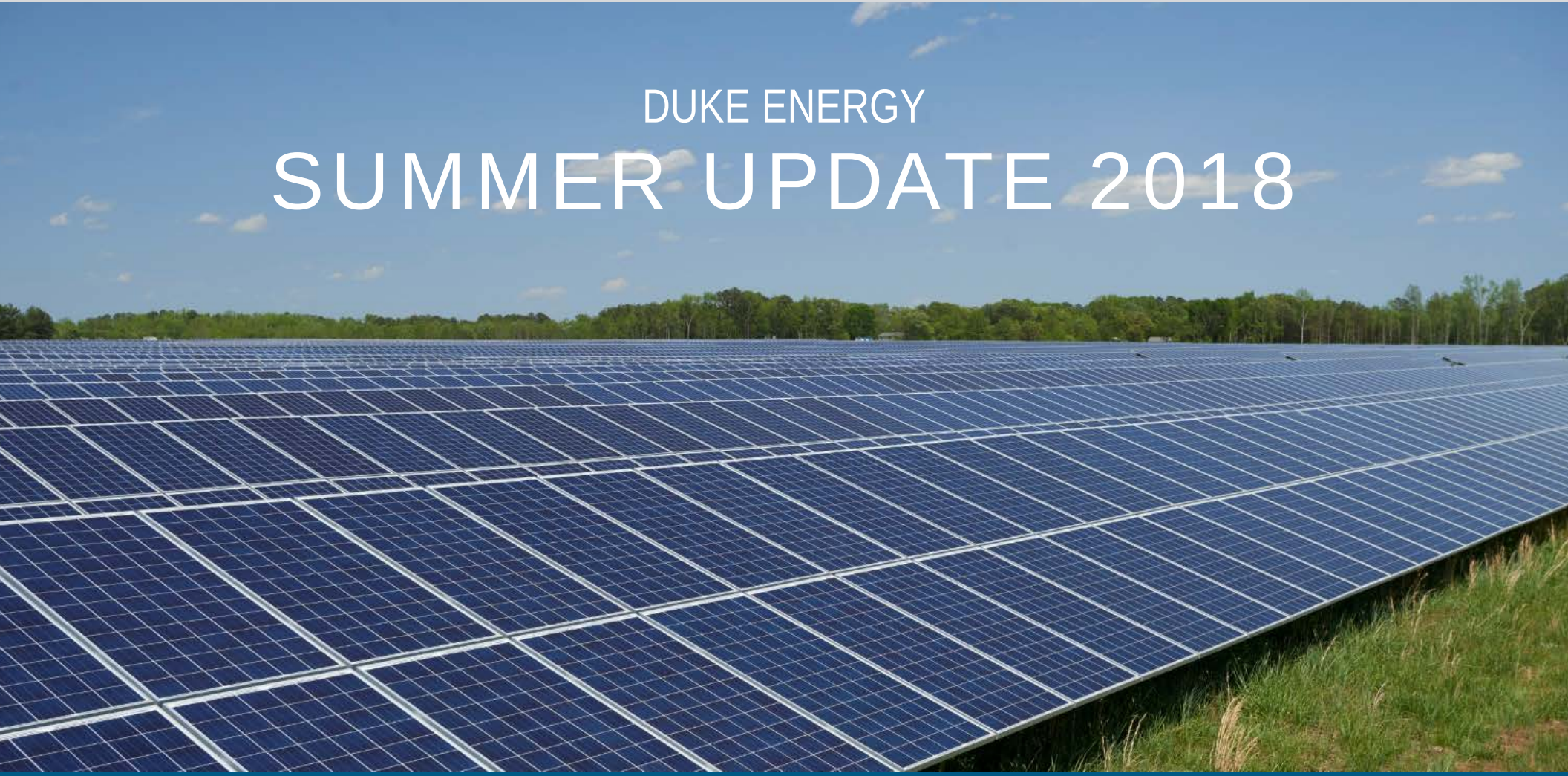
DUKE ENERGY

DUKE ENERGY
SUMMER UPDATE 2018



Notes

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/.

Our investor value proposition

DUK
LISTED
NYSE

A SOLID LONG-TERM HOLDING

4.6%
DIVIDEND YIELD(1) WITH DIVIDEND GROWTH COMMITMENT(2)

~8-10%
ATTRACTIVE RISK-ADJUSTED TOTAL SHAREHOLDER RETURN(3)

4-6%
HIGHLY ACHIEVABLE EPS GROWTH THROUGH 2022(4)

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

(1) As of August 6, 2018
(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) As most recently affirmed in the 2Q2018 Earnings Review on August 2, 2018; and based on adjusted diluted EPS off the midpoint of the original 2017 guidance range of $4.50-$4.70

Reaffirming long-term earnings growth guidance(1)

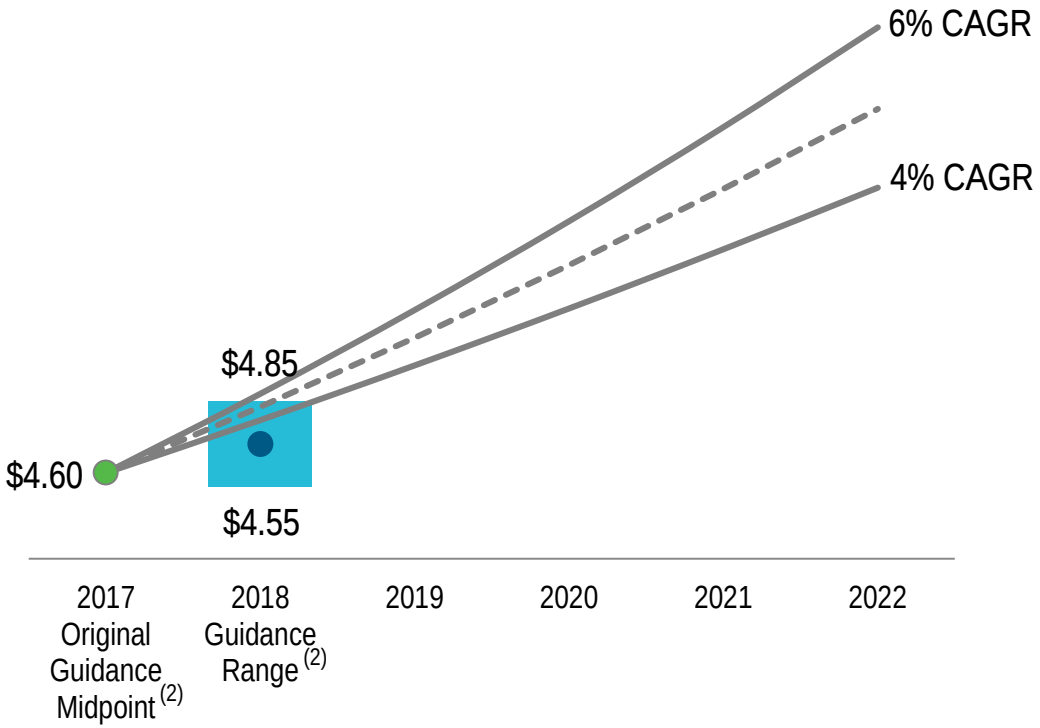
2019

EXPECT LOW END OF THE GROWTH CAGR RANGE OFF OF $4.60

2020 AND BEYOND

EXPECT MID TO HIGH END OF THE GROWTH CAGR RANGE OFF OF $4.60

REAFFIRMING LONG TERM GROWTH CAGR OF 4-6%THROUGH 2022 OFF OF MIDPOINT OF ORIGINAL 2017 GUIDANCE RANGE ($4.60)



(1) *As most recently affirmed on the 2Q 2018 Earnings Review on August 2, 2018*
(2) *Based on adjusted diluted EPS*

Duke Energy – A large scale, highly regulated energy infrastructure company

HEADQUARTERED IN CHARLOTTE, NC

DUK
LISTED
NYSE

A FORTUNE 125 COMPANY

$58 B
MARKET CAP
(AS OF 8/6/2018)

$138 B
TOTAL ASSETS
(AS OF 12/31/2017)

29 K
EMPLOYEES
(AS OF 12/31/2017)

52 GWs
TOTAL GENERATING CAPACITY
(AS OF 12/31/2017)

ELECTRIC UTILITIES & INFRASTRUCTURE



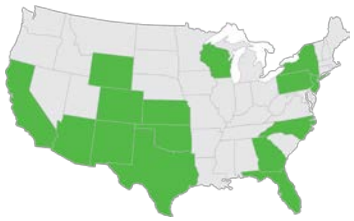
- Operating in six constructive jurisdictions, with attractive allowed ROEs, serving 7.6 million retail customers
- Below average customer rates(1)
- Balanced generation portfolio
- Industry-leading safety performance, as recognized by EEI

GAS UTILITIES & INFRASTRUCTURE



- Five state LDCs serving 1.6 million customers
- Strong earnings trajectory driven by customer growth, system integrity improvements, and continued expansion of natural gas infrastructure
- Significant investments in midstream natural gas pipelines and storage facilities

COMMERCIAL RENEWABLES



- Invested more than $5 billion over the past 10 years
- Approximately 3 GWs of wind and solar on-line
- Long-term Power Purchase Agreements with creditworthy counterparties

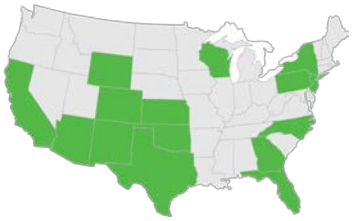
(1) *Source: EEI Typical Bills and Average Rates Report, Summer 2017*

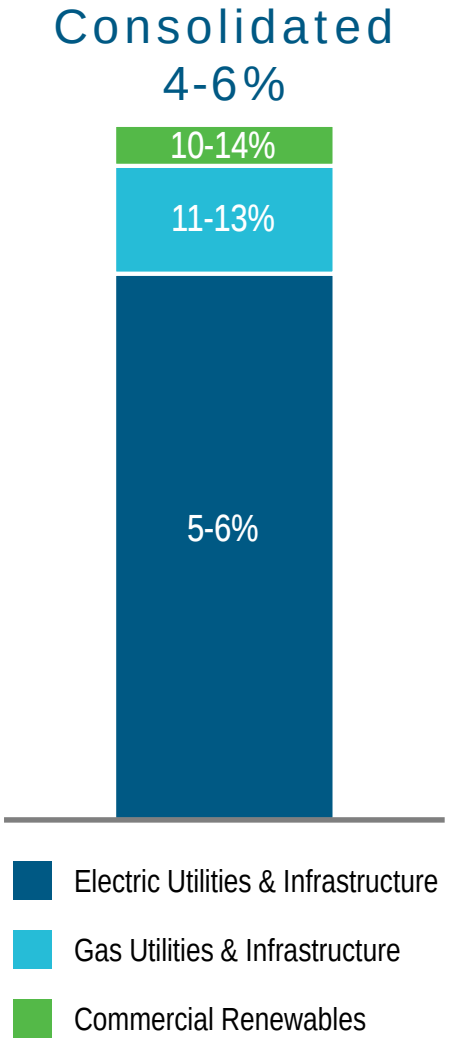
Complementary businesses with strong growth opportunities

	2018 ADJUSTED EPS CONTRIBUTION[1]	2018-2022 GROWTH CAPITAL
ELECTRIC UTILITIES & INFRASTRUCTURE	88%	$28.8 B
GAS UTILITIES & INFRASTRUCTURE	9%	$6.7 B
COMMERCIAL RENEWABLES	3%	$1.5 B









(1) *Based upon the midpoint of the 2018 adjusted diluted EPS guidance range of $4.55-$4.85 per share most recently affirmed in the 2Q2018 Earnings Review on August 2, 2018; excludes the impact of Other*

(2) *As most recently affirmed in the 2Q2018 Earnings Review on August 2, 2018; Based upon the midpoint of the 2017 adjusted diluted EPS guidance range of $4.50-$4.70 per share; consolidated growth rate includes the impact of Other*

BUILDING A SMARTER ENERGY FUTURE℠

2017 2026



ENGAGE
STAKEHOLDERS

MODERN RECOVERY
MECHANISMS IN ALL JURISDICTIONS



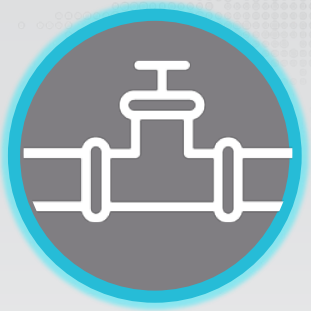
MODERNIZE THE
ENERGY GRID

$25 BILLION
INVESTMENTS IN GRID MODERNIZATION



GENERATE
CLEANER ENERGY

$11 BILLION
INVESTMENTS IN CLEAN GENERATION (1)



EXPAND
NATURAL GAS INFRASTRUCTURE

15 PERCENT
GAS PROPORTION OF BUSINESS MIX (2)



TRANSFORM THE
CUSTOMER EXPERIENCE

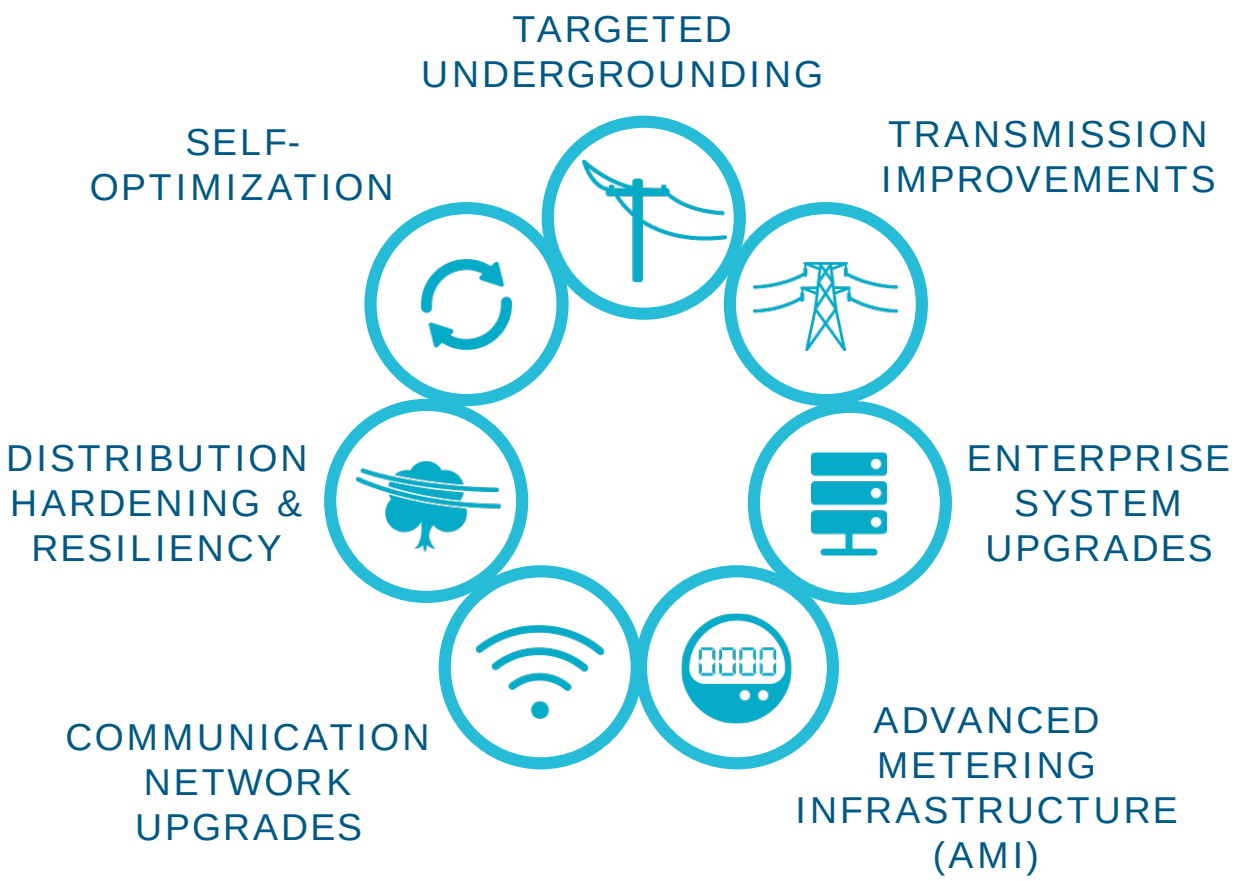
TOP QUARTILE
CUSTOMER SATISFACTION

EMPLOYEE ENGAGEMENT AND OPERATIONAL EXCELLENCE ARE FOUNDATIONAL TO OUR SUCCESS

(1) Includes natural gas and renewables generation. Excludes nuclear relicensing and new nuclear projects
(2) Based on adjusted diluted EPS

$25 billion investment over 10 years to modernize the largest energy grid in the U.S.





