



Matthew R. Bernier
Associate General Counsel
Duke Energy Florida, LLC

April 30, 2021

VIA ELECTRONIC FILING

Mr. Adam Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: *DEF's Annual Diversification Report; Undocketed*

Mr. Teitzman:

Please find enclosed Duke Energy Florida LLC's Annual Report Forms as required by Rule 25-6.135(2) F.A.C. These documents include:

- The Florida Public Service Commission Annual Report (FERC Form 1), for the calendar year 2020.
- A report from DEF's independent auditors, Deloitte & Touche LLP.
- The 2020 Duke Energy Florida LLC's Diversification Report.
- The Duke Energy 2020 Annual Report and Form 10-K filed with the Securities and Exchange Commission.

Thank you for your assistance in this matter. If you have any questions, please feel free to contact me at (850) 521-1428.

Sincerely,

s/Matthew R. Bernier

cc: Andrew Maurey, FPSC, Directory, Division of Accounting & Finance

MRB/mw
Attachment

Form 1 Approved
OMB No.1902-0021
(Expires 11/30/2022)
Form 1-F Approved
OMB No.1902-0029
(Expires 11/30/2022)
Form 3-Q Approved
OMB No.1902-0205
(Expires 11/30/2022)

Item 1: An Initial (Original) Submission OR Resubmission No. _____



FERC FINANCIAL REPORT

FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

Duke Energy Florida, LLC

Year/Period of Report

End of 2020/Q4

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Duke Energy Florida, LLC
Charlotte, North Carolina

We have audited the accompanying financial statements of Duke Energy Florida, LLC (the "Company"), which comprise the balance sheet — regulatory basis as of December 31, 2020, and the related statements of income — regulatory basis, retained earnings — regulatory basis, and cash flows — regulatory basis for the year then ended, included on pages 110 through 123 of the accompanying Federal Energy Regulatory Commission Form 1, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the regulatory-basis financial statements referred to above present fairly, in all material respects, the assets, liabilities, and proprietary capital of Duke Energy Florida, LLC as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

Basis of Accounting

As discussed in the opening paragraph in the notes to the financial statements, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restricted Use

This report is intended solely for the information and use of the board of directors and management of the Company and for filing with the Federal Energy Regulatory Commission and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

April 15, 2021

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q**GENERAL INFORMATION****I. Purpose**

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <https://forms.ferc.gov/>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____, we have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <https://www.ferc.gov/ferc-online/overview>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <https://www.ferc.gov/media/form-1> and <https://www.ferc.gov/media/form1-3q>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,168 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 168 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW**Federal Power Act, 16 U.S.C. § 791a-825r**

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER


IDENTIFICATION

01 Exact Legal Name of Respondent Duke Energy Florida, LLC		02 Year/Period of Report End of <u>2020/Q4</u>	
03 Previous Name and Date of Change (if name changed during year) / /			
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 550 South Tryon Street Charlotte, NC 28202			
05 Name of Contact Person Michael Dirr		06 Title of Contact Person Manager of Accounting II	
07 Address of Contact Person (Street, City, State, Zip Code) 550 South Tryon Street Charlotte, NC 28202			
08 Telephone of Contact Person, Including Area Code (980) 382-9032	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		10 Date of Report (Mo, Da, Yr) 04/15/2021

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Dwight L. Jacobs	03 Signature  Dwight L. Jacobs	04 Date Signed (Mo, Da, Yr) 04/15/2021
02 Title SVP, CAO, Tax and Controller		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willfully to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Information on Formula Rates	106(a)(b)	
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
15	Nuclear Fuel Materials	202-203	
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	n/a
18	Electric Plant Held for Future Use	214	
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224-225	
22	Materials and Supplies	227	
23	Allowances	228(ab)-229(ab)	
24	Extraordinary Property Losses	230	
25	Unrecovered Plant and Regulatory Study Costs	230	
26	Transmission Service and Generation Interconnection Study Costs	231	
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250-251	
31	Other Paid-in Capital	253	
32	Capital Stock Expense	254	
33	Long-Term Debt	256-257	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
36	Accumulated Deferred Investment Tax Credits	266-267	

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Other Deferred Credits	269	
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	
39	Accumulated Deferred Income Taxes-Other Property	274-275	
40	Accumulated Deferred Income Taxes-Other	276-277	
41	Other Regulatory Liabilities	278	
42	Electric Operating Revenues	300-301	
43	Regional Transmission Service Revenues (Account 457.1)	302	n/a
44	Sales of Electricity by Rate Schedules	304	
45	Sales for Resale	310-311	
46	Electric Operation and Maintenance Expenses	320-323	
47	Purchased Power	326-327	
48	Transmission of Electricity for Others	328-330	
49	Transmission of Electricity by ISO/RTOs	331	n/a
50	Transmission of Electricity by Others	332	
51	Miscellaneous General Expenses-Electric	335	
52	Depreciation and Amortization of Electric Plant	336-337	
53	Regulatory Commission Expenses	350-351	
54	Research, Development and Demonstration Activities	352-353	
55	Distribution of Salaries and Wages	354-355	
56	Common Utility Plant and Expenses	356	n/a
57	Amounts included in ISO/RTO Settlement Statements	397	
58	Purchase and Sale of Ancillary Services	398	
59	Monthly Transmission System Peak Load	400	
60	Monthly ISO/RTO Transmission System Peak Load	400a	n/a
61	Electric Energy Account	401	
62	Monthly Peaks and Output	401	
63	Steam Electric Generating Plant Statistics	402-403	
64	Hydroelectric Generating Plant Statistics	406-407	
65	Pumped Storage Generating Plant Statistics	408-409	
66	Generating Plant Statistics Pages	410-411	

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Line Statistics Pages	422-423	
68	Transmission Lines Added During the Year	424-425	
69	Substations	426-427	
70	Transactions with Associated (Affiliated) Companies	429	
71	Footnote Data	450	
	<p>Stockholders' Reports Check appropriate box:</p> <p><input type="checkbox"/> Two copies will be submitted</p> <p><input checked="" type="checkbox"/> No annual report to stockholders is prepared</p>		

Name of Respondent Document Accession #: 20210419-8104 Duke Energy Florida, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report End of <u>2020/Q4</u>
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Dwight Leon Jacobs	Duke Energy Florida
SVP, CAO, Tax, and Controller	299 First Avenue North
550 South Tryon Street	St. Petersburg, FL 33701
Charlotte, NC 28202	

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

On August 1, 2015 the respondent converted its form of organization from a Florida corporation to a Florida limited liability company. The respondent was originally incorporated as a Florida corporation on July 18, 1899.

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric service in the state of Florida

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) Yes...Enter the date when such independent accountant was initially engaged:
- (2) No

Name of Respondent Document Accession #: 20210419-8104 Duke Energy Florida, LLC	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report End of <u>2020/Q4</u>
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CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

Duke Energy Florida, LLC is a wholly-owned subsidiary of Duke Energy Corporation, a North Carolina Corporation.

CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Duke Energy Florida Receivables, LLC	Receivables Finance	100	
2	Duke Energy Florida Solar Solutions, LLC	Solar Power Development	100	
3	Duke Energy Project Finance, LLC	Nuclear Asset Recovery	100	
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
 2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Executive Vice President,	Melissa H. Anderson	
2	Chief Human Resources Officer,		
3	through 06/30/2020		
4			
5	Executive Vice President, Energy Solutions and	Douglas F Esamann	
6	President, Midwest/Florida Regions		
7	and Natural Gas Business		
8			
9	Executive Vice President and	Kodwo Ghartey-Tagoe	
10	Chief Legal Officer & Corporate Security		
11			
12	Chief Executive Officer	Lynn J. Good	
13			
14	Senior Vice President, Chief Accounting Officer,	Dwight L. Jacobs	
15	Tax and Controller		
16			
17	Executive Vice President, Chief Operating Officer	Dhiaa M. Jamil	
18			
19	Executive Vice President, External Affairs and	Julia S. Janson	
20	President, Carolinas Region		
21			
22	Senior Vice President, Corporate Development	Karl W. Newlin	
23	and Treasurer		
24			
25	Senior Vice President,	Ronald R. Reising	
26	Chief Human Resources Officer,		
27	effective 07/01/2020		
28			
29	Senior Vice President, Chief Transformation	Brian D. Savoy	
30	and Administrative Officer		
31			
32	State President, Florida	Catherine S. Stempien	
33			
34	Senior Vice President,	Harry Sideris	
35	Customer Experience & Services		
36			
37	Senior Vice President,	Alexander Weintraub	
38	Natural Gas Business		
39			
40	Executive Vice President & Chief Financial Officer	Steven K. Young	
41			
42			
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DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Douglas F Esamann	550 South Tryon Street, Charlotte, NC 28202
2	(Executive Vice President, Energy Solutions and	
3	President, Midwest/Florida Regions and	
4	Natural Gas Business)	
5		
6	Kodwo Ghartey-Tagoe	550 South Tryon Street, Charlotte, NC 28202
7	(Executive Vice President and Chief Legal Officer	
8	& Corporate Security)	
9		
10	Lynn J. Good	550 South Tryon Street, Charlotte, NC 28202
11	(Chief Executive Officer)	
12		
13	Dhiaa M. Jamil	550 South Tryon Street, Charlotte, NC 28202
14	(Executive Vice President , Chief Operating Officer)	
15		
16	Julia S. Janson	550 South Tryon Street, Charlotte, NC 28202
17	(Executive Vice President, External Affairs	
18	and President, Carolinas Region)	
19		
20	Harry K. Sideris	550 South Tryon Street, Charlotte, NC 28202
21	(Senior Vice President, Customer Experience	
22	& Services)	
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates? Yes
 No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
1	Joint Open Access Transmission Tariff (OATT)	ER20-1245
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?

Yes
 No

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

Line No.	Accession No.	Document Date \ Filed Date	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
1	20200515-5152	05/15/2020	ER09-1166	See footnote	Tariff Volume No. 4, Open Access
2					Transmission Tariff
3	20200529-5516	05/29/2020	ER09-1166	See footnote	Tariff Volume No. 4, Open Access
4					Transmission Tariff
5	20200624-5104	06/24/2020	ER09-1166	See footnote	Tariff Volume No. 4, Open Access
6					Transmission Tariff
7					
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Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 1061 Line No.: 1 Column: d

2020 Annual Update for the OATT Formula Transmission Rate of Duke Energy Florida, LLC

Schedule Page: 1061 Line No.: 3 Column: d

Revision to May 15, 2020 Informational Filing with 2020 Annual Update for the OATT Formula Transmission Rate of Duke Energy Florida, LLC

Schedule Page: 1061 Line No.: 5 Column: d

Second Revision to May 15, 2020 Informational Filing with 2020 Annual Update for the OATT Formula Transmission Rate of Duke Energy Florida, LLC

INFORMATION ON FORMULA RATES

Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

Line No.	Page No(s).	Schedule	Column	Line No
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. Listed below are the franchise renewals completed during the fourth quarter ending December 31, 2020:

- Orlando 11/9/2020
- Tarpon Springs 11/17/2020
- Seminole 11/17/2020
- Redington Beach 11/18/2020
- Belleair Beach 12/7/2020

Listed below are the franchise renewals completed during the third quarter ending September 30, 2020:

- Windemere 7/14/2020
- Minneola 7/21/2020
- Belle Isle 9/1/2020

Listed below are the franchise renewals which were completed during the second quarter 2020.

- Lady Lake 4/6/2020
- Oakland 6/23/2020

There were no franchise renewals during first quarter 2020.

Duke Energy Florida remits a franchise fee to municipalities collected from customers based on 6% of the retail revenues for specific revenue classes within these cities having the franchise agreements and based on the provisions of the negotiated agreement.

2. There were no mergers completed during the second, third or fourth quarters of 2020.

Duke Energy Florida completed one merger during the first quarter ending March 31, 2020:

- Santa Fe Solar, LLC 1/31/2020

The project LLC was acquired from First Solar Development, LLC during the third quarter of 2019. No Commission approval was required since the LLC just holds development assets, and not an operating generating facility.

3. There are no purchases or sales of operating units or systems to report during the third or fourth quarters of 2020.

During the second quarter ending June 30, 2020 Duke Energy Florida purchased distribution facilities from the City of Leesburg in the amount of \$33,278.16 under the territorial agreement between Duke Energy Florida and the City of Leesburg that was approved by the Commission under Order No. PSC-15-0313-CO-EU.

There are no purchases or sales of operating units or systems to report during the first quarter of 2020.

4. None

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

5. There were no extensions or reductions of the transmission or distribution system completed during the fourth quarter ending December 31, 2020.

During the third quarter ending September 30, 2020 Duke Energy Florida (DEF) completed the following service territory agreement under Commission Order PSC-2020-0279-CO-EU. DEF gained and/or relinquished service territory in Sumter, Lake, Marion, Levy and Citrus counties. In this territorial agreement, 547 Temporary Service Customers are being transferred from DEF to Sumter Electric Cooperative (SECO) (103 commercial, and 444 residential) and 54 customers are being transferred from SECO to DEF (28 commercial, 20 residential and 1 industrial). As the customers have not been transferred as of the present day, the predicted annual revenue loss to DEF resulting from the transfer of the customers to SECO is \$563,269. Once all customers have transferred to DEF from SECO, DEF predicts an annual revenue gain of \$650,566.

There were no extensions or reductions of the transmission or distribution system completed during the first or second quarters of 2020.

6. See Notes to Financial Statements, Note 5, “Commitments and Contingencies” and Note 6, “Debt and Credit Facilities”.

7. None

8. During the second, third and fourth quarters of 2020, there were no large scale wage changes for Duke Energy Florida.

During the first quarter of 2020, there was an average merit increase applied to wage rates of exempt and non-exempt Duke Energy Florida employees totaling \$3,612,289 annually.

9. See Notes to Financial Statements, Note 4, “Regulatory Matters” and Note 5, “Commitments and Contingencies.”

10. None

11. (Reserved)

12. None

13. The changes in officers and directors for Duke Energy Florida, LLC that occurred during the fourth quarter 2020 are as follows:

APPOINTMENTS Effective 12/16/2020

- Grant, Eric S. Regional Senior Vice President, Customer Delivery – Carolinas
- Jackson, Rufus S. Senior Vice President, Customer Delivery Governance, Programs & Support

APPOINTMENTS Effective 12/01/2020

- Aittola, Kathryn B. Vice President, Global Risk Management and Insurance and Chief Risk Officer
- Butler, Keith G. Senior Vice President and Chief Security Officer
- Council, Donna T. Senior Vice President, Administrative Services

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC		04/15/2021	2020/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Feldmeier, Melissa M. Vice President and Chief Ethics and Compliance Officer
 Gillespie Jr., T. Preston Senior Vice President and Chief Generation Officer
 Henderson, Kelvin Senior Vice President and Chief Nuclear Officer
 Stancombe, Catherine B. Senior Vice President, Enterprise Operational Excellence

APPOINTMENTS Effective 10/14/2020

Thomas, Phillip R. Vice President

RESIGNATIONS Effective 12/16/2020

Grant, Eric S. Senior Vice President, Customer Delivery Governance, Programs & Support

RESIGNATIONS Effective 12/01/2020

Butler, Keith G. Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer
 Council, Donna T. Vice President, Administrative Services
 Gillespie Jr., T. Preston Senior Vice President and Chief Nuclear Officer
 Stancombe, Catherine B. Vice President, Enterprise Operational Excellence
 Waldrep, Benjamin C. Senior Vice President and Chief Security Officer

RESIGNATIONS Effective 10/23/2020

Bramblett, Jeffery W. Vice President, Nuclear Corporate Operations

The changes in officers and directors for Duke Energy Florida, LLC that occurred during the third quarter 2020 are as follows:

APPOINTMENTS Effective 09/01/2020

Draovitch, Paul Senior Vice President, Environmental, Health and Safety and Project Management and Controls
 Johns, Melisa B. Vice President, Distributed Energy Solutions and Regulated Renewables

APPOINTMENTS Effective 07/17/2020

Davis, Joni Y. Vice President, Chief of Staff and Chief Diversity and Inclusion Officer

APPOINTMENTS Effective 07/01/2020

Fallon, Christopher M. President, Duke Energy Renewables and Senior Vice President, Delivery and Operations
 Hamrick, George T. Senior Vice President and Chief Transmission Officer

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC		04/15/2021	2020/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Murray, Kevin A. Vice President, Project Management and Construction

Peeler, V. Nelson Senior Vice President, Transmission and Fuels Strategy and Policy

Reising, Ronald R. Senior Vice President and Chief Human Resources Officer

Vary, Robert P. Senior Vice President, Sales and Relationship Management

RESIGNATIONS Effective 09/01/2020

Draovitch, Paul Senior Vice President, Environmental, Health and Safety and Operations Support

RESIGNATIONS Effective 08/31/2020

De Souza, Ray F. Vice President

RESIGNATIONS Effective 07/31/2020

Ordaz, Luis Vice President, Engineering & Technical Customer Relations – Florida

RESIGNATIONS Effective 07/17/2020

Davis, Joni Y. Vice President, Chief Diversity and Inclusion Officer, Talent Acquisition and Workforce Development

