

Q4 / 2020

EARNINGS REVIEW AND BUSINESS

# UPDATE

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

February 11, 2021

## **Safe Harbor statement**

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

## **Regulation G disclosure**

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

# Safe harbor statement

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

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

**\$1.72 / \$5.12**

**2020 REPORTED / ADJUSTED EPS**

**ADJUSTED EPS AT MIDPOINT  
OF NARROWED RANGE**

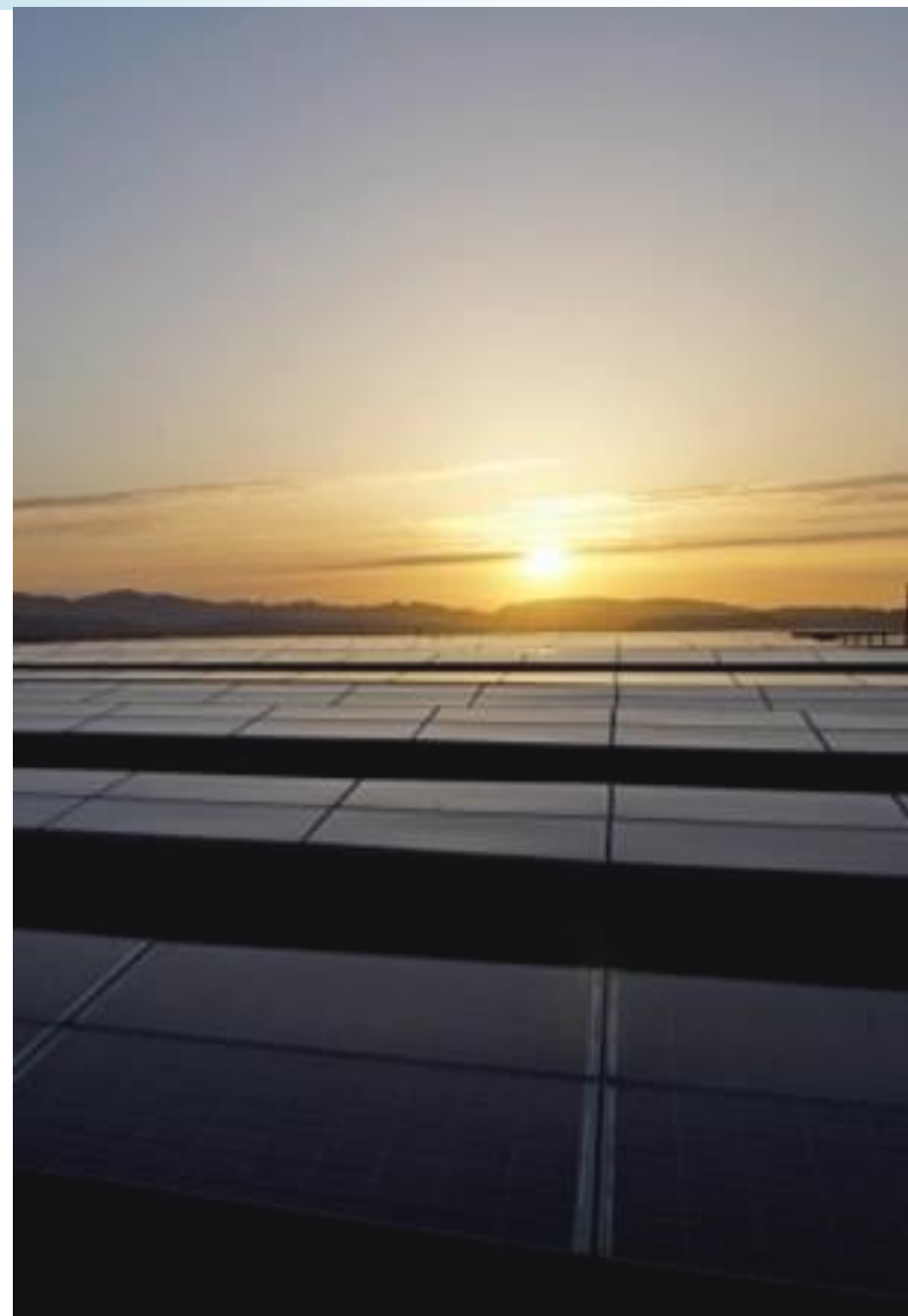
**\$5.00 - \$5.30**

**2021 ADJUSTED EPS  
GUIDANCE RANGE**

**5% – 7%**

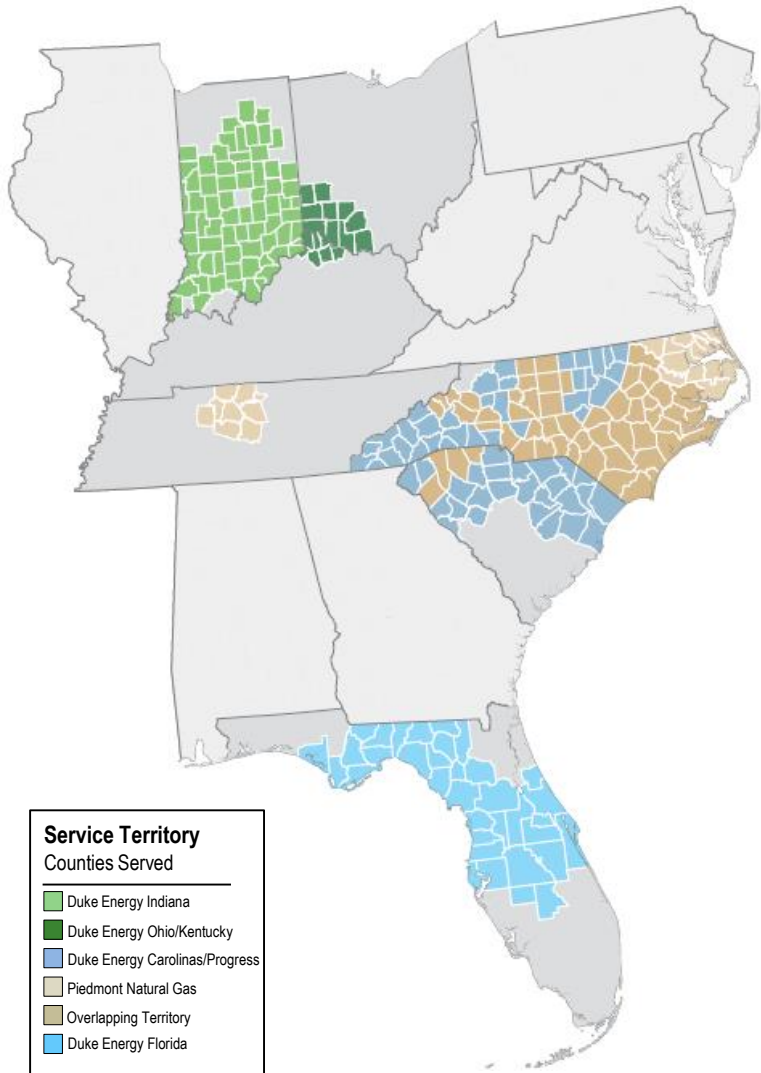
**GROWTH RATE THROUGH 2025  
OFF 2021 MIDPOINT OF \$5.15<sup>(1)</sup>**

*(1) Based on adjusted EPS*



**SWIFT RESPONSE TO 2020 HEADWINDS**

# Recent accomplishments provide clarity and momentum



## CAROLINAS

- ✓ NC coal ash settlement with AG, Public Staff and Sierra Club
- ✓ NC rate case settlement on ROE, capital structure, grid deferral, tax reform
- ✓ Innovative IRPs outline six pathways to achieve climate goals
- ✓ EV pilots approved in NC and SC
- ✓ Settlements reached on interconnection queue and net metering

## FLORIDA

- ✓ Settlement establishes multi-year rate plan through 2024
- ✓ \$1 billion Clean Energy Connection supports 750MW solar
- ✓ 10-year, \$6 billion Storm Protection Plans

## INDIANA

- ✓ Announced sale of 19.9% minority interest for \$2.05 billion to GIC; source of efficient capital at attractive valuation
- ✓ 2020 rate case approval includes two base rate step-ups based on forward looking test year

## AND MORE

- ✓ Announced >700MW of regulated and commercial renewables
- ✓ Settlement in Piedmont TN rate case
- ✓ Moved past ACP

**SOLID FOUNDATION POSITIONS US WELL AS WE LOOK FORWARD**

# Our Clean Energy Transformation

≥50% REDUCTION IN CO<sub>2</sub> EMISSIONS AND NET-ZERO METHANE EMISSIONS BY 2030 ON THE WAY TO

## NET-ZERO CO<sub>2</sub> BY 2050



### Transform the system

robust **\$59 billion** capital plan focused on clean generation and grid investments



### Shape the landscape

to accelerate the transition, with an eye on reliability and affordability



### Deliver value

for customers and shareholders



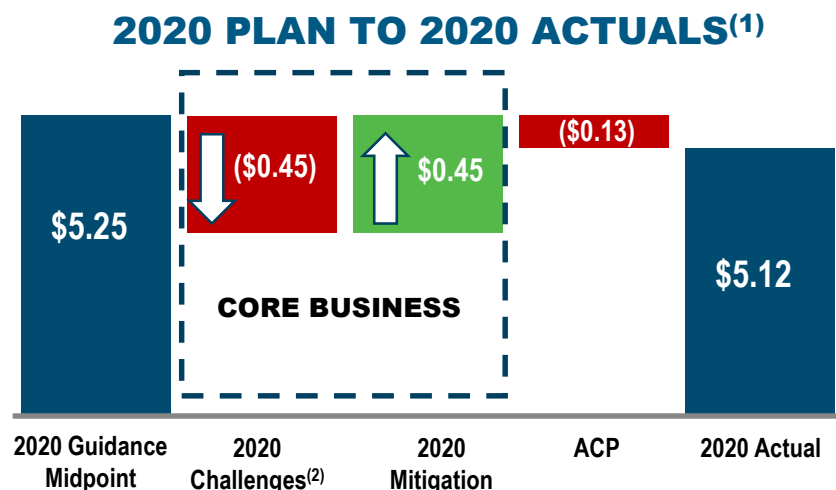
### Near-term initiatives

- Carolinas → Move through IRP process as we engage policymakers in both states
- Indiana → 2021 IRP filing in November
- Florida → Settlement outlines clear path for renewables and EV investment through 2024
- Federal → Engaging policymakers to advance shared objectives on climate

(1) Based on adjusted EPS

**5-7% GROWTH<sup>(1)</sup> DRIVEN BY AGGRESSIVE CLIMATE STRATEGY**

## KEY MESSAGES



**\$5.00 - \$5.30**  
**2021 ADJUSTED EPS**  
**GUIDANCE RANGE**

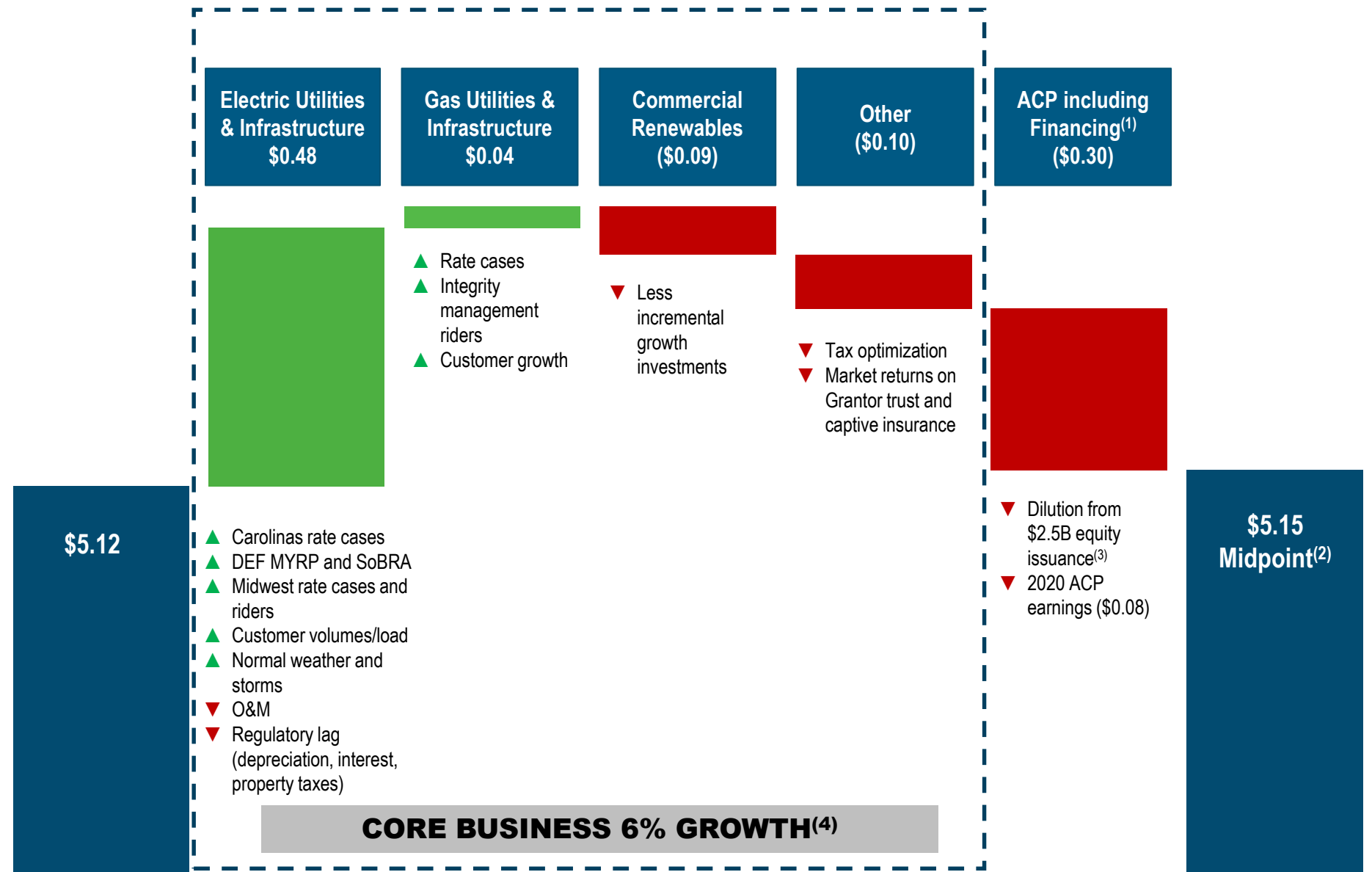
- Delivered 2020 reported EPS of \$1.72 and adjusted EPS of \$5.12; within the original and updated guidance range
- Demonstrated clear agility in managing:
  - COVID-19 impact of (\$0.28) EPS inclusive of load, waived fees and COVID costs, net of deferrals
  - Weather and storms (\$0.11) EPS
  - Delivered significant O&M and other mitigation of \$0.45 EPS
  - ACP cancellation (\$0.13) EPS
- Achieved solid year-over-year growth from our core businesses
  - Electric Utilities and Infrastructure rate case outcomes (NC, SC, FL, IN)
  - Gas Utilities and Infrastructure NC rate case outcome and safety and integrity riders
  - Commercial renewable growth

(1) Based on adjusted EPS

(2) 2020 Challenges include: (\$0.28) COVID load and non-deferrable incremental costs; (\$0.11) Weather and storms; and Other (\$0.06)

**COMPANY WELL POSITIONED FOR GROWTH**

# 2021 Financial outlook – adjusted EPS waterfall



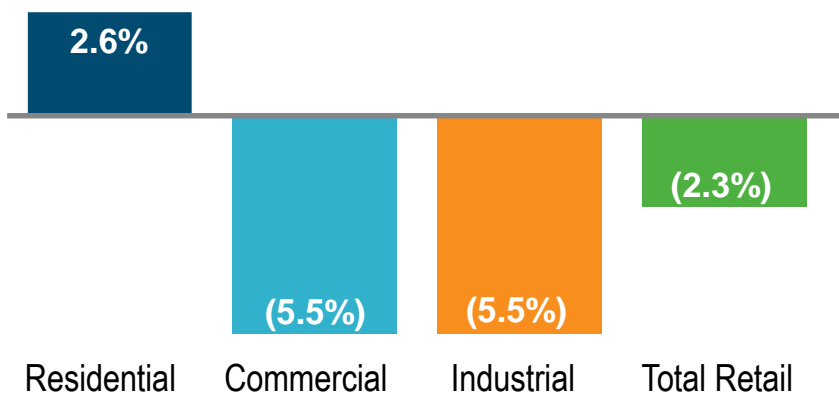
2020 Actual Adjusted EPS

2021 Adjusted EPS Guidance Range of \$5.00 - \$5.30

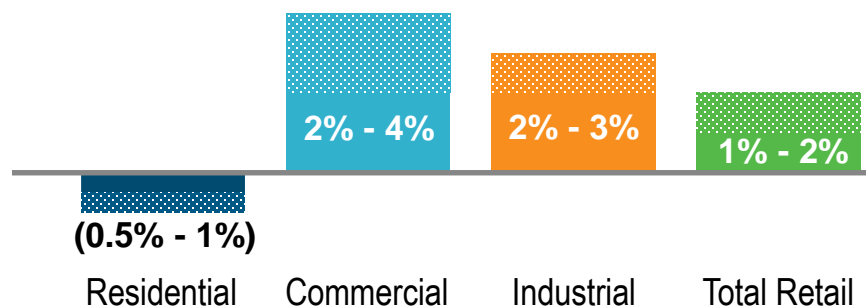
- (1) Based on weighted average basic shares outstanding, including the Dec. 2020 settlement of \$2.47 billion equity forward transaction.
- (2) Midpoint of 2021 adjusted EPS guidance range of \$5.00 - \$5.30
- (3) Segment EPS drivers are calculated based upon prior year share amounts
- (4) Based on adjusted EPS