CUSTOMER BENEFITS

- Increased reliability
- Provide information customers value
- Enable distributed generation
- Improve cyber and physical security

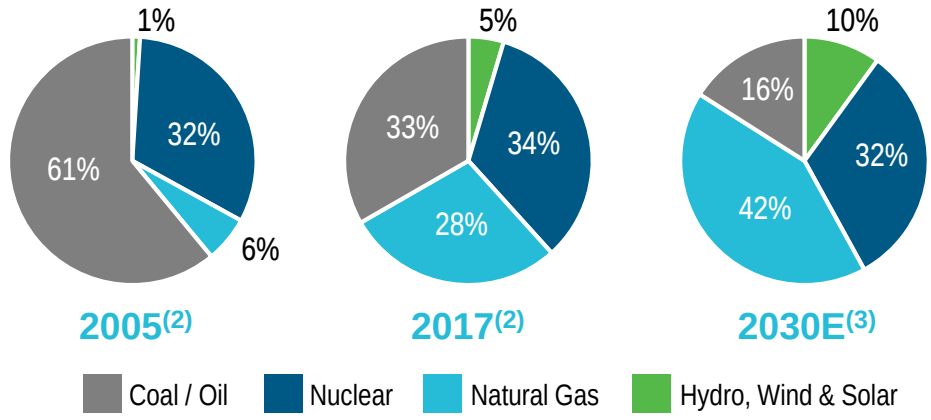
Generating cleaner energy



TARGETING 40% REDUCTION IN CO_2 EMISSIONS FROM 2005 LEVELS BY 2030(1)

- Citrus County CCGT (DEF, 2018) and Western Carolinas Modernization Project (DEP, 2019) on track
- Increasing solar generation in N.C. under HB 589
  - Bids due Oct. 8 for first tranche of 680 MW
  - Projects to be placed in service by Jan. 1, 2021
- Building up to 700 MW solar at DEF per settlement
- Achieved COD for 25 MW Shoreham solar (NY) in Q3

FUEL DIVERSITY (MWh OUTPUT)



(1) *Through 2017, company has reduced CO_2 emissions by 31% from 2005 levels*
(2) *2005 and 2017 data based on Duke's ownership share of U.S. generation assets as of Dec. 31, 2017*
(3) *2030 carbon reduction will be influenced by customer demand for electricity, weather, fuel availability and prices*

Expanding natural gas infrastructure



- Atlantic Coast Pipeline (ACP)
  - FERC issued stop work order Aug. 10
    - Made significant progress on construction prior to temporary work stoppage
    - Already working with key agencies to resolve issues so construction can resume as soon as possible
  - Awaiting Erosion and Sedimentation plan approval in Va.
  - Targeting Q4 2019 in service date
- Sabal Trail
  - FERC certificate re-issued
  - Lateral to Citrus County CCGT in service
- Robeson County LNG announced in N.C.
  - $250 million investment at Piedmont Natural Gas
  - Construction to begin in 2019 with 2021 in service expected

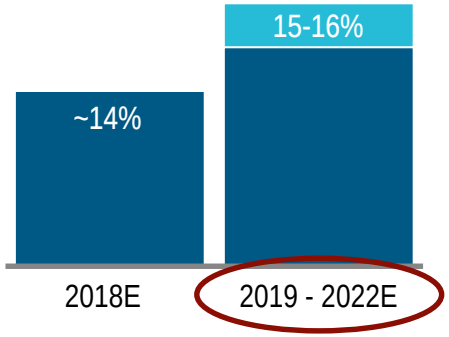
Committed to the strength of the balance sheet

CREDIT UPDATES

- Increased clarity from DEC and DEP orders and regulatory treatment of tax reform drive improved credit metric forecast
- Moody's affirmed ratings and stable outlook at HoldCo on Aug. 1

UPDATED FFO/DEBT CREDIT METRIC

Target: 15 - 16%



SUCCESSFULLY PRICED NEARLY ALL OF $2 BILLION EQUITY TARGET FOR 2018

Equity issuance	Priced YTD(1)	Equity Forward?	Issued YTD(1)
March offering	$1.6 B	Yes	$800 M (June)
ATM	$200 M	Yes	--
DRIP	$90 M	No	$90 M
Total	$1.9 B		$890 M

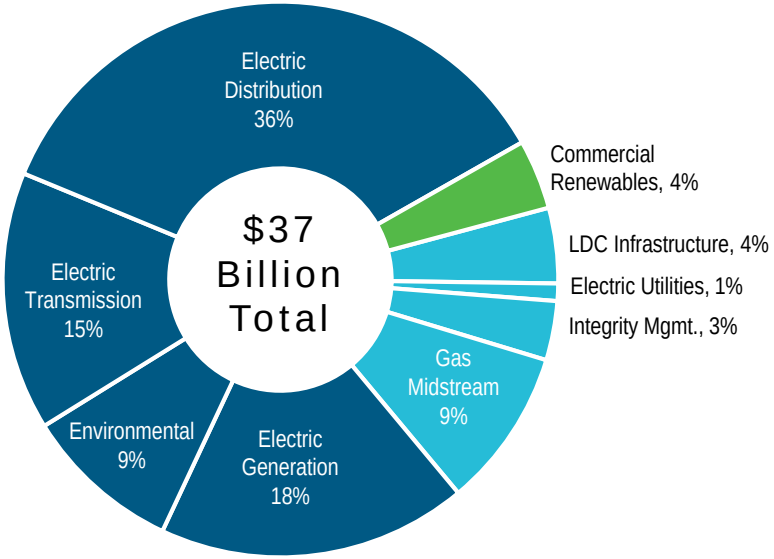
- Expect remaining forwards to be settled in Q4
- Continuing $350 million DRIP/ATM equity per year 2019-2022
- No additional equity needs expected beyond the $350 million annual DRIP/ATM programs

Moody's raised outlook and affirmed current ratings; now at stable outlook at both Moody's and S&P

(1) *As of June 30, 2018*

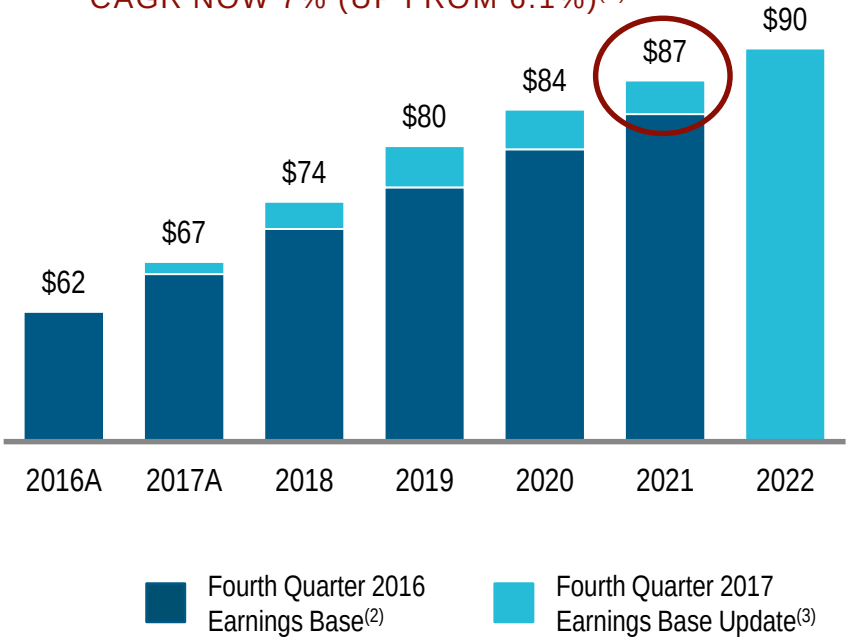
Robust capital plan supports earnings base growth

2018 - 2022 GROWTH CAPITAL PLAN



2016 - 2022 REGULATED ELECTRIC AND GAS EARNINGS BASE(1)

2021 EARNINGS BASE INCREASES BY ~$3.5 BILLION; CAGR NOW 7% (UP FROM 6.1%)(2)



(1) *Illustrative earnings base for presentation purposes only and includes retail and wholesale; Amounts as of the end of each year shown; Projected earnings base = prior period earnings base + capex - D&A - deferred taxes*

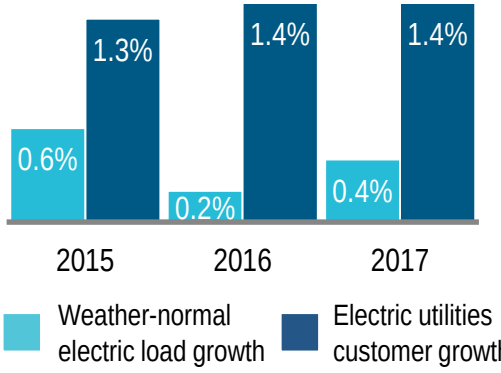
(2) *As originally presented on the Fourth Quarter 2016 Earnings Review and Business Update on Feb. 15, 2017*

(3) *As presented on the Fourth Quarter 2017 Earnings Review and Business Update on Feb.20, 2018*

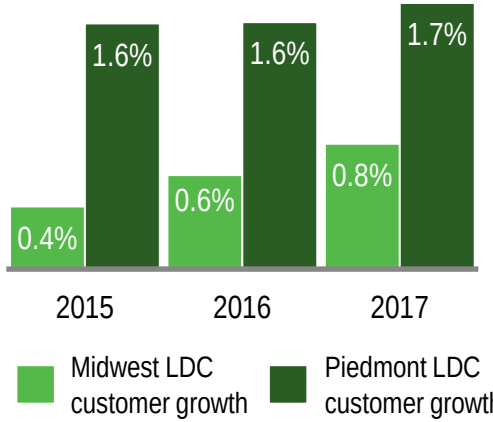
Strong customer growth and cost management support earning our allowed ROEs

ELECTRIC RESIDENTIAL GROWTH AND RETAIL VOLUME TRENDS

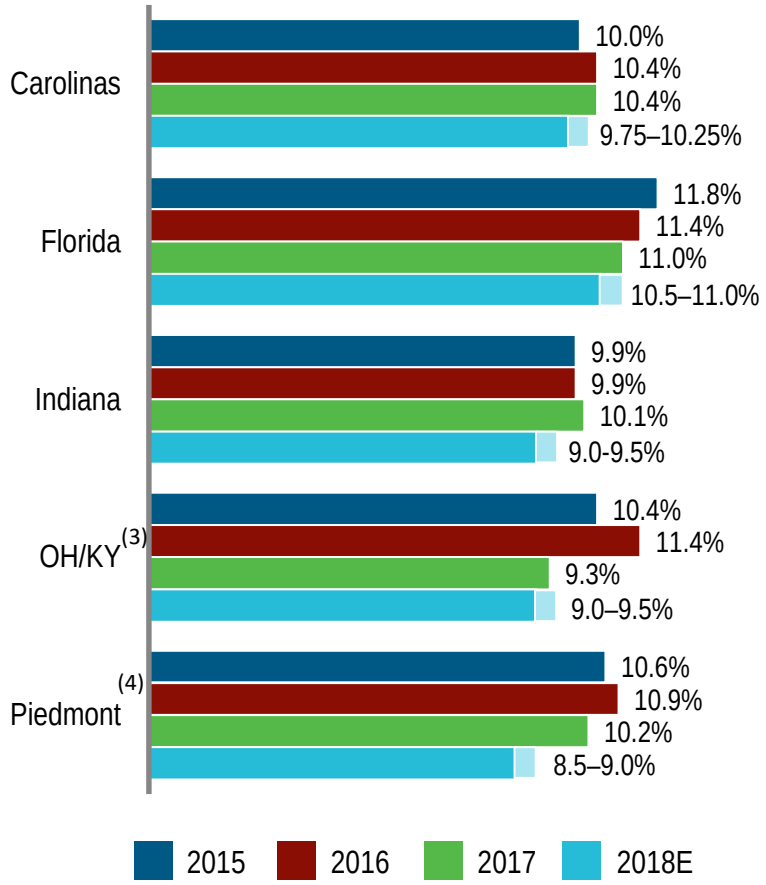
ADJUSTING FOR LEAP YEAR 2017 RETAIL ELECTRIC SALES INCREASED BY 0.7%



GAS UTILITIES RESIDENTIAL GROWTH TRENDS



ADJUSTED BOOK ROEs(2)



COST STRUCTURE OPTIMIZATION CONTINUES

- Leveraging increased cost flexibility capabilities to keep non-rider recoverable O&M flat from 2014 through 2022(1)
- Utilizing cost saving opportunities from increased productivity, mobile technology deployments and demographic shifts in the workforce
- Employing data analytics and digital capabilities to enhance decision making and prioritization

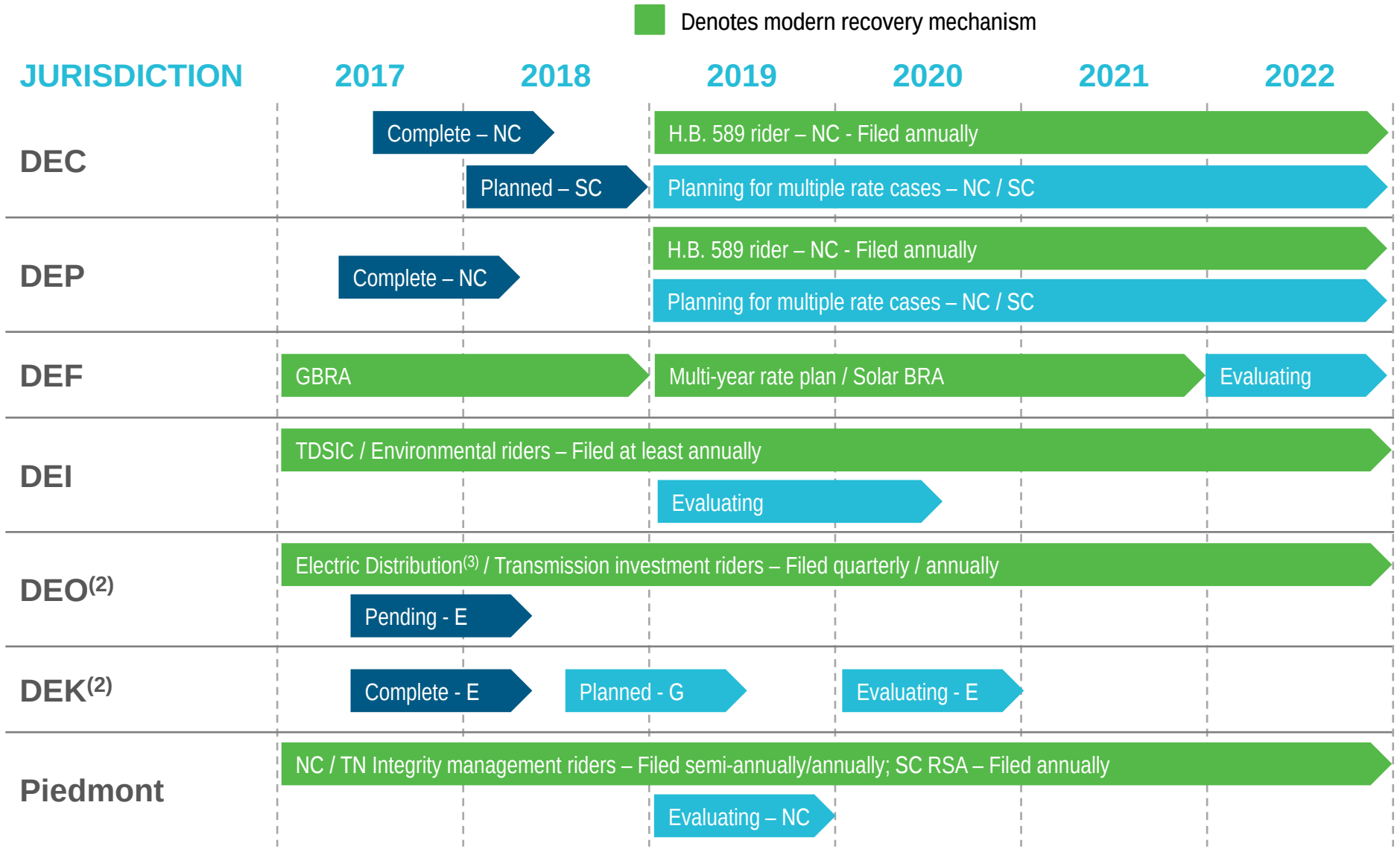
(1) *2014 excludes Piedmont; Piedmont O&M is flat from 2017 (first full year subsequent to acquisition) through 2022*