RESIGNATIONS Effective 07/01/2020

Hamrick, George T. Senior Vice President, Coal Combustion Products

Peeler, V. Nelson Senior Vice President and Chief Transmission Officer

Reising, Ronald R. Senior Vice President, Operations Support

The changes in officers and directors for Duke Energy Florida, LLC that occurred during the second quarter 2020 are as follows:

APPOINTMENTS Effective 05/15/2020

Butler, Keith G. Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer

Ghartey-Tagoe, Kodwo Executive Vice President, Chief Legal Officer and Secretary

Maltz, David S. Vice President, Legal, Assistant Secretary and Chief Governance Officer

Ringel, Robert J. Vice President, Legal and Assistant Secretary

APPOINTMENTS Effective 04/01/2020

Birmingham, Melody Senior Vice President, Supply Chain and Chief Procurement Officer

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC		04/15/2021	2020/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Hamrick, George T. Senior Vice President, Coal Combustion Products

Immel, Stephen J. Vice President, Fleet Transition Strategy

RESIGNATIONS Effective 06/30/2020

Anderson, Melissa H. Executive Vice President and Chief Human Resources Officer

Caldwell, Robert F. Senior Vice President and President, Duke Energy Renewables and Business Development

RESIGNATIONS Effective 05/15/2020

Butler, Keith G. Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer

Fountain, David B. Senior Vice President, Legal, Chief Ethics and Compliance Officer and Secretary

Ghartey-Tagoe, Kodwo Executive Vice President and Chief Legal Officer

Maltz, David S. Assistant Secretary

RESIGNATIONS Effective 04/01/2020

Birmingham, Melody Senior Vice President and Chief Procurement Officer

The changes in officers and directors for Duke Energy Florida, LLC that occurred during the first quarter 2020 are as follows:

APPOINTMENTS Effective 03/01/2020

Titone, Bonnie B. Senior Vice President and Chief Information Officer

APPOINTMENTS Effective 02/20/2020

Metzler, Renee H. Managing Director, Total Rewards

APPOINTMENTS Effective 01/01/2020

McDonald, Cameron D. Vice President, Human Resources, Transformation & Employee Development

RESIGNATIONS Effective 03/31/2020

Renner, David A. Vice President, Coal Combustion Products Engineering

RESIGNATIONS Effective 03/01/2020

Titone, Bonnie B. Vice President and Chief Information Officer

RESIGNATIONS Effective 01/01/2020

Weisker, Brian R. Vice President, Natural Gas Operational Excellence

14. Not Applicable

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	
Duke Energy Florida, LLC		04/15/2021	2020/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	21,147,417,291	19,810,241,867
3	Construction Work in Progress (107)	200-201	1,303,817,349	1,032,580,981
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		22,451,234,640	20,842,822,848
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	5,753,625,944	5,540,840,247
6	Net Utility Plant (Enter Total of line 4 less 5)		16,697,608,696	15,301,982,601
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		16,697,608,696	15,301,982,601
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		23,647,531	23,521,614
19	(Less) Accum. Prov. for Depr. and Amort. (122)		9,226,937	8,723,826
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	16,560,306	18,060,196
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		580,759	401,414
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		857,683,146	957,815,649
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets – Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		889,244,805	991,075,047
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		10,810,269	17,023,803
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		0	0
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		368,467,447	313,070,362
41	Other Accounts Receivable (143)		21,569,614	32,612,390
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		14,285,937	7,302,162
43	Notes Receivable from Associated Companies (145)		0	172,715,000
44	Accounts Receivable from Assoc. Companies (146)		799,669	0
45	Fuel Stock (151)	227	141,296,152	142,275,674
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	308,065,816	328,552,179
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	31,582	330,727
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	3,221,471	3,227,482

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	14,889,786	18,289,637
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		70,819,237	61,829,884
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		117,309	94,592
61	Accrued Utility Revenues (173)		115,635,471	94,710,541
62	Miscellaneous Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		0	5,402,722
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		1,041,437,886	1,182,832,831
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		51,811,671	51,694,759
70	Extraordinary Property Losses (182.1)	230a	1,503,780	1,568,935
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	1,405,140,808	1,604,278,154
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,508,784	1,297,963
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		-10,956	49,153
77	Temporary Facilities (185)		139,361	0
78	Miscellaneous Deferred Debits (186)	233	177,597,976	296,165,396
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		7,124,278	8,313,299
82	Accumulated Deferred Income Taxes (190)	234	884,610,287	888,867,472
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		2,529,425,989	2,852,235,131
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		21,157,717,376	20,328,125,610

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	0	0
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	1,766,035,361	1,766,035,361
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	5,788,163,916	5,017,733,461
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	393,712	537,714
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	4,328,464	5,380,874
16	Total Proprietary Capital (lines 2 through 15)		7,558,921,453	6,789,687,410
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	6,425,000,000	6,425,000,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	400,000,000	400,000,000
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		10,498,283	10,523,705
24	Total Long-Term Debt (lines 18 through 23)		6,814,501,717	6,814,476,295
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		361,905,822	423,267,326
27	Accumulated Provision for Property Insurance (228.1)		-83,047,650	-247,247,187
28	Accumulated Provision for Injuries and Damages (228.2)		27,189,526	21,178,965
29	Accumulated Provision for Pensions and Benefits (228.3)		199,572,304	186,785,182
30	Accumulated Miscellaneous Operating Provisions (228.4)		32,473,482	32,768,979
31	Accumulated Provision for Rate Refunds (229)		0	2,793,306
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		514,190,627	577,372,954
35	Total Other Noncurrent Liabilities (lines 26 through 34)		1,052,284,111	996,919,525
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		463,282,517	473,372,529
39	Notes Payable to Associated Companies (233)		195,522,000	0
40	Accounts Payable to Associated Companies (234)		75,105,759	123,568,170
41	Customer Deposits (235)		202,800,377	208,870,010
42	Taxes Accrued (236)	262-263	78,811,420	26,085,739
43	Interest Accrued (237)		69,834,828	74,811,596
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		18,059,405	20,684,833
48	Miscellaneous Current and Accrued Liabilities (242)		109,335,702	131,017,538
49	Obligations Under Capital Leases-Current (243)		61,361,504	75,388,255
50	Derivative Instrument Liabilities (244)		0	199,461
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		1,274,113,512	1,133,998,131
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		15,663,321	16,110,287
57	Accumulated Deferred Investment Tax Credits (255)	266-267	145,829,017	86,867,569
58	Deferred Gains from Disposition of Utility Plant (256)		0	-2
59	Other Deferred Credits (253)	269	28,124,358	23,146,746
60	Other Regulatory Liabilities (254)	278	1,194,101,751	1,400,261,057
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	1	0
63	Accum. Deferred Income Taxes-Other Property (282)		2,275,359,130	2,138,038,816
64	Accum. Deferred Income Taxes-Other (283)		798,819,005	928,619,776
65	Total Deferred Credits (lines 56 through 64)		4,457,896,583	4,593,044,249
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		21,157,717,376	20,328,125,610

STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	5,043,412,116	5,088,733,293		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	2,512,804,944	2,564,051,743		
5	Maintenance Expenses (402)	320-323	235,987,064	266,017,521		
6	Depreciation Expense (403)	336-337	541,592,905	492,112,896		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	-406,979	44,606		
8	Amort. & Depl. of Utility Plant (404-405)	336-337	31,459,524	25,661,625		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337	91,646	91,646		
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		120,139,077	284,288,610		
13	(Less) Regulatory Credits (407.4)		47	132		
14	Taxes Other Than Income Taxes (408.1)	262-263	379,380,745	390,140,721		
15	Income Taxes - Federal (409.1)	262-263	141,019,355	-56,235,664		
16	- Other (409.1)	262-263	22,239,255	14,511,703		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	685,444,578	941,480,709		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	664,634,030	762,463,009		
19	Investment Tax Credit Adj. - Net (411.4)	266				
20	(Less) Gains from Disp. of Utility Plant (411.6)		512,418	253,186		
21	Losses from Disp. of Utility Plant (411.7)		2,076			
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)		1,649,303	1,817,002		
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		4,006,256,998	4,161,266,791		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		1,037,155,118	927,466,502		

STATEMENT OF INCOME FOR THE YEAR (Continued)

- 9. Use page 122 for important notes regarding the statement of income for any account thereof.
- 10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
- 11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
- 12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
- 13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
- 14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
- 15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
5,043,412,116	5,088,733,293					2
						3
2,512,804,944	2,564,051,743					4
235,987,064	266,017,521					5
541,592,905	492,112,896					6
-406,979	44,606					7
31,459,524	25,661,625					8
91,646	91,646					9
						10
						11
120,139,077	284,288,610					12
47	132					13
379,380,745	390,140,721					14
141,019,355	-56,235,664					15
22,239,255	14,511,703					16
685,444,578	941,480,709					17
664,634,030	762,463,009					18
						19
512,418	253,186					20
2,076						21
						22
						23
1,649,303	1,817,002					24
4,006,256,998	4,161,266,791					25
1,037,155,118	927,466,502					26

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		1,037,155,118	927,466,502		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)		2,322,663	1,201,491		
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)			9,343		
33	Revenues From Nonutility Operations (417)		57,152,452	55,564,753		
34	(Less) Expenses of Nonutility Operations (417.1)		26,366,018	25,848,505		
35	Nonoperating Rental Income (418)		-503,111	-500,797		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	-144,002	-215,618		
37	Interest and Dividend Income (419)		4,132,409	2,945,378		
38	Allowance for Other Funds Used During Construction (419.1)		12,077,036	6,153,688		
39	Miscellaneous Nonoperating Income (421)		592,219	23,956,883		
40	Gain on Disposition of Property (421.1)		303,694	301,696		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		49,567,342	63,549,626		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		84,678	29,007		
44	Miscellaneous Amortization (425)		1,159,611	788,692		
45	Donations (426.1)		2,413,159	2,722,577		
46	Life Insurance (426.2)		-4,183,836	-1,772,359		
47	Penalties (426.3)		647	370		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		4,624,462	13,978,878		
49	Other Deductions (426.5)		21,973	-33,909,403		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		4,120,694	-18,162,238		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	1,356,906	1,326,774		
53	Income Taxes-Federal (409.2)	262-263	6,908,250	14,125,432		
54	Income Taxes-Other (409.2)	262-263	1,534,951	3,061,692		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	6,299,867	1,169,982		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	347,835	270,647		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		15,752,139	19,413,233		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		29,694,509	62,298,631		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		285,378,590	277,529,816		
63	Amort. of Debt Disc. and Expense (428)		5,880,503	6,217,566		
64	Amortization of Loss on Reaquired Debt (428.1)		1,189,021	1,189,021		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)		1,783,207	6,739,252		
68	Other Interest Expense (431)		6,578,988	8,616,482		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		4,797,336	2,500,273		
70	Net Interest Charges (Total of lines 62 thru 69)		296,012,973	297,791,864		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		770,836,654	691,973,269		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		770,836,654	691,973,269		

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		5,017,733,461	4,325,407,368
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5	Current Expected Credit Loss (CECL) cumulative tax impact	190	186,790	
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)		186,790	
10				
11	CECL cumulative accounting adjustment		-736,991	
12				
13				
14	Cumulative Accounting Tax Adjustment			137,206
15	TOTAL Debits to Retained Earnings (Acct. 439)		-736,991	137,206
16	Balance Transferred from Income (Account 433 less Account 418.1)		770,980,656	692,188,887
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31				
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)			
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		5,788,163,916	5,017,733,461
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		5,788,163,916	5,017,733,461
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		537,712	753,330
50	Equity in Earnings for Year (Credit) (Account 418.1)		-144,002	(215,618)
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)		393,710	537,712

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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
 (2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
 (3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
 (4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	770,836,654	691,973,269
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	541,185,926	492,157,502
5	Amort and Accretion of Limited & Electric Plant, Load Mgmt & Debt	36,357,068	34,976,860
6	Contributions to qualified pension plans		-53,305,447
7	NET (Increase) Decrease in MTM and Hedging Transactions	-9,393,621	-37,644,130
8	Deferred Income Taxes (Net)	26,762,580	179,917,035
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	-36,814,316	44,289,649
11	Net (Increase) Decrease in Inventory	25,695,036	41,955,821
12	Net (Increase) Decrease in Allowances Inventory	6,011	10,169
13	Net Increase (Decrease) in Payables and Accrued Expenses	33,593,077	1,574,548
14	Net (Increase) Decrease in Other Regulatory Assets	44,373,603	246,885,124
15	Net Increase (Decrease) in Other Regulatory Liabilities	56,756,771	37,287,153
16	(Less) Allowance for Other Funds Used During Construction	-12,077,036	-6,153,688
17	(Less) Undistributed Earnings from Subsidiary Companies	-144,002	-215,618
18	Other (provide details in footnote):	110,729,723	-211,175,806
19	Gain/Loss on Sale of Assets	-729,358	-525,875
20	Impairment of Assets	-3,855,591	-36,962,913
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	1,607,724,601	1,437,782,265
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-1,894,667,683	-1,838,124,655
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	12,077,036	6,153,688
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-1,906,744,719	-1,844,278,343
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38	Cost of Removal Net of Salvage		-81,530,286
39	Investments in and Advances to Assoc. and Subsidiary Companies	172,715,000	-172,715,000
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)	-4,442,938,166	-668,892,859
45	Proceeds from Sales of Investment Securities (a)	4,494,502,374	694,614,302

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):	-103,478,384	14,549,512
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-1,785,943,895	-2,058,252,674
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	494,577,315	917,728,174
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65	Increase (Decrease) in Intercompany Notes (Money Pool)	195,522,000	-108,258,000
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	690,099,315	809,470,174
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-517,544,246	-207,867,439
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):	-549,309	-431,875
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock		
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	172,005,760	601,170,860
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-6,213,534	-19,299,549
87			
88	Cash and Cash Equivalents at Beginning of Period	17,023,803	36,323,352
89			
90	Cash and Cash Equivalents at End of period	10,810,269	17,023,803

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 18 Column: b

Changes in Other, Net:	
Storm Collections	299,399,681
Right-of-Use Asset Amortization	27,702,267
Asset Retirement Obligations - Settlements	(79,948,969)
LTSA Agreements	(42,244,128)
Post Retirement Expenses	(50,387,183)
PPE Terminal, Citrus Settlement and Capital Lse	(16,984,252)
Customer Connect	(9,745,340)
Storm Cost Payments	(9,315,327)
EVCS Deferral	(3,442,821)
State Tax Rate Change-Savings	(2,793,306)
Other	(1,510,899)
Total changes in Other, Net	\$ 110,729,723

Schedule Page: 120 Line No.: 18 Column: c

Changes in Other, Net:	
Storm Cost Payments	\$ (224,268,348)
Storm Collections	154,707,000
Asset Retirement Obligations - Settlements	(22,457,413)
Post Retirement expenses	(50,344,218)
Customer connect	(10,602,095)
PPE Terminal, Citrus Settlement and Cap Lse	(35,922,305)
EVCS Deferral	(3,481,695)
Rabbi Trust Contributions	(5,489,561)
Interconnect Project - GE Capital	(13,041,726)
Other	(275,444)
Total changes in Other, Net	\$ (211,175,806)

Schedule Page: 120 Line No.: 26 Column: b

Significant Non-Cash Transactions:

Accrued Property Additions \$213,645,861

Schedule Page: 120 Line No.: 26 Column: c

Significant Non-Cash Transactions:

Accrued Property Additions \$272,481,458

Schedule Page: 120 Line No.: 53 Column: b

Represents \$(103,478,384) Cost of Removal Net of Salvage.

Schedule Page: 120 Line No.: 53 Column: c

Other Investing consists of Bison insurance proceeds totaling \$14,549,512.

Schedule Page: 120 Line No.: 73 Column: b

Payments for the retirement of long-term debt include \$(17,544,247) of capital lease payments.

Schedule Page: 120 Line No.: 73 Column: c

Payments for the retirement of long-term debt include \$(7,867,438) of capital lease payments.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 76 Column: b

Other Financing of \$(549,309) due to bond issuance.

Schedule Page: 120 Line No.: 76 Column: c

Other Financing of \$(431,875) due to bond issuance.

Schedule Page: 120 Line No.: 88 Column: b

Includes \$0 of temporary cash investments.

Schedule Page: 120 Line No.: 88 Column: c

Includes \$0 of temporary cash investments.

Schedule Page: 120 Line No.: 90 Column: b

Includes \$0 of temporary cash investments.

Supplemental Disclosures:

Cash paid for interest, net of amount capitalized \$321 million.

Schedule Page: 120 Line No.: 90 Column: c

Includes \$0 of temporary cash investments.

Supplemental Disclosures:

Cash paid for interest, net of amount capitalized \$332 million.

Cash paid for (received from) income taxes \$1 million.