# Retail electric volumes

## 2020 RETAIL ELECTRIC VOLUMES<sup>(1)</sup>



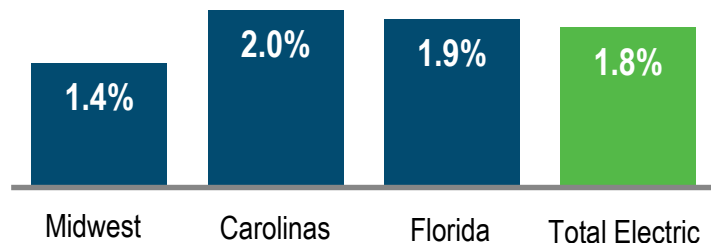
## FORECASTED 2021 RETAIL ELECTRIC VOLUMES<sup>(2)</sup>



### KEY MESSAGES

- Expect favorable volume relative to 2020 as economic recovery continues
  - 2021 volumes not back to pre-COVID levels; expect rebound to 2019 actual levels in 2022
- Forecast supported by customer growth that continues to trend above the national average
  - Our jurisdictions represent 4 of the top 8 states for inbound moves in 2020<sup>(3)</sup>
  - North Carolina named *2020 State of the Year*<sup>(4)</sup> recognizing \$6 billion of announced corporate investment during 2020, including plans for 20,000 new jobs

## 2020 GROWTH IN RESIDENTIAL CUSTOMERS



(1) Compared to 2019 actuals

(2) Compared to 2020 actuals

(3) Source: North American Moving Services

(4) Source: Business Facilities Magazine

**GROWING CUSTOMER BASE SUPPORTS NEED FOR INCREASED CAPITAL INVESTMENTS**

# Cost management continues to be a core competency

## 2020 HIGHLIGHTS TACTICAL AND SUSTAINABLE COST MANAGEMENT

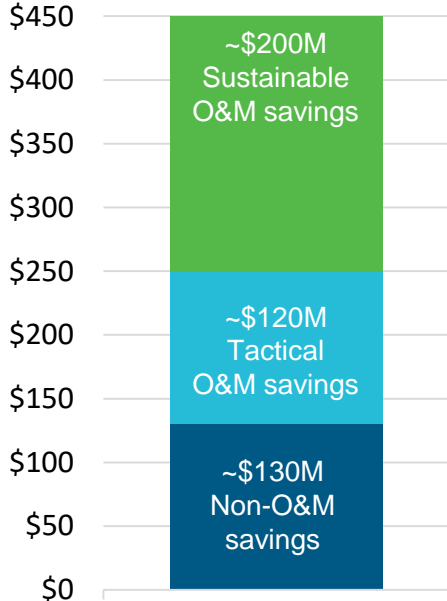
- Activated agile business levers in 2020 to achieve \$450 million of mitigation
  - Total 2020 O&M savings of ~\$320 million, of which ~65% expected to be sustainable

## BUSINESS TRANSFORMATION CONTINUES TO PRODUCE SUSTAINABLE SAVINGS

- Net regulated Electric & Gas O&M has decreased ~1% annually since 2016; expect this trend to continue through 2025

### 2020 MITIGATION<sup>(1)</sup>

\$ in millions



**2020 Achievement**

#### Sustainable O&M savings

- Versatile workforce
- Digital capabilities
- General business expenses
- Real estate optimization

#### Tactical O&M savings

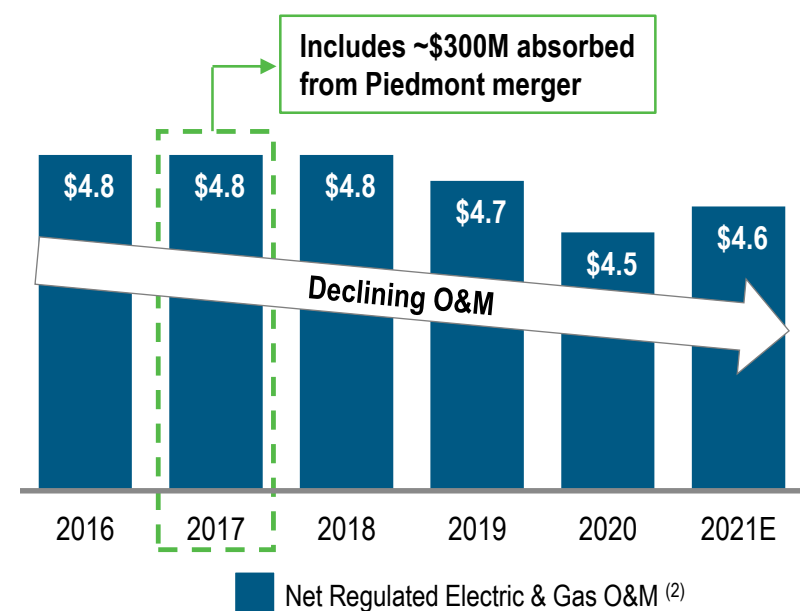
- Outage timing
- Variable compensation
- Hiring freeze

#### Non O&M savings

- Tax optimization
- Low interest rates

### O&M COST MANAGEMENT<sup>(2)</sup>

(\$ IN BILLIONS)

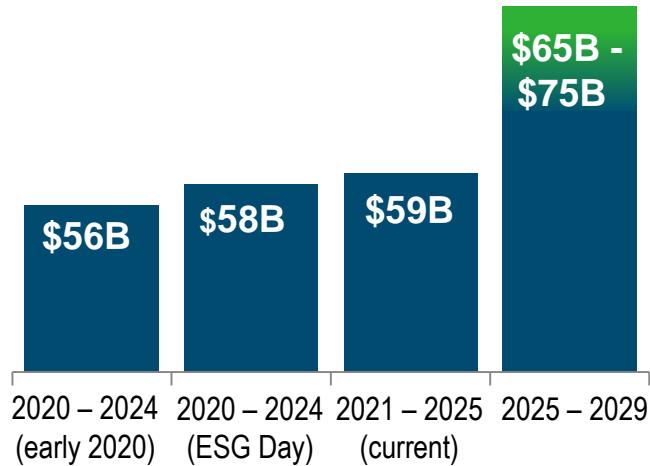


(1) Mitigation includes contract and employee labor costs including overtime and variable compensation, employee expenses, interest and tax savings and operational efficiencies

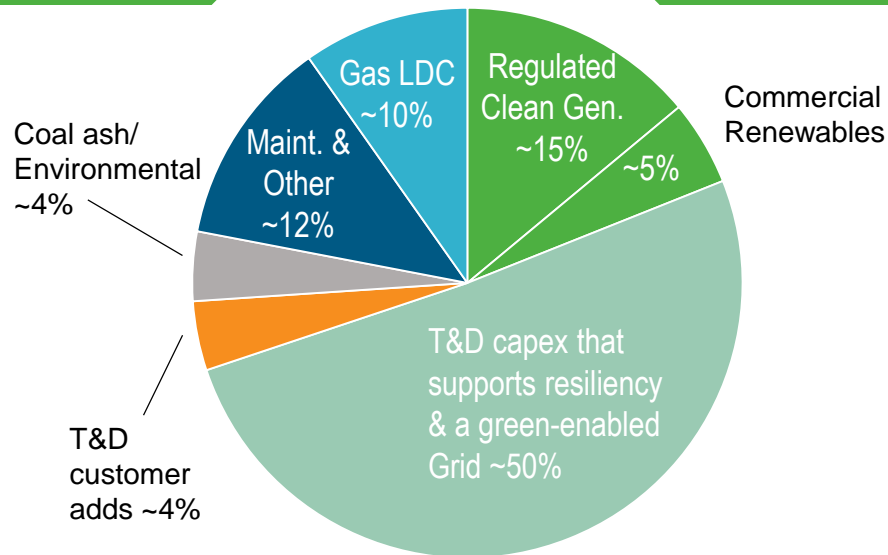
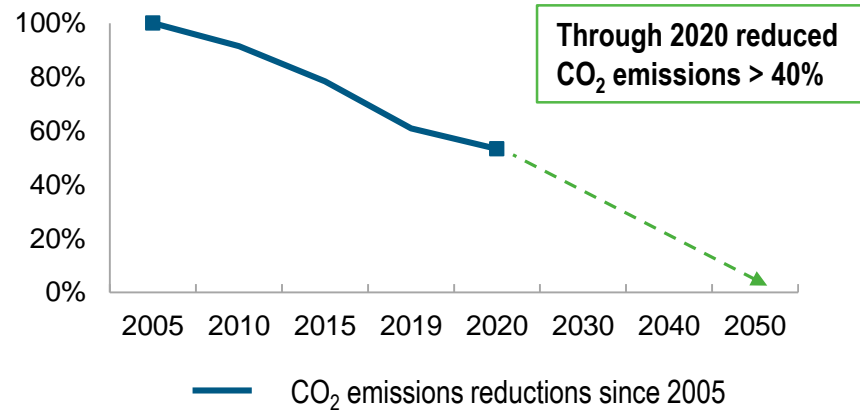
(2) Net regulated Electric and Gas O&M is a non-GAAP measure. For a description of this non-GAAP item and a reconciliation to GAAP O&M, see accompanying materials at [www.duke-energy.com/investors](http://www.duke-energy.com/investors)

# Capital plan focused on clean energy transition

## Growing 5-year capex profile...



## ...supports emission reductions as we drive toward net-zero



## \$59 BILLION CAPITAL PLAN FOCUSED ON CLEAN ENERGY TRANSITION

- Drives rate base CAGR of ~6.5% over 5-year plan
- Accelerated coal plant retirements
- Grid investments to enable renewables and energy storage, resiliency and dynamic power flows
- Clean energy – mix of solar, storage and nuclear

# Projected growth over five-year plan

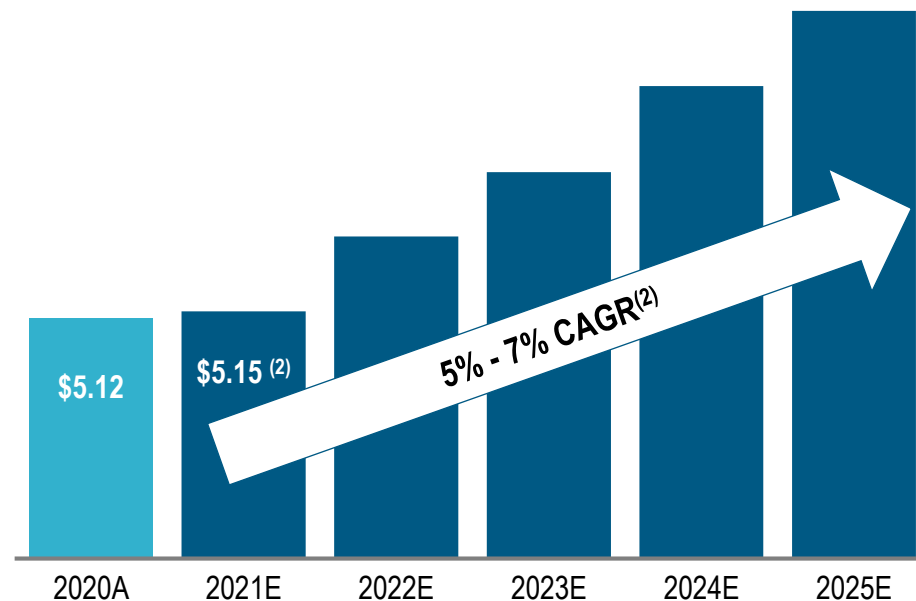
## UPSIDES TO PLAN

- Acceleration of clean energy transformation
- Sustainable cost transformation
- Federal legislation, including infrastructure
- Stronger and faster economic recovery

## ITEMS TO MONITOR

- Economic recovery from pandemic
- Weather and storms

## 5-YEAR ADJUSTED EPS GROWTH PLAN<sup>(1)</sup>



**5 - 7%**  
**GROWTH THROUGH 2025 OFF**  
**2021 MIDPOINT OF \$5.15**

(1) Based on adjusted EPS

(2) Based off the midpoint of 2021 adjusted EPS guidance range (\$5.15)

## COMMITTED TO STRONG CASH FLOWS SUPPORTIVE OF CREDIT RATINGS

- Duke Energy operates in constructive jurisdictions, with a de-risked financial plan
  - Rate case orders or settlements in Carolinas, Indiana, Florida and Tennessee
- Proven capability to drive operational efficiencies
  - Track record of cost management and capital optimization
  - Pension plan fully funded (no expected contributions in 5-year plan)
- Creative capital raising supports credit
  - Partnership with GIC to secure minority investment in DEI
  - Commercial renewables joint venture with John Hancock
  - Tax equity partnerships for Commercial Renewables
- Targeting 14% FFO/Debt throughout the 5-year plan
  - Provides adequate cushion to absorb unplanned events and maintain current credit profile

**NO COMMON EQUITY ISSUANCES IN 5-YEAR PLAN**

# Our investor value proposition

DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE

**4.1%**

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



**~10%**

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



**5-7%**

LONG-TERM  
**EPS GROWTH<sup>(4)</sup>**  
THROUGH 2025

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

(1) As of Feb. 9, 2021

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

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

(4) Based on adjusted EPS



# APPENDIX

# 2021 agreements provide clarity



## CLARITY ON NC COAL ASH COST RECOVERY

- Settlement reached with NC AG, NC Public Staff and Sierra Club
- Resolves 2017 cases on remand and pending 2019 rate cases
- Provides greater clarity on recovery through early 2030
- Preserves equity return at a reduced ROE (- 150 bps)
- \$1.1B one-time charge
- Accelerates customer savings during pandemic
- Subject to NCUC approval
- Expect DEC rate case order in the coming weeks



## DUKE ENERGY FLORIDA SETTLEMENT

- Clarity through 2024
- ROE band of 8.85% to 10.85%, with innovative trigger mechanism that insulates against rising interest rates
- Clean Energy Connection solar buildout: 750 MW to be built 2022-2024 (\$1B investment)
- EV Charging Station program (\$54M investment)
- Accelerated depreciation for coal plants (from 2042 to 2034)
- Vision Florida program funds \$100M in emerging technologies
- FPSC approval expected Q2



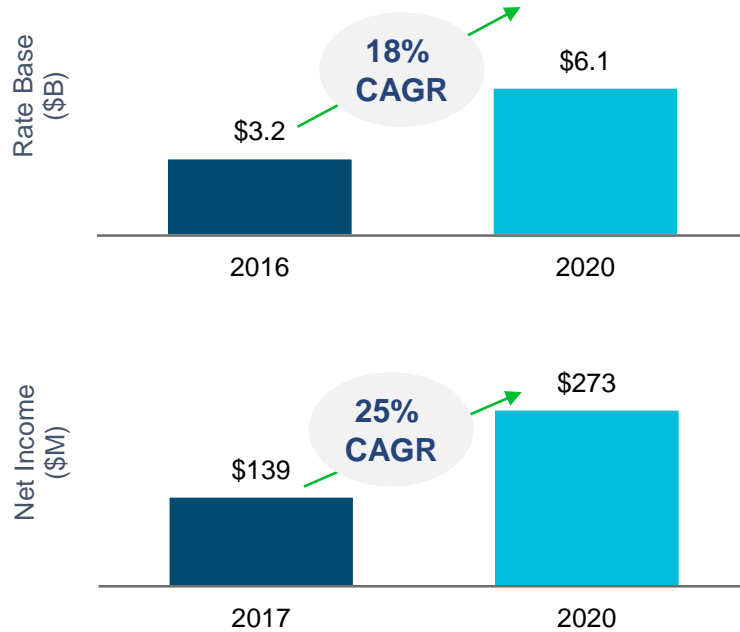
## DUKE ENERGY INDIANA MINORITY INTEREST SALE

- Selling 19.9% interest in DEI for \$2.05B to GIC
- Source of efficient capital at attractive valuation
- Proceeds to support increased growth investments
- Customized dual tranche closing aligns with capital needs
- Addresses common equity needs through 2025
- Subject to FERC approval and Committee on Foreign Investment in the United States (CFIUS) clearance

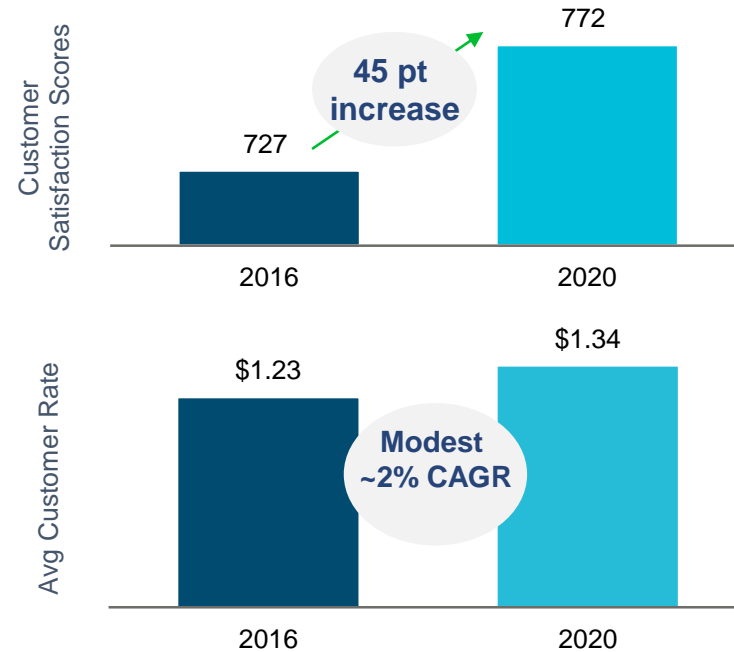
**LANDMARK AGREEMENTS PROVIDE EARNINGS VISIBILITY**

