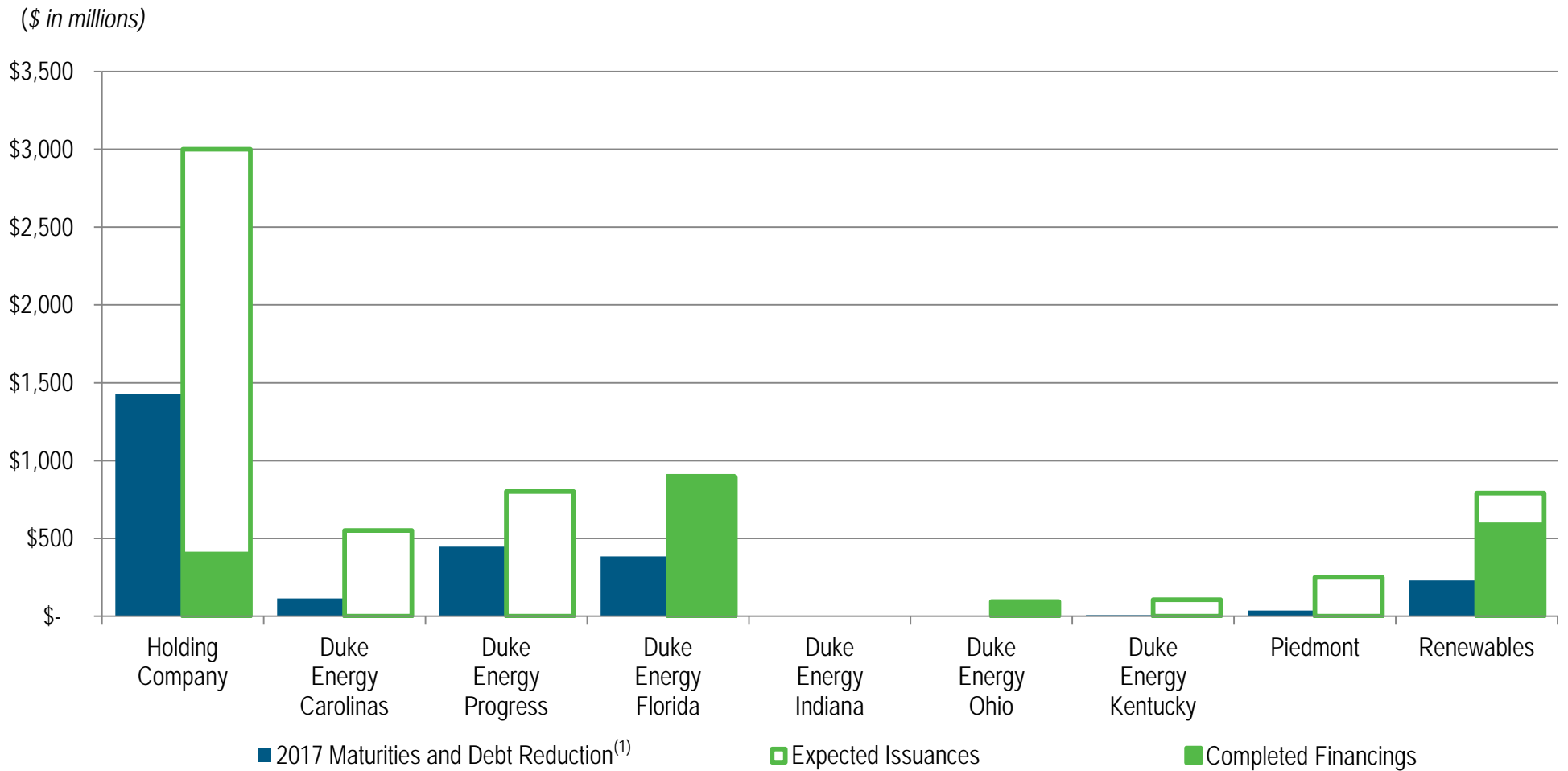
(1) Amounts are not to scale and do not include all adjustments that may be made by the rating agencies; 2017E figures are original assumptions as disclosed on Feb. 16, 2017