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
 SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

This Federal Energy Regulatory Commission (FERC) Form 1 has been prepared in conformity with the requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than Generally Accepted Accounting Principles in the United States of America (GAAP). The following areas represent the significant differences between the Uniform System of Accounts and GAAP:

- GAAP requires that public business enterprises report certain information about operating segments in complete sets of financial statements of the enterprise and certain information about their products and services, which are not required for FERC reporting purposes.
- GAAP requires that majority-owned subsidiaries be consolidated for financial reporting purposes. FERC requires that majority-owned subsidiaries be separately reported as Investment in Subsidiary Companies, unless an appropriate waiver has been granted by the FERC.
- FERC requires that income or losses of an unusual nature and infrequent occurrence, which would significantly distort the current year's income, be recorded as extraordinary income or deductions, respectively.
- GAAP requires that removal and nuclear decommissioning costs for property that does not have an associated legal retirement obligation be presented as a regulatory liability on the Balance Sheet. These costs are presented as accumulated depreciation on the Balance Sheet for FERC reporting purposes.
- GAAP requires the regulatory assets and liabilities resulting from the implementation of ASC 740-10 (formerly SFAS No. 109) be presented as a net amount on the balance sheet. For FERC reporting purposes, these assets and liabilities are presented separately and are included in the Other Regulatory Asset and Other Regulatory Liability line items.
- GAAP requires that the current portion of regulatory assets and regulatory liabilities be reported as current assets and current liabilities, respectively, on the Balance Sheet. FERC requires that the current portion of regulatory assets and liabilities be reported as Regulatory Assets within Deferred Debits and Regulatory Liabilities within Deferred Credits, respectively.
- GAAP requires that the current portion of long-term debt and preferred stock be reported as a current liability on the Balance Sheet. FERC requires that the current portion of long-term debt and preferred stock be reported as Long-term Debt and Proprietary Capital.
- GAAP requires that any deferred costs associated with a specific debt issuance be presented as a reduction to debt on the Balance Sheet. FERC requires any Unamortized Debt Expense to be separately stated as a Deferred Debit on the Balance Sheet.
- GAAP requires that certain account balances within financial statement line items which are not in the natural position for that line item (e.g. an account within Accounts Receivable with a credit balance) be reclassified to the appropriate side of the Balance Sheet. FERC does not require certain accounts which are not in a natural position for their respective line item to be reclassified, as long as the line item in total is in its natural position.
- GAAP allows recoverable storm costs to be netted against the reserve for GAAP purposes as soon as they are incurred. However, they cannot be netted against the reserve until all actual costs are known and have been finalized for FERC purposes.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

- GAAP requires that the current portion of the provision for injuries and damages be reported as a current liability on the Balance Sheet. GAAP also requires that the current portion of the expected insurance proceeds receivable related to the provision for injuries and damages be reported as a current asset on the Balance Sheet. FERC requires that the current portion of the provision for injuries and damages be reported as 'Accumulated Provision for Injuries and Damages' and that the current portion of the related insurance receivable be reported as 'Deferred Debits'.
- GAAP requires that regulated assets that are abandoned or retired early, including the cost of the asset and its associated accumulated depreciation, be reclassified to a separate regulatory asset on the Balance Sheet. For FERC reporting purposes, those assets which have been abandoned but are still operating are maintained in their original balance sheet accounts.
- GAAP requires that the current portion of Asset Retirement Obligations be reported as current liabilities on the Balance Sheet. For FERC reporting purposes, these liabilities are not reported separately and are reflected as Asset Retirement Obligations within the Other Noncurrent Liabilities section of the Balance Sheet.

GAAP requires service cost related to pensions and Post-Retirement Benefits Other Than Pensions (PBOP) to be reported with other compensation costs arising from services rendered by employees during the period and included in a subtotal of income from operations on the income statement. Non-service cost components are presented separately outside the subtotal of income from operations on the income statement. For FERC reporting purposes, costs related to pensions and PBOP is included in the Net Utility Operating Income of the income statement.

The Combined Notes To Consolidated Financial Statements below are as published in the fourth quarter ended December 31, 2020 Form 10-K (includes Duke Energy Carolinas, LLC, Duke Energy Progress, LLC., Duke Energy Florida, LLC., Duke Energy Ohio, Inc., and Duke Energy Indiana, LLC, and Piedmont Natural Gas Company, Inc.) filed on February 25, 2021. See “Index to the Combined Notes to Consolidated Financial Statements” for a listing of applicable notes for Duke Energy Florida, LLC.

Index to Combined Notes To Consolidated Financial Statements

The notes to the consolidated financial statements are a combined presentation. The following table indicates the registrants to which the notes apply.

Registrant	Applicable Notes																									
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Duke Energy
Duke Energy Carolinas
Progress Energy
Duke Energy Progress
Duke Energy Florida
Duke Energy Ohio
Duke Energy Indiana

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Piedmont

Tables within the notes may not sum across due to (i) Progress Energy's consolidation of Duke Energy Progress, Duke Energy Florida and other subsidiaries that are not registrants and (ii) subsidiaries that are not registrants but included in the consolidated Duke Energy balances.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and Basis of Consolidation

Duke Energy is an energy company headquartered in Charlotte, North Carolina, subject to regulation by the FERC and other regulatory agencies listed below. Duke Energy operates in the U.S. primarily through its direct and indirect subsidiaries. Certain Duke Energy subsidiaries are also subsidiary registrants, including Duke Energy Carolinas; Progress Energy; Duke Energy Progress; Duke Energy Florida; Duke Energy Ohio; Duke Energy Indiana and Piedmont. When discussing Duke Energy's consolidated financial information, it necessarily includes the results of its separate Subsidiary Registrants, which along with Duke Energy, are collectively referred to as the Duke Energy Registrants.

The information in these combined notes relates to each of the Duke Energy Registrants as noted in the Index to Combined Notes to Consolidated Financial Statements. However, none of the Subsidiary Registrants make any representation as to information related solely to Duke Energy or the Subsidiary Registrants of Duke Energy other than itself.

These Consolidated Financial Statements include, after eliminating intercompany transactions and balances, the accounts of the Duke Energy Registrants and subsidiaries or VIEs where the respective Duke Energy Registrants have control. See Note 17 for additional information on VIEs. These Consolidated Financial Statements also reflect the Duke Energy Registrants' proportionate share of certain jointly owned generation and transmission facilities. See Note 8 for additional information on joint ownership. Substantially all of the Subsidiary Registrants' operations qualify for regulatory accounting.

Duke Energy Carolinas is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of North Carolina and South Carolina. Duke Energy Carolinas is subject to the regulatory provisions of the NCUC, PSCSC, NRC and FERC.

Progress Energy is a public utility holding company, which conducts operations through its wholly owned subsidiaries, Duke Energy Progress and Duke Energy Florida. Progress Energy is subject to regulation by FERC and other regulatory agencies listed below.

Duke Energy Progress is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of North Carolina and South Carolina. Duke Energy Progress is subject to the regulatory provisions of the NCUC, PSCSC, NRC and FERC.

Duke Energy Florida is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of Florida. Duke Energy Florida is subject to the regulatory provisions of the FPSC, NRC and FERC.

Duke Energy Ohio is a regulated public utility primarily engaged in the transmission and distribution of electricity in portions of Ohio and Kentucky, the generation and sale of electricity in portions of Kentucky and the transportation and sale of natural gas in portions of Ohio and Kentucky. Duke Energy Ohio conducts competitive auctions for retail electricity supply in Ohio whereby the energy price is recovered from retail customers and recorded in Operating Revenues on the Consolidated Statements of Operations and Comprehensive Income. Operations in Kentucky are conducted through its wholly owned subsidiary, Duke Energy Kentucky. References herein to Duke Energy Ohio collectively include Duke Energy Ohio and its subsidiaries, unless otherwise noted. Duke Energy Ohio is subject to the regulatory provisions of the PUCO, KPSC and FERC.

Duke Energy Indiana is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of Indiana. Duke Energy Indiana is subject to the regulatory provisions of the IURC and FERC.

Piedmont is a regulated public utility primarily engaged in the distribution of natural gas in portions of North Carolina, South Carolina and Tennessee. Piedmont is subject to the regulatory provisions of the NCUC, PSCSC, TPUC and FERC.

Certain prior year amounts have been reclassified to conform to the current year presentation.

COVID-19

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

The COVID-19 pandemic is having a significant impact on global health and economic environments. In March 2020, the World Health Organization declared COVID-19 a global pandemic, and the federal government proclaimed that the COVID-19 outbreak in the United States constitutes a national emergency. The Duke Energy Registrants are monitoring developments closely and responding appropriately. The company incurred approximately \$112 million of incremental COVID-19 costs before deferral for the year ended December 31, 2020, included in Operation, maintenance and other on the Consolidated Statements of Operations. Further, the company waived approximately \$64 million of late payment fees for the year ended December 31, 2020. The company has deferred approximately \$76 million of the incremental costs, which were primarily bad debt expense, personal protective equipment and cleaning supplies, and a cost component of late payment fees. See Notes 3, 6, 17, 18 and 23 for additional information as well as steps taken to mitigate the impacts to our business and customers from the COVID-19 pandemic.

Other Current Assets and Liabilities

The following table provides a description of amounts included in Other within Current Assets or Current Liabilities that exceed 5% of total Current Assets or Current Liabilities on the Duke Energy Registrants' Consolidated Balance Sheets at either December 31, 2020, or 2019.

(in millions)	Location	December 31,	
		2020	2019
Duke Energy			
Other accrued liabilities	Current Liabilities	\$ 1,455	\$ 604
Accrued compensation	Current Liabilities	662	862
Duke Energy Carolinas			
Accrued compensation	Current Liabilities	\$ 213	\$ 271
Other accrued liabilities	Current Liabilities	178	147
Progress Energy			
Customer deposits	Current Liabilities	\$ 347	\$ 354
Duke Energy Florida			
Customer deposits	Current Liabilities	\$ 203	\$ 209
Duke Energy Ohio			
Gas Storage	Current Assets	\$ 21	\$ —
Duke Energy Indiana			
Income taxes receivable	Current Assets	\$ 9	\$ 44

Discontinued Operations

Duke Energy has elected to present cash flows of discontinued operations combined with cash flows of continuing operations. Unless otherwise noted, the notes to these consolidated financial statements exclude amounts related to discontinued operations for all periods presented. For the years ended December 31, 2020, 2019 and 2018, the Income (Loss) From Discontinued Operations, net of tax on Duke Energy's Consolidated Statements of Operations is entirely attributable to controlling interest.

Noncontrolling Interest

Duke Energy maintains a controlling financial interest in certain less than wholly owned nonregulated subsidiaries. As a result, Duke Energy consolidates these subsidiaries and presents the third-party investors' portion of Duke Energy's net income (loss), net assets and comprehensive income (loss) as noncontrolling interest. Noncontrolling interest is included as a component of equity on the Consolidated Balance Sheet.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Several operating agreements of Duke Energy's subsidiaries with noncontrolling interest are subject to allocations of tax attributes and cash flows in accordance with contractual agreements that vary throughout the lives of the subsidiaries. Therefore, Duke Energy and the other investors' (the owners) interests in the subsidiaries are not fixed, and the subsidiaries apply the HLBV method in allocating income or loss and other comprehensive income or loss (all measured on a pretax basis) to the owners. The HLBV method measures the amounts that each owner would hypothetically claim at each balance sheet reporting date, including tax benefits realized by the owners, most of which is over the IRS recapture period, upon a hypothetical liquidation of the subsidiary at the net book value of its underlying assets. The change in the amount that each owner would hypothetically receive at the reporting date compared to the amount it would have received on the previous reporting date represents the amount of income or loss allocated to each owner for the reporting period.

Other operating agreements of Duke Energy's subsidiaries with noncontrolling interest allocate profit and loss based on their pro rata shares of the ownership interest in the respective subsidiary. Therefore, Duke Energy allocates net income or loss and other comprehensive income or loss of these subsidiaries to the owners based on their pro rata shares.

During the third quarter of 2019, Duke Energy completed a sale of minority interest in a portion of certain renewable assets within the Commercial Renewables Segment for pretax proceeds to Duke Energy of \$415 million. The portion of Duke Energy's commercial renewables energy portfolio sold includes 49% of 37 operating wind, solar and battery storage assets and 33% of 11 operating solar assets across the U.S. Duke Energy retained control of these assets, and, therefore, no gain or loss was recognized on the Consolidated Statements of Operations. The difference between the consideration received and the carrying value of the noncontrolling interest claim on net assets is \$466 million, net of tax benefit of \$8 million, and was recorded to equity.

The following table presents cash received for the sale of noncontrolling interest and allocated losses to noncontrolling interest for the years ended December 31, 2020, and 2019.

(in millions)	December 31,	
	2020	2019
Noncontrolling Interest Capital Contributions		
Cash received for the sale of noncontrolling interest to tax equity members	\$ 426	\$ 428
Cash received for the sale of noncontrolling interest to pro rata share members	—	415
Total Noncontrolling Interest Capital Contributions	\$ 426	\$ 843
Noncontrolling Interest Allocation of Income		
Allocated losses to noncontrolling tax equity members utilizing the HLBV method	\$ 271	\$ 165
Allocated losses to noncontrolling members based on pro rata shares of ownership	24	12
Total Noncontrolling Interest Allocated Losses	\$ 295	\$ 177

2021 Sale of Minority Interest in Duke Energy Indiana

In January 2021, Duke Energy entered into a definitive agreement providing for the sale of a 19.9% minority interest in Duke Energy Indiana with an affiliate of GIC, Singapore's sovereign wealth fund and an experienced investor in U.S. infrastructure. To facilitate the transaction, Duke Energy will issue and sell membership interests in Duke Energy Indiana Holdco, LLC, a newly created holding company that will own 100% of the issued and outstanding membership interests in Duke Energy Indiana. The transaction will be completed following two closings for an aggregate purchase price of approximately \$2 billion. The first closing is expected to be completed in the second quarter of 2021 and Duke Energy will issue and sell 11.1% of the membership interests in exchange for 50% of the purchase price. Under the terms of the agreement, Duke Energy has the discretion to determine the timing of the second closing, but it will occur no later than January 2023. At the second closing, Duke Energy will issue and sell additional membership interests such that GIC will own 19.9% of the membership interests for the remaining 50% of the purchase price. Duke Energy will continue to operate and retain control of Duke Energy Indiana and, therefore, no gain or loss is expected to be recognized in the Consolidated Statements of Operations. Additionally, the transaction will be reflected within Duke Energy Corporations' stockholders' equity as a sale of a noncontrolling interest.

Acquisitions

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

The Duke Energy Registrants consolidate assets and liabilities from acquisitions as of the purchase date and include earnings from acquisitions in consolidated earnings after the purchase date.

Significant Accounting Policies

Use of Estimates

In preparing financial statements that conform to GAAP, the Duke Energy Registrants must make estimates and assumptions that affect the reported amounts of assets and liabilities, the reported amounts of revenues and expenses and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Regulatory Accounting

The majority of the Duke Energy Registrants' operations are subject to price regulation for the sale of electricity and natural gas by state utility commissions or FERC. When prices are set on the basis of specific costs of the regulated operations and an effective franchise is in place such that sufficient natural gas or electric services can be sold to recover those costs, the Duke Energy Registrants apply regulatory accounting. Regulatory accounting changes the timing of the recognition of costs or revenues relative to a company that does not apply regulatory accounting. As a result, regulatory assets and regulatory liabilities are recognized on the Consolidated Balance Sheets. Regulatory assets and liabilities are amortized consistent with the treatment of the related cost in the ratemaking process. Regulatory assets are reviewed for recoverability each reporting period. If a regulatory asset is no longer deemed probable of recovery, the deferred cost is charged to earnings. See Note 3 for further information.

Regulatory accounting rules also require recognition of a disallowance (also called "impairment") loss if it becomes probable that part of the cost of a plant under construction (or a recently completed plant or an abandoned plant) will be disallowed for ratemaking purposes and a reasonable estimate of the amount of the disallowance can be made. For example, if a cost cap is set for a plant still under construction, the amount of the disallowance is a result of a judgment as to the ultimate cost of the plant. These disallowances can require judgments on allowed future rate recovery.

When it becomes probable that regulated generation, transmission or distribution assets will be abandoned, the cost of the asset is removed from plant in service. The value that may be retained as a regulatory asset on the balance sheet for the abandoned property is dependent upon amounts that may be recovered through regulated rates, including any return. As such, an impairment charge could be partially or fully offset by the establishment of a regulatory asset if rate recovery is probable. The impairment charge for a disallowance of costs for regulated plants under construction, recently completed or abandoned is based on discounted cash flows.

The Duke Energy Registrants utilize cost-tracking mechanisms, commonly referred to as fuel adjustment clauses or PGA clauses. These clauses allow for the recovery of fuel and fuel-related costs, portions of purchased power, natural gas costs and hedging costs through surcharges on customer rates. The difference between the costs incurred and the surcharge revenues is recorded either as an adjustment to Operating Revenues, Operating Expenses – Fuel used in electric generation or Operating Expenses – Cost of natural gas on the Consolidated Statements of Operations, with an off-setting impact on regulatory assets or liabilities.