(2) *Adjusted book ROEs exclude special items and are based on average book equity less Goodwill. Adjusted ROEs also include wholesale and are not adjusted for the impacts of weather. Regulatory ROEs will differ from Adjusted Book ROEs*

(3) *Combined electric and gas utilities*

(4) *Piedmont's 2015 and 2016 ROE's are based on the year ended October 31 (Piedmont's legacy fiscal year-end).*

Managing regulatory activity[1]



(1) *Regulatory calendar as presented on the Fourth Quarter 2017 Earnings Review and Business Update on Feb.20, 2018. Subject to change.*
(2) *"E" denotes Electric, "G" denotes Gas*
(3) *Current distribution riders in effect until new Energy Security Plan (ESP) is approved; Requested expansion and continuation of riders filed in DEO electric distribution rate case and ESP filings.*

Update on regulatory activity

	STATUS UPDATE	KEY OUTCOMES

 DUKE ENERGY PROGRESS NORTH CAROLINA	✓ Complete	▪ Resolved coal ash recovery
		  ▪ Deferred coal ash costs amortized over 5 years, with full debt and equity return
		  ▪ Ongoing coal ash costs deferred with a full return(1) for consideration in future rate case
		▪ 9.9% ROE on 52% equity layer

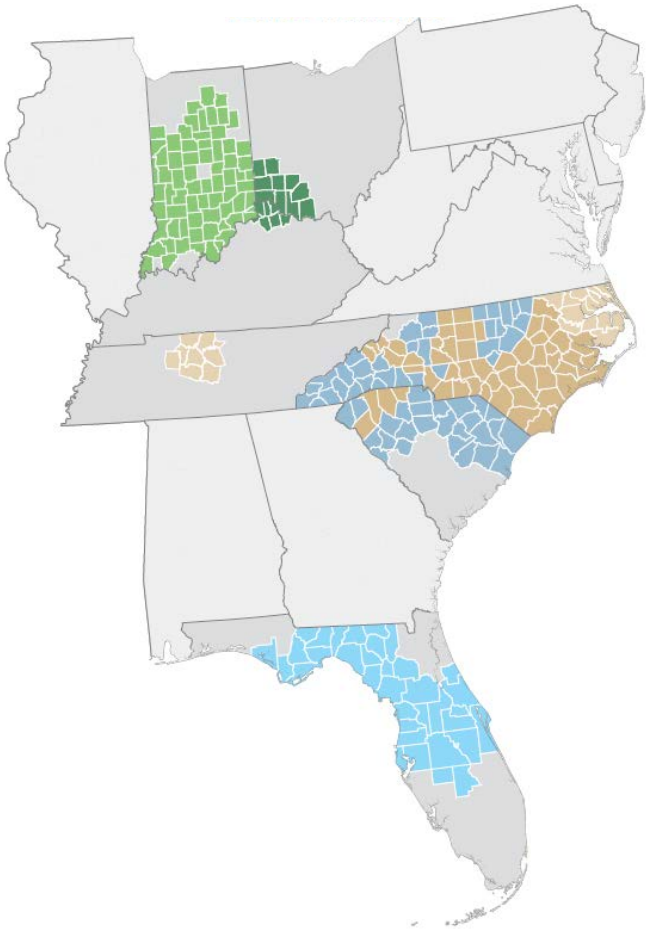
 DUKE ENERGY CAROLINAS NORTH CAROLINA	✓ Complete	▪ Resolved coal ash recovery (same as above) ▪ Tax reform implemented ▪ Recovery of Lee Nuclear development costs ▪ 9.9% ROE on 52% equity layer
 DUKE ENERGY KENTUCKY (ELECTRIC)	✓ Complete	▪ Resolved coal ash recovery ▪ Rider Environmental Surcharge Mechanism (ESM) ▪ Tax reform implemented ▪ 9.725% ROE on 49% equity layer
 DUKE ENERGY OHIO (ELECTRIC)	▪ Order expected Q4 2018	▪ Settlement(2) establishes regulatory model for the next seven years (including Rider DCI until 2025) ▪ Renewal of 14 existing riders and two new riders ▪ Capital-related riders will reflect the lower federal tax rate

(1) For GAAP purposes only recognize debt return during deferral period. Equity return recognized as customers are billed in the future

(2) Settlement is subject to the review and approval of the PUCO

Continued clarity for tax reform across our state jurisdictions

ELECTRIC & GAS UTILITIES SERVICE TERRITORIES



MIDWEST	
Indiana (Electric)	✓ Riders incorporate lower tax rate as they are filed ✓ Settlement approved by Commission August 22
Ohio (Electric & Gas)	✓ Riders incorporate lower tax rate as they are filed • Requested new rider to flow back remaining impacts (electric); awaiting Commission approval • Remaining impacts to be determined in separate docket (gas)
Kentucky (Electric & Gas)	✓ Electric resolved in rate case order April 13 • Gas to be determined in separate docket
SOUTHEAST	
North Carolina (Electric & Gas)	✓ Riders incorporate lower tax rate as they are filed ✓ DEC addressed in rate case order June 22 • DEP and Piedmont proposed deferring remaining impacts until next rate case
South Carolina (Electric & Gas)	✓ S.C. utilities to address in next rate case (electric) or RSA filing (gas) per Commission order
Florida (Electric)	✓ Utilizing tax change to recover Hurricane Irma costs, replenish storm reserve and accelerate depreciation of coal plants
Tennessee (Gas)	✓ Riders incorporate lower tax rate as they are filed • Proposed deferring remaining impacts until next rate case

Tax reform largely addressed across our jurisdictions

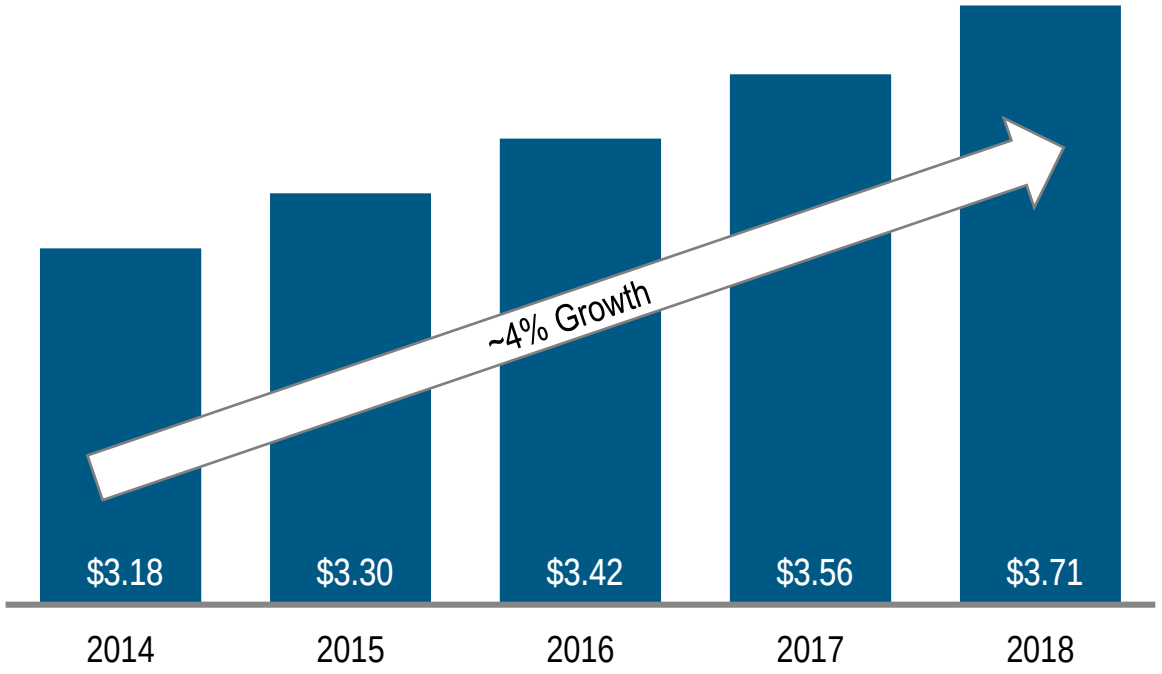
Ongoing commitment to the dividend

70 - 75%
EXPECTED PAYOUT RATIO THROUGH 2022(1)

4 - 6%
ANNUAL DIVIDEND GROWTH

~75%
OF TSR ACHIEVED THROUGH DIVIDEND REINVESTMENT OVER LAST 20 YEARS

DUK ANNUALIZED DIVIDEND PER SHARE(2)



(1) *Based on adjusted diluted EPS*
(2) *Reflects annualized Q4 dividend per share for each year*

The leading energy infrastructure company

- Large-scale U.S. electric and gas utility creating a cleaner energy future
- Constructive regulatory jurisdictions in desirable communities

INVESTING IN INFRASTRUCTURE OUR CUSTOMERS VALUE.
DELIVERING SUSTAINABLE GROWTH.

- Proven track record of delivering our commitments
- Solid long-term investment, with attractive risk-adjusted total shareholder return

Appendix materials

Item	Slide(s)
2Q 2018 results	21-24
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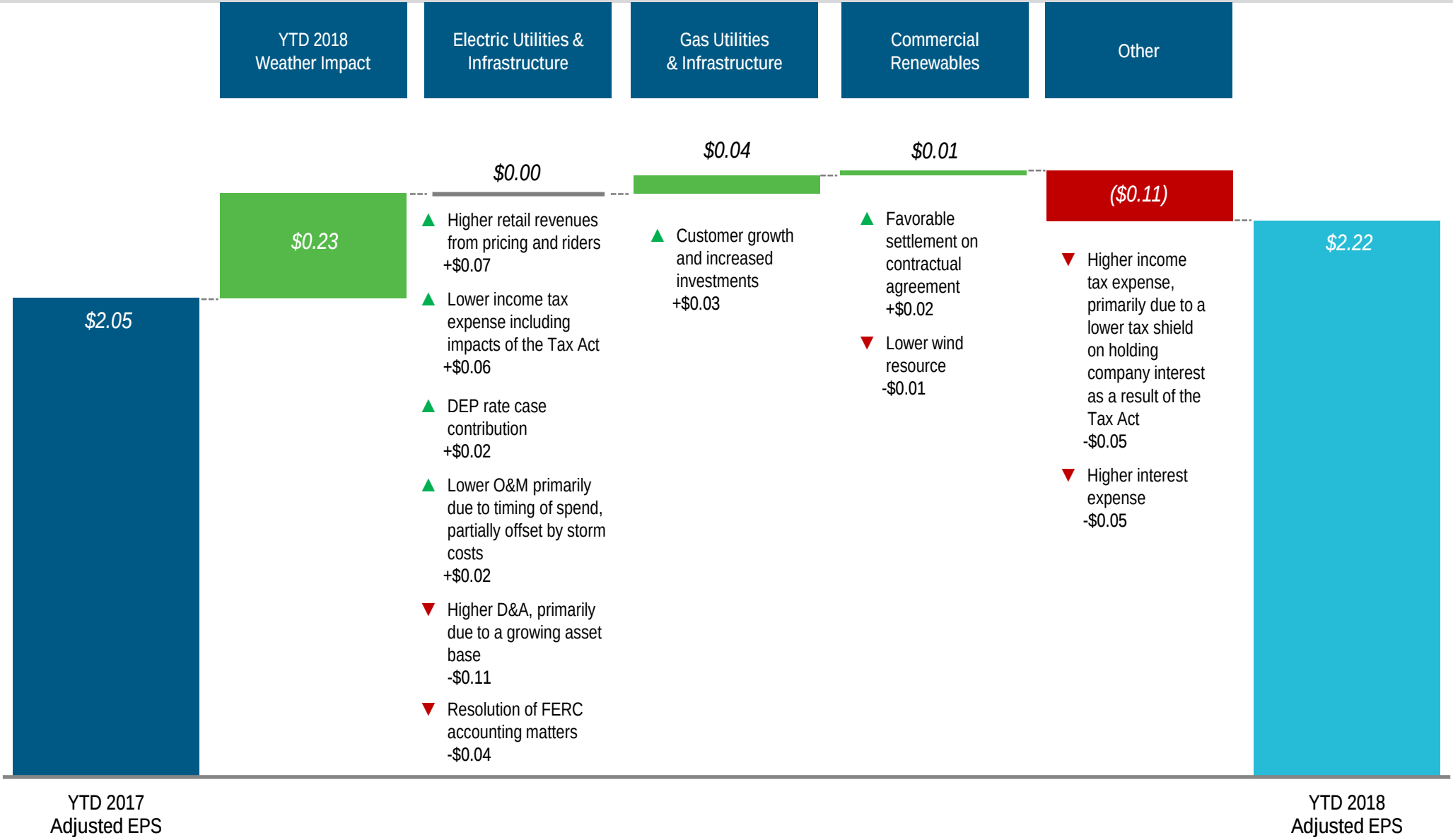
2Q2018 results

YTD 2017 - YTD 2018 adjusted diluted EPS waterfall



Electric utilities quarterly weather impacts

Weather segment income to normal:	2018			2017		
	Pretax impact	Weighted avg. diluted shares	EPS impact[1] favorable / (unfavorable)	Pretax impact	Weighted avg. shares	EPS impact[1] favorable / (unfavorable)
First Quarter	$10	701	$0.01	($175)	700	($0.15)
Second Quarter	$90	704	$0.10	($5)	700	($0.01)
Third Quarter				$20[2]	700	$0.02
Fourth Quarter				$20	700	$0.02
Year-to-Date[3]	$100	702	$0.11	($140)	700	($0.12)

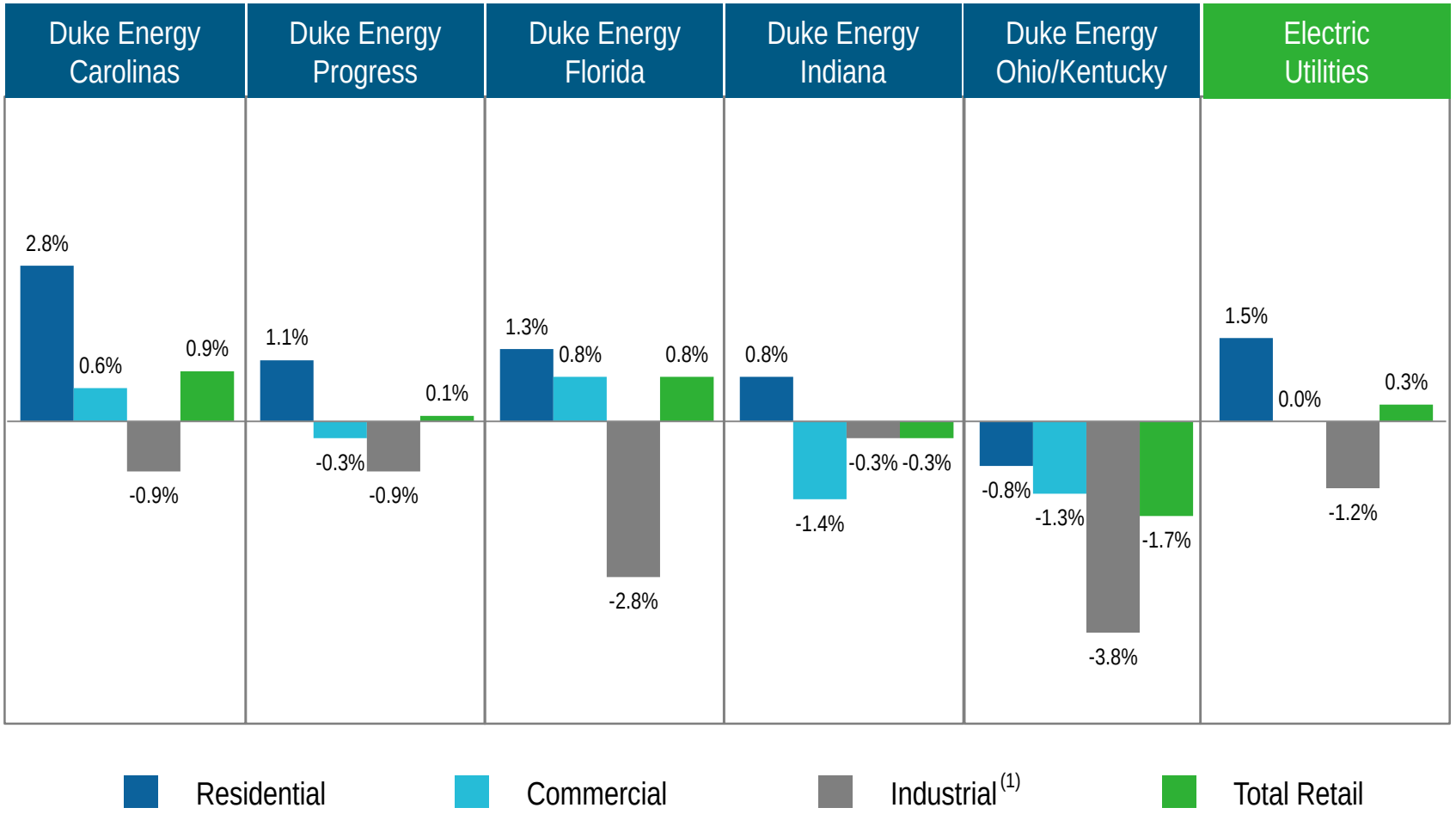
2Q 2018	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	208	(5.8%)	191	1.1%	2	(81.9%)	547	11.0%	497	9.9%
Cooling degree days / Variance from normal	638	30.0%	696	30.3%	1,052	1.2%	557	68.9%	539	64.2%