(2) FFO excludes asset retirement obligation costs (after tax amount calculated using a 38% tax rate as a simplifying assumption)

(3) Assumes CR-3 securitization treated as off credit

(4) Consolidated metrics exclude increases to debt associated with purchase accounting

2017 financing plan (as of Apr. 30, 2017)



(1) Debt maturities and debt reduction reflect estimated net changes in commercial paper and notes payable

Amount (\$ in millions)	Entity	Date Issued	Credit Ratings (M/S&P, unless otherwise noted)	Term	Type	Rate
\$650	DE Florida	January 2017	A1/A	10 Year	First Mortgage Bond	Fixed – 3.200%
\$250	DE Florida	January 2017	A1/A	3 Year	First Mortgage Bond	Fixed – 1.850%
\$100	DE Ohio	March 2017	A2/A	29.2 Year ⁽¹⁾	First Mortgage Bond	Fixed – 3.70%
\$587	Texoma Wind	February 2017	BBB- ⁽²⁾	17.4 Year ⁽³⁾	Secured	Fixed – 4.12%
\$420	Holdco	April 2017	N/A ⁽⁴⁾	8 Year	Senior Notes	Fixed – 3.364%

(1) Re-opener of \$250 million 3.70% first mortgage bond originally issued in June 2016 and due 2046

(2) As rated by Kroll Bond Rating Agency, Inc.

(3) Notes are amortizing, represent final year of maturity

(4) Issuance privately placed

Liquidity summary (as of Mar. 31, 2017)



(\$ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility ⁽¹⁾	\$ 3,400	\$ 1,100	\$ 1,000	\$ 950	\$ 600	\$ 300	\$ 150	\$ 500	\$ 8,000
Less: Notes payable and commercial paper ⁽²⁾	(1,822)	(469)	(402)	-	(150)	-	(30)	(261)	(3,134)
Coal Ash Set-Aside	-	(250)	(250)	-	-	-	-	-	(500)
Outstanding letters of credit (LOCs)	(62)	(4)	(2)	(1)	-	-	-	(2)	(71)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 1,516	\$ 377	\$ 346	\$ 949	\$ 369	\$ 300	\$ 120	\$ 237	\$ 4,214
Cash & short-term investments ⁽³⁾									676
Total available liquidity									\$ 4,890

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

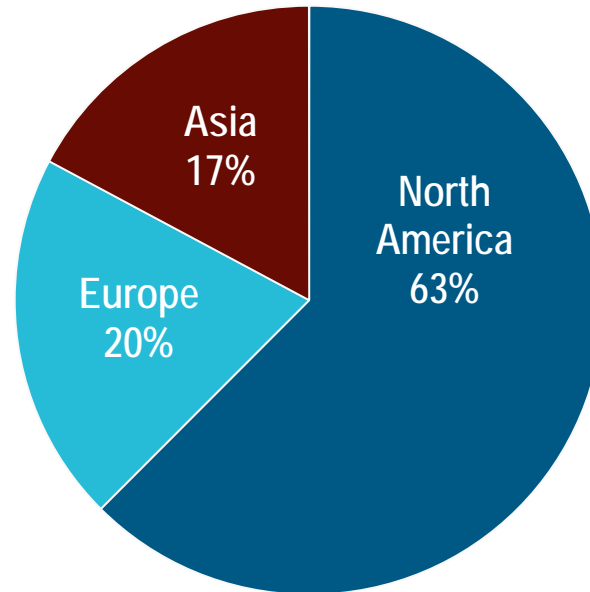
(2) Includes permanent layer of commercial paper of \$625 million, which is classified as long-term debt