Cash, Cash Equivalents and Restricted Cash

All highly liquid investments with maturities of three months or less at the date of acquisition are considered cash equivalents. Duke Energy, Progress Energy and Duke Energy Florida have restricted cash balances related primarily to collateral assets, escrow deposits and VIEs. See Note 17 for additional information. Restricted cash amounts are included in Other within Current Assets and Other Noncurrent Assets on the Consolidated Balance Sheets. The following table presents the components of cash, cash equivalents and restricted cash included in the Consolidated Balance Sheets.

	December 31, 2020			December 31, 2019		
	Duke Energy	Progress Energy	Duke Energy Florida	Duke Energy	Progress Energy	Duke Energy Florida
Current Assets						
Cash and cash equivalents	\$ 259	\$ 59	\$ 11	\$ 311	\$ 48	\$ 17
Other	194	39	39	222	39	39

Other Noncurrent Assets

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Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Other	103	102	—	40	39	—
Total cash, cash equivalents and restricted cash	\$ 556	\$ 200	\$ 50	\$ 573	\$ 126	\$ 56

Inventory

Inventory related to regulated operations is valued at historical cost. Inventory related to nonregulated operations is valued at the lower of cost or market. Inventory is charged to expense or capitalized to property, plant and equipment when issued, primarily using the average cost method. Excess or obsolete inventory is written down to the lower of cost or net realizable value. Once inventory has been written down, it creates a new cost basis for the inventory that is not subsequently written up. Provisions for inventory write-offs were not material at December 31, 2020, and 2019, respectively. The components of inventory are presented in the tables below.

(in millions)	December 31, 2020							
	Duke		Duke		Duke		Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Materials and supplies	\$ 2,312	\$ 785	\$ 999	\$ 673	\$ 325	\$ 78	\$ 307	\$ 12
Coal	561	186	193	131	63	16	165	—
Natural gas, oil and other	294	39	183	107	76	16	1	56
Total inventory	\$ 3,167	\$ 1,010	\$ 1,375	\$ 911	\$ 464	\$ 110	\$ 473	\$ 68

(in millions)	December 31, 2019							
	Duke		Duke		Duke		Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Materials and supplies	\$ 2,297	\$ 768	\$ 1,038	\$ 686	\$ 351	\$ 79	\$ 318	\$ 5
Coal	586	187	186	138	48	15	198	—
Natural gas, oil and other	349	41	199	110	90	41	1	67
Total inventory	\$ 3,232	\$ 996	\$ 1,423	\$ 934	\$ 489	\$ 135	\$ 517	\$ 72

Investments in Debt and Equity Securities

The Duke Energy Registrants classify investments in equity securities as FV-NI and investments in debt securities as AFS. Both categories are recorded at fair value on the Consolidated Balance Sheets. Realized and unrealized gains and losses on securities classified as FV-NI are reported through net income. Unrealized gains and losses for debt securities classified as AFS are included in AOCI until realized, unless it is determined the carrying value of an investment has a credit loss. For certain investments of regulated operations, such as substantially all of the NDTF, realized and unrealized gains and losses (including any credit losses) on debt securities are recorded as a regulatory asset or liability. The credit loss portion of debt securities of nonregulated operations are included in earnings. Investments in debt and equity securities are classified as either current or noncurrent based on management's intent and ability to sell these securities, taking into consideration current market liquidity. See Note 15 for further information.

Goodwill

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont perform annual goodwill impairment tests as of August 31 each year at the reporting unit level, which is determined to be a business segment or one level below. Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont update these tests between annual tests if events or circumstances occur that would more likely than not reduce the fair value of a reporting unit below its carrying value. See Note 11 for further information.

Intangible Assets

Intangible assets are included in Other in Other Noncurrent Assets on the Consolidated Balance Sheets. Generally, intangible assets are amortized using an amortization method that reflects the pattern in which the economic benefits of the intangible asset are consumed or on a straight-line basis if that pattern is not readily determinable. Amortization of intangibles is reflected in Depreciation and amortization on the Consolidated Statements of Operations. Intangible assets are subject to impairment testing and if impaired, the carrying value is accordingly reduced.

RECs are used to measure compliance with renewable energy standards and are held primarily for consumption. See Note 11 for further information.

Long-Lived Asset Impairments

The Duke Energy Registrants evaluate long-lived assets, excluding goodwill, for impairment when circumstances indicate the carrying value of those assets may not be recoverable. An impairment exists when a long-lived asset's carrying value exceeds the estimated undiscounted cash flows expected to result from the use and eventual disposition of the asset. The estimated cash flows may be based on alternative expected outcomes that are probability weighted. If the carrying value of the long-lived asset is not recoverable based on these estimated future undiscounted cash flows, the carrying value of the asset is written down to its then current estimated fair value and an impairment charge is recognized.

The Duke Energy Registrants assess fair value of long-lived assets using various methods, including recent comparable third-party sales, internally developed discounted cash flow analysis and analysis from outside advisors. Triggering events to reassess cash flows may include, but are not limited to, significant changes in commodity prices, the condition of an asset or management's interest in selling the asset.

Equity Method Investment Impairments

Investments in affiliates that are not controlled by Duke Energy, but over which it has significant influence, are accounted for using the equity method. Equity method investments are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If the decline in value is considered to be other than temporary, the investment is written down to its estimated fair value, which establishes a new cost basis in the investment.

Impairment assessments use a discounted cash flow income approach and include consideration of the severity and duration of any decline in the fair value of the investments. The estimated cash flows may be based on alternative expected outcomes that are probability weighted. Key inputs that involve estimates and significant management judgment include cash flow projections, selection of a discount rate, probability weighting of potential outcomes, and whether any decline in value is considered temporary.

Property, Plant and Equipment

Property, plant and equipment are stated at the lower of depreciated historical cost net of any disallowances or fair value, if impaired. The Duke Energy Registrants capitalize all construction-related direct labor and material costs, as well as indirect construction costs such as general engineering, taxes and financing costs. See "Allowance for Funds Used During Construction and Interest Capitalized" for information on capitalized financing costs. Costs of renewals and betterments that extend the useful life of property, plant and equipment are also capitalized. The cost of repairs, replacements and major maintenance projects, which do not extend the useful life or increase the expected output of the asset, are expensed as incurred. Depreciation is generally computed over the estimated useful life of the asset using the composite straight-line method. Depreciation studies are conducted periodically to update composite rates and are approved by state utility commissions and/or the FERC when required. The composite weighted average depreciation rates, excluding nuclear fuel, are included in the table that follows.

	Years Ended December 31,		
	2020	2019	2018
Duke Energy	3.0 %	3.1 %	3.0 %
Duke Energy Carolinas	2.8 %	2.8 %	2.8 %
Progress Energy	3.2 %	3.1 %	2.9 %
Duke Energy Progress	3.1 %	3.1 %	2.9 %

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy Florida	3.3 %	3.1 %	3.0 %
Duke Energy Ohio	2.9 %	2.6 %	2.8 %
Duke Energy Indiana	3.5 %	3.3 %	3.3 %
Piedmont	2.3 %	2.4 %	2.5 %

In general, when the Duke Energy Registrants retire regulated property, plant and equipment, the original cost plus the cost of retirement, less salvage value and any depreciation already recognized, is charged to accumulated depreciation. However, when it becomes probable the asset will be retired substantially in advance of its original expected useful life or is abandoned, the cost of the asset and the corresponding accumulated depreciation is recognized as a separate asset. If the asset is still in operation, the net amount is classified as Generation facilities to be retired, net on the Consolidated Balance Sheets. If the asset is no longer operating, the net amount is classified in Regulatory assets on the Consolidated Balance Sheets if deemed recoverable (see discussion of long-lived asset impairments above). The carrying value of the asset is based on historical cost if the Duke Energy Registrants are allowed to recover the remaining net book value and a return equal to at least the incremental borrowing rate. If not, an impairment is recognized to the extent the net book value of the asset exceeds the present value of future revenues discounted at the incremental borrowing rate.

When the Duke Energy Registrants sell entire regulated operating units, or retire or sell nonregulated properties, the original cost and accumulated depreciation and amortization balances are removed from Property, Plant and Equipment on the Consolidated Balance Sheets. Any gain or loss is recorded in earnings, unless otherwise required by the applicable regulatory body. See Note 10 for additional information.

Leases

Duke Energy determines if an arrangement is a lease at contract inception based on whether the arrangement involves the use of a physically distinct identified asset and whether Duke Energy has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period as well as the right to direct the use of the asset. As a policy election, Duke Energy does not evaluate arrangements with initial contract terms of less than one year as leases.

Operating leases are included in Operating lease ROU assets, net, Other current liabilities and Operating lease liabilities on the Consolidated Balance Sheets. Finance leases are included in Property, plant and equipment, Current maturities of long-term debt and Long-Term Debt on the Consolidated Balance Sheets.

For lessee and lessor arrangements, Duke Energy has elected a policy to not separate lease and non-lease components for all asset classes. For lessor arrangements, lease and non-lease components are only combined under one arrangement and accounted for under the lease accounting framework if the non-lease components are not the predominant component of the arrangement and the lease component would be classified as an operating lease.

Nuclear Fuel

Nuclear fuel is classified as Property, Plant and Equipment on the Consolidated Balance Sheets.

Nuclear fuel in the front-end fuel processing phase is considered work in progress and not amortized until placed in service. Amortization of nuclear fuel is included within Fuel used in electric generation and purchased power on the Consolidated Statements of Operations. Amortization is recorded using the units-of-production method.

Allowance for Funds Used During Construction and Interest Capitalized

For regulated operations, the debt and equity costs of financing the construction of property, plant and equipment are reflected as AFUDC and capitalized as a component of the cost of property, plant and equipment. AFUDC equity is reported on the Consolidated Statements of Operations as non-cash income in Other income and expenses, net. AFUDC debt is reported as a non-cash offset to Interest Expense. After construction is completed, the Duke Energy Registrants are permitted to recover these costs through their inclusion in rate base and the corresponding subsequent depreciation or amortization of those regulated assets.

AFUDC equity, a permanent difference for income taxes, reduces the ETR when capitalized and increases the ETR when depreciated or amortized. See Note 23 for additional information.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

For nonregulated operations, interest is capitalized during the construction phase with an offsetting non-cash credit to Interest Expense on the Consolidated Statements of Operations.

Asset Retirement Obligations

AROs are recognized for legal obligations associated with the retirement of property, plant and equipment. Substantially all AROs are related to regulated operations. When recording an ARO, the present value of the projected liability is recognized in the period in which it is incurred, if a reasonable estimate of fair value can be made. The liability is accreted over time. For operating plants, the present value of the liability is added to the cost of the associated asset and depreciated over the remaining life of the asset. For retired plants, the present value of the liability is recorded as a regulatory asset unless determined not to be probable of recovery.

The present value of the initial obligation and subsequent updates are based on discounted cash flows, which include estimates regarding timing of future cash flows, selection of discount rates and cost escalation rates, among other factors. These estimates are subject to change. Depreciation expense is adjusted prospectively for any changes to the carrying amount of the associated asset. The Duke Energy Registrants receive amounts to fund the cost of the ARO for regulated operations through a combination of regulated revenues and earnings on the NDTF. As a result, amounts recovered in regulated revenues, earnings on the NDTF, accretion expense and depreciation of the associated asset are netted and deferred as a regulatory asset or liability.

Accounts Payable

During 2020, Duke Energy established a supply chain finance program (the "program") with a global financial institution. The program is voluntary and allows Duke Energy suppliers, at their sole discretion, to sell their receivables from Duke Energy to the financial institution at a rate that leverages Duke Energy's credit rating and, which may result in favorable terms compared to the rate available to the supplier on their own credit rating. Suppliers participating in the program, determine at their sole discretion which invoices they will sell to the financial institution. Suppliers' decisions on which invoices are sold do not impact Duke Energy's payment terms, which are based on commercial terms negotiated between Duke Energy and the supplier regardless of program participation. The commercial terms negotiated between Duke Energy and its suppliers are consistent regardless of whether the supplier elects to participate in the program. Duke Energy does not issue any guarantees with respect to the program and does not participate in negotiations between suppliers and the financial institution. Duke Energy does not have an economic interest in the supplier's decision to participate in the program and receives no interest, fees or other benefit from the financial institution based on supplier participation in the program.

At December 31, 2020, \$15 million, \$1 million and \$14 million of the outstanding Accounts payable balance for Duke Energy, Duke Energy Ohio and Piedmont, respectively, was sold to the financial institution by our suppliers. Suppliers invoices sold to the financial institution under the program totaled \$45 million, \$9 million and \$36 million for the year ended December 31, 2020, for Duke Energy, Duke Energy Ohio and Piedmont, respectively. All activity related to amounts due to suppliers who elected to participate in the program are included within Net cash provided by operating activities on the Consolidated Statements of Cash Flows.

Revenue Recognition

Duke Energy recognizes revenue as customers obtain control of promised goods and services in an amount that reflects consideration expected in exchange for those goods or services. Generally, the delivery of electricity and natural gas results in the transfer of control to customers at the time the commodity is delivered and the amount of revenue recognized is equal to the amount billed to each customer, including estimated volumes delivered when billings have not yet occurred. See Note 18 for further information.

Derivatives and Hedging

Derivative and non-derivative instruments may be used in connection with commodity price and interest rate activities, including swaps, futures, forwards and options. All derivative instruments, except those that qualify for the NPNS exception, are recorded on the Consolidated Balance Sheets at fair value. Qualifying derivative instruments may be designated as either cash flow hedges or fair value hedges. Other derivative instruments (undesignated contracts) either have not been designated or do not qualify as hedges. The effective portion of the change in the fair value of cash flow hedges is recorded in AOCI. The effective portion of the change in the fair value of a fair value hedge is offset in net income by changes in the hedged item. For activity subject to regulatory accounting, gains and losses on derivative contracts are reflected as regulatory assets or liabilities and not as other comprehensive income or current period income. As a result, changes in fair value of these derivatives have no immediate earnings impact.

Formal documentation, including transaction type and risk management strategy, is maintained for all contracts accounted for as a hedge. At inception and at least every three months thereafter, the hedge contract is assessed to see if it is highly effective in offsetting changes in cash flows or fair values of hedged items.

See Note 14 for further information.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Captive Insurance Reserves

Duke Energy has captive insurance subsidiaries that provide coverage, on an indemnity basis, to the Subsidiary Registrants as well as certain third parties, on a limited basis, for financial losses, primarily related to property, workers' compensation and general liability. Liabilities include provisions for estimated losses incurred but not reported (IBNR), as well as estimated provisions for known claims. IBNR reserve estimates are primarily based upon historical loss experience, industry data and other actuarial assumptions. Reserve estimates are adjusted in future periods as actual losses differ from experience.

Duke Energy, through its captive insurance entities, also has reinsurance coverage with third parties for certain losses above a per occurrence and/or aggregate retention. Receivables for reinsurance coverage are recognized when realization is deemed probable.

Unamortized Debt Premium, Discount and Expense

Premiums, discounts and expenses incurred with the issuance of outstanding long-term debt are amortized over the term of the debt issue. The gain or loss on extinguishment associated with refinancing higher-cost debt obligations in the regulated operations is amortized over the remaining life of the original instrument. Amortization expense is recorded as Interest Expense in the Consolidated Statements of Operations and is reflected as Depreciation, amortization and accretion within Net cash provided by operating activities on the Consolidated Statements of Cash Flows.

Premiums, discounts and expenses are presented as an adjustment to the carrying value of the debt amount and included in Long-Term Debt on the Consolidated Balance Sheets presented.

Preferred Stock

Preferred stock is reviewed to determine the appropriate balance sheet classification and embedded features, such as call options, are evaluated to determine if they should be bifurcated and accounted for separately. Costs directly related to the issuance of preferred stock is recorded as a reduction of the proceeds received. The liability for the dividend is recognized when declared. The accumulated dividends on the cumulative preferred stock is recognized to net income available to Duke Energy Corporation in the EPS calculation. See Note 19 for further information.

Loss Contingencies and Environmental Liabilities

Contingent losses are recorded when it is probable a loss has occurred and can be reasonably estimated. When a range of the probable loss exists and no amount within the range is a better estimate than any other amount, the minimum amount in the range is recorded. Unless otherwise required by GAAP, legal fees are expensed as incurred.

Environmental liabilities are recorded on an undiscounted basis when environmental remediation or other liabilities become probable and can be reasonably estimated. Environmental expenditures related to past operations that do not generate current or future revenues are expensed. Environmental expenditures related to operations that generate current or future revenues are expensed or capitalized, as appropriate. Certain environmental expenditures receive regulatory accounting treatment and are recorded as regulatory assets.

See Notes 3 and 4 for further information.

Pension and Other Post-Retirement Benefit Plans

Duke Energy maintains qualified, non-qualified and other post-retirement benefit plans. Eligible employees of the Subsidiary Registrants participate in the respective qualified, non-qualified and other post-retirement benefit plans and the Subsidiary Registrants are allocated their proportionate share of benefit costs. See Note 22 for further information, including significant accounting policies associated with these plans.