2Q 2017	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	131	(40.5%)	83	(55.7%)	1	(94.1%)	372	(24.6%)	313	(30.4%)
Cooling degree days / Variance from normal	524	6.3%	647	21.1%	1,079	4.5%	323	(2.2%)	332	1.2%

(1) 2018 EPS impacts are based on the current year consolidated statutory tax rate. 2017 EPS impacts are based on the prior year consolidated statutory tax rate.
(2) Includes an unfavorable ~$20 million or $0.02/share impact from Hurricane Irma.
(3) Year-to-date amounts may not foot due to differences in weighted-average shares outstanding and/or rounding.

Weather normalized volume trends, by electric jurisdiction

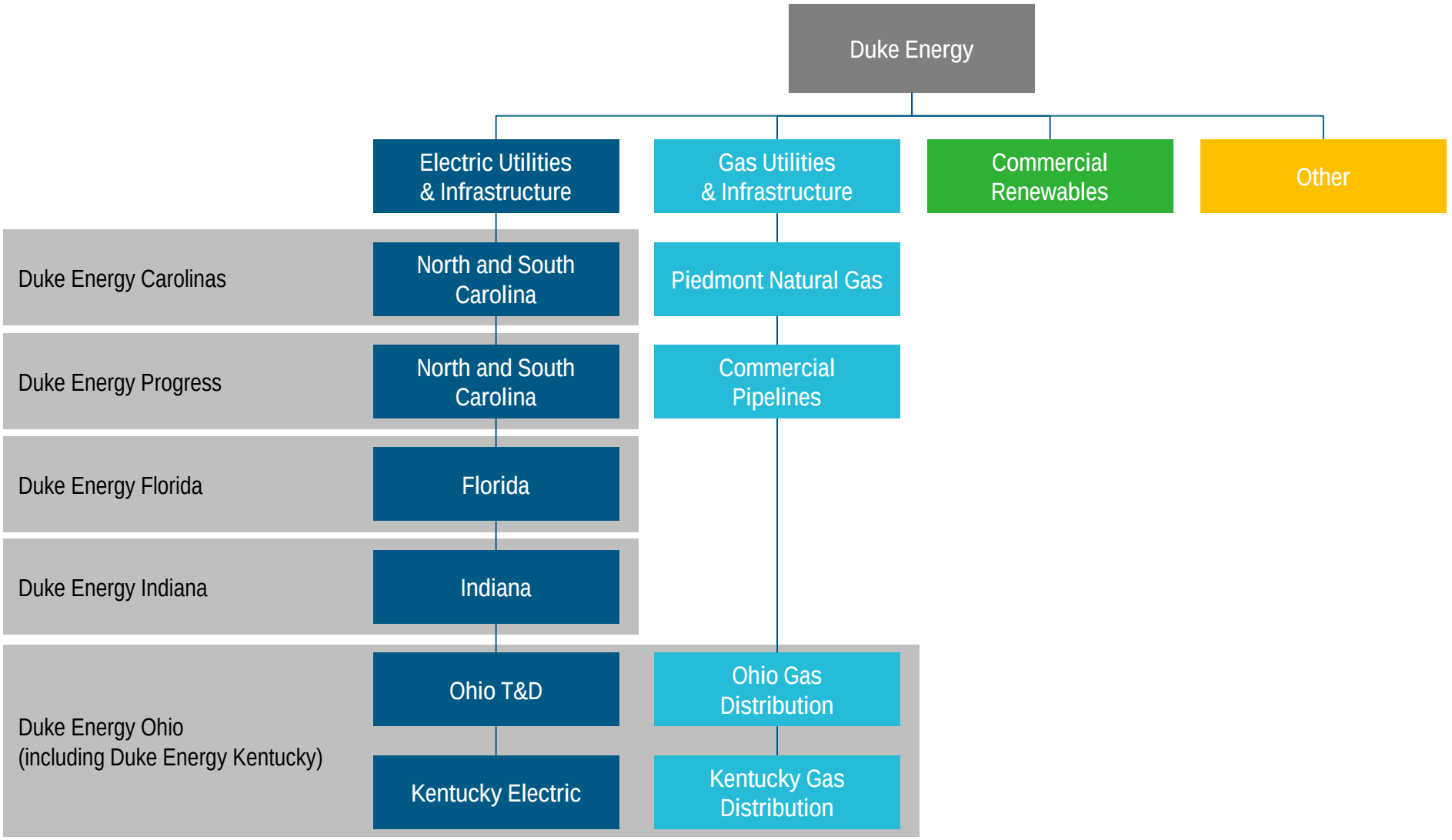
Rolling Twelve Months, as of Jun. 30, 2018



(1) *Electric Utilities industrial results impacted by production declines at a couple of large customers, temporary outage activities and some large phosphate customers at Duke Energy Florida who have been impacted by mine closures in the face of weakness in the agriculture industry*

2018 guidance support

Duke Energy business segment structure



Key 2018 adjusted earnings guidance assumptions

($ in millions)	Original 2018 Assumptions [1]	2018 YTD (thru 6/30/2018)
Adjusted segment income/(loss) [2]:		
Electric Utilities & Infrastructure	$3,304	$1,527
Gas Utilities & Infrastructure	$319	$186
Commercial Renewables	$117	$58
Other	($383)	($216)
Duke Energy Consolidated	$3,357	$1,555
Additional consolidated information:		
Interest expense	$2,067	$1,033
Adjusted effective tax rate	15-16%	16.8%
Debt AFUDC and capitalized interest	$152	$78
AFUDC equity	$220	$107
Capital expenditures [3][4]	$10,950	$4,623
Weighted-average shares outstanding	~714 million	~704 million

(1) Full year amounts for 2018, as disclosed on Feb. 20, 2018
(2) Adjusted net income for 2018 assumptions is based upon the midpoint of the adjusted diluted EPS guidance range of $4.55 to $4.85 most recently affirmed on the 2Q 2018 Earnings Review on August 2, 2018
(3) Includes debt AFUDC and capitalized interest
(4) 2018 YTD (thru 6/30/2018) includes ~$230 million of coal ash closure spend. 2018 assumptions include ~$700 million of projected coal ash closure spend

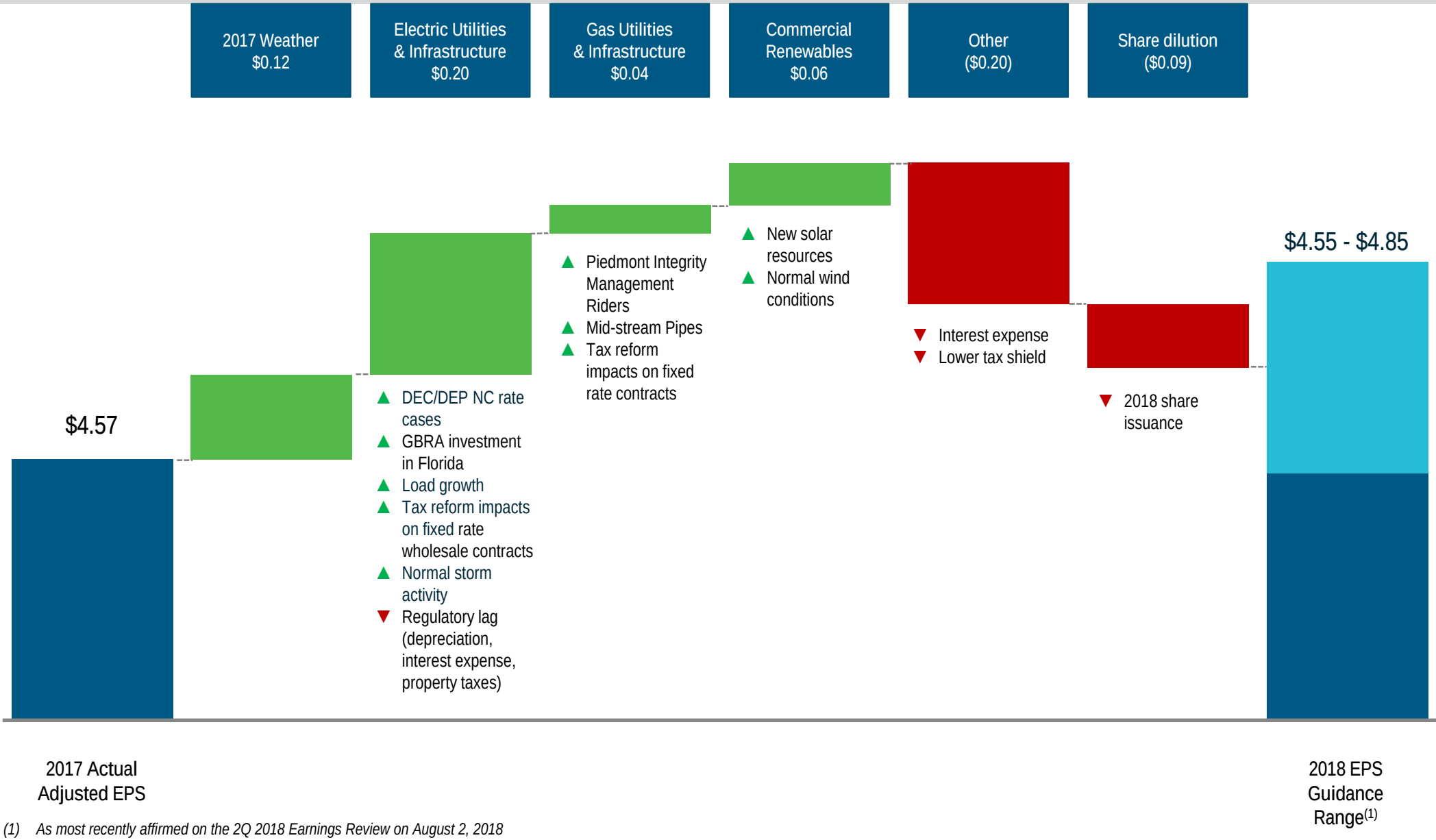
Key 2018 earnings sensitivities

Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- $0.45
	$1 billion change in rate base	+/- $0.07
	1% change in Electric Utilities volumes	+/- $0.12
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- $0.05
	$200 million change in rate base	+/- $0.01
	1% change in number of new customers	+/- $0.01
Consolidated	1% change in interest rates(1)	+/- $0.07

Note: EPS amounts based on forecasted 2018 share count of ~714 million shares

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

2017 – 2018 adjusted diluted EPS waterfall



(1) *As most recently affirmed on the 2Q 2018 Earnings Review on August 2, 2018*

Regulated utilities end of year earnings base[1]

Electric Utilities Earnings Base

($ in billions)	2017A	2018E	2019E	2020E	2021E	2022E
Duke Energy Carolinas	$22.6	$23.9	$24.9	$26.0	$26.6	$27.6
Duke Energy Progress	15.7	16.9	17.9	18.6	19.3	20.2
Duke Energy Florida	12.0	13.3	14.5	15.5	16.5	17.2
Duke Indiana	7.7	8.0	8.4	8.7	8.8	8.9
Duke Ohio – Electric	2.2	2.5	2.9	3.2	3.4	3.6
Duke Kentucky – Electric	0.7	0.9	0.9	1.0	1.0	1.1
Electric Utilities Total[2]	$61.0	$65.4	$69.6	$73.0	$75.7	$78.5

Gas Utilities Earnings Base

($ in billions)	2017A	2018E	2019E	2020E	2021E	2022E
Piedmont	$3.8	$4.5	$5.0	$5.4	$5.7	$6.1
Duke Energy Ohio – Gas	1.3	1.3	1.4	1.5	1.5	1.5
Duke Energy Kentucky - Gas	0.3	0.3	0.3	0.4	0.4	0.4
Natural Gas Transmission	1.0	2.2	3.4	3.5	3.5	3.8
Gas Utilities Total[2]	$6.3	$8.3	$10.2	$10.7	$11.1	$11.8

(1) *Illustrative earnings base for presentation purposes only and includes retail and wholesale; Amounts as of the end of each year shown; Projected earnings base = prior period earnings base + capex – D&A – deferred taxes*

(2) *Totals may not foot due to rounding*

Capital expenditures profile[1]

($ in millions)

Capital Expenditures	2017A	2018E	2019E	2020E	2021E	2022E	2018 - 2022
Electric Generation[2]	$ 1,545	1,825	1,425	1,175	1,250	1,000	$ 6,675
Electric Transmission	994	950	1,350	1,100	1,075	1,100	5,575
Electric Distribution	1,478	2,125	2,625	2,850	2,600	2,950	13,150
Environmental[3]	1,086	1,300	675	425	550	450	3,400
Electric Utilities & Infrastructure Growth Capital	$ 5,104	$ 6,200	$ 6,075	$ 5,550	$ 5,475	$ 5,500	$ 28,800
Maintenance	2,429	1,975	1,825	1,825	1,550	1,650	8,825
Total Electric Utilities & Infrastructure Capital	$ 7,532	$ 8,175	$ 7,900	$ 7,375	$ 7,025	$ 7,150	$ 37,625
Commercial Renewables[4]	92	125	450	475	200	250	1,500
Total Commercial Renewables Capital	$ 92	$ 125	$ 450	$ 475	$ 200	$ 250	$ 1,500
Midstream Pipelines[5]	$ 407	1,250	1,300	175	225	475	3,425
LDC - Non-Rider	350	550	525	375	275	275	2,000
LDC - Rider	275	300	275	250	225	225	1,275
Gas Utilities & Infrastructure Growth Capital	$ 1,033	$ 2,100	$ 2,100	$ 800	$ 725	$ 975	$ 6,700
Maintenance	139	250	175	150	175	150	900
Total Gas Utilities & Infrastructure Capital	$ 1,172	$ 2,350	$ 2,275	$ 950	$ 900	$ 1,125	$ 7,600
Other[6]	175	300	350	250	275	250	1,425
Total Duke Energy	$ 8,971	$ 10,950	$ 10,975	$ 9,050	$ 8,400	$ 8,775	$ 48,150

(1) Amounts include AFUDC debt or capitalized interest
(2) Amount includes nuclear fuel of ~$2.2B from 2018-2022
(3) 2017 actual amounts include ~$500 million in coal ash closure spending that was included in operating cash flows
(4) Amounts are net of assumed tax equity financings
(5) Investment level will depend upon how the project and Duke investment are financed; 2017 actual amounts exclude $265 million return of capital from the ACP construction financing
(6) Primarily IT and real estate related costs