# Recent strategic decisions have been in the best interest of shareholders

## 2016 PIEDMONT ACQUISITION HAS BEEN GOOD FOR SHAREHOLDERS...



## ... AND GOOD FOR PIEDMONT CUSTOMERS



## DUKE ENERGY HAS OPTIMIZED ITS PORTFOLIO TO REDUCE RISK AND GROW EARNINGS

- Sale of midwest merchant generation
- Sale of international generation portfolio
- Sale of DukeNet fiber/telecom business
- Joint venture of commercial renewables portfolio
- Minority interest sale of Duke Energy Indiana
- Forgoing certain investments due to risk profile

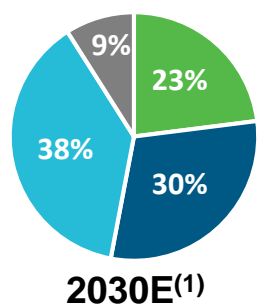
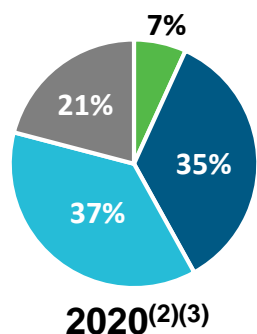
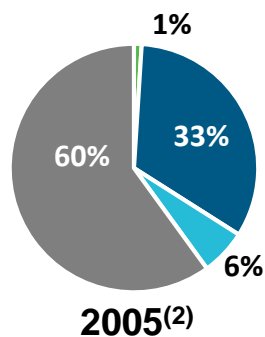
**STRONG TRACK RECORD OF DELIVERING SHAREHOLDER VALUE AND REDUCING RISK**



## **Sustainability / Environmental Social and Governance (ESG)**

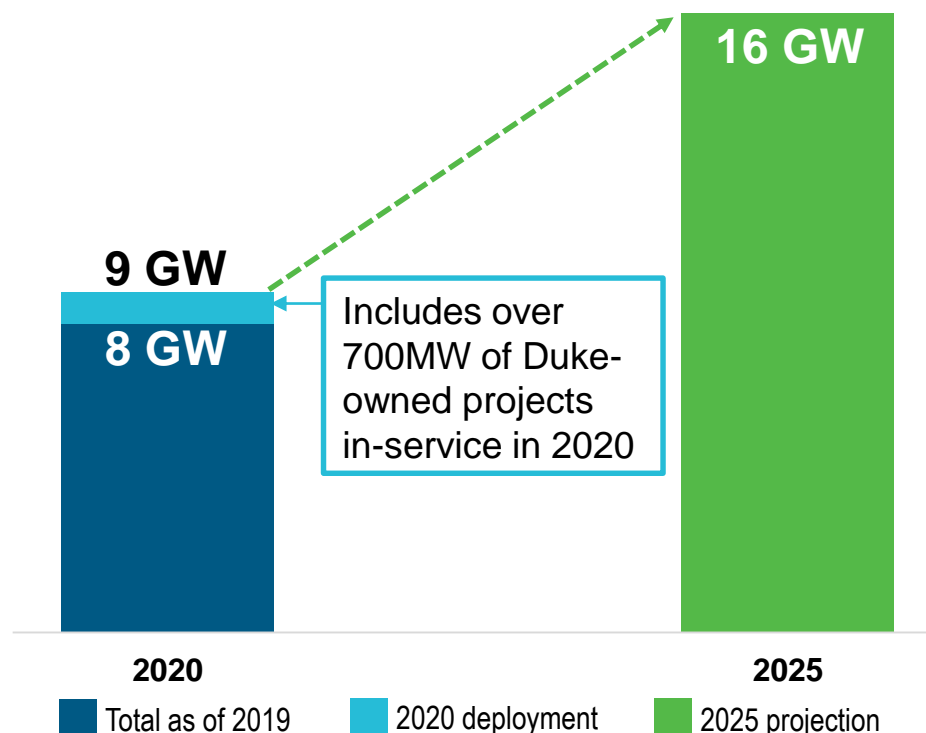
# Clean energy transformation

## FUEL DIVERSITY (MWh OUTPUT)



## KEY MESSAGES

- Since 2005, decreased CO<sub>2</sub> emissions over 40%, sulfur dioxide emissions by over 95% and nitrogen oxides emissions by over 80%<sup>(1)</sup>
- Renewables deployment expected to accelerate through 2025 to reach 16 GW goal<sup>(4)</sup>
- By 2050, renewables projected to be Duke Energy's largest source of energy, making up over 40% of our generation capacity



(1) From 2005 levels. 2030 estimate and year to year reductions will be influenced by customer demand for electricity, weather, fuel and purchased power prices, and other factors

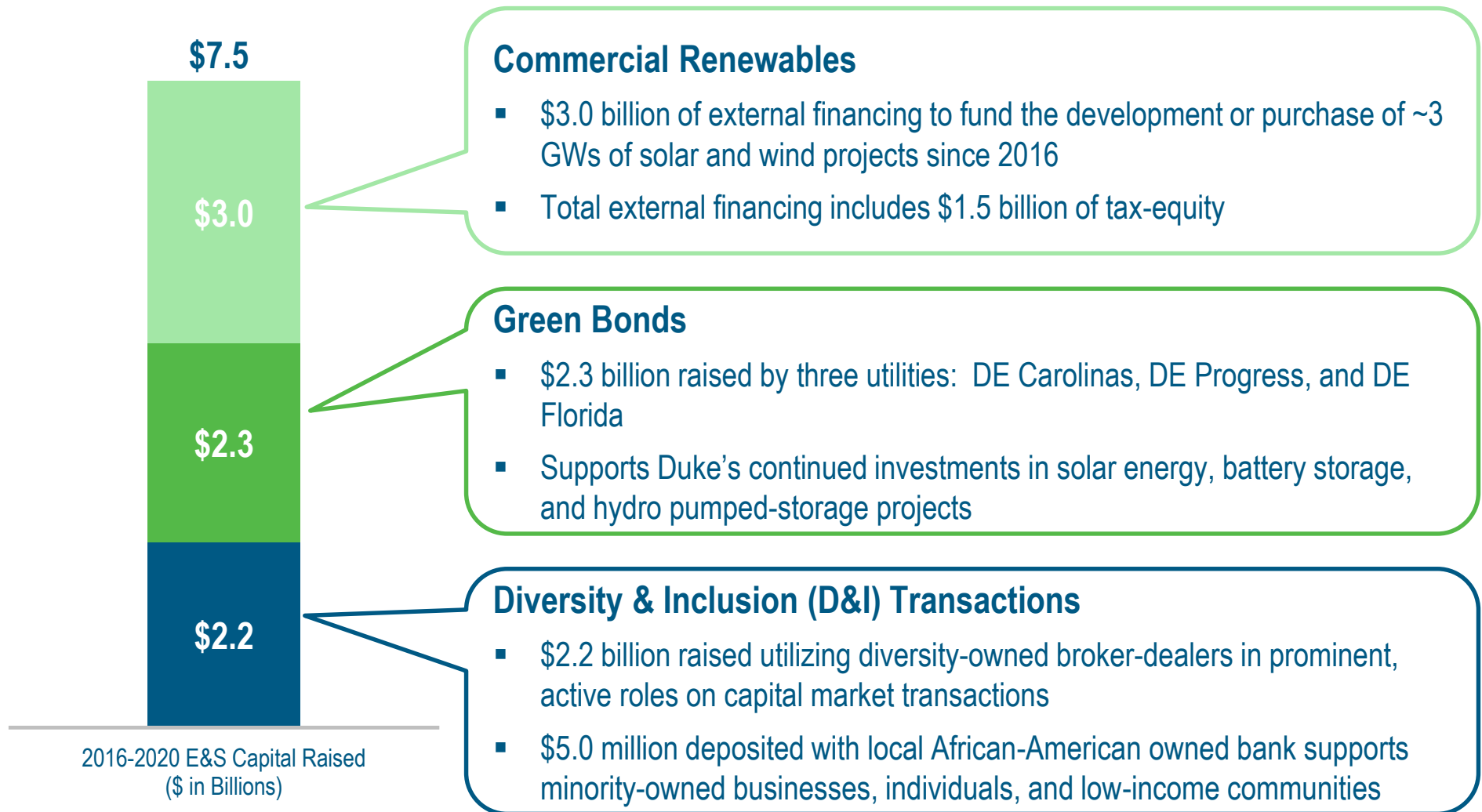
(2) 2005 and 2020 data based on Duke's ownership share of U.S. generation assets as of Dec. 31, 2020

(3) 2020 data excludes 9,300 GWh of purchased renewables, equivalent to ~4% of Duke's output

(4) Includes renewables owned, operated and under contract.

# Financing practices supportive of ESG commitments

## \$7.5 BILLION OF CAPITAL RAISED TO SUPPORT ENVIRONMENTAL & SOCIAL (E&S) INITIATIVES OVER THE LAST 5 YEARS



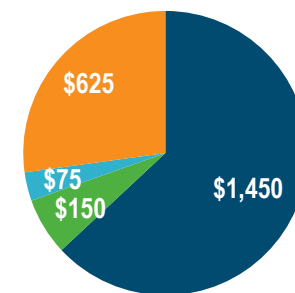


## 2020 performance and 2021 guidance supplemental information

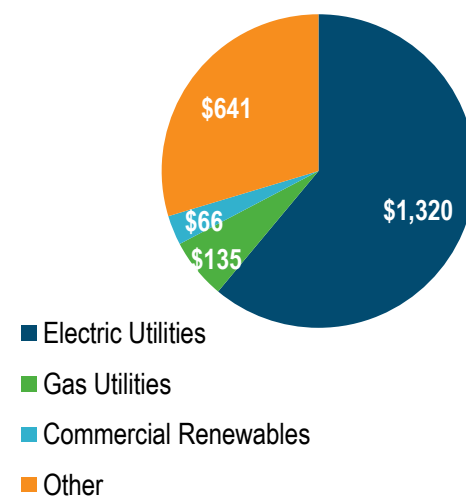
# Key 2021 adjusted earnings guidance assumptions

(\$ in millions)	Original 2020 Assumptions	2020 Actual	2021 Assumptions
<b>Adjusted segment income/ (expense) (1):</b>			
Electric Utilities & Infrastructure	\$3,640	\$3,545	\$3,900
Gas Utilities & Infrastructure	\$530	\$441	\$415
Commercial Renewables	\$240	\$286	\$220
Other	(\$540)	(\$501)	(\$575)
Duke Energy Consolidated	\$3,870	\$3,771	\$3,960
<b>Additional consolidated information:</b>			
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	11-13%	9.7%	6-8%
AFUDC equity	\$138	\$154	\$185
Capital expenditures <sup>(2)(3)</sup>	\$11,825	\$10,481	\$10,475
Weighted-average shares outstanding – basic	~737 million	737 million	~769 million

**2021 Interest Expense Assumption**  
(Consolidated Total \$2,300)



**2020 Interest Expense**  
(Consolidated Total \$2,162)



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

(2) Includes debt AFUDC and capitalized interest

(3) 2020 actual includes coal ash closure spend of ~\$530 million that was included in operating cash flows and excludes tax equity funding of Commercial Renewables projects of ~\$430 million. 2021 Assumptions include ~\$550 million of projected coal ash closure spend.

# Electric utilities quarterly weather impacts

Weather segment income to normal:	2020						2019					
	Pretax impact		Weighted avg. shares		EPS impact favorable / (unfavorable)		Pretax impact		Weighted avg. shares		EPS impact favorable / (unfavorable)	
First Quarter	(\$110)		734		(\$0.11)		(\$55)		727		(\$0.06)	
Second Quarter	(\$8)		735		(\$0.01)		\$80		728		\$0.08	
Third Quarter	\$67		735		\$0.07		\$145		729		\$0.15	
Fourth Quarter	\$2		742		--		\$30		731		\$0.03	
Year-to-Date <sup>(1)</sup>	(\$48)		737		(\$0.05)		\$200		729		\$0.20	
4Q 2020	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY			
Heating degree days / Variance from normal	1,098	(12.1%)	933	(17.1%)	207	1.8%	1,822	(7.6%)	1,671	(9%)		
Cooling degree days / Variance from normal	51	25.7%	91	50%	624	41%	19	9.1%	21	(4%)		
4Q 2019	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY			
Heating degree days / Variance from normal	1,143	(8.9%)	1,000	(11.6%)	105	(46.8%)	1,991	1%	1,766	(4.1%)		
Cooling degree days / Variance from normal	94	161.5%	118	109.7%	674	43%	37	135.9%	49	172.2%		

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

# Key 2021 earnings sensitivities

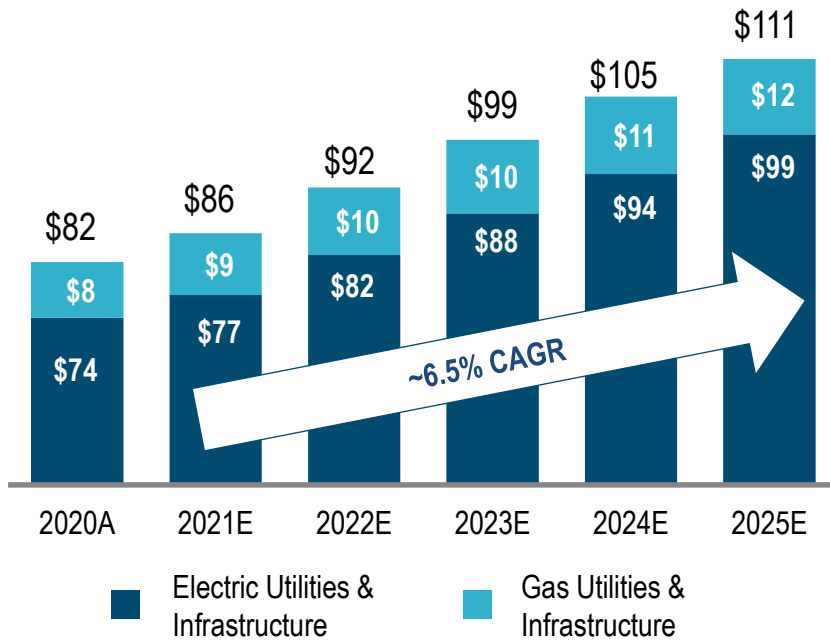
Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.55
	\$1 billion change in rate base	+/- \$0.06
	1% change in retail volumes: Industrial +/- \$0.02 <sup>(2)</sup> Commercial +/- \$0.05 <sup>(2)</sup> Residential +/- \$0.08 <sup>(2)</sup>	+/- \$0.15 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

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

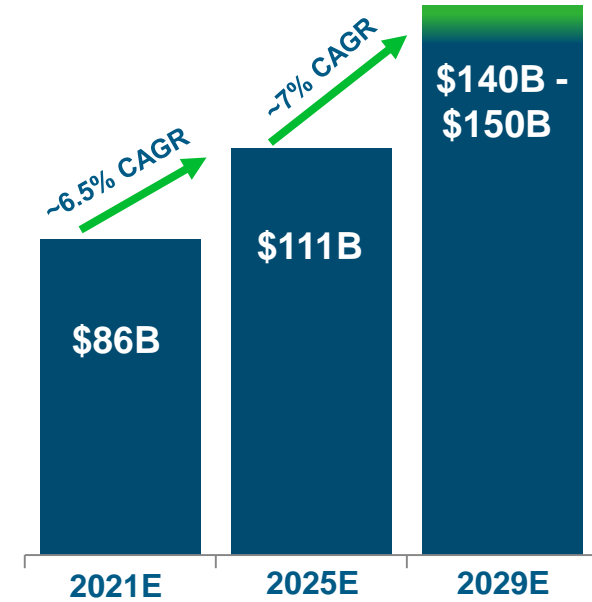
- (1) Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins
- (2) Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted.
- (3) Based on average variable-rate debt outstanding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

# Earnings base growth

## 2021-2025 REGULATED ELECTRIC AND GAS EARNINGS BASE<sup>(1)(2)</sup>



## REGULATED ELECTRIC AND GAS EARNINGS BASE<sup>(1)(2)</sup>



- Base capital plan
- Range of estimated capital deployment needed to effectuate clean energy transition across all our jurisdictions

(1) In billions. 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. Totals may not foot due to rounding

(2) Amounts presented gross of GIC 19.9% minority investment and earnings base is presented net of coal ash settlement.