Severance and Special Termination Benefits

Duke Energy has severance plans under which in general, the longer a terminated employee worked prior to termination the greater the amount of severance benefits. A liability for involuntary severance is recorded once an involuntary severance plan is committed to by management if involuntary severances are probable and can be reasonably estimated. For involuntary severance benefits incremental to its ongoing severance plan benefits, the fair value of the obligation is expensed at the communication date if there are no future service requirements or over the required future service period. Duke Energy also offers special termination benefits under voluntary severance programs. Special termination benefits are recorded immediately upon employee acceptance absent a significant retention period. Otherwise, the cost is recorded over the remaining service period. Employee acceptance of voluntary severance benefits is determined by management based on the facts and circumstances of the benefits being offered. See Note 20 for further information.

Guarantees

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NOTES TO FINANCIAL STATEMENTS (Continued)			

If necessary, liabilities are recognized at the time of issuance or material modification of a guarantee for the estimated fair value of the obligation it assumes. Fair value is estimated using a probability weighted approach. The obligation is reduced over the term of the guarantee or related contract in a systematic and rational method as risk is reduced. Duke Energy recognizes a liability for the best estimate of its loss due to the nonperformance of the guaranteed party. This liability is recognized at the inception of a guarantee and is updated periodically. See Note 7 for further information.

Stock-Based Compensation

Stock-based compensation represents costs related to stock-based awards granted to employees and Board of Directors members. Duke Energy recognizes stock-based compensation based upon the estimated fair value of awards, net of estimated forfeitures at the date of issuance. The recognition period for these costs begins at either the applicable service inception date or grant date and continues throughout the requisite service period. Compensation cost is recognized as expense or capitalized as a component of property, plant and equipment. See Note 21 for further information.

Income Taxes

Duke Energy and its subsidiaries file a consolidated federal income tax return and other state and foreign jurisdictional returns. The Subsidiary Registrants are parties to a tax-sharing agreement with Duke Energy. Income taxes recorded represent amounts the Subsidiary Registrants would incur as separate C-Corporations. Deferred income taxes have been provided for temporary differences between GAAP and tax bases of assets and liabilities because the differences create taxable or tax-deductible amounts for future periods. ITCs associated with regulated operations are deferred and amortized as a reduction of income tax expense over the estimated useful lives of the related properties. For ITCs associated with nonregulated operations see "Accounting for Renewable Energy Tax Credits."

Accumulated deferred income taxes are valued using the enacted tax rate expected to apply to taxable income in the periods in which the deferred tax asset or liability is expected to be settled or realized. In the event of a change in tax rates, deferred tax assets and liabilities are remeasured as of the enactment date of the new rate. To the extent that the change in the value of the deferred tax represents an obligation to customers, the impact of the remeasurement is deferred to a regulatory liability. Remaining impacts are recorded in income from continuing operations. Duke Energy's results of operations could be impacted if the estimate of the tax effect of reversing temporary differences is not reflective of actual outcomes, is modified to reflect new developments or interpretations of the tax law, revised to incorporate new accounting principles, or changes in the expected timing or manner of a reversal.

Tax-related interest and penalties are recorded in Interest Expense and Other Income and Expenses, net in the Consolidated Statements of Operations.

See Note 23 for further information.

Accounting for Renewable Energy Tax Credits

When Duke Energy receives ITCs on wind or solar facilities associated with its nonregulated operations, it reduces the basis of the property recorded on the Consolidated Balance Sheets by the amount of the ITC and, therefore, the ITC benefit is ultimately recognized in the statement of operations through reduced depreciation expense. Additionally, certain tax credits and government grants result in an initial tax depreciable base in excess of the book carrying value by an amount equal to one half of the ITC. Deferred tax benefits are recorded as a reduction to income tax expense in the period that the basis difference is created.

When Duke Energy receives ITCs on wind or solar facilities associated with its regulated operations, the ITC is deferred and amortized as a reduction of income tax expense over the estimated useful lives of the related properties.

Duke Energy receives PTCs on wind facilities that are recognized as electricity is produced and records related amounts as a reduction of income tax expense.

Excise Taxes

Certain excise taxes levied by state or local governments are required to be paid even if not collected from the customer. These taxes are recognized on a gross basis. Taxes for which Duke Energy operates merely as a collection agent for the state and local government are accounted for on a net basis. Excise taxes accounted for on a gross basis within both Operating Revenues and Property and other taxes in the Consolidated Statements of Operations were as follows.

(in millions)	Years Ended December 31,		
	2020	2019	2018

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Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy	\$	415	\$	421	\$	405
Duke Energy Carolinas		43		39		35
Progress Energy		249		256		241
Duke Energy Progress		26		21		19
Duke Energy Florida		223		235		222
Duke Energy Ohio		96		101		105
Duke Energy Indiana		25		23		22
Piedmont		2		2		2

Dividend Restrictions and Unappropriated Retained Earnings

Duke Energy does not have any current legal, regulatory or other restrictions on paying common stock dividends to shareholders. However, if Duke Energy were to defer dividend payments on the preferred stock, the declaration of common stock dividends would be prohibited. See Note 19 for more information. Additionally, as further described in Note 3, Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, Duke Energy Indiana and Piedmont have restrictions on paying dividends or otherwise advancing funds to Duke Energy due to conditions established by regulators in conjunction with merger transaction approvals. At December 31, 2020, and 2019, an insignificant amount of Duke Energy's consolidated Retained earnings balance represents undistributed earnings of equity method investments.

New Accounting Standards

The following new accounting standard was adopted by Duke Energy Registrants in 2020.

Credit Losses. In June 2016, the FASB issued new accounting guidance for credit losses. Duke Energy adopted the new accounting guidance for credit losses effective January 1, 2020, using the modified retrospective method of adoption, which does not require restatement of prior year results. Duke Energy did not adopt any practical expedients.

Duke Energy recognizes allowances for credit losses based on management's estimate of losses expected to be incurred over the lives of certain assets or guarantees. Management monitors credit quality, changes in expected credit losses and the appropriateness of the allowance for credit losses on a forward-looking basis. Management reviews the risk of loss periodically as part of the existing assessment of collectability of receivables.

Duke Energy reviews the credit quality of its counterparties as part of its regular risk management process and requires credit enhancements, such as deposits or letters of credit, as appropriate and as allowed by regulators.

Duke Energy recorded cumulative effects of changes in accounting principles related to the adoption of new credit loss standard, for allowances and credit losses of trade and other receivables, insurance receivables and financial guarantees. These amounts are included in the Condensed Consolidated Balance Sheets in Receivables, Receivables of VIEs, Other Noncurrent Assets and Other Noncurrent Liabilities. See Notes 7 and 18 for more information.

Duke Energy recorded an adjustment for the cumulative effect of a change in accounting principle due to the adoption of this standard on January 1, 2020, as shown in the table below:

(in millions)	December 31, 2020					
	Duke Energy		Duke Progress Energy		Duke Florida Piedmont	
	Duke Energy	Carolinas	Energy	Progress	Florida	Piedmont
Total pretax impact to Retained Earnings	\$ 120	\$ 16	\$ 2	\$ 1	\$ 1	\$ 1

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The following new accounting standard has been issued but not yet adopted by the Duke Energy Registrants as of December 31, 2020.

Reference Rate Reform. In March 2020, the FASB issued new accounting guidance for reference rate reform. This guidance is elective and provides expedients to facilitate financial reporting for the anticipated transition away from the London Inter-bank Offered Rate (LIBOR) and other interbank reference rates by the end of 2021. The optional expedients are effective for modification of existing contracts or new arrangements executed between March 12, 2020, through December 31, 2022.

Duke Energy has variable-rate debt and manages interest rate risk by entering into financial contracts including interest rate swaps that are generally indexed to LIBOR. Impacted financial arrangements extending beyond 2021 may require contractual amendment or termination to fully adapt to a post-LIBOR environment. Duke Energy is assessing these financial arrangements and is evaluating the use of optional expedients outlined in the new accounting guidance. Alternative index provisions are also being assessed and incorporated into new financial arrangements that extend beyond 2021. The full outcome of the transition away from LIBOR cannot be determined at this time, but is not expected to have a material impact on the financial statements.

2. BUSINESS SEGMENTS

Reportable segments are determined based on information used by the chief operating decision-maker in deciding how to allocate resources and evaluate the performance of the business. Duke Energy evaluates segment performance based on segment income. Segment income is defined as income from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income, as discussed below, includes intercompany revenues and expenses that are eliminated on the Consolidated Financial Statements. Certain governance costs are allocated to each segment. In addition, direct interest expense and income taxes are included in segment income.

Products and services are sold between affiliate companies and reportable segments of Duke Energy at cost. Segment assets as presented in the tables that follow exclude all intercompany assets.

Duke Energy

Duke Energy's segment structure includes the following segments: Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

The Electric Utilities and Infrastructure segment includes Duke Energy's regulated electric utilities in the Carolinas, Florida and the Midwest. The regulated electric utilities conduct operations through the Subsidiary Registrants that are substantially all regulated and, accordingly, qualify for regulatory accounting treatment. Electric Utilities and Infrastructure also includes Duke Energy's electric transmission infrastructure investments.

The Gas Utilities and Infrastructure segment includes Piedmont, Duke Energy's natural gas local distribution companies in Ohio and Kentucky, and Duke Energy's natural gas storage and midstream pipeline investments. Gas Utilities and Infrastructure's operations are substantially all regulated and, accordingly, qualify for regulatory accounting treatment.

The Commercial Renewables segment is primarily comprised of nonregulated utility-scale wind and solar generation assets located throughout the U.S.

The remainder of Duke Energy's operations is presented as Other, which is primarily comprised of interest expense on holding company debt, unallocated corporate costs and Duke Energy's wholly owned captive insurance company, Bison. Other also includes Duke Energy's interest in NMC. See Note 12 for additional information on the investment in NMC.

Business segment information is presented in the following tables. Segment assets presented exclude intercompany assets.

(in millions)	Year Ended December 31, 2020						Total
	Electric	Gas	Commercial		Reportable	Other	
	Utilities and Infrastructure	Utilities and Infrastructure	Renewables	Segments			

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Unaffiliated Revenues	\$ 21,687	\$ 1,653	\$ 502	\$ 23,842	\$ 26	\$ —	\$ 23,868
Intersegment Revenues	33	95	—	128	71	(199)	—
Total Revenues	\$ 21,720	\$ 1,748	\$ 502	\$ 23,970	\$ 97	\$ (199)	\$ 23,868
Interest Expense	\$ 1,320	\$ 135	\$ 66	\$ 1,521	\$ 657	\$ (16)	\$ 2,162
Depreciation and amortization	4,068	258	199	4,525	209	(29)	4,705
Equity in earnings (losses) of unconsolidated affiliates	(1)	(2,017)	—	(2,018)	13	—	(2,005)
Income tax expense (benefit)	340	(349)	(65)	(74)	(162)	—	(236)
Segment income (loss)(a)(b)(c)	2,669	(1,266)	286	1,689	(426)	—	1,263
Less noncontrolling interest							295
Add back preferred stock dividend							107
Income from discontinued operations, net of tax							7
Net income							\$ 1,082
Capital investments expenditures and acquisitions	\$ 7,629	\$ 1,309	\$ 1,219	\$ 10,157	\$ 264	\$ —	\$ 10,421
Segment assets	138,225	13,849	6,716	158,790	3,598	—	162,388

- (a) Electric Utilities and Infrastructure includes \$948 million of Impairment charges and a reversal of \$152 million included in Regulated electric operating revenue related to the CCR Settlement Agreement filed with the NCUC. Additionally, Electric Utilities and Infrastructure includes \$19 million of Impairment charges related to the Clemson University Combined Heat and Power Plant, \$5 million of Impairment charges related to the gas pipeline assets and \$16 million of shareholder contributions within Operations, maintenance and other related to Duke Energy Carolinas' and Duke Energy Progress' 2019 North Carolina rate cases. See Note 3 for additional information.
- (b) Gas Utilities and Infrastructure includes \$2.1 billion recorded within Equity in (losses) earnings of unconsolidated affiliates and \$7 million of Impairment charges related to gas pipeline investments. See Notes 3 and 12 for additional information.
- (c) Other includes a \$98 million reversal of 2018 severance costs due to a partial settlement in the Duke Energy Carolinas' 2019 North Carolina rate case. See Note 3 and 20 for additional information.

Year Ended December 31, 2019

(in millions)	Electric		Gas	Total			Total
	Utilities and Infrastructure	Utilities and Infrastructure	Commercial Renewables	Reportable Segments	Other	Eliminations	
Unaffiliated Revenues	\$ 22,798	\$ 1,770	\$ 487	\$ 25,055	\$ 24	\$ —	\$ 25,079
Intersegment Revenues	33	96	—	129	71	(200)	—
Total Revenues	\$ 22,831	\$ 1,866	\$ 487	\$ 25,184	\$ 95	\$ (200)	\$ 25,079
Interest Expense	\$ 1,345	\$ 117	\$ 95	\$ 1,557	\$ 705	\$ (58)	\$ 2,204
Depreciation and amortization	3,951	256	168	4,375	178	(5)	4,548
Equity in earnings (losses) of unconsolidated affiliates	9	114	(4)	119	43	—	162

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Income tax expense (benefit)	785	22	(115)	692	(173)	—	519
Segment income (loss)(a)(b)	3,536	432	198	4,166	(452)	—	3,714
Less noncontrolling interest							177
Add back preferred stock dividend							41
Loss from discontinued operations, net of tax							(7)
Net income							\$ 3,571
Capital investments expenditures and acquisitions	\$ 8,263	\$ 1,539	\$ 1,423	\$ 11,225	\$ 221	\$ —	\$ 11,446
Segment assets	135,561	13,921	6,020	155,502	3,148	188	158,838

- (a) Electric Utilities and Infrastructure includes a \$27 million reduction of a prior year impairment at Citrus County CC related to the plant's cost cap. See Note 3 for additional information.
- (b) Gas Utilities and Infrastructure includes an after-tax impairment charge of \$19 million for the remaining investment in Constitution. See Note 12 for additional information.

Year Ended December 31, 2018

(in millions)	Electric		Gas		Total			Total
	Utilities and Infrastructure	Utilities and Infrastructure	Commercial Renewables	Reportable Segments	Other	Eliminations		
Unaffiliated Revenues	\$ 22,242	\$ 1,783	\$ 477	\$ 24,502	\$ 19	\$ —	\$ 24,521	
Intersegment Revenues	31	98	—	129	70	(199)	—	
Total Revenues	\$ 22,273	\$ 1,881	\$ 477	\$ 24,631	\$ 89	\$ (199)	\$ 24,521	
Interest Expense	\$ 1,288	\$ 106	\$ 88	\$ 1,482	\$ 657	\$ (45)	\$ 2,094	
Depreciation and amortization	3,523	245	155	3,923	152	(1)	4,074	
Equity in earnings (losses) of unconsolidated affiliates	5	27	(1)	31	52	—	83	
Income tax expense (benefit)(a)	799	78	(147)	730	(282)	—	448	
Segment income (loss)(b)(c)(d)(e)	3,058	274	9	3,341	(694)	—	2,647	
Less noncontrolling interest							22	
Income from discontinued operations, net of tax							19	
Net income							\$ 2,644	
Capital investments expenditures and acquisitions	\$ 8,086	\$ 1,133	\$ 193	\$ 9,412	\$ 256	\$ —	\$ 9,668	
Segment assets	125,364	12,361	4,204	141,929	3,275	188	145,392	

- (a) All segments include adjustments to the December 31, 2017, estimate of the income tax effects of the Tax Act. Electric Utilities and Infrastructure includes a \$24 million expense, Gas Utilities and Infrastructure includes a \$1 million expense, Commercial Renewables includes a \$3 million benefit and Other includes a \$2 million benefit. See Note 23 for additional information.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

- (b) Electric Utilities and Infrastructure includes after-tax regulatory and legislative impairment charges of \$202 million related to rate case orders, settlements or other actions of regulators or legislative bodies and an after-tax impairment charge of \$46 million related to the Citrus County CC at Duke Energy Florida. See Note 3 for additional information.
- (c) Gas Utilities and Infrastructure includes an after-tax impairment charge of \$42 million for the investment in Constitution. See Note 12 for additional information.
- (d) Commercial Renewables includes an impairment charge of \$91 million, net of \$2 million Noncontrolling interests, related to goodwill. See Note 11 for additional information.
- (e) Other includes \$65 million of after-tax costs to achieve the Piedmont merger, \$144 million of after-tax severance charges related to a companywide initiative and an \$82 million after-tax loss on the sale of Beckjord described below. For additional information, see Note 1 for the Piedmont merger and Note 20 for severance charges.

In February 2018, Duke Energy sold Beckjord, a nonregulated facility retired during 2014, and recorded a pretax loss of \$106 million within Gains (Losses) on Sales of Other Assets and Other, net and \$1 million within Operation, maintenance and other on Duke Energy's Consolidated Statements of Operations for the year ended December 31, 2018. The sale included the transfer of coal ash basins and other real property and indemnification from any and all potential future claims related to the property, whether arising under environmental laws or otherwise.