Capital expenditures by utility[1]

($ in millions)

Duke Energy Carolinas	2017A	2018E	2019E	2020E	2021E	2022E	2018 - 2022
Electric Generation	$ 461	$ 500	$ 600	$ 475	$ 400	$ 350	$ 2,325
Electric Transmission	78	175	250	225	200	225	1,075
Electric Distribution	639	825	925	1,025	1,025	1,200	5,000
Environmental[2]	517	625	150	75	125	150	1,125
Electric Utilities & Infrastructure Growth Capital	$ 1,695	$ 2,125	$ 1,925	$ 1,800	$ 1,750	$ 1,925	$ 9,525
Maintenance	1,108	725	600	700	600	650	3,275
Total Duke Energy Carolinas	$ 2,803	$ 2,850	$ 2,525	$ 2,500	$ 2,350	$ 2,575	$ 12,800

Duke Energy Progress	2017A	2018E	2019E	2020E	2021E	2022E	2018 - 2022
Electric Generation	$ 450	$ 775	$ 425	$ 250	$ 450	$ 475	$ 2,375
Electric Transmission	32	125	175	50	150	150	650
Electric Distribution	389	475	725	775	650	875	3,500
Environmental[3]	273	475	425	250	225	125	1,500
Electric Utilities & Infrastructure Growth Capital	$ 1,142	$ 1,850	$ 1,750	$ 1,325	$ 1,475	$ 1,625	$ 8,025
Maintenance	763	500	525	500	525	475	2,525
Total Duke Energy Progress	$ 1,906	$ 2,350	$ 2,275	$ 1,825	$ 2,000	$ 2,100	$ 10,550

(1) Amounts include AFUDC debt
(2) 2017 actual amounts include $271 million in coal ash closure spending that was included in operating cash flows
(3) 2017 actual amounts include $191 million in coal ash closure spending that was included in operating cash flows

Capital expenditures by utility (continued)[1]

($ in millions)

Duke Energy Florida	2017A	2018E	2019E	2020E	2021E	2022E	2018 - 2022
Electric Generation	$ 565	$ 400	$ 250	$ 400	$ 375	$ 125	$ 1,550
Electric Transmission	358	275	525	550	475	475	2,300
Electric Distribution	258	325	425	450	400	400	2,000
Environmental	34	50	25	-	25	50	150
Electric Utilities & Infrastructure Growth Capital	$ 1,216	$ 1,050	$ 1,225	$ 1,400	$ 1,275	$ 1,050	$ 6,000
Maintenance	222	500	375	300	250	300	1,725
Total Duke Energy Florida	$ 1,438	$ 1,550	$ 1,600	$ 1,700	$ 1,525	$ 1,350	$ 7,725

Duke Energy Indiana	2017A	2018E	2019E	2020E	2021E	2022E	2018 - 2022
Electric Generation	$ 57	$ 100	$ 125	$ 75	$ 25	$ 25	$ 350
Electric Transmission	248	200	225	150	150	150	875
Electric Distribution	129	200	200	250	225	200	1,075
Environmental[2]	222	100	75	100	150	125	550
Electric Utilities & Infrastructure Growth Capital	$ 656	$ 600	$ 625	$ 575	$ 550	$ 500	$ 2,850
Maintenance	225	150	225	225	150	150	900
Total Duke Energy Indiana	$ 881	$ 750	$ 850	$ 800	$ 700	$ 650	$ 3,750

(1) Amounts include AFUDC debt

(2) 2017 actual amounts include $44 million in coal ash closure spending that was included in operating cash flows

Capital expenditures by utility (continued)[1]

($ in millions)

Duke Energy OH/KY Electric	2017A	2018E	2019E	2020E	2021E	2022E	2018 - 2022
Electric Generation	$ 11	$ 25	$ 25	$ -	$ -	$ -	$ 50
Electric Transmission	274	175	175	125	75	75	625
Electric Distribution	64	300	350	350	300	275	1,575
Environmental[2]	41	75	-	-	25	-	100
Electric Utilities & Infrastructure Growth Capital	$ 390	$ 575	$ 550	$ 475	$ 400	$ 350	$ 2,350
Maintenance	120	100	75	100	50	75	400
Total DEO/DEK Electric	$ 510	$ 675	$ 625	$ 575	$ 450	$ 425	$ 2,750

Duke Energy OH/KY Gas	2017A	2018E	2019E	2020E	2021E	2022E	2018 - 2022
LDC - Non-Rider	$ 82	50	100	125	50	25	$ 350
LDC - Rider	9	25	-	-	-	-	25
Gas Utilities & Infrastructure Growth Capital	$ 91	$ 75	$ 100	$ 125	$ 50	$ 25	$ 375
Maintenance	104	100	75	50	50	75	350
Total DEO/DEK Gas	$ 195	$ 175	$ 175	$ 175	$ 100	$ 100	$ 725

Piedmont	2017A	2018E	2019E	2020E	2021E	2022E	2018 - 2022
LDC - Non-Rider	$ 268	500	425	250	225	250	$ 1,650
LDC - Rider	267	275	275	250	225	225	1,250
Gas Utilities & Infrastructure Growth Capital	$ 535	$ 775	$ 700	$ 500	$ 450	$ 475	$ 2,900
Maintenance	35	150	100	75	125	100	550
Total Piedmont Gas	$ 570	$ 925	$ 800	$ 575	$ 575	$ 575	$ 3,450

(1) Amounts include AFUDC debt
(2) 2017 actual amounts include $7 million in coal ash closure spending that was included in operating cash flows

Environmental compliance expenditures by category

($ in millions)

Category	2018 – 2022
Air (MATS)	$110
Water (316b)	$390
Waste (conversions)(1)	$420
Waste (closure)	$2,480
Total	$3,400

Coal Ash Closure Costs	Total Project Costs	Spend To Date(2)	2018 – 2022 Plan
Duke Energy Carolinas	$2,490	$725	$740
Duke Energy Progress	$2,630	$500	$1,260
Duke Energy Indiana	$900	$110	$450
Duke Energy Florida	$20	--	$10
Duke Energy Kentucky	$60	$15	$20
Total	$6,100	$1,350	$2,480

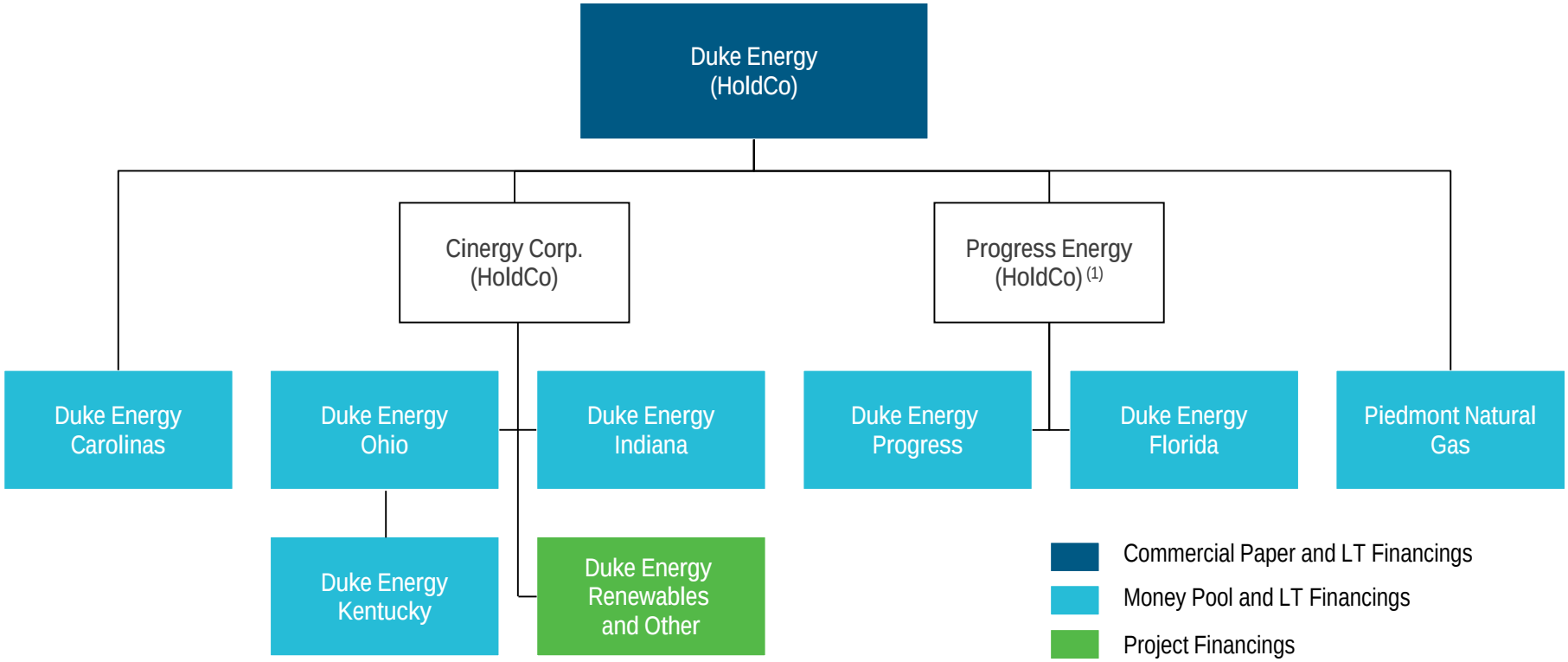
Expenditures for waste conversion to dry ash handling by jurisdiction:

- Carolinas: ~$360 million
- Midwest: ~$50 million
- Florida: ~$10 million

(1) *Includes estimated wastewater treatment compliance expenditures associated with Steam Effluent Limitation Guidelines (ELG)*
(2) *As of Dec. 31, 2017*

Financing plan

Simplified financing structure



(1) Progress Energy HoldCo has long-term debt outstanding, but no future issuance is planned at this financing entity

Credit ratings (as of August 6, 2018)

Holding Companies

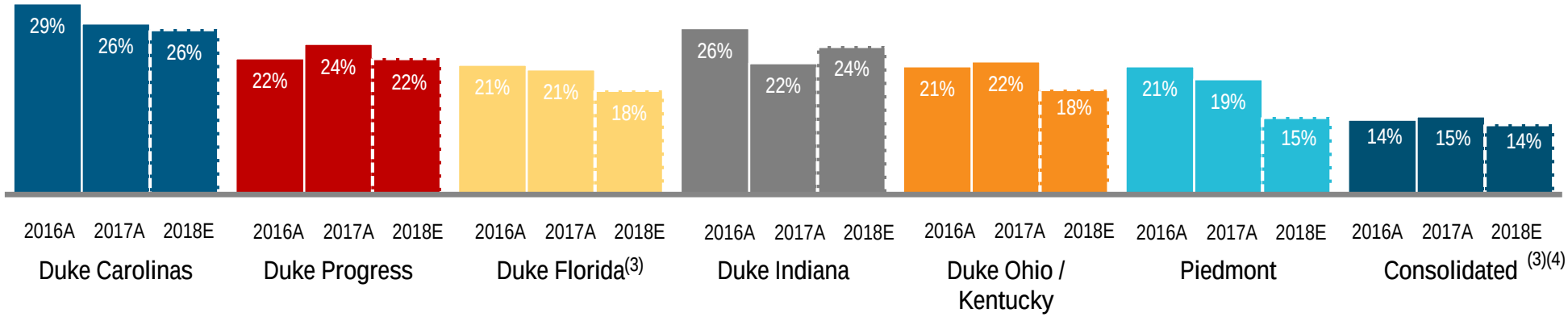
	Moody's	S&P	Fitch
DUKE ENERGY	Stable	Stable	Negative
Senior Unsecured Debt	Baa1	BBB+	BBB+
Commercial Paper	P-2	A-2	F-2
PROGRESS ENERGY	Stable	Stable	Stable
Senior Unsecured Debt	Baa1	BBB+	BBB

Operating Companies

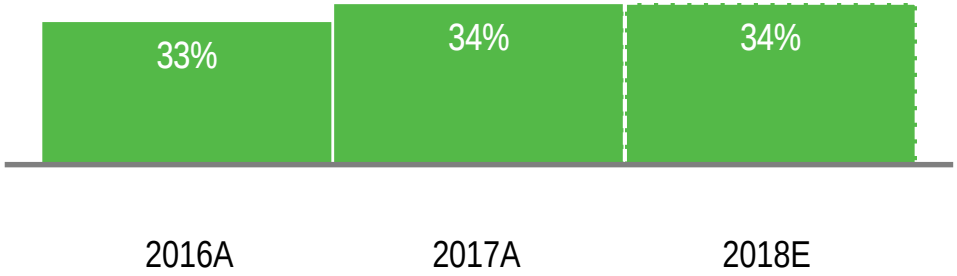
	Moody's	S&P
DUKE ENERGY CAROLINAS	Stable	Stable
Senior Secured Debt	Aa2	A
Senior Unsecured Debt	A1	A-
DUKE ENERGY PROGRESS	Stable	Stable
Senior Secured Debt	Aa3	A
DUKE ENERGY FLORIDA	Stable	Stable
Senior Secured Debt	A1	A
Senior Unsecured Debt	A3	A-
DUKE ENERGY INDIANA	Stable	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	A-
DUKE ENERGY OHIO	Stable	Stable
Senior Secured Debt	A2	A
Senior Unsecured Debt	Baa1	A-
DUKE ENERGY KENTUCKY	Stable	Stable
Senior Unsecured Debt	Baa1	A-
PIEDMONT NATURAL GAS	Stable	Stable
Senior Unsecured Debt	A3	A-

Credit metrics[1]
Committed to maintaining quality, investment-grade ratings

FFO/Debt [2]



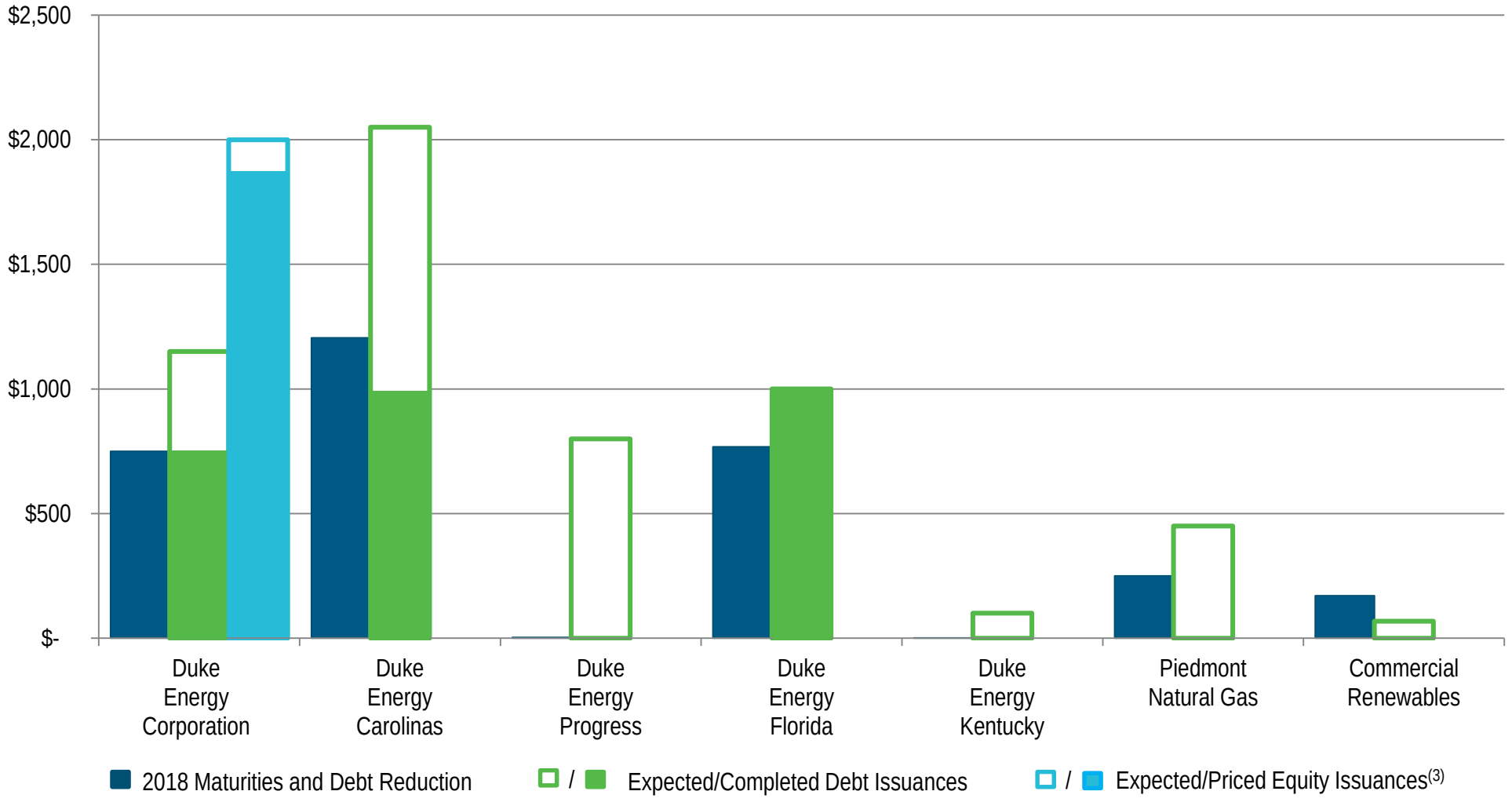
HoldCo Debt / Total Debt



(1) *Amounts do not include all adjustments that may be made by the rating agencies*
(2) *FFO excludes asset retirement obligation costs (after tax amount calculated using a 38% tax rate as a simplifying assumption for 2016 and 2017, tax rate reduced to 22% in 2018)*
(3) *Assumes CR-3 securitization treated as off credit*
(4) *Consolidated metrics exclude increases to debt associated with purchase accounting*