# Regulated utilities end of year earnings base<sup>(1)</sup>

## Electric Utilities Earnings Base

(\$ in billions)	2020A	2021E	2022E	2023E	2024E	2025E
Duke Energy Carolinas <sup>(2)</sup>	\$26.4	\$27.9	\$30.7	\$33.3	\$35.0	\$37.2
Duke Energy Progress <sup>(2)</sup>	18.2	18.1	19.1	20.5	21.9	23.2
Duke Energy Florida	15.5	16.7	18.1	19.5	21.1	22.4
Duke Indiana	9.1	9.4	9.7	9.9	10.5	11.0
Duke Ohio – Electric	3.3	3.5	3.7	3.8	4.0	4.2
Duke Kentucky – Electric	1.1	1.2	1.3	1.3	1.4	1.4
<b>Electric Utilities Total<sup>(3)(4)</sup></b>	<b>\$73.6</b>	<b>\$76.8</b>	<b>\$82.5</b>	<b>\$88.3</b>	<b>\$93.9</b>	<b>\$99.5</b>

## Gas Utilities Earnings Base

(\$ in billions)	2020A	2021E	2022E	2023E	2024E	2025E
Piedmont	\$5.8	\$6.4	\$7.1	\$7.7	\$8.1	\$8.6
Duke Energy Ohio – Gas	1.6	1.8	1.9	2.1	2.2	2.2
Duke Energy Kentucky - Gas	0.5	0.5	0.6	0.6	0.7	0.7
<b>Gas Utilities Total<sup>(3)</sup></b>	<b>\$7.9</b>	<b>\$8.7</b>	<b>\$9.6</b>	<b>\$10.4</b>	<b>\$11.0</b>	<b>\$11.5</b>

(\$ in billions)	2020A	2021E	2022E	2023E	2024E	2025E
<b>Total Company<sup>(3)(4)</sup></b>	<b>\$81.5</b>	<b>\$85.5</b>	<b>\$92.0</b>	<b>\$98.7</b>	<b>\$104.8</b>	<b>\$111.0</b>

(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) Amounts presented are net of 2021 North Carolina coal ash settlement

(3) Totals may not foot due to rounding

(4) Amounts presented gross of GIC 19.9% minority investment (~11% as of Q2 2021; 19.9% as of Jan. 2023)

# Capital expenditures profile<sup>(1)</sup>

(\$ in millions)

Capital Expenditures	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation <sup>(2)</sup>	1,254	1,425	1,400	1,425	1,675	2,025	7,950
Electric Transmission	908	1,325	1,425	1,400	1,275	1,275	6,700
Electric Distribution	2,365	2,700	4,150	4,000	3,975	4,175	19,000
Environmental & Other <sup>(3)</sup>	693	800	825	600	450	400	3,075
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 5,220</b>	<b>\$ 6,250</b>	<b>\$ 7,800</b>	<b>\$ 7,425</b>	<b>\$ 7,375</b>	<b>\$ 7,875</b>	<b>\$ 36,725</b>
Maintenance	2,936	2,200	2,650	2,750	2,700	2,475	12,775
<b>Total Electric Utilities &amp; Infrastructure Capital<sup>(4)</sup></b>	<b>\$ 8,156</b>	<b>\$ 8,450</b>	<b>\$ 10,450</b>	<b>\$ 10,175</b>	<b>\$ 10,075</b>	<b>\$ 10,350</b>	<b>\$ 49,500</b>
Commercial Renewables <sup>(5)</sup>	759	425	800	475	400	400	2,500
<b>Total Commercial Renewables Capital</b>	<b>\$ 759</b>	<b>\$ 425</b>	<b>\$ 800</b>	<b>\$ 475</b>	<b>\$ 400</b>	<b>\$ 400</b>	<b>\$ 2,500</b>
Renewable Natural Gas	-	100	-	-	-	-	100
LDC - Non-Rider	253	425	425	475	375	325	2,025
LDC - Rider	270	375	500	400	350	375	2,000
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 523</b>	<b>\$ 900</b>	<b>\$ 925</b>	<b>\$ 875</b>	<b>\$ 725</b>	<b>\$ 700</b>	<b>\$ 4,125</b>
Maintenance	781	350	350	275	275	300	1,550
<b>Total Gas Utilities &amp; Infrastructure Capital</b>	<b>\$ 1,304</b>	<b>\$ 1,250</b>	<b>\$ 1,275</b>	<b>\$ 1,150</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>\$ 5,675</b>
Other <sup>(6)</sup>	263	350	275	275	275	200	1,375
<b>Total Duke Energy</b>	<b>\$ 10,481</b>	<b>\$ 10,475</b>	<b>\$ 12,800</b>	<b>\$ 12,075</b>	<b>\$ 11,750</b>	<b>\$ 11,950</b>	<b>\$ 59,050</b>

(1) Amounts include AFUDC debt or capitalized interest. Totals may not foot due to rounding

(2) Includes nuclear fuel of ~\$2.1B from 2021-2025

(3) 2020 actual amounts include ~\$530 million in coal ash closure spending that was included in operating cash flows

(4) Capex amounts are presented gross of GIC minority investment (~11% as of Q2 2021; 19.9% as of Jan. 2023)

(5) Amounts are net of assumed tax equity financings

(6) Primarily IT and real estate related costs

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy Carolinas	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	612	500	550	575	575	725	2,925
Electric Transmission	99	300	400	475	225	150	1,550
Electric Distribution	762	1,050	1,850	1,700	1,400	1,550	7,550
Environmental & Other <sup>(2)</sup>	276	425	450	275	225	200	1,575
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 1,749</b>	<b>\$ 2,275</b>	<b>\$ 3,250</b>	<b>\$ 3,025</b>	<b>\$ 2,425</b>	<b>\$ 2,625</b>	<b>\$ 13,600</b>
Maintenance	1,083	650	875	900	825	1,000	4,250
<b>Total Duke Energy Carolinas</b>	<b>\$ 2,831</b>	<b>\$ 2,925</b>	<b>\$ 4,125</b>	<b>\$ 3,925</b>	<b>\$ 3,250</b>	<b>\$ 3,625</b>	<b>\$ 17,850</b>

Duke Energy Progress	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	207	250	300	300	525	725	2,100
Electric Transmission	53	125	150	150	225	325	975
Electric Distribution	559	650	1,075	950	950	1,025	4,650
Environmental & Other <sup>(3)</sup>	319	200	225	200	150	150	925
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 1,138</b>	<b>\$ 1,225</b>	<b>\$ 1,750</b>	<b>\$ 1,600</b>	<b>\$ 1,850</b>	<b>\$ 2,225</b>	<b>\$ 8,650</b>
Maintenance	744	650	825	850	700	450	3,475
<b>Total Duke Energy Progress</b>	<b>\$ 1,882</b>	<b>\$ 1,875</b>	<b>\$ 2,575</b>	<b>\$ 2,450</b>	<b>\$ 2,550</b>	<b>\$ 2,675</b>	<b>\$ 12,125</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2020 actual amounts include ~\$162 million in coal ash closure spending that was included in operating cash flows

(3) 2020 actual amounts include ~\$301 million in coal ash closure spending that was included in operating cash flows

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy Florida	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	324	600	450	400	300	275	2,025
Electric Transmission	465	550	600	550	500	475	2,675
Electric Distribution	497	525	700	800	1,025	950	4,000
Environmental & Other <sup>(2)</sup>	4	-	-	-	-	-	-
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 1,289</b>	<b>\$ 1,675</b>	<b>\$ 1,750</b>	<b>\$ 1,750</b>	<b>\$ 1,825</b>	<b>\$ 1,700</b>	<b>\$ 8,700</b>
Maintenance	619	475	500	575	750	600	2,900
<b>Total Duke Energy Florida</b>	<b>\$ 1,908</b>	<b>\$ 2,150</b>	<b>\$ 2,250</b>	<b>\$ 2,325</b>	<b>\$ 2,575</b>	<b>\$ 2,300</b>	<b>\$ 11,600</b>

Duke Energy Indiana	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	111	75	25	150	300	300	850
Electric Transmission	119	200	150	100	175	175	800
Electric Distribution	239	250	225	250	275	300	1,300
Environmental & Other <sup>(3)</sup>	91	150	150	100	75	75	550
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 560</b>	<b>\$ 675</b>	<b>\$ 550</b>	<b>\$ 600</b>	<b>\$ 825</b>	<b>\$ 850</b>	<b>\$ 3,500</b>
Maintenance	389	325	350	325	325	300	1,625
<b>Total Duke Energy Indiana<sup>(4)</sup></b>	<b>\$ 949</b>	<b>\$ 1,000</b>	<b>\$ 900</b>	<b>\$ 925</b>	<b>\$ 1,150</b>	<b>\$ 1,150</b>	<b>\$ 5,125</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2020 actual amounts include ~\$1 million in coal ash closure spending that was included in operating cash flows

(3) 2020 actual amounts include ~\$61 million in coal ash closure spending that was included in operating cash flows

(4) DEI capex presented gross of GIC minority investment (~11% as of Q2 2021; 19.9% as of Jan. 2023)

# Capital expenditures by utility (continued)<sup>(1)</sup>

(\$ in millions)

Duke Energy OH/KY Electric	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
Electric Generation	0	25	75	-	-	-	100
Electric Transmission	172	125	125	150	150	150	700
Electric Distribution	272	250	250	225	250	250	1,225
Environmental & Other <sup>(2)</sup>	4	-	-	-	-	-	-
<b>Electric Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 448</b>	<b>\$ 400</b>	<b>\$ 450</b>	<b>\$ 375</b>	<b>\$ 400</b>	<b>\$ 400</b>	<b>\$ 2,025</b>
Maintenance	102	100	100	100	100	125	525
<b>Total DEO/DEK Electric</b>	<b>\$ 550</b>	<b>\$ 500</b>	<b>\$ 550</b>	<b>\$ 475</b>	<b>\$ 500</b>	<b>\$ 525</b>	<b>\$ 2,550</b>

Duke Energy OH/KY Gas	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
LDC - Non-Rider	56	150	100	125	125	125	625
LDC - Rider	-	25	-	-	-	-	25
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 56</b>	<b>\$ 175</b>	<b>\$ 100</b>	<b>\$ 125</b>	<b>\$ 125</b>	<b>\$ 125</b>	<b>\$ 650</b>
Maintenance	230	175	200	175	150	100	800
<b>Total DEO/DEK Gas</b>	<b>\$ 286</b>	<b>\$ 350</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 275</b>	<b>\$ 225</b>	<b>\$ 1,450</b>

Piedmont	2020A	2021E	2022E	2023E	2024E	2025E	2021 - 2025
LDC - Non-Rider	197	275	325	350	250	200	1,400
LDC - Rider	270	350	500	400	350	375	1,975
<b>Gas Utilities &amp; Infrastructure Growth Capital</b>	<b>\$ 467</b>	<b>\$ 625</b>	<b>\$ 825</b>	<b>\$ 750</b>	<b>\$ 600</b>	<b>\$ 575</b>	<b>\$ 3,375</b>
Maintenance	433	175	150	100	125	200	750
<b>Total Piedmont Gas</b>	<b>\$ 900</b>	<b>\$ 800</b>	<b>\$ 975</b>	<b>\$ 850</b>	<b>\$ 725</b>	<b>\$ 775</b>	<b>\$ 4,125</b>

(1) Amounts include AFUDC debt. Totals may not foot due to rounding

(2) 2020 actual amounts include ~\$2 million in coal ash closure spending that was included in operating cash flows

# Carolinas coal ash costs

## DEC and DEP system-wide estimated coal ash closure costs:

	Total Project Costs	Spend To Date (through 12/31/20)	2021 – 2025 Expected Spend	2026 – 2030 Expected Spend	Reg Asset Balance 12/31/2020
Duke Energy Carolinas	\$4,365	\$1,396	\$1,060	\$850	\$570
Duke Energy Progress	\$3,520	\$1,391	\$915	\$530	\$300
<b>Total</b>	<b>\$7,885</b>	<b>\$2,787</b>	<b>\$1,975</b>	<b>\$1,380</b>	<b>\$870</b>

*Note: estimated spend post-2030 expected to be ~\$200M per year and declining over multiple decades*

## Summary of NC retail amortization period, allowed return, and revenue requirements per 2021 NC Coal Ash Settlement:

			Annualized revenue requirement/ (rates effective)	
	Amortization period	Allowed return during amortization period	DEC - NC	DEP - NC
2017 rate case costs	5 years	full WACC	\$120M (8/1/2018)	\$50M (3/15/2018)
2019 rate case costs	5 years	debt return + reduced ROE (-150 bps)	\$40M adjusted request <sup>(1)</sup>	\$47M adjusted request <sup>(1)</sup>
Future costs through 2030	to be determined by NCUC in future rate case proceedings	debt return + reduced ROE (-150 bps)	TBD	TBD

*Note: Revenue requirements in chart above reflect NC retail only. Excludes ~\$20M annualized collections from SC retail customers (effective 6/1/2019) and annual wholesale recoveries that average ~\$150M 2018-2020<sup>(2)</sup>.*

(1) Revenue requirement requests as adjusted for 2021 NC Coal Ash Settlement.

(2) 2021 wholesale collections expected to be lower due to decreasing spend as well as refund of prior collections resulting from 2021 Coal Ash Settlement

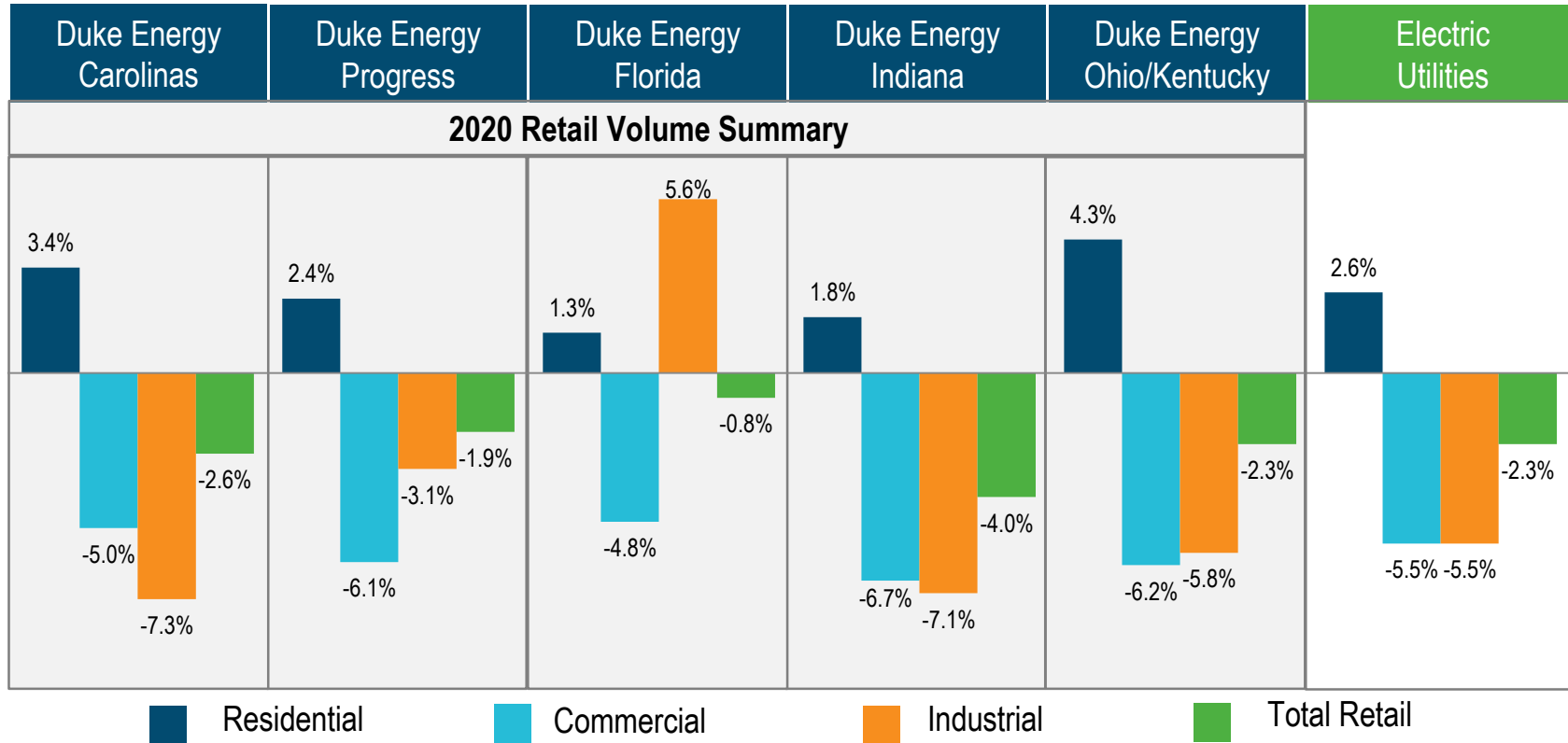
# Environmental compliance expenditures

(\$ in millions)

Coal Ash Closure Costs	Total Project Costs	Spend To Date <sup>(1)</sup>	2021-2025 Plan
Duke Energy Carolinas	\$4,365	\$1,396	\$1,060
Duke Energy Progress	\$3,520	\$1,391	\$915
Duke Energy Indiana	\$1,350	\$334	\$530
Duke Energy Florida	\$40	\$5	\$ --
Duke Energy Kentucky	\$115	\$28	\$20
<b>Total</b>	<b>\$9,390</b>	<b>\$3,154</b>	<b>\$2,525</b>