Geographical Information

Substantially all assets and revenues from continuing operations are within the U.S.

Major Customers

For the year ended December 31, 2020, revenues from one customer of Duke Energy Progress are \$553 million. Duke Energy Progress has one reportable segment, Electric Utilities and Infrastructure. No other Subsidiary Registrant has an individual customer representing more than 10% of its revenues.

Products and Services

The following table summarizes revenues of the reportable segments by type.

(in millions)	Retail	Wholesale	Retail	Total	
	Electric	Electric	Natural Gas	Other	Revenues
2020					
Electric Utilities and Infrastructure	\$ 18,898	\$ 1,878	\$ —	\$ 944	\$ 21,720
Gas Utilities and Infrastructure	—	—	1,691	57	1,748
Commercial Renewables	—	434	—	68	502
Total Reportable Segments	\$ 18,898	\$ 2,312	\$ 1,691	\$ 1,069	\$ 23,970
2019					
Electric Utilities and Infrastructure	\$ 19,745	\$ 2,231	\$ —	\$ 855	\$ 22,831
Gas Utilities and Infrastructure	—	—	1,782	84	1,866
Commercial Renewables	—	389	—	98	487
Total Reportable Segments	\$ 19,745	\$ 2,620	\$ 1,782	\$ 1,037	\$ 25,184
2018					
Electric Utilities and Infrastructure	\$ 19,013	\$ 2,345	\$ —	\$ 915	\$ 22,273
Gas Utilities and Infrastructure	—	—	1,817	64	1,881
Commercial Renewables	—	375	—	102	477

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Total Reportable Segments	\$	19,013	\$	2,720	\$	1,817	\$	1,081	\$	24,631
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Duke Energy Ohio

Duke Energy Ohio has two reportable segments, Electric Utilities and Infrastructure and Gas Utilities and Infrastructure.

Electric Utilities and Infrastructure transmits and distributes electricity in portions of Ohio and generates, distributes and sells electricity in portions of Northern Kentucky. Gas Utilities and Infrastructure transports and sells natural gas in portions of Ohio and Northern Kentucky. Both reportable segments conduct operations primarily through Duke Energy Ohio and its wholly owned subsidiary, Duke Energy Kentucky. The remainder of Duke Energy Ohio's operations is presented as Other.

All Duke Energy Ohio assets and revenues from continuing operations are within the U.S.

(in millions)	Year Ended December 31, 2020						
	Electric	Gas	Total	Other	Eliminations	Total	
	Utilities and Infrastructure	Utilities and Infrastructure	Reportable Segments				
Total revenues	\$ 1,405	\$ 453	\$ 1,858	\$ —	\$ —	\$ 1,858	
Interest expense	\$ 85	\$ 17	\$ 102	\$ —	\$ —	\$ 102	
Depreciation and amortization	200	78	278	—	—	278	
Income tax expense (benefit)	19	26	45	(2)	—	43	
Segment income (loss)/Net income	162	96	258	(6)	—	252	
Capital expenditures	\$ 548	\$ 286	\$ 834	\$ —	\$ —	\$ 834	
Segment assets	6,615	3,380	9,995	32	(2)	10,025	

(in millions)	Year Ended December 31, 2019						
	Electric	Gas	Total	Other	Eliminations	Total	
	Utilities and Infrastructure	Utilities and Infrastructure	Reportable Segments				
Total revenues	\$ 1,456	\$ 484	\$ 1,940	\$ —	\$ —	\$ 1,940	
Interest expense	\$ 80	\$ 29	\$ 109	\$ —	\$ —	\$ 109	
Depreciation and amortization	182	83	265	—	—	265	
Income tax expense (benefit)	20	21	41	(1)	—	40	
Segment income (loss)	159	85	244	(5)	—	239	
Loss from discontinued operations, net of tax						(1)	
Net income						\$ 238	
Capital expenditures	\$ 680	\$ 272	\$ 952	\$ —	\$ —	\$ 952	
Segment assets	6,188	3,116	9,304	34	—	9,338	

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Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	Year Ended December 31, 2018						Total
	Electric		Gas		Total		
	Utilities and Infrastructure	Utilities and Infrastructure	Reportable Segments	Other	Eliminations		
Total revenues	\$ 1,450	\$ 506	\$ 1,956	\$ 1	\$ —	\$ —	\$ 1,957
Interest expense	\$ 67	\$ 24	\$ 91	\$ 1	\$ —	\$ —	\$ 92
Depreciation and amortization	183	85	268	—	—	—	268
Income tax expense (benefit)	47	24	71	(28)	—	—	43
Segment income (loss)/Net Income ^(a)	186	93	279	(103)	—	—	176
Capital expenditures	\$ 655	\$ 172	\$ 827	\$ —	\$ —	\$ —	\$ 827
Segment assets	5,643	2,874	8,517	38	—	—	8,555

(a) Other includes the loss on the sale of Beckjord, see discussion above.

3. REGULATORY MATTERS

REGULATORY ASSETS AND LIABILITIES

The Duke Energy Registrants record regulatory assets and liabilities that result from the ratemaking process. See Note 1 for further information.

The following tables present the regulatory assets and liabilities recorded on the Consolidated Balance Sheets of Duke Energy and Progress Energy. See separate tables below for balances by individual registrant.

(in millions)	Duke Energy		Progress Energy	
	December 31,		December 31,	
	2020	2019	2020	2019
Regulatory Assets				
AROs – coal ash	\$ 3,408	\$ 4,084	\$ 1,357	\$ 1,843
AROs – nuclear and other	754	739	685	668
Accrued pension and OPEB	2,317	2,391	875	897
Storm cost deferrals	1,102	1,399	893	1,214
Nuclear asset securitized balance, net	991	1,042	991	1,042
Debt fair value adjustment	950	1,019	—	—
Retired generation facilities	417	331	363	266
Post-in-service carrying costs (PISCC) and deferred operating expenses	402	329	51	33
Deferred asset – Lee and Harris COLA	356	388	32	38

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NOTES TO FINANCIAL STATEMENTS (Continued)

Hedge costs deferrals	351	356	148	129
Advanced metering infrastructure (AMI)	311	338	102	114
Demand side management (DSM)/Energy Efficiency (EE)	288	343	241	241
Vacation accrual	221	214	42	41
Deferred fuel and purchased power	213	528	162	305
COR settlement	128	133	33	35
NCEMPA deferrals	124	72	124	72
Nuclear deferral	123	107	35	40
Derivatives – natural gas supply contracts	122	117	—	—
CEP deferral	117	76	—	—
Amounts due from customers	110	36	—	—
Qualifying facility contract buyouts	107	121	107	121
Customer connect project	105	65	55	37
Manufactured gas plant (MGP)	104	102	—	—
ABSAT, coal ash basin closure	98	65	27	15
Deferred pipeline integrity costs	92	79	—	—
Deferred severance charges	86	—	29	—
Incremental COVID-19 expenses	76	—	23	—
Other	589	544	158	141
Total regulatory assets	14,062	15,018	6,533	7,292
Less: current portion	1,641	1,796	758	946
Total noncurrent regulatory assets	\$ 12,421	\$ 13,222	\$ 5,775	\$ 6,346

Regulatory Liabilities

Net regulatory liability related to income taxes	\$ 7,368	\$ 7,872	\$ 2,411	\$ 2,595
Costs of removal	5,883	5,756	2,666	2,561
AROs – nuclear and other	1,512	1,100	—	—
Provision for rate refunds	344	370	123	123
Accrued pension and OPEB	177	176	—	—
Amounts to be refunded to customers	51	34	—	—
Deferred fuel and purchased power	18	1	—	1
Other	1,053	739	491	275
Total regulatory liabilities	16,406	16,048	5,691	5,555
Less: current portion	1,377	784	640	330

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Total noncurrent regulatory liabilities	\$ 15,029	\$ 15,264	\$ 5,051	\$ 5,225
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Descriptions of regulatory assets and liabilities summarized in the tables above and below follow. See tables below for recovery and amortization periods at the separate registrants.

AROs – coal ash. Represents deferred depreciation and accretion related to the legal obligation to close ash basins. The costs are deferred until recovery treatment has been determined. See Notes 1 and 9 for additional information.

AROs – nuclear and other. Represents regulatory assets or liabilities, including deferred depreciation and accretion, related to legal obligations associated with the future retirement of property, plant and equipment, excluding amounts related to coal ash. The AROs relate primarily to decommissioning nuclear power facilities. The amounts also include certain deferred gains and losses on NDTF investments. See Notes 1 and 9 for additional information.

Accrued pension and OPEB. Accrued pension and OPEB represent regulatory assets and liabilities related to each of the Duke Energy Registrants' respective shares of unrecognized actuarial gains and losses and unrecognized prior service cost and credit attributable to Duke Energy's pension plans and OPEB plans. The regulatory asset or liability is amortized with the recognition of actuarial gains and losses and prior service cost and credit to net periodic benefit costs for pension and OPEB plans. The accrued pension and OPEB regulatory assets are expected to be recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

Storm cost deferrals. Represents deferred incremental costs incurred related to major weather-related events.

Nuclear asset securitized balance, net. Represents the balance associated with Crystal River Unit 3 retirement approved for recovery by the FPSC on September 15, 2015, and the upfront financing costs securitized in 2016 with issuance of the associated bonds. The regulatory asset balance is net of the AFUDC equity portion.

Debt fair value adjustment. Purchase accounting adjustments recorded to state the carrying value of Progress Energy and Piedmont at fair value in connection with the 2012 and 2016 mergers, respectively. Amount is amortized over the life of the related debt.

Retired generation facilities. Represents amounts to be recovered for facilities that have been retired and are probable of recovery.

Post-in-service carrying costs (PISCC) and deferred operating expenses. Represents deferred depreciation and operating expenses as well as carrying costs on the portion of capital expenditures placed in service but not yet reflected in retail rates as plant in service.

Deferred asset – Lee and Harris COLA. Represents deferred costs incurred for the canceled Lee and Harris nuclear projects.

Hedge costs deferrals. Amounts relate to unrealized gains and losses on derivatives recorded as a regulatory asset or liability, respectively, until the contracts are settled.

AMI. Represents deferred costs related to the installation of AMI meters and remaining net book value of non-AMI meters to be replaced at Duke Energy Carolinas, net book value of existing meters at Duke Energy Florida, Duke Energy Progress and Duke Energy Ohio and future recovery of net book value of electromechanical meters that have been replaced with AMI meters at Duke Energy Indiana.

DSM/EE. Deferred costs related to various DSM and EE programs recoverable through various mechanisms.

Vacation accrual. Represents vacation entitlement, which is generally recovered in the following year.

Deferred fuel and purchased power. Represents certain energy-related costs that are recoverable or refundable as approved by the applicable regulatory body.

COR settlement. Represents approved COR settlements that are being amortized over the average remaining lives, at the time of approval, of the associated assets.

NCEMPA deferrals. Represents retail allocated cost deferrals and returns associated with the additional ownership interest in assets acquired from NCEMPA in 2015.

Nuclear deferral. Includes amounts related to levelizing nuclear plant outage costs, which allows for the recognition of nuclear outage expenses over the refueling cycle rather than when the outage occurs, resulting in the deferral of operations and maintenance costs associated with refueling.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Derivatives – natural gas supply contracts. Represents costs for certain long-dated, fixed quantity forward gas supply contracts, which are recoverable through PGA clauses.

CEP deferral. Represents deferred depreciation, PISCC and deferred property tax for Duke Energy Ohio Gas capital assets for the Capital Expenditure Program (CEP).

Amounts due from customers. Relates primarily to margin decoupling and IMR recovery mechanisms.

Qualifying facility contract buyouts. Represents termination payments for regulatory recovery through the capacity clause.

Customer connect project. Represents incremental operating expenses and carrying costs on deferred amounts related to the deployment of the new customer information system known as the Customer Connect Project.

MGP. Represents remediation costs incurred at former MGP sites and the deferral of costs to be incurred at Duke Energy Ohio's East End and West End sites.

ABSAT, coal ash basin closure. Represents deferred depreciation and returns associated with Ash Basin Strategic Action Team (ABSAT) capital assets related to converting the ash handling system from wet to dry.

Deferred pipeline integrity costs. Represents pipeline integrity management costs in compliance with federal regulations recovered through a rider mechanism.

Deferred severance charges. Represents costs incurred for employees separation from Duke Energy.

Incremental COVID-19 expenses. Represents incremental costs related to ensuring continuity and quality of service in a safe manner during the COVID-19 pandemic.

Net regulatory liability related to income taxes. Amounts for all registrants include regulatory liabilities related primarily to impacts from the Tax Act. See Note 23 for additional information. Amounts have no immediate impact on rate base as regulatory assets are offset by deferred tax liabilities.

Costs of removal. Represents funds received from customers to cover the future removal of property, plant and equipment from retired or abandoned sites as property is retired. Also includes certain deferred gains on NDTF investments.

Provisions for rate refunds. Represents estimated amounts due to customers based on recording interim rates subject to refund.

Amounts to be refunded to customers. Represents required rate reductions to retail customers by the applicable regulatory body.

RESTRICTIONS ON THE ABILITY OF CERTAIN SUBSIDIARIES TO MAKE DIVIDENDS, ADVANCES AND LOANS TO DUKE ENERGY

As a condition to the approval of merger transactions, the NCUC, PSCSC, PUCO, KPSC and IURC imposed conditions on the ability of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, Duke Energy Kentucky, Duke Energy Indiana and Piedmont to transfer funds to Duke Energy through loans or advances, as well as restricted amounts available to pay dividends to Duke Energy. Certain subsidiaries may transfer funds to the Parent by obtaining approval of the respective state regulatory commissions. These conditions imposed restrictions on the ability of the public utility subsidiaries to pay cash dividends as discussed below.

Duke Energy Progress and Duke Energy Florida also have restrictions imposed by their first mortgage bond indentures, which in certain circumstances, limit their ability to make cash dividends or distributions on common stock. Amounts restricted as a result of these provisions were not material at December 31, 2020.

Duke Energy Indiana has certain dividend restrictions as a result of the agreement entered in January 2021 to sell a minority interest to GIC. Duke Energy Indiana will not declare a dividend prior to the first closing, which is expected to be completed in the second quarter of 2021, and will declare dividends between the first closing and the second closing, which is required to be completed no later than January 2023, in accordance with the sale agreement. See additional information in Note 1.

Additionally, certain other subsidiaries of Duke Energy have restrictions on their ability to dividend, loan or advance funds to Duke Energy due to specific legal or regulatory restrictions, including, but not limited to, minimum working capital and tangible net worth requirements.

The restrictions discussed below were not a material amount of Duke Energy's and Progress Energy's net assets at December 31, 2020.

Duke Energy Carolinas

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Duke Energy Carolinas must limit cumulative distributions subsequent to mergers to (i) the amount of retained earnings on the day prior to the closing of the mergers, plus (ii) any future earnings recorded.

Duke Energy Progress

Duke Energy Progress must limit cumulative distributions subsequent to the mergers between Duke Energy and Progress Energy and Duke Energy and Piedmont to (i) the amount of retained earnings on the day prior to the closing of the respective mergers, plus (ii) any future earnings recorded.

Duke Energy Ohio

Duke Energy Ohio will not declare and pay dividends out of capital or unearned surplus without the prior authorization of the PUCO. Duke Energy Ohio received FERC and PUCO approval to pay dividends from its equity accounts that are reflective of the amount that it would have in its retained earnings account had push-down accounting for the Cinergy merger not been applied to Duke Energy Ohio's balance sheet. The conditions include a commitment from Duke Energy Ohio that equity, adjusted to remove the impacts of push-down accounting, will not fall below 30% of total capital.

Duke Energy Kentucky is required to pay dividends solely out of retained earnings and to maintain a minimum of 35% equity in its capital structure.

Duke Energy Indiana

Duke Energy Indiana must limit cumulative distributions subsequent to the merger between Duke Energy and Cinergy to (i) the amount of retained earnings on the day prior to the closing of the merger, plus (ii) any future earnings recorded. In addition, Duke Energy Indiana will not declare and pay dividends out of capital or unearned surplus without prior authorization of the IURC.

Piedmont

Piedmont must limit cumulative distributions subsequent to the acquisition of Piedmont by Duke Energy to (i) the amount of retained earnings on the day prior to the closing of the merger, plus (ii) any future earnings recorded.

RATE-RELATED INFORMATION

The NCUC, PSCSC, FPSC, IURC, PUCO, TPUC and KPSC approve rates for retail electric and natural gas services within their states. The FERC approves rates for electric sales to wholesale customers served under cost-based rates (excluding Ohio and Indiana), as well as sales of transmission service. The FERC also regulates certification and siting of new interstate natural gas pipeline projects.