(3) Represents cash available to meet funding needs

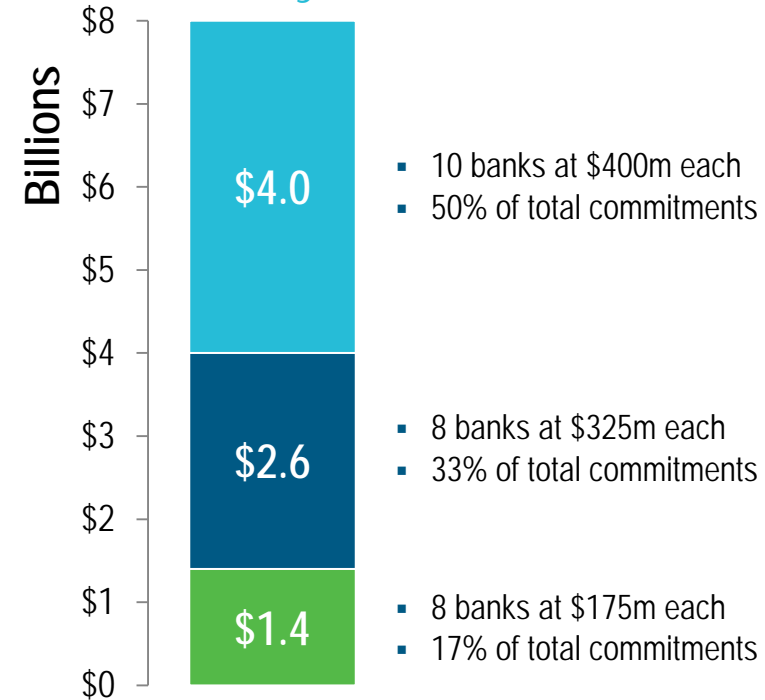
MCF SUMMARY

- Upsized the Facility from \$7.5 billion to \$8.0 billion
- Reset the 5-year maturity date to March 2022
- Included Piedmont Natural Gas as a new Borrower to the Facility and, concurrently, terminated Piedmont's separate \$850 million credit facility
- Increased Commercial Paper program from \$4.0 billion to \$4.85 billion and concurrently terminated Piedmont's separate Commercial Paper program

Lender allocations by bank headquarters



Allocations by commitment level



SUBLIMITS FOR THE MASTER CREDIT FACILITY

As of March 31, 2017

(in millions)	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas
Facility Size ⁽¹⁾	\$8,000	\$3,400	\$1,100	\$1,000	\$950	\$600	\$300	\$150	\$500
Maximum Sublimits		\$4,850	\$1,800	\$1,400	\$1,200	\$1,000	\$725	\$175	\$850

(1) Represents the initial sublimit of each borrower

Other Information

Event	Date
2017 AGA Financial Forum	May 21-22, 2017
2Q 2017 earnings call (tentative)	August 3, 2017
3Q 2017 earnings call (tentative)	November 3, 2017

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Safe Harbor statement

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

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



For additional information on Duke Energy, please visit: www.duke-energy.com/investors

Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 9, 2017

Adjusted Diluted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 9, 2017, include a discussion of adjusted diluted EPS for the quarters ended March 31, 2017 and 2016.

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

Management believes the presentation of adjusted diluted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors (Board of Directors), employees, stockholders, analysts and investors. Adjusted diluted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. Reconciliations of adjusted diluted EPS for the quarters ended March 31, 2017 and 2016, to the most directly comparable GAAP measures are included herein.

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

- Costs to achieve mergers represent charges resulting from strategic acquisitions.
- Cost savings initiatives represents severance charges related to company-wide initiatives, excluding merger integration, to standardize processes and systems, leverage technology and workforce optimization.

Adjusted diluted EPS also include operating results of the Latin American generation business (International Disposal Group), which have been classified as discontinued operations. Management believes inclusion of the operating results of the disposal group within adjusted diluted EPS results in a better reflection of Duke Energy's financial performance during the period.

Adjusted Diluted EPS Outlook

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2017, include a reference to the forecasted 2017 adjusted diluted EPS outlook range of \$4.50 - \$4.70 per share. The materials also reference the long-term range of annual growth of 4% - 6% through 2021 in adjusted diluted EPS (on a compound annual growth rate (CAGR) basis). Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations attributable to Duke Energy Corporation shareholders, adjusted for the per-share impact of special items (as discussed above under Adjusted Diluted EPS). Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

Adjusted Segment Income and Adjusted Other Net Expense, and Forecasted Adjusted Segment Income and Forecasted Adjusted Other Net Expense

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2017, include a discussion of adjusted segment income and adjusted other net expense for the quarter ended March 31, 2017 and a discussion of forecasted adjusted segment income and forecasted adjusted net expense.