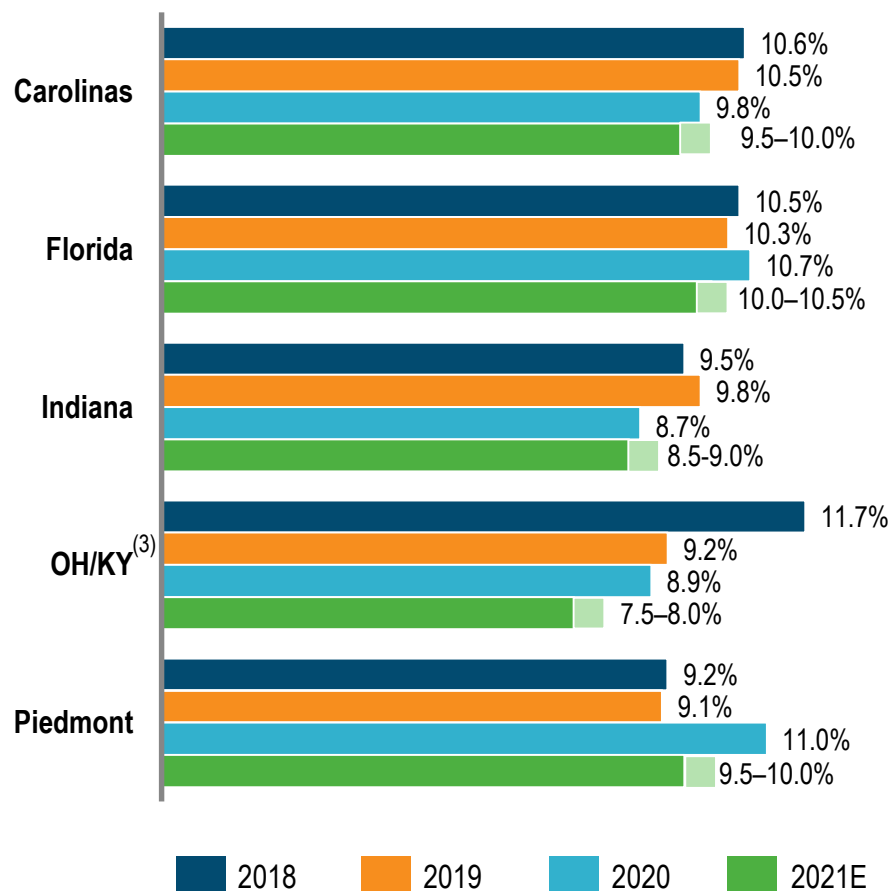
(1) As of Dec. 31, 2020

# Weather normalized volume trends, by electric jurisdiction

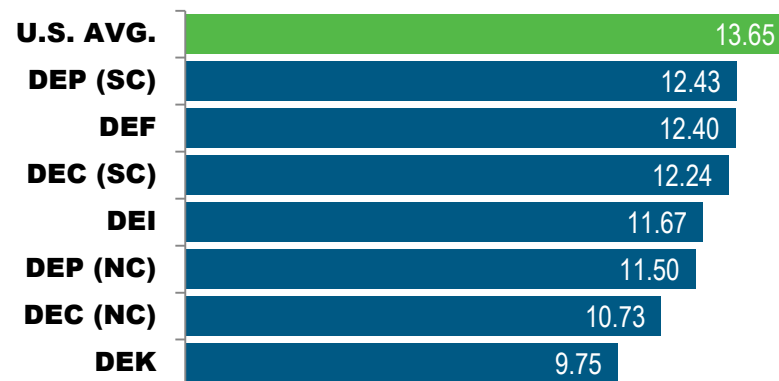


# Managing regulatory lag and customer rate impacts

## ADJUSTED BOOK ROEs<sup>(1)</sup>



## COMPETITIVE CUSTOMER RATES<sup>(2)</sup>



**DELIVERING COMPETITIVE RETURNS FOR INVESTORS WHILE KEEPING RATES WELL BELOW THE NATIONAL AVERAGE FOR CUSTOMERS**

(1) 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

(2) Residential customer rates. Typical bill rates (¢/kWh) in effect as of January 1, 2020. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2020

(3) Combined electric and gas utilities



## Financing plan update and current liquidity

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

Issuer	Estimated / Actual Amount (\$ in millions)	Security	Completed (\$ in millions)	Date Issued	Term	Rate	2021 Maturities <sup>(2)</sup>
Holding Company	\$2,750 – \$3,250	-	-	-	-	-	\$1,750 (May & Sept)
DE Carolinas	\$900 - \$1,100	-	-	-	-	-	\$500 (June)
DE Progress	\$1,000 - \$1,200	-	-	-	-	-	\$1,300 (June & Sept.)
DE Florida	\$1,100 - \$1,300	-	-	-	-	-	\$500 (Aug. & Nov.)
DE Indiana	\$300 - \$400	-	-	-	-	-	-
Piedmont	\$300 - \$400	-	-	-	-	-	\$160 (June)
DE Kentucky	\$50 - \$100	-	-	-	-	-	-
<b>Total</b>	<b>\$6,400 - \$7,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$4,210</b>

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

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

# Liquidity summary (as of December 31, 2020)

(\$ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility <sup>(1)</sup>	\$ 2,650	\$ 1,475	\$ 1,250	\$ 800	\$ 600	\$ 450	\$ 175	\$ 600	\$ 8,000
Less: Notes payable and commercial paper <sup>(2)</sup>	212	(806)	(445)	(196)	(281)	(93)	(100)	(530)	(2,239)
Outstanding letters of credit (LOCs)	(34)	(4)	(2)	-	-	-	-	-	(40)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 2,828	\$ 665	\$ 803	\$ 604	\$ 238	\$ 357	\$ 75	\$ 70	\$ 5,640
Funded Revolver and Term Loan <sup>(3)</sup>	\$ 1,000								\$ 1,000
Less: Borrowings Under Credit Facilities	(500)								(500)
Available capacity	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Cash & short-term investments									208
<b>Total available liquidity</b>									<b>\$ 6,348</b>

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

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

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

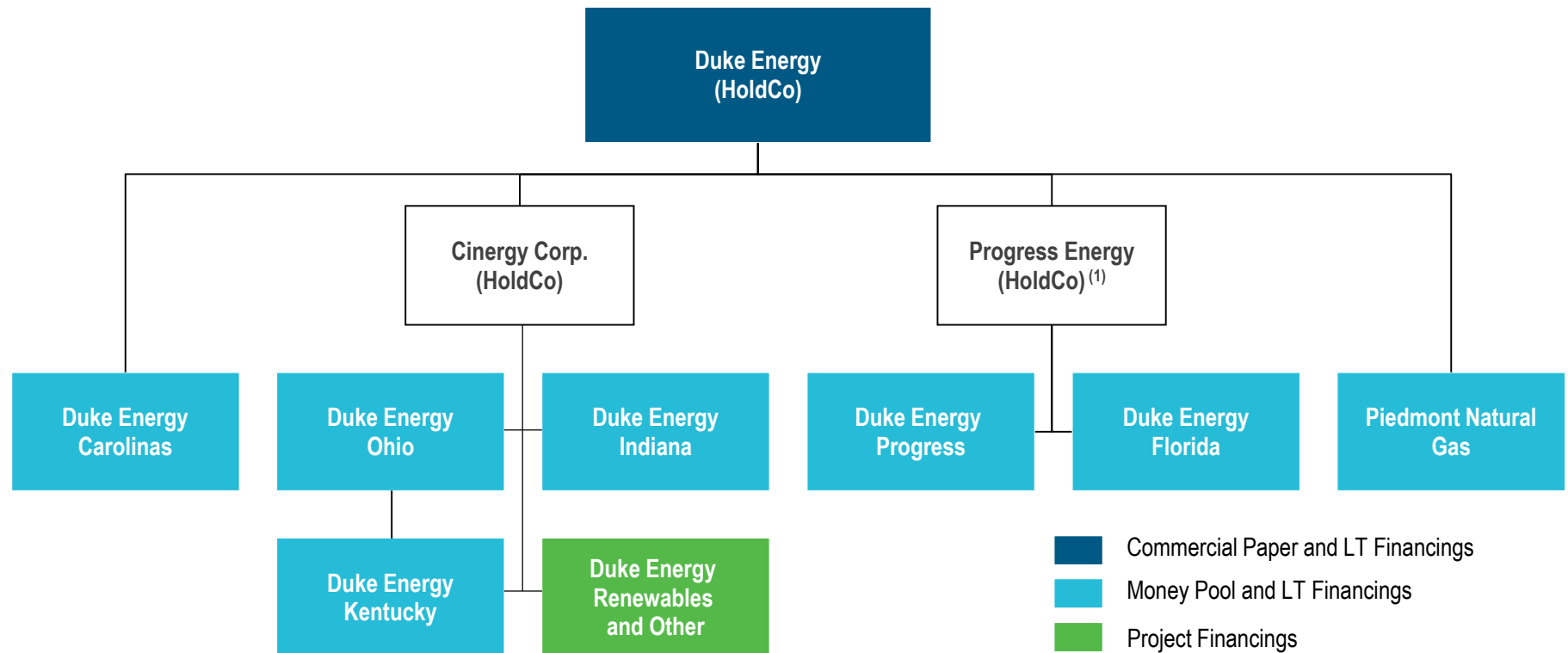
# 2021 Pension funding and costs

- On a consolidated basis, Duke Energy pension plans are fully funded as of 12/31/2020 on a PBO basis
- Duke Energy's pension funding policy:
  - Duke Energy's policy is to fund amounts on an actuarial basis to provide assets sufficient to meet benefit payments to be paid to plan participants
  - Duke plans have a targeted allocation of 58% fixed-income assets and 42% return-seeking assets

Pension Contributions (\$ in millions)	2019A	2020A	2021E – 2025E
All plans	\$77	\$0	\$0

- Key 2021 assumptions:
  - Discount rate: 2.6% for 2021 (vs. 3.3% for 2020)
  - Expected long-term return of 6.50% on plan assets (decrease from 2020's 6.85% assumption)
  - Pension plan fully funded (no expected contributions in 5-year plan)

# Simplified financing structure



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

# Credit ratings (as of February 11, 2021) and 2020 cash flow metrics<sup>(1)</sup>

Current Ratings	Moody's	S&P
<b>DUKE ENERGY CORPORATION</b>	Negative	Stable
Senior Unsecured Debt	Baa1	BBB
Commercial Paper	P-2	A-2
<b>PROGRESS ENERGY, INC</b>	Stable	Stable
Senior Unsecured Debt	Baa1	BBB
<b>DUKE ENERGY CAROLINAS</b>	Negative	Stable
Senior Secured Debt	Aa2	A
Senior Unsecured Debt	A1	BBB+
<b>DUKE ENERGY PROGRESS</b>	Negative	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	BBB+
<b>DUKE ENERGY FLORIDA</b>	Stable	Stable
Senior Secured Debt	A1	A
Senior Unsecured Debt	A3	BBB+
<b>DUKE ENERGY INDIANA</b>	Stable	Stable
Senior Secured Debt	Aa3	A
Senior Unsecured Debt	A2	BBB+
<b>DUKE ENERGY OHIO</b>	Stable	Stable
Senior Secured Debt	A2	A
Senior Unsecured Debt	Baa1	BBB+
<b>DUKE ENERGY KENTUCKY</b>	Stable	Stable
Senior Unsecured Debt	Baa1	BBB+
<b>PIEDMONT NATURAL GAS</b>	Stable	Stable
Senior Unsecured Debt	A3	BBB+

	Duke Energy Corporation
Holdco Debt/Total Debt	33%
FFO/Debt <sup>(2)(3)</sup>	15%

	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida
FFO/Debt <sup>(2)(3)</sup>	21%	18%	23%

	Duke Energy Indiana	Duke Energy Ohio Cons.	Piedmont
FFO/Debt <sup>(2)(3)</sup>	21%	15%	13%

Simplified 2021 Cash Flows	
Adjusted net income <sup>(4)</sup>	\$ 3,960
Depreciation & amortization	5,655
Deferred and accrued taxes	325
Other sources / (uses), net <sup>(5)</sup>	600
<b>Primary sources</b>	<b>10,540</b>
Capital expenditures	(10,475)
Dividends (subject to Board of Directors discretion)	(3,000)
<b>Primary uses</b>	<b>(13,475)</b>
Uses in excess of sources	(2,935)
Net Change in debt	2,940
<b>Net Change in Cash</b>	<b>\$ 5</b>

(1) Amounts do not include all adjustments that may be made by the rating agencies

(2) Key adjustments within the computation include the removal of coal ash remediation spending from FFO, and the adjusted debt balance excludes purchase accounting adjustments

(3) Assumes securitization treated as off credit

(4) Based upon the midpoint of the 2021 guidance range

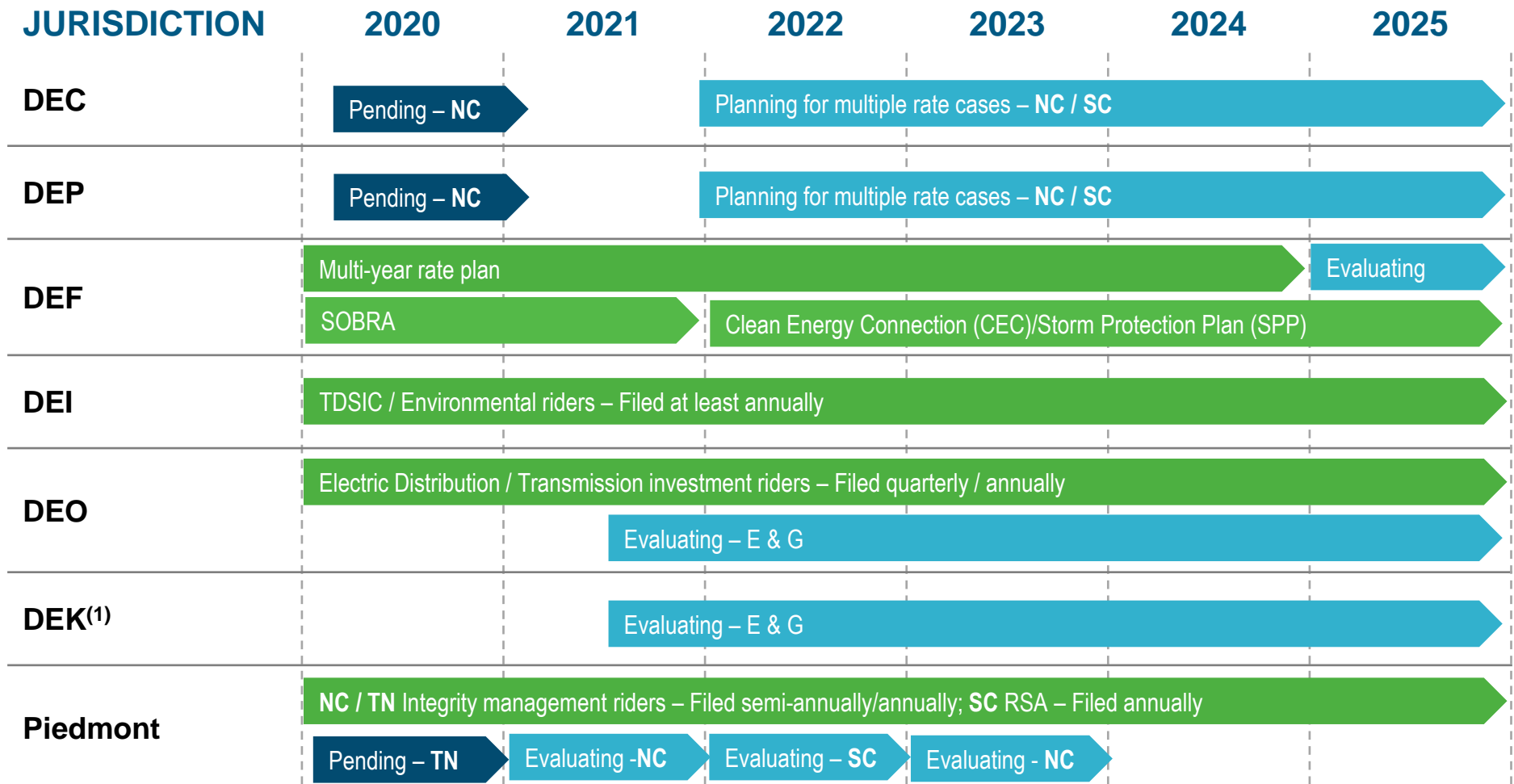
(5) Includes ~\$1B of proceeds from the first closing of the Duke Energy Indiana minority stake sale as well as changes in working capital and AFUDC equity



## Regulatory overview

# Regulatory calendar

■ Pending rate case    
 ■ Planned/Evaluating rate case    
 ■ Modern recovery mechanism