Duke Energy Carolinas and Duke Energy Progress

2021 Coal Ash Settlement

On January 22, 2021, Duke Energy Carolinas and Duke Energy Progress entered into the Coal Combustion Residuals Settlement Agreement (the "CCR Settlement Agreement") with the North Carolina Public Staff (Public Staff), the North Carolina Attorney General's Office and the Sierra Club (collectively, the "Settling Parties"), which was filed with the NCUC on January 25, 2021. The CCR Settlement Agreement resolves all coal ash prudence and cost recovery issues in connection with 2019 rate cases filed by Duke Energy Carolinas and Duke Energy Progress with the NCUC, as well as the equitable sharing issue on remand from the 2017 Duke Energy Carolinas and Duke Energy Progress North Carolina rate cases as a result of the December 11, 2020, North Carolina Supreme Court opinion. The settlement also provides clarity on coal ash cost recovery in North Carolina for Duke Energy Carolinas and Duke Energy Progress through January 2030 and February 2030 (the "Term"), respectively.

Duke Energy Carolinas and Duke Energy Progress agreed not to seek recovery of approximately \$1 billion of systemwide deferred coal ash expenditures, but will retain the ability to earn a debt and equity return during the amortization period, which shall be five years in the pending 2019 North Carolina rate cases and will be set by the NCUC in future rate case proceedings. The equity return and the amortization period on deferred coal ash costs under the 2017 Duke Energy Carolinas and Duke Energy Progress North Carolina rate cases will remain unaffected. The equity return on deferred coal ash costs under the 2019 North Carolina rate cases and future rate cases in North Carolina will be set at 150 basis points lower than the authorized return on equity then in effect, with a capital structure composed of 48% debt and 52% equity. Duke Energy Carolinas and Duke Energy Progress retain the ability to earn a full WACC return during the deferral period, which is the period from when costs are incurred until they are recovered in rates.

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The Settling Parties agreed that execution by Duke Energy Carolinas and Duke Energy Progress of a settlement agreement between themselves and the NCDEQ dated December 31, 2019, (the "DEQ Settlement") and the coal ash management plans included therein or subsequently approved by DEQ are reasonable and prudent. The Settling Parties retain the right to challenge the reasonableness and prudence of actions taken by Duke Energy Carolinas and Duke Energy Progress and costs incurred to implement the scope of work agreed upon in the DEQ Settlement, after February 1, 2020, and March 1, 2020, for Duke Energy Carolinas and Duke Energy Progress, respectively. The Settling Parties further agreed to waive rights through the Term to challenge the reasonableness or prudence of Duke Energy Carolinas' and Duke Energy Progress' historical coal ash management practices, and to waive the right to assert any arguments that future coal ash costs, including financing costs, shall be shared between either company and customers through equitable sharing or any other rate base or return adjustment that shares the revenue requirement burden of coal ash costs not otherwise disallowed due to imprudence.

The Settling Parties agreed to a sharing arrangement for future coal ash insurance litigation proceeds between Duke Energy Carolinas and Duke Energy Progress and North Carolina customers, if achieved.

The settlement is subject to the review and approval of the NCUC. The Settling Parties requested an expedited review by the NCUC and anticipate an order on the pending 2019 North Carolina rate cases for Duke Energy Carolinas and Duke Energy Progress by the second quarter of 2021. On January 29, 2021, Duke Energy Carolinas and Duke Energy Progress filed joint motions with the Settling Parties seeking approval of the CCR Settlement Agreement, along with supporting testimony and exhibits from Duke Energy Carolinas and Duke Energy Progress. On February 5, 2021, the Public Staff filed testimony and exhibits supporting the CCR Settlement Agreement.

As a result of the CCR Settlement Agreement, Duke Energy Carolinas and Duke Energy Progress recorded a pretax charge of approximately \$454 million and \$494 million, respectively, in the fourth quarter of 2020 to Impairment charges and a reversal of approximately \$50 million and \$102 million, respectively, to Regulated electric operating revenues on the respective Consolidated Statements of Operations.

COVID-19 Filings

North Carolina

On March 10, 2020, Governor Roy Cooper declared a state of emergency due to the COVID-19 pandemic. On March 19, 2020, the NCUC issued an order directing that utilities under its jurisdiction suspend disconnections for nonpayment of utility bills during the state of emergency and allow for customers to enter into payment arrangements to pay off arrearages accumulated during the state of emergency after the end of the state of emergency. Additionally, to help mitigate the financial impacts of the COVID-19 pandemic on their customers, on March 19, 2020, Duke Energy Carolinas and Duke Energy Progress filed a request with the NCUC seeking authorization to waive: (1) any late payment charges incurred by a residential or nonresidential customer, effective March 21, 2020; (2) the application of fees for checks returned for insufficient funds for residential and nonresidential customers; (3) the reconnection charge when a residential or nonresidential customer seeks to have service restored for those customers whose service was recently disconnected for nonpayment and to work with customers regarding the other requirements to restore service, including re-establishment of credit; and (4) the fees and charges associated with the use of credit cards or debit cards to pay residential electric utility bills, effective March 21, 2020. The NCUC granted the companies' request on March 20, 2020.

On July 29, 2020, the NCUC issued its Order Lifting Disconnection Moratorium and Allowing Collection of Arrearages Pursuant to Special Repayment Plans. The order contained the following: (1) public utilities may resume customer disconnections due to nonpayment for bills first rendered on or after September 1, 2020, after appropriate notice; (2) the late fee moratorium will continue through the end of the state of emergency or until further order of the Commission; (3) Duke Energy utilities may reinstate fees for checks returned for insufficient funds as well as transaction fees for use of credit cards or debit cards for bills first rendered on or after September 1, 2020; and (4) no sooner than September 1, 2020, the collection of past-due or delinquent accounts accrued up to and including August 31, 2020, may proceed subject to conditions. Duke Energy Carolinas and Duke Energy Progress resumed normal billing practices as of October 1, 2020, with the exception of the billing of late payment charges. Customers were notified of the resumption of normal billing practices, the option of deferred payment arrangements and where to find assistance, if necessary. Service disconnections for nonpayment for residential customers resumed on November 2, 2020.

Duke Energy Carolinas and Duke Energy Progress filed a joint petition on August 7, 2020, with the NCUC for deferral treatment of incremental costs and waived customer fees due to the COVID-19 pandemic. Comments on the joint petition were filed on November 5, 2020, and reply comments were filed on November 30, 2020. Duke Energy Carolinas and Duke Energy Progress cannot predict the outcome of this matter.

South Carolina

On March 13, 2020, Governor Henry McMaster declared a state of emergency due to the COVID-19 pandemic. The governor also issued a letter on March 14, 2020, to the ORS Executive Director regarding the suspension of disconnection of essential utility services for nonpayment. On March 18, 2020, the PSCSC issued an order approving such waivers, and also approved waivers for regulations related to late fees and reconnect fees. The PSCSC's order also required utilities to track the financial impacts of actions taken pursuant to such waivers for possible reporting to the PSCSC.

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Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

On May 13, 2020, the ORS filed a letter with the PSCSC that included a request from Governor McMaster that utilities proceed with developing and implementing plans for phasing in normal business operations. On May 14, 2020, the PSCSC conditionally vacated the regulation waivers regarding termination of service and suspension of disconnect fees. Prior to termination, utilities are to refer past-due customers to local organizations for assistance and/or deferred payment arrangements. Duke Energy Carolinas and Duke Energy Progress filed a report on June 30, 2020, as required by PSCSC order, reporting revenue impact, costs and savings related to COVID-19 to date. On August 14, 2020, Duke Energy Carolinas and Duke Energy Progress filed a joint petition with the PSCSC for approval of an accounting order to defer incremental COVID-19 related costs incurred through June 30, 2020, and for the ongoing months during the duration of the COVID-19 pandemic. The deferral request did not include lost revenues. Updates on cost impacts were filed on September 30, 2020, and included financial impacts through the end of August 2020. On October 16, 2020, the ORS requested the PSCSC delay taking formal action on the deferral request until the ORS and any intervenors complete discovery. The PSCSC issued an order on October 21, 2020, to grant additional time to complete discovery until January 20, 2021, and to establish a procedural schedule. Updates on cost impacts were filed on December 30, 2020, and included financial impacts through November 30, 2020. On January 15, 2021, ORS requested the PSCSC suspend the dates for the ORS report and public hearing. The ORS conferred with the companies regarding the status of the docket, and the parties mutually agreed that recently enacted federal laws addressing COVID-19 aid and recovery should be studied before further action is taken in this docket. On January 27, 2021, the PSCSC voted to grant the ORS request to suspend the virtual public hearing. ORS is to file its report on or before March 29, 2021.

On August 17, 2020, Duke Energy Carolinas and Duke Energy Progress filed an update on their planned return to normal operations during the COVID-19 pandemic. Normal billing practices resumed in South Carolina as of October 1, 2020, and service disconnections for nonpayment resumed on October 12, 2020. Customers were notified of the resumption of normal billing practices, the option of payment arrangements and where to find assistance, if necessary. Duke Energy Carolinas and Duke Energy Progress cannot predict the outcome of this matter.

2020 North Carolina Storm Securitization Filings

On October 26, 2020, Duke Energy Carolinas and Duke Energy Progress filed a joint petition with the NCUC, as agreed to in partial settlements reached in the 2019 North Carolina Rate Cases for Duke Energy Carolinas and Duke Energy Progress, seeking authorization for the financing of the costs of each utility's storm recovery activities required as a result of Hurricane Florence, Hurricane Michael, Hurricane Dorian and Winter Storm Diego. Specifically, Duke Energy Carolinas and Duke Energy Progress requested that the NCUC find that their storm recovery costs and related financing costs are appropriately financed by debt secured by storm recovery property, and that the Commission issue financing orders by which each utility may accomplish such financing using a securitization structure. On January 27, 2021, Duke Energy Carolinas, Duke Energy Progress and the Public Staff filed an Agreement and Stipulation of Partial Settlement, which is subject to review and approval of the NCUC, resolving certain accounting issues, including agreement to support an 18- to 20-year bond period. The total revenue requirement over a proposed 20-year bond period for the storm recovery charges is approximately \$287 million for Duke Energy Carolinas and \$920 million for Duke Energy Progress. A remote evidentiary hearing ended on January 29, 2021, and on February 1, 2021, the NCUC granted a motion by Duke Energy Carolinas and Duke Energy Progress for a temporary 30-day waiver of the 135-day time frame for the NCUC to issue orders on the joint petition, extending the deadline for the NCUC to issue an order to no later than April 9, 2021. Duke Energy Carolinas and Duke Energy Progress cannot predict the outcome of this matter.

Duke Energy Carolinas

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Carolinas' Consolidated Balance Sheets.

(in millions)	December 31,		Earns/Pays a Return	Recovery/Refund Period Ends
	2020	2019		
Regulatory Assets(a)				
AROs – coal ash	\$ 1,414	\$ 1,696	(h)	(b)
Accrued pension and OPEB(c)	427	477	Yes	(i)
Storm cost deferrals	205	178	Yes	(b)
Retired generation facilities(c)	11	16	Yes	2023
PISCC(c)	32	33	Yes	(b)

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Deferred asset – Lee COLA	324	350		(b)
Hedge costs deferrals ^(c)	174	198	Yes	2041
AMI	154	166	Yes	(b)
DSM/EE	46	100	(g)	(g)
Vacation accrual	84	80		2021
Deferred fuel and purchased power	42	222	(e)	2022
COR settlement	95	98	Yes	(b)
Nuclear deferral	88	67		2022
Customer connect project	50	28	Yes	(b)
ABSAT, coal ash basin closure	71	50	Yes	(b)
Deferred severance charges	57	—		2022
Incremental COVID-19 expenses	31	—	Yes	(b)
Other	164	151		(b)
Total regulatory assets	3,469	3,910		
Less: current portion	473	550		
Total noncurrent regulatory assets	\$ 2,996	\$ 3,360		
Regulatory Liabilities^(a)				
Net regulatory liability related to income taxes ^(d)	\$ 2,874	\$ 3,060		(b)
Costs of removal ^(c)	1,975	1,936	Yes	(f)
AROs – nuclear and other	1,512	1,100		(b)
Provision for rate refunds ^(c)	170	175	Yes	
Accrued pension and OPEB ^(c)	32	39	Yes	(i)
Deferred fuel and purchased power	18	—	(e)	2020
Other	427	368		(b)
Total regulatory liabilities	7,008	6,678		
Less: current portion	473	255		
Total noncurrent regulatory liabilities	\$ 6,535	\$ 6,423		

- (a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.
- (b) The expected recovery or refund period varies or has not been determined.
- (c) Included in rate base.
- (d) Includes regulatory liabilities related to the change in the federal tax rate as a result of the Tax Act and the change in the North Carolina tax rate, both discussed in Note 23. Portions are included in rate base.
- (e) Pays interest on over-recovered costs in North Carolina. Includes certain purchased power costs in North Carolina and South Carolina and costs of distributed energy in South Carolina.
- (f) Recovered over the life of the associated assets.
- (g) Includes incentives on DSM/EE investments and is recovered through an annual rider mechanism.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

- (h) Earns a debt and equity return on coal ash expenditures for North Carolina and South Carolina retail customers as permitted by various regulatory orders.
- (i) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

2017 North Carolina Rate Case

On August 25, 2017, Duke Energy Carolinas filed an application with the NCUC for a rate increase for retail customers of approximately \$647 million. On February 28, 2018, Duke Energy Carolinas and the Public Staff filed an Agreement and Stipulation of Partial Settlement resolving certain portions of the proceeding. Terms of the settlement included a return on equity of 9.9% and a capital structure of 52% equity and 48% debt. On June 22, 2018, the NCUC issued an order approving the Stipulation of Partial Settlement and requiring a revenue reduction. As a result of the June 22, 2018, order, Duke Energy Carolinas recorded a pretax charge of approximately \$150 million to Impairment charges and Operation, maintenance and other on the Consolidated Statements of Operations. The charge was primarily related to the denial of a return on the Lee Nuclear Project and the assessment of a \$70 million cost of service penalty by reducing the annual recovery of deferred coal ash costs by \$14 million per year over a five-year recovery period.

The North Carolina Attorney General and other parties separately filed Notices of Appeal to the North Carolina Supreme Court. The North Carolina Supreme Court consolidated the Duke Energy Carolinas and Duke Energy Progress appeals. On December 11, 2020, the North Carolina Supreme Court issued an opinion on the consolidated appeals of the 2018 Duke Energy Carolinas and Duke Energy Progress rate case orders which affirmed, in part, and reversed and remanded, in part, the NCUC's decisions. In the Opinion, the court upheld the NCUC's decision to include coal ash costs in the cost of service, as well as the NCUC's discretion to allow a return on the unamortized balance of coal ash costs. The court also remanded to the NCUC a single issue to consider the assessment of support for the Public Staff's equitable sharing argument. In response to a NCUC order seeking comments on the proposed procedure on remand, on January 11, 2021, Duke Energy Carolinas, Duke Energy Progress, the Public Staff, the North Carolina Attorney General, Sierra Club and Carolina Industrial Group for Fair Utility Rates II and III filed joint comments proposing that the NCUC not hold additional evidentiary hearings, but instead rely upon existing records in the 2017 North Carolina rate cases, or in the alternative the records in the 2019 North Carolina rate cases, in deciding the issue on remand. On January 22, 2021, Duke Energy Carolinas and Duke Energy Progress entered into the CCR Settlement Agreement with the Settling Parties, which was filed with the NCUC on January 25, 2021. For information on a proposed settlement pending before the NCUC, see "2021 Coal Ash Settlement." Duke Energy Carolinas cannot predict the outcome of this matter.

2019 North Carolina Rate Case

On September 30, 2019, Duke Energy Carolinas filed an application with the NCUC for a net rate increase for retail customers of approximately \$291 million, which represented an approximate 6% increase in annual base revenues. The gross rate case revenue increase request was \$445 million, which was offset by an EDIT rider of \$154 million to return to customers North Carolina and federal EDIT resulting from recent reductions in corporate tax rates. The request for a rate increase was driven by major capital investments subsequent to the previous base rate case, coal ash pond closure costs, accelerated coal plant depreciation and deferred 2018 storm costs. Duke Energy Carolinas requested rates be effective no later than August 1, 2020. The NCUC established a procedural schedule with an evidentiary hearing to begin on March 23, 2020. On March 16, 2020, in consideration of public health and safety as a result of the COVID-19 pandemic, Duke Energy Carolinas filed a motion with the NCUC seeking a suspension of the procedural schedule in the rate case, including issuing discovery requests, and postponement of the evidentiary hearing for 60 days. Also on March 16, 2020, the NCUC issued an Order Postponing Hearing and Addressing Procedural Matters, which postponed the evidentiary hearing until further order by the Commission.