2018 financing plan as of June 30, 2018 (1)(2)

($ in millions)



(1) *Represents expected long-term debt and common equity capital raising during 2018*
(2) *There are no debt maturities or expected financings at Duke Energy Indiana or Duke Energy Ohio in 2018*
(3) *$1.9 billion of equity priced through June 30, 2018, including $890 million issued. Expect remaining forwards to be settled in Q4 2018.*

2018 long-term debt financing activity as of June 30, 2018

Amount ($ in millions)	Entity	Date Issued	Credit Ratings (M/S&P/F, unless otherwise noted)	Term	Type	Rate
$500	DE Carolinas	March 2018	Aa2/A	5-Year	First Mortgage Bond	Fixed – 3.05%
$500	DE Carolinas	March 2018	Aa2/A	30-Year	First Mortgage Bond	Fixed – 3.95%
$250	DE Corp.	March 2018	N/A(1)	7-Year	Senior Notes	Fixed – 3.95%
$500	DE Corp.	May 2018	Baa1/BBB+/BBB+	3-Year	Senior Notes	Floating
$600	DE Florida	June 2018	A1/A	10-year	First Mortgage Bond	Fixed – 3.80%
$400	DE Florida	June 2018	A1/A	30-year	First Mortgage Bond	Fixed – 4.20%

(1) Issuance privately placed

Liquidity summary as of June 30, 2018

($ in millions)

	Duke Energy Corp.	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]	$ 2,650	$ 1,750	$ 1,250	$ 800	$ 600	$ 300	$ 150	$ 500	$ 8,000
Less: Notes payable and commercial paper [2]	(1,087)	(856)	(556)	-	(316)	(108)	(81)	-	(3,004)
Coal Ash Set-Aside	-	(250)	(250)	-	-	-	-	-	(500)
Outstanding letters of credit (LOCs)	(49)	(4)	(2)	-	-	-	-	(2)	(57)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	$ 1,514	$ 640	$ 442	$ 800	$ 203	$ 192	$ 69	$ 498	$ 4,358
Other Credit Facilities [3]	$ 1,000								$ 1,000
Less: Borrowings Under Credit Facilities	(500)								(500)
Available capacity	$ 500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500
Cash & short-term investments [4]									222
Total available liquidity									$ 5,080

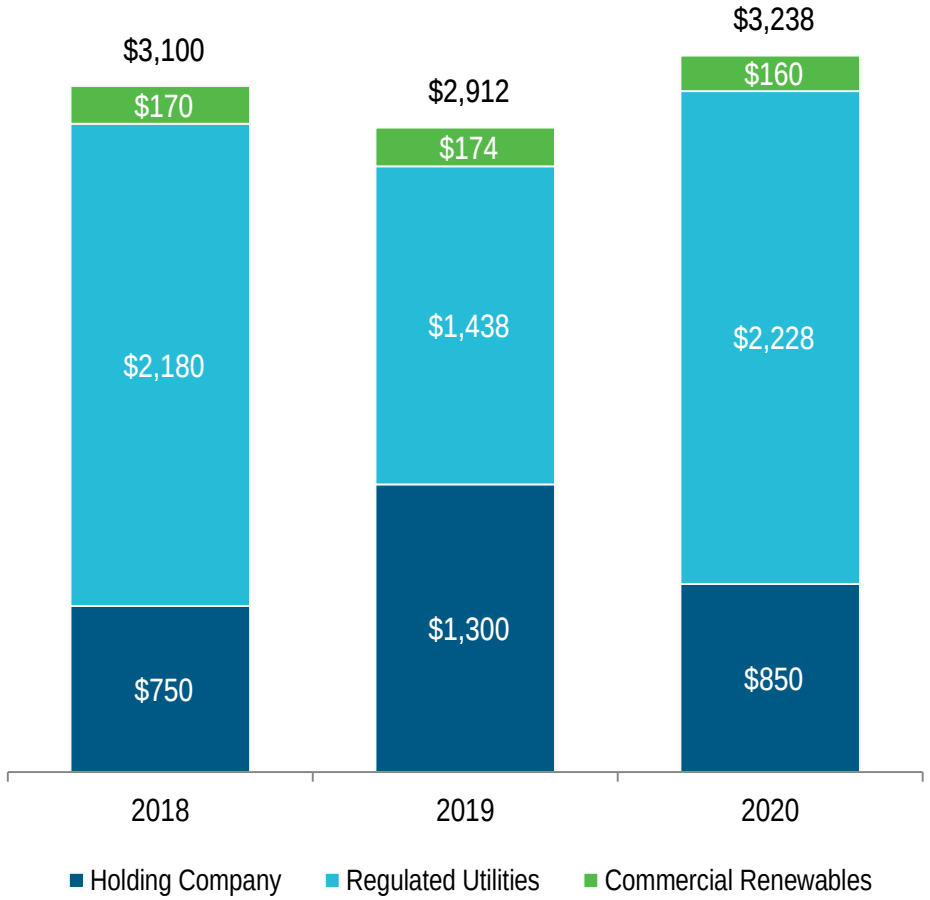
(1) Master Credit Facility supports tax-exempt put bonds, LOCs and Duke Energy Corporation's $4.85 billion commercial paper program
(2) Includes permanent layer of commercial paper of $625 million, which is classified as long-term debt
(3) Duke Energy Corporation's 3-year $1 billion revolving credit facility
(4) Represents cash available to meet funding needs

Long-term debt maturities[1]

Regulated Utilities Maturities Detail

($ in millions)

	2018	2019	2020
Duke Energy Carolinas [2]	$ 1,204	$ 5	$ 905
Duke Energy Progress [2]	3	603	304
Duke Energy Florida [2] [3]	715	216	518
Duke Energy Indiana	2	60	500
Duke Energy Ohio	4	453	-
Duke Energy Kentucky	2	100	1
Piedmont Natural Gas	250	-	-
Regulated Utilities	$ 2,180	$ 1,438	$ 2,228



(1) *Schedule for long-term debt outstanding at Dec. 31, 2017. Excludes amortization of noncash purchase accounting adjustments*
(2) *Excludes securitized receivables credit facilities maturing in 2018 and 2019 which are expected to be renewed*
(3) *Excludes amortization of CR3 securitization*

Regulatory overview

Current electric rate information by jurisdiction

	North Carolina	South Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Retail Rate Base	$13.5 B [1] (DEC) $8.2 B [1] (DEP)	$4.2 B [1] (DEC) $1.3 B [1] (DEP)	$11.5B [2]	$7.0 B [3]	$1.3 B [4]	$650 M [5]
Wholesale Rate Base	$1.7 B (DEC) 1Q 2018 $3.1 B (DEP) 1Q 2018		$1.4 B [2]	$550 M	$0.5 B (trans. only)	$0
Allowed ROE	9.9% (DEC & DEP)	10.20% (DEC) 10.10% (DEP)	10.50% [6]	10.50%	9.84% - Dist 11.38% - Trans	9.725%
Allowed Equity	52.0% (DEC & DEP)	53.0% (DEC & DEP)	40.23% [7]	44.44% [8]	50.8% [4]	49.3%
Effective Date of Most Recent Rates	8/1/18 (DEC) 3/16/18 (DEP)	9/17/13 (DEC) 1/1/17 (DEP)	1/1/18	5/24/04	Distr: 5/5/13 Trans 6/1/18 ESP: 6/1/15	4/13/18
Fuel Clause Updated	Annually (DEC and DEP)	Annually (DEC and DEP)	Annually	Quarterly	Annually for Non-Shoppers	Monthly
Environmental Clause Updated	N/A	N/A	Annually	Semi-Annually	Quarterly	Monthly
Nuclear Clause/Rider Updated	N/A	Not currently active (DEC and DEP)	Annually	N/A	N/A	N/A

(1) DEC NC's rate base as of August 2018. DEC SC's as of September 2013. DEP NC's rate base as of March 2018. DEP SC's as of December 2016.
(2) Thirteen-month average as of December 2017. Retail rate base includes amounts recovered in base rates of $11B and amounts recovered in trackers of $0.5B.
(3) As of Dec. 31, 2017; includes amounts being recovered in base rates of $3.7B, amounts being recovered in environmental trackers of $1.0B, and amounts being recovered in IGCC trackers of $2.3B
(4) Per the pending application, as of June 30, 2016.
(5) Kentucky allows recovery on total capitalization instead of rate base
(6) Represents the mid-point of an authorized range from 9.5% to 11.5%
(7) Florida's capital structure includes accumulated deferred income taxes (ADIT), customer deposits and investment tax credits (ITC) and is as of Dec. 31, 2018. Excluding these items, the capital structure approximates 53% equity
(8) Indiana's capital structure includes ADIT. When ADIT is excluded, resulting cap structure approximates 53% equity

Current electric rate information by jurisdiction (continued)

General Rate Case Provisions

	North Carolina	South Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Notice of Intent Required?	Yes	Yes	Yes	Yes (1)	Yes	Yes
Notice Period	30 Days	30 Days	60 Days	Varies	30 Days	28 Days
Test Year	Historical Adjusted for Known and Measureable Changes	Historical Adjusted for Known and Measureable Changes	Projected	Optional (2)	Partially Projected	Forecast Optional
Time Limitation Between Cases	No	12 months (3)	No	15 Months	No	No
Rates Effective Subject to Refund	9 Months After Filing	6 Months After Filing (4)	8 Months After Filing	10 Months After Filing (5)	9 Months After Filing	6 Months After Filing (6)

(1) IURC recommended procedure. Not a statutory requirement
(2) Utilities may elect to a historical test period, a forward-looking test period, or a hybrid test year in the context of a general rate case
(3) Our current settlement from the 2016 rate case in DEP SC precludes implementing new rates until 2019
(4) If the South Carolina Commission fails to rule on a rate case filing within 6 months, the new rates can be implemented and are not subject to refund. There is a grace period here. The Company would have to notify the Commission that it planned to put rates in and the Commission would then have 10 additional days to issue an order
(5) The utility may implement interim rates, subject to refund, if the IURC has not rendered a decision within 10 months of filing (can be extended 60 days by IURC). The interim rates are not to exceed 50% of the original request
(6) The effective date is 7 months after filing for a forecasted test year

Current gas rate information by jurisdiction

	North Carolina	South Carolina	Tennessee	Ohio (Gas)	Kentucky (Gas)
Rate Base ($M)	$1,822	$304	$349	$900 (1)	$200 (2)
Allowed ROE	10.0%	10.2%	10.2%	9.84%	10.38%
Allowed Equity	50.7%	53.0%	52.7%	53.3%	50.8%
Effective Date of Most Recent Rates	1/1/14	11/1/17 (3)	3/1/12	12/1/13	1/1/10
Significant Rider Mechanisms	Margin Decoupling Rider Integrity Management Rider Fuel Clause	Rate Stabilization Adj. Weather Normalization Adj. Fuel Clause	Weather Normalization Adj. Integrity Management Rider Fuel Clause	AMRP SmartGrid Fuel Clause	ASRP (4) Fuel Clause

(1) Excludes all rate base related to capital recovery that is being tracked (e.g., AMRP and AU after 3/31/2012)
(2) Reflects only the investment subject to KPSC jurisdiction
(3) Rates refreshed annually under the South Carolina Rate Stabilization Act (RSA)
(4) Recovers incremental costs for the Accelerated Service Line Replacement (ASRP) Program

Tax reform summary

Tax reform: regulatory activity and timeline

Riders in all jurisdictions include the lower federal income tax rate as they are updated/filed

	Status	Proposed/Approved Treatment of:		Amortization period for Unprotected EDIT	Docket
		Lower tax rate	EDIT		
FL	✓	Utilizing tax reform to offset Hurricane Irma costs, replenish storm reserve and accelerate depreciation of coal plants		10 years	20180047-EI
NC (DEC)	✓	Reflected in base rates effective Aug. 2018	EDIT treatment to be considered in 3 years or next rate case, whichever is sooner	TBD	E-7, Sub 1146 M-100, Sub 148
NC (DEP)	TBD in generic docket	Proposed addressing in next rate case or decrement rider in generic docket; Proposed offsetting revenue reduction with accelerated cost recovery		Proposed PP&E-related over 20 years, rest over 5 years	M-100, Sub 148
NC (gas)	TBD in generic docket	Proposed addressing in next rate case		TBD	M-100, Sub 148
SC (all)	✓	Deferred until next rate case or other proceeding (electric utilities) or RSA filing (gas utilities) per Commission order		TBD	2017-381-A
IN	✓	Includes update in base rates effective Sept. 2018; (approximately half of impact for DEI incorporated through riders)	Includes return of protected beginning Jan. 2020; unprotected beginning Sept. 2018	10 years with: $7 million/year (yrs. 1-5) $35 million/year (yrs. 6-10)	45032 S2
OH (electric)	Requested new rider, subject to PUCO approval	Most of the impact incorporated through existing riders; new rider would incorporate impact on base rates	Request includes return of EDIT through the new rider beginning Oct. 2018	10 years per request	18-1186-EL-ATA
OH (gas)	TBD in separate docket	TBD in separate docket		TBD	18-47-AU-COI
KY (elec)	✓	Incorporated in rate case order effective May 2018		10 years	2017-321
KY (gas)	Settlement with KIUC filed March 2, subject to KPSC approval	Settlement includes no adjustment as DEK is under-earning	Settlement includes returning through a new rider until next base rate case	15 years per settlement	2018-36
TN	TBD in generic docket	Proposed addressing in next rate case		TBD	18-00040

Segment Overviews

A portfolio of attractive utilities in constructive jurisdictions

EIGHT UTILITIES IN HIGH-QUALITY REGIONS OF THE U.S.