(1) "E" denotes Electric, "G" denotes Gas

# 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 (years)	6	4	4	4	5	4	6
Appointed/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 Exp.)	Charlotte Mitchell (June 2023)	Justin Williams (June 2022)	Gary Clark (January 2023)	Jim Huston (March 2021)	[OPEN]	Michael Schmitt (June 2023)	Robin Morrison (June 2026) <sup>(1)</sup>
Other Commissioners (Term Exp.)	<ul style="list-style-type: none"> <li>▪ Lyons Gray (June 2021)</li> <li>▪ ToNola Brown-Bland (June 2023)</li> <li>▪ Dan Clodfelter (June 2023)</li> <li>▪ Floyd McKissick (June 2025)</li> <li>▪ Kimberly Duffley (June 2025)</li> <li>▪ Jeff Hughes (June 2025)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Tom Ervin (June 2022)</li> <li>▪ Florence Belser (February 2023)</li> <li>▪ Mike Caston (June 2024)</li> <li>▪ Headen Thomas (June 2024)</li> <li>▪ Carolee Williams (June 2024)</li> <li>▪ Delton Powers (June 2024)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Art Graham (January 2022)</li> <li>▪ Andrew Fay (January 2022)</li> <li>▪ Julie Brown (January 2023)</li> <li>▪ Mike La Rosa (January 2025)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sarah Freeman (January 2022)</li> <li>▪ Stefanie Krevda (April 2022)</li> <li>▪ David Ziegner (April 2023)</li> <li>▪ David Ober (January 2024)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lawrence Friedeman (April 2020)</li> <li>▪ Dennis Deters (April 2021)</li> <li>▪ Daniel Conway (April 2022)</li> <li>▪ Beth Trombold – acting chair (April 2023)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Kent Chandler (June 2024) – senate confirmation pending</li> <li>▪ Talina Mathews (June 2021)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Kenneth Hill (June 2026)<sup>(1)</sup></li> <li>▪ Herbert Hilliard (June 2023)</li> <li>▪ John Hie (June 2024)</li> <li>▪ David Jones (June 2024)</li> </ul>

(1) Pending confirmation by the Tennessee Legislature

# Current electric rate information by jurisdiction

	North Carolina	South <sup>(1)</sup> Carolina	Florida	Indiana	Ohio (Electric)	Kentucky (Electric)
Retail Rate Base	\$16.9 B <sup>(2)</sup> (DEC) \$10.6 B <sup>(2)</sup> (DEP)	\$5.4 B (DEC) \$1.5 B (DEP)	\$14.7 B <sup>(3)</sup>	\$9.9 B	\$1.3 B (dist. only)	\$881 M
Wholesale Rate Base	\$2.1 B (DEC) 3Q 2020 \$3.6 B (DEP) 3Q 2020		\$2.1 B <sup>(3)</sup>	\$579 M	\$0.7 B (trans. only)	\$0
Allowed ROE	9.6% (DEC & DEP)	9.5% (DEC & DEP)	10.50% <sup>(4)</sup>	9.7%	9.84% - Dist 11.38% - Trans	9.25%
Allowed Equity	52.0% (DEC & DEP)	53.0% (DEC & DEP)	42.03% <sup>(5)</sup>	41.05% <sup>(6)</sup>	50.8%	48.2%
Effective Date of Most Recent Rates	Interim Rates 8/24/20 (DEC) 9/1/20 (DEP)	6/1/19 (DEC & DEP)	1/1/21	7/30/20	Distr: 1/2/19 Trans 6/1/20 ESP: 1/2/19	5/1/20
Fuel Clause Updated	Annually (DEC & DEP)	Annually (DEC & DEP)	Annually	Quarterly	Annually for Non-Shoppers	Monthly
Environmental Clause Updated	N/A	N/A	Annually	Semi-Annually	Quarterly	Monthly

- (1) DEC SC and DEP SC rate base and allowed ROE as of June 2019. The Public Service Commission of South Carolina issued orders in the DEC SC and DEP SC rate cases on May 21, 2019. DEC and DEP filed notices of appeal on November 15, 2019.
- (2) DEC NC's rate base included in interim rates as of August 24, 2020. DEP NC's rate base included in interim rates as of September 1, 2020. Final rates will be implemented after the NCUC orders are issued in Q1 2021.
- (3) Florida's thirteen-month average as of November 2020. Retail rate base includes amounts recovered in base rates of \$14.2B and amounts recovered in trackers of \$0.5B.
- (4) Represents the mid-point of an authorized range from 9.5% to 11.5%.
- (5) Florida's capital structure includes accumulated deferred income taxes (ADIT), customer deposits and investment tax credits (ITC) and is as of Nov. 30, 2020. Excluding these items, the capital structure approximates 51% equity.
- (6) Indiana's capital structure includes ADIT. When ADIT is excluded, the capital structure approximates 53% equity as of September 30, 2020.

# 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 <sup>(1)</sup>	Yes	Yes
Notice Period	30 Days	30 Days	60 Days	30 Days <sup>(2)</sup>	30 Days	30 Days
Test Year	Historical Adjusted for Known and Measureable Changes	Historical Adjusted for Known and Measureable Changes	Projected	Optional <sup>(3)</sup>	Partially Projected	Forecast Optional
Time Limitation Between Cases	No	12 months	No	15 Months	No	No
Rates Effective Subject to Refund	9 Months After Filing	6 Months After Filing <sup>(4)</sup>	8 Months After Filing	10 Months After Filing <sup>(5)</sup>	9 Months After Filing	6 Months After Filing <sup>(6)</sup>

(1) IURC recommended procedure. Not a statutory requirement

(2) As least 30 days to avoid ex parte issues

(3) 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

(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 <sup>(1)</sup>	Ohio (Gas)	Kentucky (Gas)
Rate Base (\$M)	\$3.5 billion	\$366 million	\$897 million	\$900 million <sup>(2)</sup>	\$313 million
Allowed ROE	9.7%	9.8%	9.8%	9.84%	9.7%
Allowed Equity	52%	52.31%	50.5%	53.3%	50.8%
Effective Date of Most Recent Rates	11/1/19	11/1/20 <sup>(3)</sup>	1/2/21	12/1/13	4/1/19
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 <sup>(4)</sup> Fuel Clause Capital Expenditure <sup>(5)</sup>	Weather Normalization Adj. Fuel Clause

(1) Reflects terms of settlement agreement with Tennessee Consumer Advocate. Currently pending commission approval.

(2) Excludes all rate base related to capital recovery that is being tracked (e.g., AMRP and AU after 3/31/2012)

(3) Rates refreshed annually under the South Carolina Rate Stabilization Act (RSA)

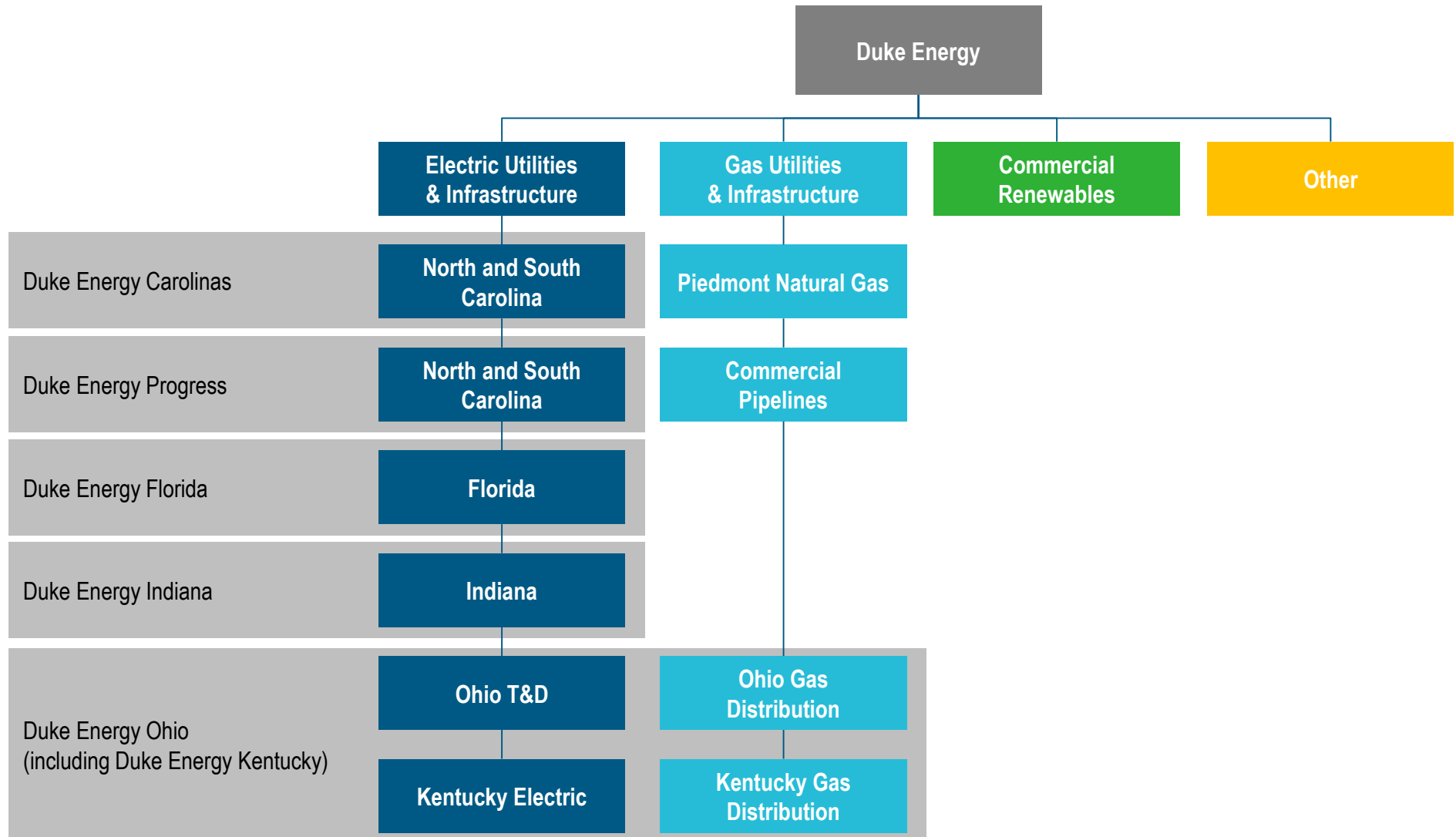
(4) The Ohio Commission temporarily suspended DEO's Gas SmartGrid Rider pending an audit.

(5) The Company has a pending application to implement a capital expenditure rider (Rider CEP) that will recover certain capital-related costs for incremental investment in most gas utility plant since the most recent base rate case approved in 2012.



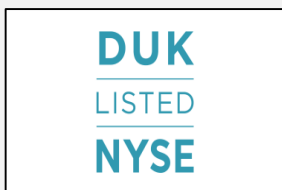
## Segment overviews

# Duke Energy business segment structure



# Duke Energy – a large scale, highly regulated energy infrastructure company

**HEADQUARTERED IN  
CHARLOTTE, NC**



**A FORTUNE 150 COMPANY**

**\$69 B**

**MARKET CAP**  
(AS OF 2/9/2021)

**\$162 B**

**TOTAL ASSETS**  
(AS OF 12/31/2020)

**28 K**

**EMPLOYEES**  
(AS OF 12/31/2020)

**54 GWs**

**TOTAL GENERATING  
CAPACITY** (AS OF 12/31/2020)

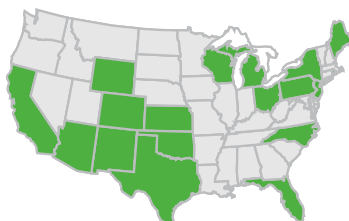
## **ELECTRIC UTILITIES & INFRASTRUCTURE**



## **GAS UTILITIES & INFRASTRUCTURE**



## **COMMERCIAL RENEWABLES**



- Operating in six constructive jurisdictions, with attractive allowed ROEs, serving 7.9 million retail customers
- Customer rates below the national average<sup>(1)</sup>
- Balanced generation portfolio that has reduced its carbon emissions by over 40% since 2005<sup>(2)</sup>
- Industry-leading safety performance, as recognized by EEI
- 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
- Efficient recovery mechanisms allow for timely recovery of investments
- Approximately 4 GWs of wind and solar in operation
- Long-term Power Purchase Agreements with creditworthy counterparties

(1) Typical bill rates (¢/kWh) in effect as of January 1, 2020. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2020

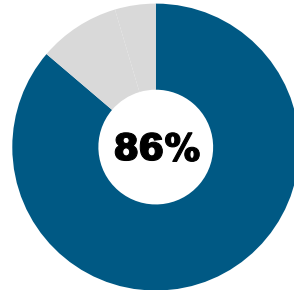
(2) Year to year reductions will be influenced by customer demand for electricity, weather, fuel and purchased power costs and other factors.

# Complementary businesses with strong growth opportunities

## ELECTRIC UTILITIES & INFRASTRUCTURE



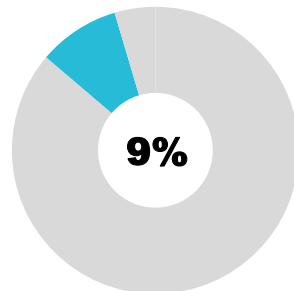
## 2021 ADJUSTED EPS CONTRIBUTION<sup>(1)</sup>



## 2021-2025 CAPEX

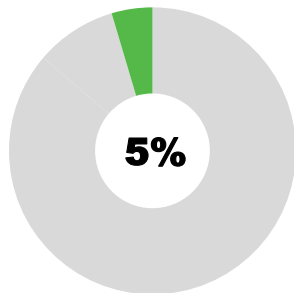
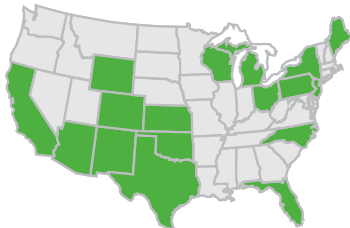
**\$49.5 B**

## GAS UTILITIES & INFRASTRUCTURE



**\$5.7 B**

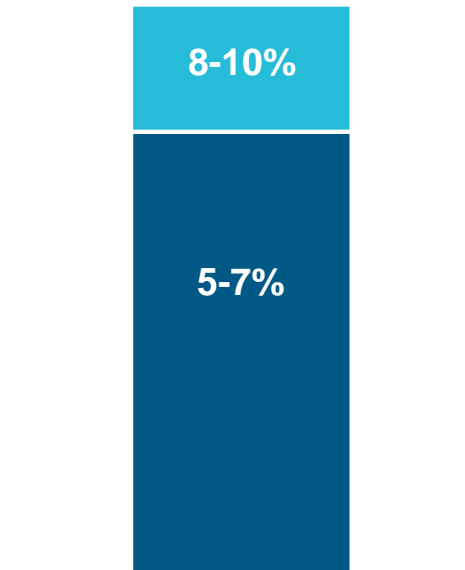
## COMMERCIAL RENEWABLES



**\$2.5 B<sup>(3)</sup>**

## 2021 – 2025 ADJUSTED EPS CAGR<sup>(2)</sup>

**Consolidated  
5-7%**



- Electric Utilities & Infrastructure
- Gas Utilities & Infrastructure

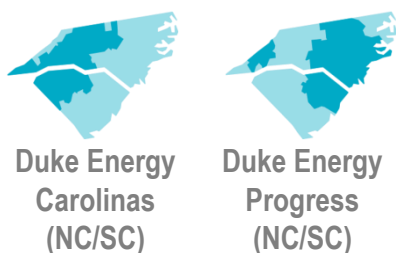
(1) Based upon the midpoint of the 2021 adjusted EPS guidance range of \$5.00-\$5.30 per share; excludes the impact of Other

(2) CAGR off of the components of the midpoint of the 2021 EPS guidance range of \$5.00-\$5.30 per share; consolidated growth rate includes the impact of Commercial Renewables (approximately flat growth) and Other

(3) Net of tax equity financing

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

### CAROLINAS



### FLORIDA



### MIDWEST

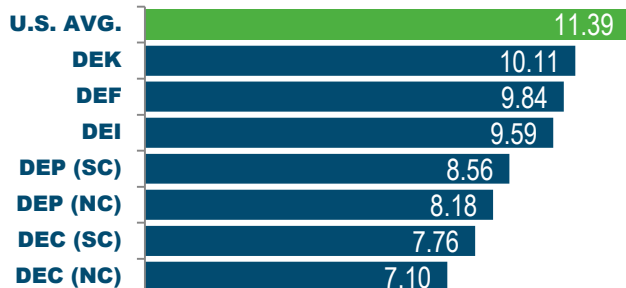


## COMPETITIVE CUSTOMER RATES<sup>(1)</sup>

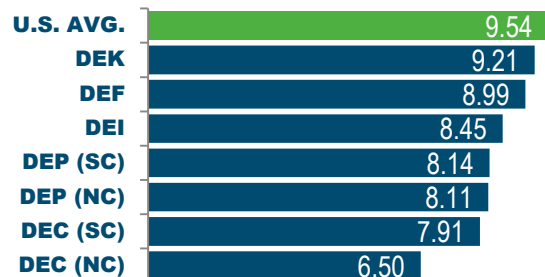
### RESIDENTIAL



### COMMERCIAL

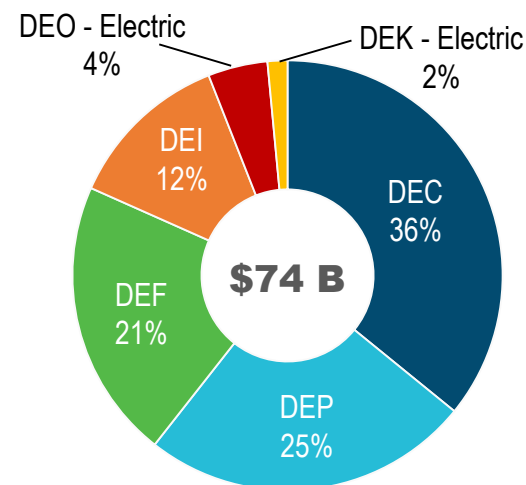


### INDUSTRIAL

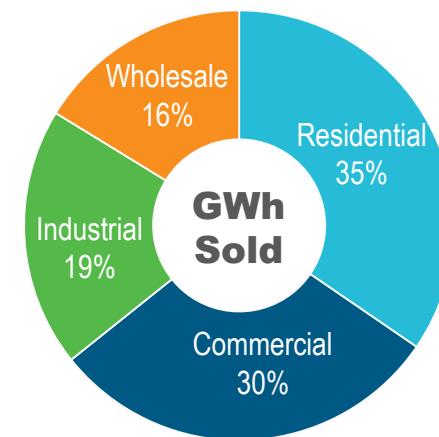


(1) Typical bill rates (¢/kWh) in effect as of January 1, 2020. Vertically integrated utilities only. Source: EEI Typical Bills and Avg. Rates Report, Winter 2020. Certain adjustments made due to computation errors.