Adjusted segment income and adjusted other net expense are non-GAAP financial measures, as they represent reported segment income and other net expense adjusted for special items (as discussed above under Adjusted Diluted EPS). Management believes the presentation of adjusted segment income and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When an EPS amount is provided for a segment income driver, the per-share impact is derived by taking the pretax amount of the item less income taxes based on the consolidated statutory tax rate of 38 percent, except for Duke Energy Renewables, which uses an effective tax rate, divided by the Duke Energy weighted-average diluted shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income and adjusted other net expense are reported segment income and other net expense, which represents segment income and other net expense from continuing operations, including any special items. A reconciliation of adjusted segment income and adjusted other net expense for the quarter ended March 31, 2017, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income and forecasted other net expense and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted Diluted EPS Outlook.

Adjusted Effective Tax Rate (ETR)

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2017 include a discussion of the adjusted ETR for the quarter ended March 31, 2017. The materials also include a discussion of the 2017 forecasted adjusted ETR. Adjusted ETR is a non-GAAP financial measure as the rate is calculated using a pretax earnings and income tax expense, both adjusted for the impact of special items, as discussed above under Adjusted Diluted EPS. The most directly comparable GAAP measure for adjusted ETR is reported effective tax rate. A reconciliation of the adjusted ETR for the quarter period ended March 31, 2017 to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the 2017 forecasted adjusted ETR, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Outlook.

Funds From Operations ("FFO") Ratios

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2017 include a reference to historical and expected FFO to Total Debt ratios. These ratios reflect non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, plus notes payable and commercial paper outstanding. The calculation of FFO to Total Debt ratio is included herein.

Holdco Debt Percentage

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2017 include a reference to a targeted Holdco debt percentage. This percentage reflects a non-GAAP financial measure. The numerator of the Holdco debt percentage, is the balance of Duke Energy Corporate debt, Progress Energy, Inc. debt, Premier Notes and the Commercial Paper attributed to the Holding Company. The denominator for the percentage is the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, plus notes payable and commercial paper outstanding.

Available Liquidity

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2017 include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding amounts unavailable for operations, and remaining availability under the master credit facility. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents. A reconciliation of available liquidity as of March 31, 2017 to the most directly comparable GAAP measure is included herein.

Business Mix Percentages

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2017, reference the current full-year percentage of total adjusted segment income and the ten-year percentage target of total adjusted income provided by the Gas Utilities and Infrastructure segment.

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

Weather Normal

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2017, include a discussion of Duke Energy's adjusted diluted EPS on a weather normal basis for the quarters ended March 31, 2017 and 2016. Adjusted diluted EPS is a non-GAAP measure as discussed above. Weather normal removes the impact of weather on adjusted diluted EPS. The impact of weather is calculated as the earnings impact resulting from changes in weather temperatures from historical averages. Management believes this presentation provides useful information to investors, as it provides a meaningful comparison of financial performance across periods. Forecasted amounts are weather normal as forecasted amounts are based on the historical impacts of weather on Duke Energy's operations.

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

	Reported Earnings	Special Item Costs to Achieve Piedmont Merger	Adjusted Earnings
SEGMENT INCOME			
Electric Utilities and Infrastructure	\$ 635	\$ —	\$ 635
Gas Utilities and Infrastructure	133	—	133
Commercial Renewables	25	—	25
Total Reportable Segment Income	793	—	793
Other	(77)	10 ^A	(67)
Net Income Attributable to Duke Energy Corporation	\$ 716	\$ 10	\$ 726
EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED	\$ 1.02	\$ 0.02	\$ 1.04

A - Net of \$6 million tax benefit. \$15 million recorded within Operating Expenses and \$1 million recorded within Interest Expense on the Condensed Consolidated Statements of Operations.