CAROLINAS



Duke Energy Carolinas (NC/SC)

Duke Energy Progress (NC/SC)

FLORIDA



Duke Energy Florida

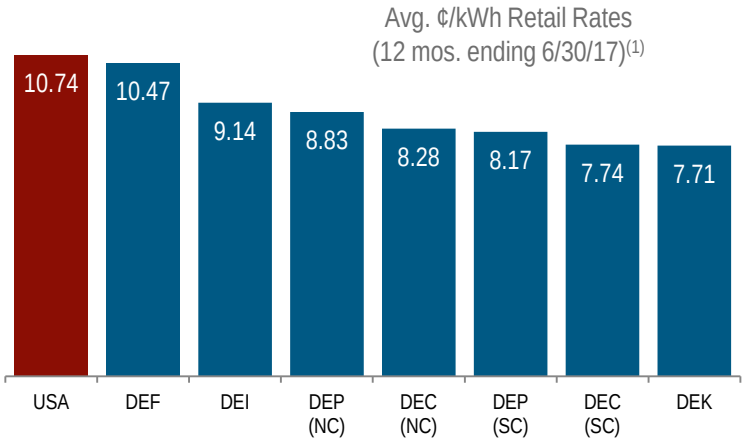
MIDWEST



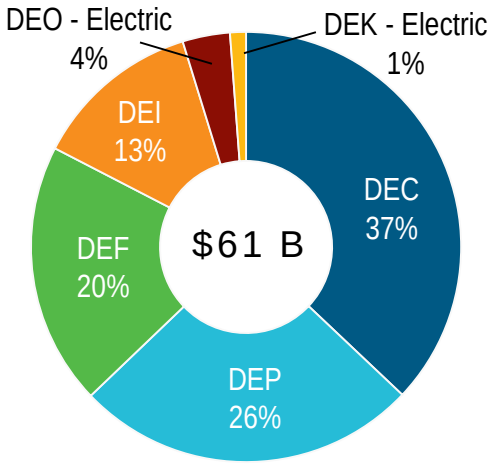
Duke Energy Indiana

Duke Energy Ohio / Kentucky

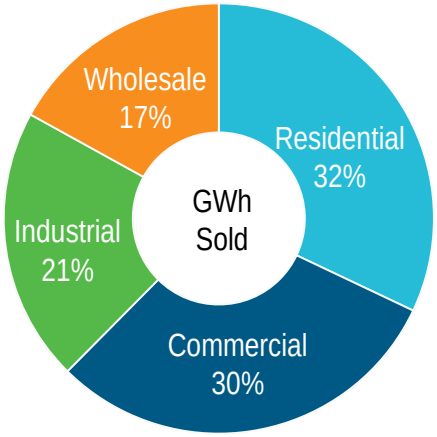
COMPETITIVE CUSTOMER RATES



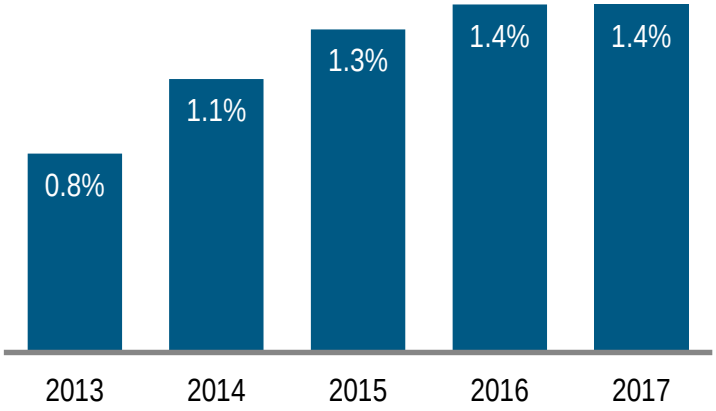
REGULATED ELECTRIC 2017 EARNINGS BASE



BALANCED CUSTOMER MIX



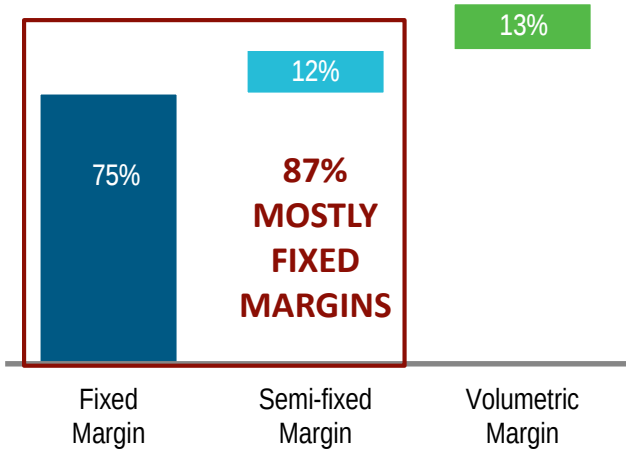
STRONG RESIDENTAL CUSTOMER GROWTH



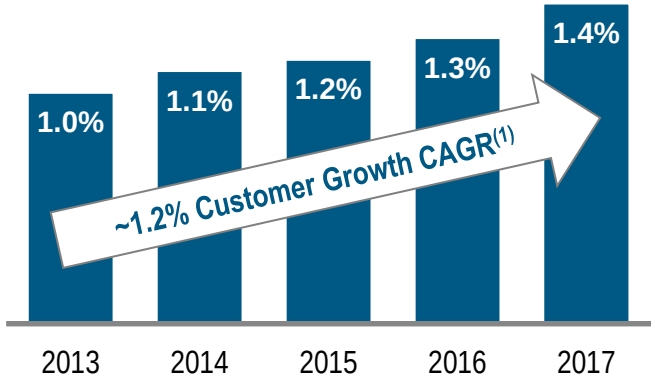
(1) Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report Summer 2017

Gas Utilities and Infrastructure – at a glance

GAS UTILITIES WITH LOW VOLUMETRIC EXPOSURE DUE TO MOSTLY FIXED MARGINS...



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



(1) *Piedmont CAGR: 1.6%, Midwest LDC CAGR 0.6%*

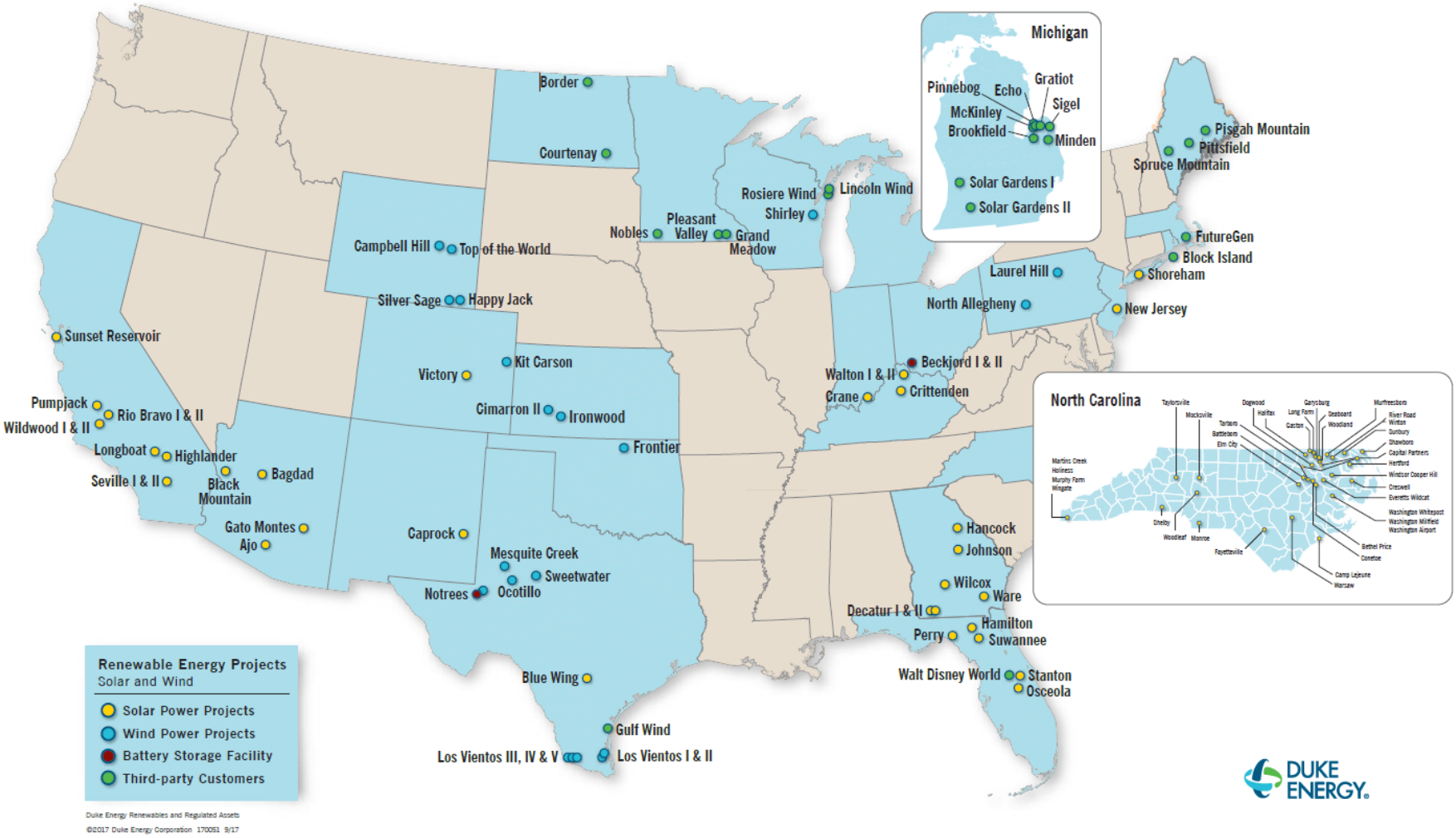
ATLANTIC COAST PIPELINE TO BRING SIGNIFICANT GAS SUPPLY TO UNDERSERVED EASTERN CAROLINAS

- 47% joint owner
- Targeting Q4 2019 in service
- Potential for additional power generation and utility infrastructure for Piedmont Natural Gas
- Project earns AFUDC during construction



Commercial and Regulated Renewables asset locations(1)

Duke Energy Solar, Wind and Battery Storage Portfolio



(1) *A full list of generation facilities can be found at https://www.duke-energy.com//_/media/pdfs/our-company/investors/duke-energy-generation-portfolio.pdf*

Other information

Upcoming events

Event	Date
3Q 2018 earnings call (tentative)	November 2, 2018
EEI Financial Conference	November 11-13, 2018

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Safe Harbor statement

Safe Harbor statement

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

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



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

Duke Energy Corporation
Non-GAAP Reconciliations
2018 Summer Update

Adjusted Diluted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) 2018 Summer Update include a discussion of adjusted diluted EPS for the year-to-date periods ended June 30, 2018 and 2017 and the year-to-date period ended December 31, 2017.

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, 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 year-to-date periods ended June 30, 2018 and 2017 and the year-to-date period ended December 31, 2017, 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 Piedmont Merger represent charges that result from the Piedmont acquisition.
- Regulatory and Legislative Impacts represent charges related to rate case orders, settlements or other actions of regulators or legislative bodies.
- Sale of Retired Plant represents the loss associated with selling Beckjord Generating Station, a nonregulated generating facility in Ohio.
- Impairment of Equity Method Investment represents an other-than-temporary impairment of an investment in Constitution Pipeline Company, LLC.
- Commercial Renewables Impairments represent other-than-temporary, asset and goodwill impairments.
- Impacts of the Tax Act represent estimated amounts recognized related to the Tax Cuts and Jobs Act (the Tax Act).

Adjusted Diluted EPS Guidance

The materials for Duke Energy's 2018 Summer Update include a reference to the original forecasted 2017 adjusted diluted EPS guidance range of $4.50 - $4.70 per share with a midpoint of $4.60 per share and the forecasted 2018 adjusted diluted EPS guidance range of $4.55 - $4.85 per share. The materials also reference the long-term range of annual growth of 4% - 6% through 2022 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 Loss

The materials for Duke Energy's 2018 Summer Update include a discussion of adjusted segment income and adjusted other net loss for the year-to-date period ended June 30, 2018 and a discussion of 2018 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income and other net loss adjusted for special items (as discussed above under Adjusted Diluted EPS). Management believes the presentation of adjusted segment income and adjusted other net loss 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 prior year consolidated statutory tax rate was used for comparability across periods presented, rather than the current year consolidated statutory tax rate which has reduced substantially as a result of the Tax Act. The most directly comparable GAAP measures for adjusted segment income and adjusted other net loss are reported segment income and other net loss, which represents segment income and other net loss from continuing operations, including any special items. A reconciliation of adjusted segment income and adjusted other net loss for the year-to-date period ended June 30, 2018, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted Diluted EPS Guidance.

Adjusted Effective Tax Rate (ETR)

The materials for Duke Energy's 2018 Summer Update include a discussion of the adjusted ETR for the year-to-date period ended June 30, 2018. The materials also include a discussion of the 2018 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 year-to-date period ended June 30, 2018 to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the 2018 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 Guidance.

Dividend Payout Ratio

The materials for Duke Energy's 2018 Summer Update include a discussion of Duke Energy's forecasted dividend payout ratio of 70% - 75% through 2022 based upon adjusted diluted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted 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. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations attributable to Duke Energy Corporation common shareholders. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

Adjusted Book Return on Equity (ROE)

The materials for Duke Energy's 2018 Summer Update include a reference to the historical and projected adjusted book return on equity (ROE) ratio. This ratio is a non-GAAP financial measure. The numerator represents Net Income, adjusted for the impact of special items (as discussed above under Adjusted Diluted EPS). The denominator is average Total Common Stockholder's Equity, reduced for Goodwill. A reconciliation of the components of adjusted ROE to the most directly comparable GAAP measures is included here-in. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted Diluted EPS Guidance.

Funds From Operations ("FFO") Ratios

The materials for Duke Energy's 2018 Summer Update 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, ARO spend and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, plus notes payable and commercial paper outstanding. The calculation of FFO to Total Debt ratio for historical periods is included here-in.

Holdco Debt Percentage

The materials for Duke Energy's 2018 Summer Update include a reference to historical and projected Holdco debt percentages. 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, PremierNotes 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 2018 Summer Update include a discussion of Duke Energy's available liquidity balance as of June 30, 2018. The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents. A reconciliation of available liquidity as of June 30, 2018 to the most directly comparable GAAP measure is included herein.

Business Mix Percentage / Adjusted EPS Contribution

The materials for Duke Energy's 2018 Summer Update reference each segments 2018 projected adjusted segment income as a percentage of the total projected 2018 adjusted net income (i.e. business mix or adjusted EPS contribution), excluding the impact of Other. Duke Energy's segments are comprised of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables. The materials also reference the ten-year target percentage of total Gas Utilities and Infrastructure adjusted segment income as a percentage of the total adjusted net income, excluding the impact of Other.

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

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

		Special Items							
	Reported Earnings	Costs to Achieve Piedmont Merger	Regulatory and Legislative Impacts	Sale of Retired Plant	Impairment of Equity Method Investment	Impacts of the Tax Act	Discontinued Operations	Total Adjustments	Adjusted Earnings
SEGMENT INCOME									
Electric Utilities and Infrastructure	**$ 1,325**	$ —	$ 202 **B**	$ —	$ —	$ —	$ —	$ 202	$ 1,527
Gas Utilities and Infrastructure	**144**	—	—	—	42 **D**	—	—	42	186
Commercial Renewables	**58**	—	—	—	—	—	—	—	58
Total Reportable Segment Income	**1,527**	**—**	**202**	**—**	**42**	**—**	**—**	**244**	**1,771**
Other	**(402)**	28 **A**	—	82 **C**	—	76 **E**	—	186	(216)
Discontinued Operations	**(5)**	—	—	—	—	—	5 **F**	5	—
Net Income Attributable to Duke Energy Corporation	**$ 1,120**	**$ 28**	**$ 202**	**$ 82**	**$ 42**	**$ 76**	**$ 5**	**$ 435**	**$ 1,555**
EPS ATTRIBUTABLE TO DUKE ENERGY CORP, DILUTED	**$ 1.59**	**$ 0.04**	**$ 0.29**	**$ 0.12**	**$ 0.06**	**$ 0.11**	**$ 0.01**	**$ 0.63**	**$ 2.22**

A - Net of $9 million tax benefit. $37 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

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

- On the Duke Energy Progress Condensed Consolidated Statement of Operations, $32 million is recorded within Impairment charges, $31 million within Operations, maintenance and other, $6 million within Interest Expense and $(1) million within Depreciation and amortization.
- On the Duke Energy Carolinas Condensed Consolidated Statement of Operations, $188 million is recorded within Impairment charges, $8 million within Operations, maintenance and other, and $1 million within Depreciation and amortization.

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

D - Net of $13 million tax benefit. $55 million included within Other Income and Expenses on the Condensed Consolidated Statement of Operations.

E - $76 million AMT valuation allowance within Income Tax Expense from Continuing Operations on the Condensed Consolidated Statement of Operations.