## REGULATED ELECTRIC 2020 EARNINGS BASE

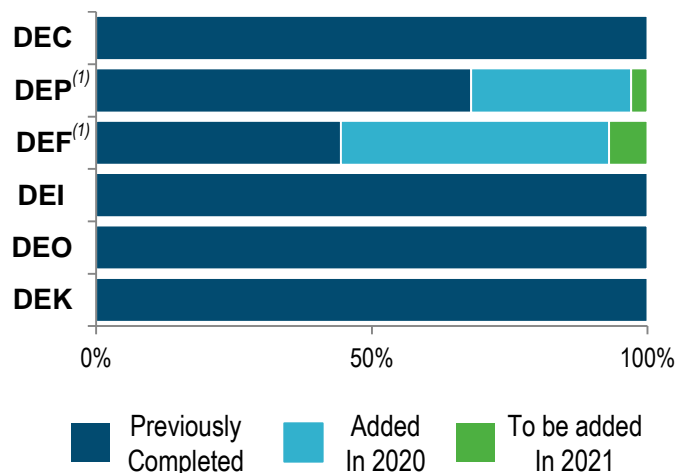


## BALANCED CUSTOMER MIX

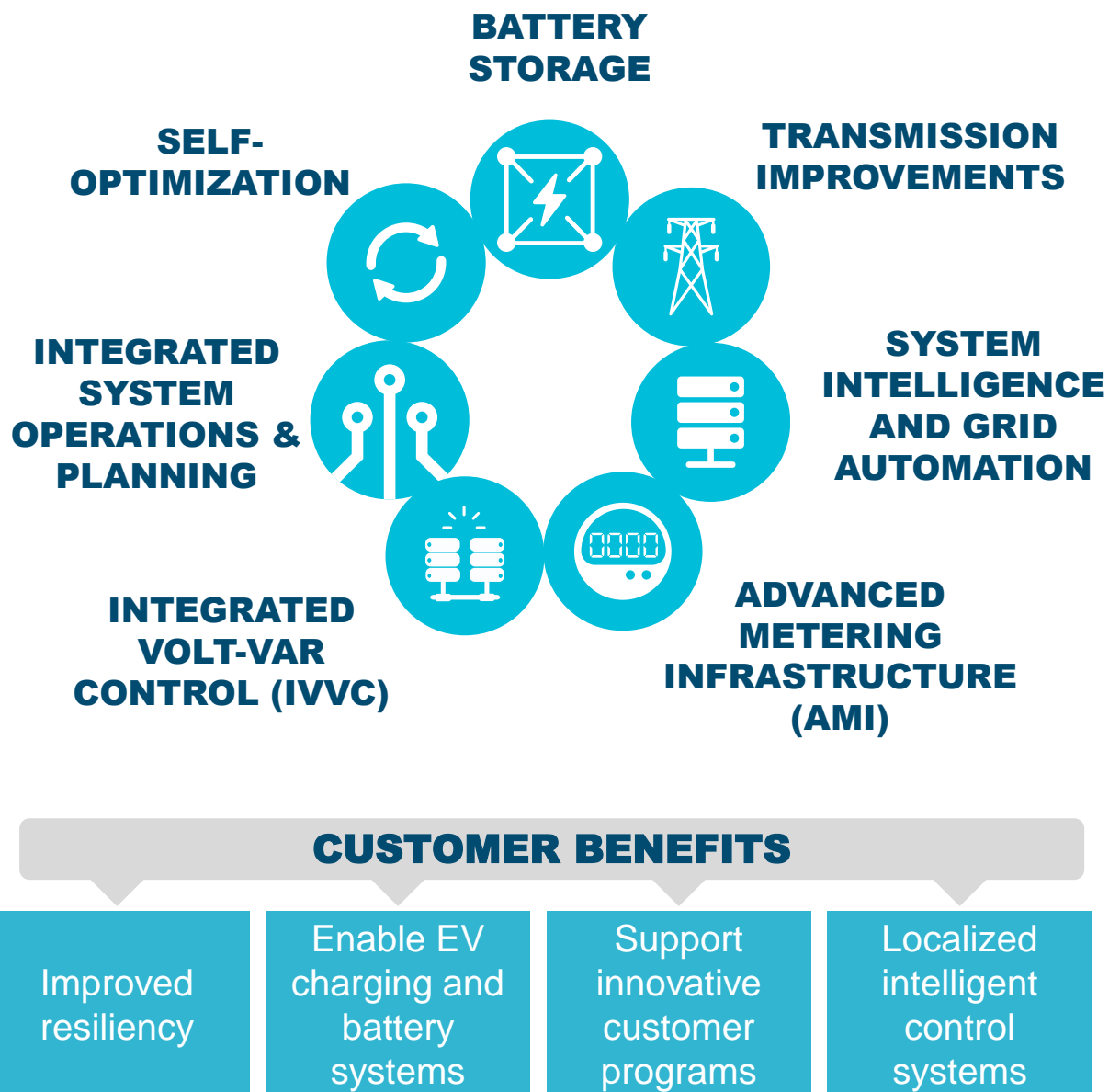
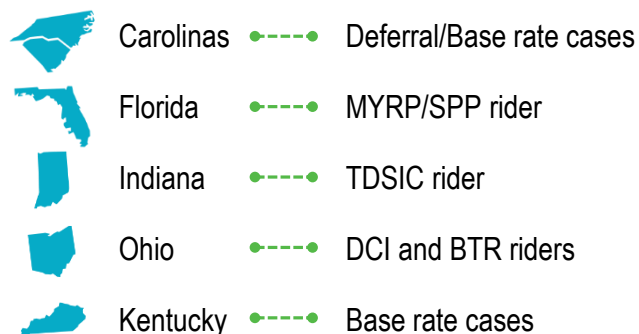


# Grid improvement programs overview

## AMI DEPLOYMENT



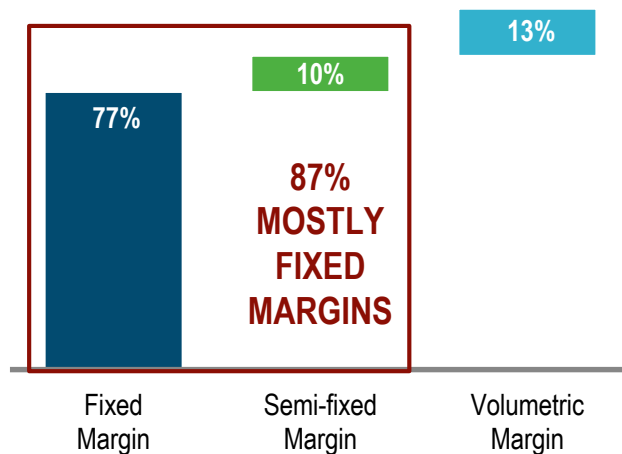
## PRIMARY RECOVERY MECHANISMS



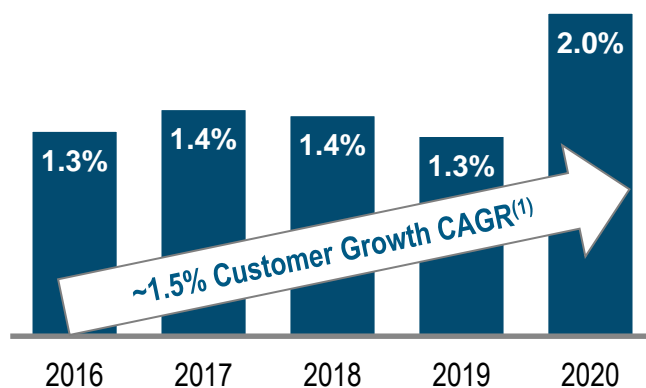
(1) Remaining amounts expected to be completed in Q2 2021

# Gas utilities & infrastructure

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



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



(1) Piedmont CAGR: 1.8%, Midwest LDC CAGR 0.9%

## MARGIN STABILIZING MECHANISMS

1. Purchased Gas Adjustment	All States
2. Uncollectible Recovery	All States
3. Integrity Management Rider ("IMR")	North Carolina and Tennessee
4. Margin Decoupling	North Carolina
5. Weather Normalization	South Carolina, Tennessee and Kentucky
6. Rate Stabilization Act	South Carolina
7. Accelerated Main Replacement Program Rider	Ohio
8. Advanced Utility Rider	Ohio
9. Manufactured Gas Rider	Ohio
10. Fixed Customer Charge	All States

# Commercial Renewables asset locations

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](https://www.duke-energy.com/_/media/pdfs/our-company/investors/duke-energy-generation-portfolio.pdf)

## Duke Energy Renewables



Duke Energy Renewables  
©2021 Duke Energy Corporation 190880-J 2/21



## Upcoming events

Event	Date
1Q 2021 earnings call (tentative)	May 10, 2021
2Q 2021 earnings call (tentative)	August 5, 2021
3Q 2021 earnings call (tentative)	November 4, 2021

## **JACK SULLIVAN, VICE PRESIDENT INVESTOR RELATIONS**

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- (980) 373-3564

## **CINDY LEE, DIRECTOR INVESTOR RELATIONS**

- Cynthia.Lee@duke-energy.com
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## **ABBY MOTSINGER, MANAGER INVESTOR RELATIONS**

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- (704) 382-7624



*BUILDING A SMARTER ENERGY FUTURE*®

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

**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Fourth Quarter Earnings Review & Business Update**  
**February 11, 2021**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of adjusted EPS for the year-to-date periods ended December 31, 2020 and 2019.

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

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the year-to-date periods ended December 31, 2020 and 2019, to the most directly comparable GAAP measure are included herein.

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

- Gas Pipeline Investments represents costs related to the cancellation of the ACP pipeline and additional exit costs related to Constitution.
- Regulatory Settlements represents charges related to Duke Energy Carolinas and Duke Energy Progress coal ash settlement and the partial settlements in the 2019 North Carolina rate cases.
- Severance represents the reversal of 2018 costs, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.
- Impairment Charges represents a reduction of a prior year impairment at Citrus County CC and an other-than-temporary impairment on the remaining investment in Constitution.

**Adjusted EPS Guidance**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a reference to forecasted 2021 adjusted EPS guidance range of \$5.00 to \$5.30 per share. In addition, the materials reference a preliminary estimate of the 2021 adjusted EPS midpoint of approximately \$5.15. The materials also include a reference to the midpoint of the original forecasted 2020 adjusted EPS guidance range of \$5.25. In addition, the materials reference the long-term range of annual growth of 5% - 7% through 2025 off the midpoint of 2021 adjusted EPS guidance range of \$5.15. The materials also reference the expected five-year EPS growth in the natural gas segment of 8-10% (on a compound annual growth rate (CAGR) basis). The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

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

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

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the year-to-date period ended December 31, 2020 and a discussion of 2020 and 2021 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the year-to-date period ended December 31, 2020, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

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

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended December 31, 2020. The materials also include a discussion of the 2020 and 2021 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended December 31, 2020, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

## **Adjusted Book Return on Equity (ROE)**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021 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 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 EPS Guidance.

## **Available Liquidity**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of December 31, 2020. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of December 31, 2020, to the most directly comparable GAAP measure is included herein.

## **Holdco Debt Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021 include a reference to a historical and projected 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, 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, imputed operating lease liabilities, plus notes payable and commercial paper outstanding.

## **Funds From Operations ("FFO") Ratio**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021 include a reference to the historical and expected FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, imputed operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, guarantees on joint-venture debt, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

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

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, include a discussion of Duke Energy's net regulated Electric and Gas operating, maintenance and other expenses (O&M) for the year-to-date periods ended December 31, 2020, 2019, 2018, 2017 and 2016, as well as the forecasted year-to-date period ended December 31, 2021.

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

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

## **Business Mix Percentage**

The materials for Duke Energy's Fourth Quarter Earnings Review and Business Update on February 11, 2021, reference each segment's 2021 projected adjusted segment income as a percentage of the total projected 2021 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's segments are comprised of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

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

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2020  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Discontinued Operations	Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Severance	Regulatory Settlements			
<b>SEGMENT INCOME (LOSS)</b>							
Electric Utilities and Infrastructure	\$ 2,669	\$ 4 A	\$ —	\$ 872 D	\$ —	\$ 876	\$ 3,545
Gas Utilities and Infrastructure	(1,266)	1,707 B	—	—	—	1,707	441
Commercial Renewables	286	—	—	—	—	—	286
<b>Total Reportable Segment Income</b>	<b>1,689</b>	<b>1,711</b>	<b>—</b>	<b>872</b>	<b>—</b>	<b>2,583</b>	<b>4,272</b>
Other	(426)	—	(75) C	—	—	(75)	(501)
Discontinued Operations	7	—	—	—	(7) E	(7)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,270</b>	<b>\$ 1,711</b>	<b>\$ (75)</b>	<b>\$ 872</b>	<b>\$ (7)</b>	<b>\$ 2,501</b>	<b>\$ 3,771</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.72</b>	<b>\$ 2.32</b>	<b>\$ (0.10)</b>	<b>\$ 1.19</b>	<b>\$ (0.01)</b>	<b>\$ 3.40</b>	<b>\$ 5.12</b>

A - Net of \$1 million tax benefit. \$5 million included within Impairment charges related to gas pipeline interconnections on the Duke Energy Progress' Consolidated Statements of Operations.

B - Net of \$398 million tax benefit.

- \$2,098 million recorded within Equity in (losses) earnings of unconsolidated affiliates related to exit obligations for gas pipeline investments on the Consolidated Statements of Operations.
- \$7 million included within Impairment charges related to gas project materials on the Piedmont Consolidated Statements of Operations.

C - Net of \$23 million tax expense. \$98 million reversal of 2018 severance charges recorded within Operations, maintenance and other on the Consolidated Statements of Operations.

D - Net of \$123 million tax benefit at Duke Energy Carolinas and \$140 million tax benefit at Duke Energy Progress.

- \$454 million included within Impairment charges and reversal of \$50 million included in Regulated electric operating revenues related to the coal ash settlement filed with the NCUC on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$19 million included within Impairment charges related to the Clemson University Combined Heat and Power Plant and \$8 million of shareholder contributions within Operations, maintenance and other on the Duke Energy Carolinas' Consolidated Statements of Operations.
- \$494 million included within Impairment charges and reversal of \$102 million included in Regulated electric operating revenues related to the coal ash settlement filed with NCUC on the Duke Energy Progress' Consolidated Statements of Operations.
- \$8 million of shareholder contributions included within Operations, maintenance and other on the Duke Energy Progress' Consolidated Statements of Operations.

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

**Weighted Average Shares (reported and adjusted) – 737 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Year Ended December 31, 2019  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items		Total Adjustments	Adjusted Earnings
		Impairment Charges	Discontinued Operations		
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 3,536	\$ (27) <b>A</b>	\$ —	\$ (27)	\$ 3,509
Gas Utilities and Infrastructure	432	19 <b>B</b>	—	19	451
Commercial Renewables	198	—	—	—	198
<b>Total Reportable Segment Income</b>	<b>4,166</b>	<b>(8)</b>	<b>—</b>	<b>(8)</b>	<b>4,158</b>
Other	(452)	—	—	—	(452)
Discontinued Operations	(7)	—	7 <b>C</b>	7	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,707</b>	<b>\$ (8)</b>	<b>\$ 7</b>	<b>\$ (1)</b>	<b>\$ 3,706</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 5.06</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ —</b>	<b>\$ 5.06</b>

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

**A** – Net of \$9 million tax expense. \$36 million reduction of a prior year impairment at Citrus County CC recorded within Impairment charges on Duke Energy Florida's Consolidated Statements of Operations.

**B** – Net of \$6 million tax benefit. \$25 million included within Other Income and Expenses on the Consolidated Statements of Operations, related to the other-than-temporary-impairment of the remaining investment in Constitution Pipeline Company, LLC.