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

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2016
(Dollars in millions, except per-share amounts)

	<u>Special Items</u>						Total Adjustments	Adjusted Earnings
	Reported Earnings	Costs to Achieve Mergers	Cost Savings Initiatives	International Energy Operations	Discontinued Operations			
SEGMENT INCOME								
Electric Utilities and Infrastructure	\$ 664	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 664
Gas Utilities and Infrastructure	32	—	—	—	—	—	—	32
Commercial Renewables	26	—	—	—	—	—	—	26
Total Reportable Segment Income	722	—	—	—	—	—	—	722
International Energy	—	—	—	117 C	—	117	117	117
Other	(148)	74 A	12 B	—	—	86	(62)	(62)
Discontinued Operations	120	—	—	(117) C	(3) D	(120)	—	—
Net Income Attributable to Duke Energy Corporation	\$ 694	\$ 74	\$ 12	\$ —	\$ (3)	\$ 83	\$ 777	\$ 777
EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED	\$ 1.01	\$ 0.11	\$ 0.02	\$ —	\$ (0.01)	\$ 0.12	\$ 1.13	\$ 1.13

A - Net of \$46 million tax benefit. Includes \$1 million recorded within Operating Revenues, \$19 million recorded within Operating Expenses and \$100 million recorded within Interest Expense on the Condensed Consolidated Statements of Operations. The interest expense primarily relates to losses on forward-starting interest rate swaps associated with the Piedmont acquisition financing.

B - Net of \$8 million tax benefit. Consists of severance costs recorded within Operation, maintenance and other on the Condensed Consolidated Statements of Operations.

C - Includes \$39 million tax benefit. Operating results of the International Disposal Group classified as discontinued operations.

D - Recorded in Income from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

Weighted Average Shares Outstanding, Diluted (reported and adjusted) - 689 million

DUKE ENERGY CORPORATION
ADJUSTED EFFECTIVE TAX RECONCILIATION
Three Months Ended March 31, 2017
(Dollars in Millions)

	Three Months Ended March 31, 2017	
	Balance	Effective Tax Rate
Reported Income From Continuing Operations Before Income Taxes	\$ 1,061	
Costs to Achieve Piedmont Merger	16	
Noncontrolling Interests	(1)	
Adjusted Pretax Income	\$ 1,076	
Reported Income Tax Expense From Continuing Operations	\$ 344	32.4%
Costs to Achieve Piedmont Merger	6	
Adjusted Tax Expense	\$ 350	32.5% *

*Adjusted effective tax rate is a non-GAAP financial measure as the rate is calculated using pretax earnings and income tax expense, both adjusted for the impact of special items. The most directly comparable GAAP measure for adjusted effective tax rate is reported effective tax rate, which includes the impact of special items.

Duke Energy Corporation
Available Liquidity Reconciliation
As of March 31, 2017
(In millions)

Cash and Cash Equivalents	\$ 878	
Less: Certain Amounts Held in Foreign Jurisdictions	(65)	
Less: Unavailable Domestic Cash	<u>(137)</u>	
	676	
Plus: Remaining Availability under Master Credit Facility	<u>4,214</u>	
Total Available Liquidity (a)	<u>\$ 4,890</u>	(approximately 4.9 billion)

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

FFO to Debt Calculation
Duke Energy Corporation
(in millions)

	Years Ended December 31,		
	2017 Forecast	2016 Actual	2015 Actual
Cash From Operations	\$ 6,734	\$ 6,798	\$ 6,676
Working capital adjustment (1)	184	(345)	(181)
Capitalized Interest	(124)	(100)	(98)
CR3 securitization adjustment	(55)	(35)	-
Other	18	19	18
Funds From Operations	6,757	6,337	6,415
ARO spend	-	608	346
ARO spend, net of tax at 38%	348	377	215
FFO exc. coal ash spend (net of tax)	\$ 7,105	\$ 6,714	\$ 6,630
Notes payable and commercial paper	\$ -	\$ 2,487	\$ 3,633
Current maturities of long-term debt	-	2,319	2,026
Long-term debt	-	45,576	36,842
Purchase accounting adjustments	-	(2,671)	(2,702)
CR3 securitization	-	(1,279)	-
Other	-	(125)	(142)
Total Debt	\$ 50,802	\$ 46,307	\$ 39,657
FFO / Debt	14%	14%	17%
(1) Working capital detail, excluding mark-to-market			
Receivables	\$ (184)	\$ (391)	\$ 359
Inventory	158	272	(237)
Other current assets	(152)	(220)	(65)
Accounts payable	(16)	266	(6)
Taxes accrued	38	236	(38)
Other current liabilities	(28)	182	168
	\$ (184)	\$ 345	\$ 181