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

Weighted Average Shares, Diluted (reported and adjusted) - 702 million

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Six Months Ended June 30, 2017
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Item: Costs to Achieve Piedmont Merger	Discontinued Operations	Total Adjustments	Adjusted Earnings
SEGMENT INCOME					
Electric Utilities and Infrastructure	**$ 1,364**	$ —	$ —	$ —	$ 1,364
Gas Utilities and Infrastructure	**160**	—	—	—	160
Commercial Renewables	**51**	—	—	—	51
Total Reportable Segment Income	**1,575**	**—**	**—**	**—**	**1,575**
Other	**(171)**	29 **A**	—	29	(142)
Discontinued Operations	**(2)**	—	2 **B**	2	—
Net Income Attributable to Duke Energy Corporation	**$ 1,402**	**$ 29**	**$ 2**	**$ 31**	**$ 1,433**
EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED	**$ 2.00**	**$ 0.05**	**$ —**	**$ 0.05**	**$ 2.05**

A - Net of $17 million tax benefit. $45 million recorded within Operating Expenses and $1 million recorded within Interest Expense on the Condensed Consolidated Statements of Operations.

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

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

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

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

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

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

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

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

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

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

DUKE ENERGY CORPORATION
ADJUSTED EFFECTIVE TAX RECONCILIATION
June 2018
(Dollars in millions)

	Three Months Ended June 30, 2018		Six Months Ended June 30, 2018	
	Balance	**Effective Tax Rate**	**Balance**	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 607		$ 1,410	
Costs to Achieve Piedmont Merger	20		37	
Regulatory and Legislative Impacts	179		265	
Sale of Retired Plant	—		107	
Impairment of Equity Method Investment	—		55	
Noncontrolling Interests	(2)		(4)	
Adjusted Pretax Income	$ 804		$ 1,870	
Reported Income Tax Expense From Continuing Operations	$ 100	16.5%	$ 281	19.9%
Costs to Achieve Piedmont Merger	5		9	
Regulatory and Legislative Impacts	43		63	
Sale of Retired Plant	—		25	
Impairment of Equity Method Investment	—		13	
Impacts of the Tax Act	—		(76)	
Adjusted Tax Expense	$ 148	18.4% *	$ 315	16.8% *

	Three Months Ended June 30, 2017		Six Months Ended June 30, 2017	
	Balance	**Effective Tax Rate**	**Balance**	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 1,018		$ 2,079	
Costs to Achieve Piedmont Merger	30		46	
Noncontrolling Interests	(3)		(4)	
Adjusted Pretax Income	$ 1,045		$ 2,121	
Reported Income Tax Expense From Continuing Operations	$ 327	32.1%	$ 671	32.3%
Costs to Achieve Piedmont Merger	11		17	
Adjusted Tax Expense	$ 338	32.3% *	$ 688	32.4% *

*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
ADJUSTED BOOK RETURN ON EQUITY (ROEs)
For the period ended December 31, 2017
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont
Reported Net Income 2017	$ 1,214	$ 715	$ 1,929	$ 712	$ 354	$ 223 (2)	$ 133 (4)
Special Items (1)	28	(17)	11	(136)	58	(20)	25
Adjusted Net Income 2017	1,242	698	1,940	576	412	203	158
2017							
Equity	11,361	7,949	19,310	5,618	4,121	3,166 (3)	1,616 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,361	7,949	19,310	5,618	4,121	2,246	1,567
2016							
Equity	10,772	7,358	18,130	4,900	4,067	3,027 (3)	1,569 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	10,772	7,358	18,130	4,900	4,067	2,107	1,520
Average Equity less Goodwill			18,720	5,259	4,094	2,177	1,544
Adjusted Book ROEs			10.4%	11.0%	10.1%	9.3%	10.2%

(1) Costs to Achieve (CTA), Mergers net of tax, Regulatory Settlements, and Tax Reform.

(2) Net Income for 2017 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA and cost savings initiatives.

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2017	2016
Reported Equity for Duke Energy Ohio	3,163	2,996
Less: Non-Reg & Other	(3)	(31)
Duke Energy Ohio Reportable Segments Equity	3,166	3,027

(4) Piedmont Natural Gas Net Income excludes $6 million of income related to Investments in Gas Transmission Infrastructure.

(5) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	2017	2016
Reported Equity for Piedmont Natural Gas	1,662	1,672
Less: Investments in Gas Transmission Infrastructure	46	103
Piedmont Natural Gas Adjusted Equity	1,616	1,569

DUKE ENERGY CORPORATION
ADJUSTED BOOK RETURN ON EQUITY (ROEs)
For the period ended December 31, 2016
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont Natural Gas (4)
Reported Net Income 2016	$ 1,166	$ 599	$ 1,765	$ 551	$ 381	$ 231 (2)	$ 187 (5)
Special Items (1)	91	50	141	19	10	-	(40) (6)
Adjusted Net Income 2016	1,257	649	1,906	570	391	231	147
2016							
Equity	10,772	7,358	18,130	4,900	4,067	3,027 (3)	1,487 (7)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	10,772	7,358	18,130	4,900	4,067	2,107	1,438
2015							
Equity	11,606	7,059	18,665	5,121	3,836	2,855 (3)	1,299 (7)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,606	7,059	18,665	5,121	3,836	1,935	1,250
Average Equity less Goodwill			18,398	5,011	3,952	2,021	1,344
Adjusted Book ROEs			10.4%	11.4%	9.9%	11.4%	10.9%

(1) Costs to Achieve (CTA), Mergers net of tax and Cost Savings Initiatives.

(2) Net Income for 2016 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA and cost savings initiatives.

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2016	2015
Reported Equity for Duke Energy Ohio	2,996	2,784
Less: Non-Reg & Other	(31)	(71)
Duke Energy Ohio Reportable Segments	3,027	2,855

(4) Piedmont Natural Gas ROE is for the twelve months ended October 31, 2016.

(5) Piedmont Natural Gas Net Income excludes $6 million of income related to Investments in Gas Transmission Infrastructure.

(6) Piedmont special items include:

Gain on sale of SouthStar equity method investment, net of tax	(81)
CTA	41
	(40)

(7) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	October 31, 2016	October 31, 2015
Reported Equity for Piedmont Natural Gas	1,645	1,426
Less: Investments in Gas Transmission Infrastructure	158	127
Piedmont Natural Gas Adjusted Equity	1,487	1,299

DUKE ENERGY CORPORATION
ADJUSTED BOOK RETURN ON EQUITY (ROEs)
For the period ended December 31, 2015
dollars in millions

	Duke Energy Carolinas	Duke Energy Progress	Total Carolinas	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio Reportable Segments	Piedmont Natural Gas (4)
Reported Net Income 2015	$ 1,081	$ 566	$ 1,647	$ 599	$ 316	$ 191 (2)	$ 128 (5)
Special Items (1)	94	34	128	12	66	3	-
Adjusted Net Income 2015	1,175	600	1,775	611	382	194	128
2015							
Equity	11,606	7,059	18,665	5,121	3,836	2,855 (3)	1,299 (6)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,606	7,059	18,665	5,121	3,836	1,935	1,250
2014							
Equity	10,924	5,867	16,791	5,222	3,848	2,702 (3)	1,213 (6)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	10,924	5,867	16,791	5,222	3,848	1,782	1,164
Average Equity less Goodwill			17,728	5,172	3,842	1,859	1,207
Adjusted Book ROEs			10.0%	11.8%	9.9%	10.4%	10.6%

(1) Costs to Achieve (CTA), Mergers net of tax, Edwardsport Settlement, Cost Savings Initiatives and Ash Basin Settlements and Penalties.

(2) Net Income for 2015 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA.

(3) Reconciliation of Duke Energy Ohio Equity to Equity of the reportable segments:

	2015	2014
Reported Equity for Duke Energy Ohio	2,784	4,674
Less: Non-Reg & Other	(71)	1,972
Duke Energy Ohio Reportable Segments	2,855	2,702

(4) Piedmont Natural Gas ROE is for the twelve months ended October 31, 2015.

(5) Piedmont Natural Gas Net Income excludes $9 million of income related to Investments in Gas Transmission Infrastructure.

(6) Reconciliation of Piedmont Natural Gas Equity to reported equity:

	October 31, 2015	October 31, 2014
Reported Equity for Piedmont Natural Gas	1,426	1,309
Less: Investments in Gas Transmission Infrastructure	127	96
Piedmont Natural Gas Adjusted Equity	1,299	1,213

FFO to Debt Calculation
Duke Energy Corporation
(in millions)

	Years Ended December 31, 2017 Actual	2016 Actual
Cash From Operations	$ 6,634	$ 6,817
Working capital adjustment (1)	740	(394)
Capitalized Interest	(128)	(100)
CR3 securitization adjustment	(53)	(35)
Other	20	19
Funds From Operations	7,213	6,307
ARO spend	571	608
ARO spend, net of tax at 38%	354	377
FFO exc. coal ash spend (net of tax)	**$ 7,567**	**$ 6,684**
Notes payable and commercial paper	$ 2,163	$ 2,487
Current maturities of long-term debt	3,244	2,319
Long-term debt	49,035	45,576
Purchase accounting adjustments	(2,416)	(2,671)
CR3 securitization	(1,217)	(1,279)
Other	192	(125)
Total Debt	**$ 51,001**	**$ 46,307**
FFO / Debt	**15%**	**14%**
(1) Working capital detail, excluding mark-to-market		
Receivables	$ (83)	$ (372)
Inventory	268	272
Other current assets	(446)	(220)
Accounts payable	(204)	296
Taxes accrued	149	236
Other current liabilities	(424)	182
	$ (740)	$ 394

FFO to Debt Calculation
Duke Energy Carolinas
(in millions)

	Years Ended December 31, 2017 Actual	2016 Actual
Cash From Operations	$ 2,634	$ 2,976
Working capital adjustment (1)	(54)	(333)
Capitalized Interest	(45)	(38)
Funds From Operations	2,535	2,605
ARO spend	271	287
ARO spend, net of tax at 38%	168	178
FFO exc. coal ash spend (net of tax)	**$ 2,703**	**$ 2,783**
Current maturities of long-term debt	$ 1,205	$ 116
Long-term debt	8,598	9,187
Long-term debt payable to affiliated companies	300	300
Notes payable to affiliated companies	104	-
Total Debt	**$ 10,207**	**$ 9,603**
FFO / Debt	**26%**	**29%**
(1) Working capital detail, excluding mark-to-market		
Receivables	$ (9)	$ (76)
Receivables from affiliated companies	68	(56)
Inventory	78	215
Other current assets	7	67
Accounts payable	23	(85)
Accounts payable to affiliated companies	(38)	18
Taxes accrued	86	187
Other current liabilities	(161)	63
	$ 54	$ 333

FFO to Debt Calculation
Duke Energy Progress
(in millions)

	Years Ended December 31, 2017 Actual	2016 Actual
Cash From Operations	$ 1,195	$ 1,932
Working capital adjustment (1)	520	(502)
Capitalized Interest	(21)	(17)
Other	3	2
Funds From Operations	1,697	1,415
ARO spend	192	212
ARO spend, net of tax at 38%	119	131
FFO exc. coal ash spend (net of tax)	**$ 1,816**	**$ 1,546**
Notes payable to affiliated companies	$ 240	$ -
Current maturities of long-term debt	3	452
Long-term debt	7,204	6,409
Long-term debt payable to affiliated companies	150	150
Total Debt	**$ 7,597**	**$ 7,011**
FFO / Debt	**24%**	**22%**
(1) Working capital detail, excluding mark-to-market		
Receivables	$ (58)	$ (17)
Receivables from affiliated companies	2	11
Inventory	59	12
Other current assets	(133)	84
Accounts payable	(230)	171
Accounts payable to affiliated companies	(48)	37
Taxes accrued	(39)	90
Other current liabilities	(73)	114
	$ (520)	$ 502

FFO to Debt Calculation
Duke Energy Florida
(in millions)

	Years Ended December 31, 2017 Actual	2016 Actual
Cash From Operations	$ 1,028	$ 844
Working capital adjustment (1)	216	252
Capitalized Interest	(24)	(14)
CR3 securitization adjustment	(53)	(35)
Other	14	13
Funds From Operations	1,181	1,060
ARO spend	56	58
ARO spend, net of tax at 38%	35	36
FFO exc. coal ash spend (net of tax)	**$ 1,216**	**$ 1,096**
Notes payable to affiliated companies	$ -	$ 297
Current maturities of long-term debt	768	326
Long-term debt	6,327	5,799
CR3 securitization	(1,217)	(1,279)
Total Debt	**$ 5,878**	**$ 5,143**
FFO / Debt	**21%**	**21%**

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

Receivables	$ (38)	$ 23
Receivables from affiliated companies	-	21
Inventory	66	23
Other current assets	(125)	(133)
Accounts payable	(32)	71
Accounts payable to affiliated companies	(51)	9
Taxes accrued	1	(117)
Other current liabilities	(37)	(149)
	$ (216)	$ (252)

FFO to Debt Calculation
Duke Energy Indiana
(in millions)

	Years Ended December 31, 2017 Actual	2016 Actual
Cash From Operations	$ 969	$ 871
Working capital adjustment (1)	(102)	132
Capitalized Interest	(9)	(7)
Funds From Operations	858	996
ARO spend	45	46
ARO spend, net of tax at 38%	28	29
FFO exc. coal ash spend (net of tax)	**$ 886**	**$ 1,025**
Notes payable to affiliated companies	$ 161	$ -
Current maturities of long-term debt	3	3
Long-term debt	3,630	3,633
Long-term debt payable to affiliated companies	150	150
CRC allocated balance	174	174
Total Debt	**$ 4,118**	**$ 3,960**
FFO / Debt	**22%**	**26%**
(1) Working capital detail, excluding mark-to-market		
Receivables	$ 59	$ (2)
Receivables from affiliated companies	(11)	(43)
Inventory	54	66
Other current assets	28	(67)
Accounts payable	(86)	8
Accounts payable to affiliated companies	4	(9)
Taxes accrued	64	(4)
Other current liabilities	(10)	(81)
	$ 102	$ (132)

FFO to Debt Calculation
Duke Energy Ohio
(in millions)

	Years Ended December 31, 2017 Actual	2016 Actual
Cash From Operations	$ 479	$ 425
Working capital adjustment (1)	15	15
Capitalized Interest	(10)	(8)
Funds From Operations	484	432
ARO spend	7	5
ARO spend, net of tax at 38%	4	3
FFO exc. coal ash spend (net of tax)	**$ 488**	**$ 435**
Notes payable to affiliated companies	$ 29	$ 16
Current maturities of long-term debt	3	1
Long-term debt	2,039	1,858
Long-term debt payable to affiliated companies	25	25
CRC allocated balance	151	151
Total Debt	**$ 2,247**	**$ 2,051**
FFO / Debt	**22%**	**21%**

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

Receivables	$ 2	$ (4)
Receivables from affiliated companies	(4)	(36)
Inventory	6	(32)
Other current assets	(22)	79
Accounts payable	12	19
Accounts payable to affiliated companies	(1)	10
Taxes accrued	11	3
Other current liabilities	(19)	(54)
	$ (15)	$ (15)

FFO to Debt Calculation
Piedmont Natural Gas
(in millions)

	Years Ended	
	December 31, 2017 Actual	**October 31, 2016 Actual**
Cash From Operations	$ 329	$ 308
Working capital adjustment (1)	125	101
Capitalized Interest	12	2
Funds From Operations	466	411
ARO spend	-	6
ARO spend, net of tax at 38%	-	4
FFO exc. coal ash spend (net of tax)	**$ 466**	**$ 415**
Notes payable	$ 364	$ 145
Current maturities of long-term debt	250	35
Long-term debt	1,787	1,786
Total Debt	**$ 2,401**	**$ 1,966**
FFO / Debt	**19%**	**21%**

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

Receivables	$ (40)	$ 7
Receivables from affiliated companies	-	(7)
Inventory	-	14
Other current assets	(20)	(99)
Accounts payable	(13)	6
Accounts payable to affiliated companies	5	6
Taxes accrued	(48)	(14)
Other current liabilities	(9)	(14)
	$ (125)	$ (101)

Duke Energy Corporation
Available Liquidity Reconciliation
As of June 30, 2018
(In millions)

Cash and Cash Equivalents	$ 304	
Less: Certain Amounts Held in Foreign Jurisdictions	(6)	
Less: Unavailable Domestic Cash	(76)	
	222	
Plus: Remaining Availability under Master Credit Facilities and other facilities	4,858	
Total Available Liquidity (a)	$ 5,080	approximately 5.1 billion

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