**C** – Recorded in Income (Loss) from Discontinued Operations, net of tax, on the Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 729 million**

**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
December 2020  
(Dollars in millions)

	Three Months Ended		Year Ended	
	December 31, 2020		December 31, 2020	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported (Loss) Income Before Income Taxes From Continuing Operations Before Income Taxes</b>	\$ (319)		\$ 839	
Regulatory Settlements	1,100		1,135	
Gas Pipeline Investments	20		2,110	
Severance	—		(98)	
Noncontrolling Interests	87		295	
Preferred Dividends	(14)		(107)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 874</b>		<b>\$ 4,174</b>	
<b>Reported Income Tax Benefit From Continuing Operations</b>	\$ (162)	50.8 %	\$ (236)	(28.1)%
Regulatory Settlements	255		263	
Gas Pipeline Investments	4		399	
Severance	—		(23)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 97</b>	11.1%	<b>\$ 403</b>	9.7 %

	Three Months Ended		Year Ended	
	December 31, 2019		December 31, 2019	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 709		\$ 4,097	
Impairment Charges	14		(11)	
Noncontrolling Interests	67		177	
Preferred Dividends	(14)		(41)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 776</b>		<b>\$ 4,222</b>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 95	13.4 %	\$ 519	12.7 %
Impairment Charges	3		(3)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<b>\$ 98</b>	12.6%	<b>\$ 516</b>	12.2 %

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of December 31, 2020**  
**(In millions)**

Cash and Cash Equivalents	\$ 259	
Less: Certain Amounts Held in Foreign Jurisdictions	(3)	
Less: Unavailable Domestic Cash	<u>(48)</u>	
	208	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>6,140</u>	
Total Available Liquidity (a), December 31, 2020	<u>\$ 6,348</u>	approximately 6.3 billion

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of December 31, 2020. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

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

	Actual December 31, 2016	Actual December 31, 2017	Actual December 31, 2018	Actual December 31, 2019	Actual December 31, 2020	Forecast December 31, 2021
<b>Operation, maintenance and other<sup>(a)</sup></b>	<b>\$6,223</b>	<b>\$5,944</b>	<b>\$6,463</b>	<b>\$6,066</b>	<b>\$5,788</b>	<b>\$6,072</b>
Adjustments:						
Costs to Achieve, Mergers <sup>(b)</sup>	(238)	(94)	(83)	–	–	–
Severance <sup>(b)</sup>	(92)	–	(187)	–	98	–
Regulatory settlement <sup>(b)</sup>	–	(5)	(40)	–	(16)	–
Reagents Recoverable <sup>(d)</sup>	(63)	(60)	(78)	(71)	(53)	(58)
Energy Efficiency Recoverable <sup>(c)</sup>	(417)	(485)	(446)	(415)	(350)	(403)
Other Deferrals <sup>(e)</sup> and Recoverable <sup>(d)</sup>	(78)	(92)	(323)	(282)	(457)	(282)
Margin based O&M for Commercial Businesses	(185)	(94)	(113)	(95)	(67)	(208)
Short-term incentive payments (over)/under budget	(90)	(22)	(30)	(112)	33	–
Non-Margin based O&M for Commercial Businesses <sup>(f)</sup>	(166)	(173)	(191)	(203)	(218)	(269)
Non-regulated Electric Products and Services <sup>(g)</sup>	(83)	(140)	(138)	(175)	(210)	(223)
<b>Net Regulated Electric and Gas, operation, maintenance and other</b>	<b>\$ 4,811</b>	<b>\$ 4,779</b>	<b>\$ 4,835</b>	<b>\$ 4,714</b>	<b>\$ 4,548</b>	<b>\$ 4,630</b>

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

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

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

(d) The Duke Energy Indiana Rate Case was effective in mid-year 2020. This Rate Case permitted recovery within base rates of certain costs that had previously been recovered through riders. Accordingly, all prior periods have been recast as if these costs were always included within base rates.

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

(f) Primarily represents the operations, maintenance and other expense of the Commercial Renewables segment excluding REC Solar.

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

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2020  
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 2020	\$ 956	\$ 415	\$ 1,371	\$ 771	\$ 408	\$ 258 (2)	\$ 264 (3)
Special Items (1)	358	443	801	-	-	-	7
Adjusted Net Income 2020	1,314	858	2,172	771	408	258	271
<b>2020</b>							
Equity	13,154	9,260	22,414	7,558	4,783	3,935	2,647 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	13,154	9,260	22,414	7,558	4,783	3,015	2,598
<b>2019</b>							
Equity	12,811	9,246	22,057	6,788	4,575	3,687	2,381 (4)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
Average Equity less Goodwill			22,236	7,173	4,679	2,891	2,465
Adjusted Book ROEs			9.8%	10.7%	8.7%	8.9%	11.0%

(1) Impacts of Regulatory settlement for coal ash, net of tax; Impairment charges for interconnection with ACP, net of tax; Impairment charges and shareholder contributions related to Clemson CHP, net of tax; Severance, net of tax

(2) Net Income for 2020 equals Duke Energy Ohio reportable segments segment income

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

2020
273
(9)
264

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

	2020	2019
Reported Equity for Piedmont Natural Gas	2,715	2,443
Less: Investments in Gas Transmission Infrastructure	68	62
Piedmont Natural Gas Adjusted Equity	2,647	2,381

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2019  
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 2019	\$ 1,403	\$ 805	\$ 2,208	\$ 693	\$ 436	\$ 244 (2)	\$ 196 (4)
Special Items (1)	-	-	-	(27)	-	-	-
Adjusted Net Income 2019	1,403	805	2,208	666	436	244	196
<b>2019</b>							
Equity	12,811	9,246	22,057	6,788	4,575	3,687 (3)	2,381 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	12,811	9,246	22,057	6,788	4,575	2,767	2,332
<b>2018</b>							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
Average Equity less Goodwill			21,091	6,442	4,457	2,648	2,165
Adjusted Book ROEs			10.5%	10.3%	9.8%	9.2%	9.1%

(1) Impacts of Citrus County CC, Net of Tax

(2) Net Income for 2019 equals Duke Energy Ohio reportable segments segment income

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

	2019	2018
Reported Equity for Duke Energy Ohio	3,683	3,445
Less: Non-Reg & Other	(4)	(4)
Duke Energy Ohio Reportable Segments Equity	3,687	3,449

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

2019
202
(6)
196

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

	2019	2018
Reported Equity for Piedmont Natural Gas	2,443	2,091
Less: Investments in Gas Transmission Infrastructure	62	44
Piedmont Natural Gas Adjusted Equity	2,381	2,047

DUKE ENERGY CORPORATION  
ADJUSTED BOOK RETURN ON EQUITY (ROEs)  
For the period ended December 31, 2018  
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 2018	\$ 1,071	\$ 667	\$ 1,738	\$ 553	\$ 393	\$ 279 (2)	\$ 124 (4)
Special Items (1)	234	118	352	63	8	-	40
Adjusted Net Income 2018	1,305	785	2,090	616	401	279	164
<b>2018</b>							
Equity	11,683	8,441	20,124	6,095	4,339	3,449 (3)	2,047 (5)
Goodwill	-	-	-	-	-	920	49
Equity less Goodwill	11,683	8,441	20,124	6,095	4,339	2,529	1,998
<b>2017</b>							
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
Average Equity less Goodwill			19,717	5,857	4,230	2,388	1,783
Adjusted Book ROEs			10.6%	10.5%	9.5%	11.7%	9.2%

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

(2) Net Income for 2018 equals Duke Energy Ohio reportable segments segment income, which already excludes CTA and cost savings initiatives, Severance and Sale of Retired Plant.

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

	2018	2017
Reported Equity for Duke Energy Ohio	3,445	3,163
Less: Non-Reg & Other	(4)	(3)
Duke Energy Ohio Reportable Segments Equity	3,449	3,166

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

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

	2018	2017
Reported Equity for Piedmont Natural Gas	2,091	1,662
Less: Investments in Gas Transmission Infrastructure	44	46
Piedmont Natural Gas Adjusted Equity	2,047	1,616

Duke Energy Corporation  
2021 Forecasted Cash Flow Reconciliation, Required by SEC Regulation G  
February 11, 2021  
(\$ in millions)

	Forecast 2021
<b>Primary Sources:</b>	
Adjusted net income (1)	(a) \$3,960
Depreciation & amortization	(a) 5,655
Deferred and accrued taxes	(a) 325
Other sources / (uses), net	(a) 600
Total Sources	<u>10,540</u>
<b>Primary Uses:</b>	
Capital expenditures (including discretionary)	(b) (10,475)
Dividends	(c) (3,000)
Total Uses	<u>(13,475)</u>
<b>Uses in Excess of Sources</b>	<u>(2,935)</u>
<b>Net Change in Financing</b>	
Debt issuances	(c, d) 8,275
Debt maturities	(c) (5,335)
Net Change in Debt	<u>2,940</u>
Preferred stock issuances	
Common stock issuances	(c) <u>5</u>
Net Change in Cash	<u>\$5</u>
<b>Reconciliations to forecasted U.S. GAAP reporting amounts:</b>	
Operating cash flow components, sum of (a) from above	\$10,540
Reconciling items to GAAP cash flows from operating activities	(2) (2,135)
Net cash provided by operating activities per GAAP Consolidated Statement of Cash Flows	<u>\$8,405</u>
Investing cash flow components, (b) from above	(\$10,475)
Reconciling items to GAAP cash flows from investing activities	(2) (595)
Net cash used in investing activities per GAAP Consolidated Statement of Cash Flows	<u>(\$11,070)</u>
Financing cash flow components, sum of (c) from above	(\$60)
Reconciling items to GAAP cash flows from financing activities	(2) 2,730
Net cash provided by financing activities per GAAP Consolidated Statement of Cash Flows	<u>\$2,670</u>
<i>Debt Issuances [(d) from above] includes "Notes payable and commercial paper" which is separately presented per GAAP Consolidated Statements of Cash Flows</i>	
Net increase in cash and cash equivalents per forecasted GAAP Consolidated Statements of Cash Flows	<u>\$5</u>

**Notes:**

(1) The forecasted adjusted net income of \$3,960 million for 2021 is an illustrative amount based on the midpoint of Duke Energy's adjusted basic EPS outlook range of \$5.00-\$5.30 per share. Adjusted basic EPS is a non-GAAP financial measure as it represents basic EPS from continuing operations attributable to Duke Energy Corporation shareholders and adjusted for the per-share impact of special items. Special items represent certain charges and credits which management believes will not be recurring on a regular basis, although it is reasonably possible such charges and credits could recur. The most directly comparable GAAP measure for adjusted basic EPS is reported basic EPS from continuing operations attributable to Duke Energy Corporation common shareholders, which includes the impact of special items. 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.

(2) Amount consists primarily of an adjustment for operating cashflow items (principally payments for asset retirement obligations and payment for an accrued liability ) included in the "Capital expenditures (including discretionary)" and "Debt maturities", which are combined for the GAAP reconciliation in Investing activities and Financing activities, and; an adjustment for investing cash flow items (principally cost of removal expenditures, proceeds from sales and maturities of available-for-sale securities and Other) included in the "Other sources/(uses), net", which are combined for the GAAP reconciliation in Operating activities, and; an adjustment for financing cash flow items (principally proceeds from Noncontrolling Interests initial investments, payments for interest on preferred debt/equity content securities, and Other) included in the "Other sources/(uses), net" and "Capital expenditures (including discretionary)", which are combined for the GAAP reconciliation in Operating activities and Investing activities.

**FFO to Debt Calculation**  
**Duke Energy Corporation**  
(in millions)

**Year Ended December 31,**  
**2020**  
**Actual**

Cash From Operations	8,856
Adjust for Working Capital (1)	(246)
Coal ash ARO spend	610
Include Capitalized Interest as cost	(112)
Hybrid interest adjustment	10
Preferred stock adjustment	(54)
CR3 securitization adjustment	(55)
ACP construction loan interest adjustment	(22)
Lease-imputed FFO adjustment (D&A)	260
<b>Funds From Operations</b>	<b>9,247</b>
Notes payable and commercial paper	2,873
Current maturities of LT debt	4,238
LT debt	55,625
Less: Purchase Accounting adjustments	(1,711)
CR3 securitization	(1,057)
Underfunded Pension	397
ACP construction loan	860
Hybrid debt adjustment	(250)
Preferred stock adjustment	1,000
Lease-imputed debt	1,517
<b>Total Balance Sheet Debt (Including ST)</b>	<b>63,492</b>
(1) Working capital detail, excluding MTM	
Receivables	(56)
Inventory	66
Other current assets	205
Accounts payable	(21)
Taxes accrued	117
Other current liabilities	(65)
	<b>246</b>

<b>FFO / Debt</b>	<b>15%</b>
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**FFO to Debt Calculation****Duke Energy Carolinas**

(in millions)

**Year Ended December 31,  
2020  
Actual**

Cash From Operations	2,776
Adjust for Working Capital (1)	(255)
ARO spend	162
Include Capitalized Interest as cost	(28)
Lease-imputed FFO adjustment (D&A)	43
<b>Funds From Operations</b>	<b>2,698</b>
Current maturities of LT debt	506
LT debt	11,412
LT debt payable to affiliates	300
Notes payable to affiliated companies	506
Underfunded Pension	13
Lease imputed debt	117
<b>Total Balance Sheet Debt (Including ST)</b>	<b>12,854</b>
(1) Working capital detail, excluding MTM	
Receivables	52
Receivables from affiliates	(10)
Inventory	(14)
Other current assets	209
Accounts payable	55
Accounts payable to affiliates	(11)
Taxes accrued	30
Other current liabilities	(56)
	<b>255</b>

**FFO / Debt****21%**

**FFO to Debt Calculation****Duke Energy Progress**

(in millions)

**Year Ended December 31,  
2020  
Actual**

Cash From Operations	1,666
Adjust for Working Capital (1)	(229)
Coal ash ARO spend	304
Include Capitalized Interest as cost	(12)
Lease-imputed FFO adjustment (D&A)	60
<b>Funds From Operations</b>	<b>1,789</b>
Notes payable to affiliated companies	295
Current maturities of LT debt	603
LT debt	8,505
LT debt payable to affiliates	150
Underfunded Pension	33
Lease imputed debt	354
<b>Total Balance Sheet Debt (Including ST)</b>	<b>9,940</b>

(1) Working capital detail, excluding MTM

Receivables	(4)
Receivables from affiliates	2
Inventory	23
Other current assets	98
Accounts payable	(127)
Accounts payable to affiliates	12
Taxes accrued	68
Other current liabilities	157
	<b>229</b>

**FFO / Debt****18%**

**FFO to Debt Calculation****Duke Energy Florida**

(in millions)

**Year Ended December 31,  
2020  
Actual**

Cash From Operations	1,661
Adjust for Working Capital (1)	(51)
Coal ash ARO spend	80
Include Capitalized Interest as cost	(5)
Adjust for CR3	(55)
Lease-imputed FFO adjustment (D&A)	99
<b>Funds From Operations</b>	<b>1,729</b>
Notes payable to affiliated companies	196
Current maturities of LT debt	823
LT debt	7,092
Adjust for CR3	(1,057)
Lease imputed debt	342
Underfunded Pension	123
<b>Total Balance Sheet Debt (Including ST)</b>	<b>7,519</b>
(1) Working capital detail, excluding MTM	
Receivables	(64)
Receivables from affiliates	(3)
Inventory	26
Other current assets	40
Accounts payable	66
Accounts payable to affiliates	(46)
Taxes accrued	39
Other current liabilities	(7)
	<b>51</b>

**FFO / Debt****23%**

**FFO to Debt Calculation****Duke Energy Indiana**

(in millions)

**Year Ended December 31,  
2020  
Actual**

Cash From Operations	938
Adjust for Working Capital (1)	(57)
Coal ash ARO spend	63
Include Capitalized Interest as cost	(10)
Lease-imputed FFO adjustment (D&A)	16
<b>Funds From Operations</b>	<b>950</b>
Notes payable to affiliated companies	131
Current maturities of LT debt	70
LT debt	3,871
LT debt payable to affiliates	150
CRC	186
Underfunded pension	112
Lease imputed debt	56
<b>Total Balance Sheet Debt (Including ST)</b>	<b>4,576</b>
(1) Working capital detail, excluding MTM	
Receivables	8
Inventory	44
Other current assets	(3)
Accounts payable	(12)
Accounts payable to affiliates	1
Taxes accrued	13
Other current liabilities	6
	<b>57</b>

**FFO / Debt****21%**

**FFO to Debt Calculation****Duke Energy Ohio**

(in millions)

**Year Ended December 31,  
2020  
Actual**

Cash From Operations	575
Adjust for Working Capital (1)	(38)
Coal Ash ARO spend	2
Include capitalized Interest as cost	(26)
Lease-imputed FFO adjustment (D&A)	10
<b>Funds From Operations</b>	<b>523</b>
Notes payable to affiliated companies	169
Current maturities of LT debt	50
LT debt	3,014
LT debt payable to affiliates	25
CRC	138
Underfunded pension	92
Lease imputed debt	21
<b>Total Balance Sheet Debt (Including ST)</b>	<b>3,509</b>
(1) Working capital detail, excluding MTM	
Receivables	(13)
Receivables from affiliates	9
Inventory	25
Other current assets	(18)
Accounts payable	2
Taxes accrued	30
Other current liabilities	3
	<b>38</b>
<b>FFO / Debt</b>	<b>15%</b>

**FFO to Debt Calculation****Piedmont Natural Gas**

(in millions)

**Year Ended December 31,  
2020  
Actual**

Cash From Operations	481
Adjust for Working Capital (1)	(31)
Include Capitalized Interest as cost	(8)
Lease-imputed FFO adjustment (D&A)	4
<b>Funds From Operations</b>	<b>446</b>
Notes payable to affiliated companies	530
Current maturities of LT debt	160
LT debt	2,620
Underfunded pension	4
Lease imputed debt	23
<b>Total Balance Sheet Debt (Including ST)</b>	<b>3,337</b>
(1) Working capital detail, excluding MTM	
Receivables	10
Inventory	3
Other current assets	(66)
Accounts payable	16
Accounts payable to affiliates	76
Taxes accrued	3
Other current liabilities	(11)
	<b>31</b>

**FFO / Debt****13%**