FFO to Debt Calculation**Duke Energy Carolinas**

(in millions)

	Years Ended December 31,		
	2017 Forecast	2016 Actual	2015 Actual
Cash From Operations	\$ 2,556	\$ 2,976	\$ 2,373
Working capital adjustment (1)	88	(333)	128
Capitalized Interest	(46)	(38)	(38)
Funds From Operations	2,598	2,605	2,463
ARO spend	-	287	167
ARO spend, net of tax at 38%	145	178	104
FFO exc. coal ash spend (net of tax)	\$ 2,743	\$ 2,783	\$ 2,567
Current maturities of long-term debt	\$ -	\$ 116	\$ 356
Long-term debt	-	9,187	7,711
Long-term debt payable to affiliated companies	-	300	300
Total Debt	\$ 10,047	\$ 9,603	\$ 8,367
FFO / Debt	27%	29%	31%

(1) Working capital detail, excluding mark-to-market

Receivables	\$ (33)	\$ (76)	\$ 42
Receivables from affiliated companies	-	(56)	(32)
Inventory	20	215	(157)
Other current assets	(126)	67	(51)
Accounts payable	23	(85)	(4)
Accounts payable to affiliated companies	-	18	75
Taxes accrued	(6)	187	(128)
Other current liabilities	34	63	127
	\$ (88)	\$ 333	\$ (128)

FFO to Debt Calculation**Duke Energy Progress**

(in millions)

	Years Ended December 31,		
	2017 Forecast	2016 Actual	2015 Actual
Cash From Operations	\$ 1,305	\$ 1,932	\$ 1,594
Working capital adjustment (1)	106	(502)	(219)
Capitalized Interest	(22)	(17)	(20)
Other	3	2	2
Funds From Operations	1,392	1,415	1,357
ARO spend	-	212	109
ARO spend, net of tax at 38%	148	131	68
FFO exc. coal ash spend (net of tax)	\$ 1,540	\$ 1,546	\$ 1,425
Notes payable to affiliated companies	\$ -	\$ -	\$ 209
Current maturities of long-term debt	-	452	2
Long-term debt	-	6,409	6,366
Long-term debt payable to affiliated companies	-	150	150
Total Debt	\$ 7,366	\$ 7,011	\$ 6,727
FFO / Debt	21%	22%	21%

(1) Working capital detail, excluding mark-to-market

Receivables	\$ (38)	\$ (17)	\$ 43
Receivables from affiliated companies	-	11	(6)
Inventory	45	12	(50)
Other current assets	(40)	84	185
Accounts payable	13	171	(65)
Accounts payable to affiliated companies	-	37	70
Taxes accrued	(80)	90	(34)
Other current liabilities	(6)	114	76
	\$ (106)	\$ 502	\$ 219

FFO to Debt Calculation

Duke Energy Florida

(in millions)

	Years Ended December 31,		
	2017 Forecast	2016 Actual	2015 Actual
Cash From Operations	\$ 1,155	\$ 844	\$ 1,373
Working capital adjustment (1)	3	252	(159)
Capitalized Interest	(27)	(14)	(4)
CR3 securitization adjustment	(55)	(35)	-
Other	14	13	12
Funds From Operations	1,090	1,060	1,222
ARO spend	-	58	47
ARO spend, net of tax at 38%	-	36	29
FFO exc. coal ash spend (net of tax)	\$ 1,090	\$ 1,096	\$ 1,251
Notes payable to affiliated companies	\$ -	\$ 297	\$ 813
Current maturities of long-term debt	-	326	13
Long-term debt	-	5,799	4,253
CR3 securitization	-	(1,279)	-
Total Debt	\$ 5,493	\$ 5,143	\$ 5,079
FFO / Debt	20%	21%	25%

(1) Working capital detail, excluding mark-to-market

Receivables	\$ (19)	\$ 23	\$ 61
Receivables from affiliated companies	-	21	(44)
Inventory	-	23	(17)
Other current assets	14	(133)	116
Accounts payable	(15)	71	(127)
Accounts payable to affiliated companies	-	9	46
Taxes accrued	18	(117)	67
Other current liabilities	(1)	(149)	57
	\$ (3)	\$ (252)	\$ 159

FFO to Debt Calculation**Duke Energy Indiana**

(in millions)

	Years Ended December 31,		
	2017 Forecast	2016 Actual	2015 Actual
Cash From Operations	\$ 1,065	\$ 871	\$ 1,176
Working capital adjustment (1)	(78)	132	(225)
Capitalized Interest	(15)	(7)	(6)
Funds From Operations	972	996	945
ARO spend	-	46	19
ARO spend, net of tax at 38%	47	29	12
FFO exc. coal ash spend (net of tax)	\$ 1,019	\$ 1,025	\$ 957
Current maturities of long-term debt	\$ -	\$ 3	\$ 547
Long-term debt	-	3,633	3,071
Long-term debt payable to affiliated companies	-	150	150
CRC allocated balance	-	174	174
Total Debt	\$ 3,908	\$ 3,960	\$ 3,942
FFO / Debt	26%	26%	24%

(1) Working capital detail, excluding mark-to-market

Receivables	\$ (25)	\$ (2)	\$ (7)
Receivables from affiliated companies	-	(43)	44
Inventory	92	66	(21)
Other current assets	-	(67)	90
Accounts payable	22	8	33
Accounts payable to affiliated companies	-	(9)	25
Taxes accrued	(5)	(4)	35
Other current liabilities	(6)	(81)	26
	\$ 78	\$ (132)	\$ 225

FFO to Debt Calculation**Duke Energy Ohio**

(in millions)

	Years Ended December 31,		
	2017 Forecast	2016 Actual	2015 Actual
Cash From Operations	\$ 425	\$ 425	\$ 667
Working capital adjustment (1)	73	15	(91)
Capitalized Interest	(9)	(8)	(10)
Funds From Operations	489	432	566
ARO spend	-	5	4
ARO spend, net of tax at 38%	8	3	2
FFO exc. coal ash spend (net of tax)	\$ 497	\$ 435	\$ 568
Notes payable to affiliated companies	\$ -	\$ 16	\$ 103
Current maturities of long-term debt	-	1	106
Long-term debt	-	1,858	1,467
Long-term debt payable to affiliated companies	-	25	25
CRC allocated balance	-	151	151
Total Debt	\$ 2,250	\$ 2,051	\$ 1,852
FFO / Debt	22%	21%	31%

(1) Working capital detail, excluding mark-to-market

Receivables	\$ (62)	\$ (4)	\$ 23
Receivables from affiliated companies	-	(36)	23
Inventory	-	(32)	-
Other current assets	-	79	-
Accounts payable	(5)	19	(1)
Accounts payable to affiliated companies	-	10	(21)
Taxes accrued	(6)	3	(21)
Other current liabilities	-	(54)	88
	\$ (73)	\$ (15)	\$ 91

FFO to Debt Calculation**Piedmont Natural Gas**

(in millions)

	Years Ended		
	December 31,	October 31,	
	2017 Forecast	2016 Actual	2015 Actual
Cash From Operations	\$ 405	\$ 308	\$ 372
Working capital adjustment (1)	94	101	(37)
Funds From Operations	499	409	335
ARO spend	-	6	6
ARO spend, net of tax at 38%	-	4	4
FFO exc. coal ash spend (net of tax)	\$ 499	\$ 413	\$ 339
Notes payable	\$ -	\$ 145	\$ 340
Current maturities of long-term debt	-	35	40
Long-term debt	-	1,786	1,524
Total Debt	\$ 2,548	\$ 1,966	\$ 1,904
FFO / Debt	20%	21%	18%

(1) Working capital detail, excluding mark-to-market

Receivables	\$ -	\$ 7	\$ (3)
Receivables from affiliated companies	-	(7)	-
Inventory	-	14	16
Other current assets	-	(99)	46
Accounts payable	(3)	6	(5)
Accounts payable to affiliated companies	-	6	-
Taxes accrued	(87)	(14)	4
Other current liabilities	(4)	(14)	(21)
	\$ (94)	\$ (101)	\$ 37