On March 25, 2020, Duke Energy Carolinas and the Public Staff filed an Agreement and Stipulation of Partial Settlement, which is subject to review and approval of the NCUC, resolving certain issues in the base rate proceeding. Major components of the settlement included:

- 1 Removal of deferred storm costs from the rate case;
 - Filing a petition seeking to securitize the deferred storm costs within 120 days of a commission order in this rate case regarding the reasonableness and prudence of the storm costs;
 - Agreement of certain assumptions to demonstrate the quantifiable benefits to customers of a securitization financing; and
- 2 Agreement on certain accounting matters, including recovery of employee incentives, severance, aviation costs and executive compensation.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

On May 6, 2020, Duke Energy Carolinas, Duke Energy Progress and the Public Staff filed a joint motion requesting that the NCUC issue an order scheduling one consolidated evidentiary hearing to consider the companies' applications for net rate increases. On June 17, 2020, the NCUC issued an order adopting procedures for the expert witness hearings to take place in three phases: (1) a hearing on issues common to both rate cases conducted remotely; (2) a hearing on Duke Energy Carolinas specific rate case issues, followed immediately by; (3) a hearing on Duke Energy Progress specific rate case issues. On July 24, 2020, Duke Energy Carolinas filed its request for approval of its notice to customers required to implement temporary rates. On July 27, 2020, Duke Energy Carolinas filed a joint motion with Duke Energy Progress and the Public Staff notifying the Commission that the parties reached a joint partial settlement with the Public Staff. Also, on July 27, 2020, Duke Energy Carolinas filed a letter stating that it intended to update its temporary rates calculation to reflect the terms of the partial settlement.

On July 31, 2020, Duke Energy Carolinas and the Public Staff filed a Second Agreement and Stipulation of Partial Settlement (Second Partial Settlement), which is subject to review and approval of the NCUC, resolving certain remaining issues in the base rate proceeding. Major components of the Second Partial Settlement included:

- 1 A return on equity of 9.6% and a capital structure of 52% equity and 48% debt;
- 2 Agreement on amortization over a five-year period for unprotected federal EDIT flowbacks to customers;
- 3 Agreement on the inclusion of plant in service and other revenue requirement updates through May 31, 2020, subject to Public Staff review. Annual revenue requirement associated with the May 31 update is estimated at \$45 million; and
- 4 Settlement to allow the deferral of costs for certain grid projects placed in service between June 1, 2020, and December 31, 2022, totaling \$0.8 billion.

The remaining items litigated at hearing included recovery of deferred coal ash compliance costs that are subject to asset retirement obligation accounting, implementation of new depreciation rates and the amortization period of the loss on the hydro station sale.

On August 4, 2020, Duke Energy Carolinas filed an amended motion for approval of its amended notice to customers, seeking to exercise its statutory right to implement temporary rates subject to refund on or after August 24, 2020. The revenue requirement to be recovered, subject to refund, through the temporary rates is based on and consistent with the base rate component of the Second Partial Settlement with the Public Staff and excludes the items to be litigated noted above. Duke Energy Carolinas will not begin the amortization or implementation of these items until a final order is issued in the rate case and new base rates are implemented. These items will also be excluded when determining whether a refund of amounts collected through these temporary rates is needed. In addition, Duke Energy Carolinas also seeks authorization to place a temporary decrement EDIT Rider into effect, concurrent with the temporary base rate change. The temporary rate changes are not final rates and remain subject to the NCUC's determination of the just and reasonable rates to be charged by Duke Energy Carolinas on a permanent basis. The NCUC approved the August 4, 2020 amended temporary rates motion on August 6, 2020, and temporary rates went into effect on August 24, 2020.

The Duke Energy Carolinas evidentiary hearing concluded on September 18, 2020, and post-hearing filings were made with the NCUC from all parties by November 4, 2020. On January 22, 2021, Duke Energy Carolinas and Duke Energy Progress entered into the CCR Settlement Agreement with the Settling Parties, which was filed with the NCUC on January 25, 2021. Duke Energy Carolinas expects the NCUC to issue an order on its net rate increase by the second quarter of 2021. For information on a proposed settlement pending before the NCUC, see "2021 Coal Ash Settlement." Duke Energy Carolinas cannot predict the outcome of this matter.

2018 South Carolina Rate Case

On November 8, 2018, Duke Energy Carolinas filed an application with the PSCSC for a rate increase for retail customers of approximately \$168 million.

After hearings in March 2019, the PSCSC issued an order on May 21, 2019, which included a return on equity of 9.5% and a capital structure of 53% equity and 47% debt. The order also included the following material components:

- 1 Approval of cancellation of the Lee Nuclear Project, with Duke Energy Carolinas maintaining the Combined Operating License;
- 2 Approval of recovery of \$125 million (South Carolina retail portion) of Lee Nuclear Project development costs (including AFUDC through December 2017) over a 12-year period, but denial of a return on the deferred balance of costs;

Approval of recovery of \$96 million of coal ash costs over a five-year period with a return at Duke Energy Carolinas' WACC;

Denial of recovery of \$115 million of certain coal ash costs deemed to be related to the Coal Ash Act and incremental to the federal CCR rule;

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

- Approval of a \$66 million decrease to base rates to reflect the change in ongoing tax expense, primarily the reduction in the federal income tax rate from 35% to 21%;
- Approval of a \$45 million decrease through the EDIT Rider to return EDIT resulting from the federal tax rate change and deferred revenues since January 2018 related to the change, to be returned in accordance with the Average Rate Assumption Method (ARAM) for protected EDIT, over a 20-year period for unprotected EDIT associated with Property, Plant and Equipment, over a five-year period for unprotected EDIT not associated with Property, Plant and Equipment and over a five-year period for the deferred revenues; and
- Approval of a \$17 million decrease through the EDIT Rider related to reductions in the North Carolina state income tax rate from 6.9% to 2.5% to be returned over a five-year period.

As a result of the order, revised customer rates were effective June 1, 2019. On May 31, 2019, Duke Energy Carolinas filed a Petition for Rehearing or Reconsideration of that order contending substantial rights of Duke Energy Carolinas were prejudiced by unlawful, arbitrary and capricious rulings by the PSCSC on certain issues presented in the proceeding. On June 19, 2019, the PSCSC issued a Directive denying Duke Energy Carolinas' request to rehear or reconsider the Commission's rulings on certain issues presented in the proceeding including coal ash remediation and disposal costs, return on equity and the recovery of a return on deferred operation and maintenance expenses. An order detailing the Commission's decision in the Directive was issued on October 18, 2019. Duke Energy Carolinas filed a notice of appeal on November 15, 2019, with the Supreme Court of South Carolina. On November 20, 2019, the South Carolina Energy Users Committee filed a Notice of Appeal and the ORS filed a Notice of Cross Appeal with the Supreme Court of South Carolina. On February 12, 2020, Duke Energy Carolinas and the ORS filed a joint motion to extend briefing schedule deadlines, which was approved by the Supreme Court of South Carolina on February 20, 2020. On March 10, 2020, the ORS filed a consent motion requesting withdrawal of their appeal, which was granted by the Supreme Court of South Carolina on April 30, 2020. Initial briefs were filed on April 21, 2020, which included the South Carolina Energy User's Committee brief arguing that the PSCSC erred in allowing Duke Energy Carolinas' recovery of costs related to the Lee Nuclear Station. Response briefs were filed on July 6, 2020, and reply briefs were filed on August 11, 2020. Oral arguments have not yet been scheduled by the Supreme Court of South Carolina. Based on legal analysis and the filing of the appeal, Duke Energy Carolinas has not recorded an adjustment for its deferred coal ash costs in this matter. Duke Energy Carolinas cannot predict the outcome of this matter.

Duke Energy Progress

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Progress' Consolidated Balance Sheets.

(in millions)	December 31,		Earns/Pays a Return	Recovery/Refund Period Ends
	2020	2019		
Regulatory Assets(a)				
AROs – coal ash	\$ 1,347	\$ 1,834	(h)	(b)
AROs – nuclear and other	683	509		(c)
Accrued pension and OPEB	393	423		(k)
Storm cost deferrals(d)	785	801	Yes	(b)
Retired generation facilities	189	83	Yes	(b)
PISCC and deferred operating expenses	51	33	Yes	2054
Deferred asset – Harris COLA	32	38		(b)
Hedge costs deferrals	89	85		(b)
AMI	57	61	Yes	(b)
DSM/EE(e)	224	216	(i)	(i)
Vacation accrual	42	41		2021

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC		04/15/2021	2020/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

Deferred fuel and purchased power	158	266	(f)	2022
COR settlement	33	35	Yes	(e)
NCEMPA deferrals	124	72	(g)	2042
Nuclear deferral	35	40		2022
Customer connect project	25	17	Yes	(b)
ABSAT, coal ash basin closure	27	15	Yes	(b)
Deferred severance charges	29	—		2022
Incremental COVID-19 expenses	23	—	Yes	(b)
Other	122	109		(b)
Total regulatory assets	4,468	4,678		
Less: current portion	492	526		
Total noncurrent regulatory assets	\$ 3,976	\$ 4,152		
Regulatory Liabilities(a)				
Net regulatory liability related to income taxes ^(l)	\$ 1,662	\$ 1,802		(b)
Costs of removal	2,666	2,294	Yes	(j)
Provision for rate refunds	123	123	Yes	
Other	473	249		(b)
Total regulatory liabilities	4,924	4,468		
Less: current portion	530	236		
Total noncurrent regulatory liabilities	\$ 4,394	\$ 4,232		

- (a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.
- (b) The expected recovery or refund period varies or has not been determined.
- (c) Recovery period for costs related to nuclear facilities runs through the decommissioning period of each unit.
- (d) South Carolina storm costs are included in rate base.
- (e) Included in rate base.
- (f) Pays interest on over-recovered costs in North Carolina. Includes certain purchased power costs in North Carolina and South Carolina and costs of distributed energy in South Carolina.
- (g) South Carolina retail allocated costs are earning a return.
- (h) Earns a debt and equity return on coal ash expenditures for North Carolina and South Carolina retail customers as permitted by various regulatory orders.
- (i) Includes incentives on DSM/EE investments and is recovered through an annual rider mechanism.
- (j) Recovered over the life of the associated assets.
- (k) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.
- (l) Includes regulatory liabilities related to the change in the federal tax rate as a result of the Tax Act and the change in the North Carolina tax rate, both discussed in Note 23. Portions are included in rate base.

2017 North Carolina Rate Case

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

On June 1, 2017, Duke Energy Progress filed an application with the NCUC for a rate increase for retail customers of approximately \$477 million, which was subsequently adjusted to \$420 million. On November 22, 2017, Duke Energy Progress and the Public Staff filed an Agreement and Stipulation of Partial Settlement resolving certain portions of the proceeding. Terms of the settlement included a return on equity of 9.9% and a capital structure of 52% equity and 48% debt. On February 23, 2018, the NCUC issued an order approving the stipulation. The order also impacted certain amounts that were similarly recorded on Duke Energy Carolinas' Consolidated Balance Sheets. As a result of the order, Duke Energy Progress and Duke Energy Carolinas recorded pretax charges of \$68 million and \$14 million, respectively, in the first quarter of 2018 to Impairment charges, Operation, maintenance and other and Interest Expense on the Consolidated Statements of Operations. The Public Staff, the North Carolina Attorney General and the Sierra Club filed notices of appeal to the North Carolina Supreme Court.

The North Carolina Supreme Court consolidated the Duke Energy Carolinas and Duke Energy Progress appeals. On December 11, 2020, the North Carolina Supreme Court issued an opinion on the consolidated appeals of the 2018 Duke Energy Carolinas and Duke Energy Progress rate case orders which affirmed, in part, and reversed and remanded, in part, the NCUC's decisions. In the Opinion, the court upheld the NCUC's decision to include coal ash costs in the cost of service, as well as the NCUC's discretion to allow a return on the unamortized balance of coal ash costs. The court also remanded to the NCUC a single issue to consider the assessment of support for the Public Staff's equitable sharing argument. In response to a NCUC order seeking comments on the proposed procedure on remand, on January 11, 2021, Duke Energy Carolinas, Duke Energy Progress, the Public Staff, the North Carolina Attorney General, Sierra Club and Carolina Industrial Group for Fair Utility Rates II and III filed joint comments proposing that the NCUC not hold additional evidentiary hearings, but instead rely upon existing records in the 2017 North Carolina rate cases or in the alternative the records in the 2019 North Carolina rate cases, in deciding the issue on remand. On January 22, 2021, Duke Energy Progress and Duke Energy Carolinas entered into the CCR Settlement Agreement with the Settling Parties, which was filed with the NCUC on January 25, 2021. For information on the proposed settlement pending before the NCUC, see "2021 Coal Ash Settlement." Duke Energy Progress cannot predict the outcome of this matter.

2019 North Carolina Rate Case

On October 30, 2019, Duke Energy Progress filed an application with the NCUC for a net rate increase for retail customers of approximately \$464 million, which represented an approximate 12.3% increase in annual base revenues. The gross rate case revenue increase request was \$586 million, which was offset by riders of \$122 million, primarily an EDIT rider of \$120 million to return to customers North Carolina and federal EDIT resulting from recent reductions in corporate tax rates. The request for rate increase was driven by major capital investments subsequent to the previous base rate case, coal ash pond closure costs, accelerated coal plant depreciation and deferred 2018 storm costs. Duke Energy Progress seeks to defer and recover incremental Hurricane Dorian storm costs in this proceeding and requests rates be effective no later than September 1, 2020. As a result of the COVID-19 pandemic, on March 24, 2020, the NCUC suspended the procedural schedule and postponed the previously scheduled evidentiary hearing on this matter indefinitely. On April 7, 2020, the NCUC issued an order partially resuming the procedural schedule requiring intervenors to file direct testimony on April 13, 2020. Public Staff filed supplemental direct testimony on April 23, 2020. Duke Energy Progress filed rebuttal testimony on May 4, 2020.

On June 2, 2020, Duke Energy Progress and the Public Staff filed an Agreement and Stipulation of Partial Settlement, which is subject to review and approval of the NCUC, resolving certain issues in the base rate proceeding. Major components of the settlement included:

- 1 Removal of deferred storm costs from the rate case;
 - Filing a petition seeking to securitize the deferred storm costs within 120 days of a commission order in this rate case regarding the reasonableness and prudence of the storm costs;
 - Agreement of certain assumptions to demonstrate the quantifiable benefits to customers of a securitization financing;
 - Agreement that the Asheville CC project is complete and in service and agreement on the amount to be included in rate base; and
- 2 Agreement on certain accounting matters, including recovery of employee incentives, severance, aviation costs and executive compensation.

On May 6, 2020, Duke Energy Progress, Duke Energy Carolinas and the Public Staff filed a joint motion requesting that the NCUC issue an order scheduling one consolidated evidentiary hearing to consider the companies' applications for net rate increases. On June 17, 2020, the NCUC issued an order adopting procedures for the expert witness hearings to take place in three phases: (1) a hearing on issues common to both rate cases conducted remotely; (2) a hearing on Duke Energy Carolinas specific rate case issues, followed immediately by; (3) a hearing on Duke Energy Progress specific rate case issues. On July 27, 2020, Duke Energy Progress filed a joint motion with Duke Energy Carolinas and the Public Staff notifying the Commission that the parties reached a joint partial settlement with the Public Staff.

On July 31, 2020, Duke Energy Progress and the Public Staff filed a Second Agreement and Stipulation of Partial Settlement (Second Partial Settlement), which is subject to review and approval of the NCUC, resolving certain remaining issues in the base rate proceeding. Major components of the Second Partial Settlement included:

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

- 1 A return on equity of 9.6% and a capital structure of 52% equity and 48% debt;
Agreement on amortization over a five-year period for unprotected federal EDIT flowbacks to customers;
Agreement on the inclusion of plant in service and other revenue requirement updates through May 31, 2020, subject to Public Staff review.
Annual revenue requirement associated with the May 31 update is estimated at \$25 million; and
- 2 Settlement to allow the deferral of costs for certain grid projects placed in service between June 1, 2020, and December 31, 2022, of \$0.5 billion.

The remaining items litigated at hearing included recovery of deferred coal ash compliance costs that are subject to asset retirement obligation accounting and implementation of new depreciation rates.

On August 7, 2020, Duke Energy Progress filed a motion for approval of notice required to implement temporary rates, seeking to exercise its statutory right to implement temporary rates subject to refund on or after September 1, 2020. The revenue requirement to be recovered subject to refund through the temporary rates is based on and consistent with the terms of the base rate component of the settlement agreements with the Public Staff and excludes items to be litigated noted above. Duke Energy Progress will not begin the amortization or implementation of these items until a final determination is issued in the rate case and new base rates are implemented. These items will also be excluded when determining whether a refund of amounts collected through these temporary rates is needed. In addition, Duke Energy Progress also seeks authorization to place a temporary decrement EDIT Rider into effect, concurrent with the temporary base rate change. The temporary rate changes are not final rates and remain subject to the NCUC's determination of the just and reasonable rates to be charged by Duke Energy Progress on a permanent basis. The NCUC approved the August 7, 2020 temporary rates motion on August 11, 2020, and temporary rates went into effect on September 1, 2020.

The Duke Energy Progress evidentiary hearing concluded on October 6, 2020, and post-hearing filings were filed with the NCUC from all parties by December 4, 2020. On January 22, 2021, Duke Energy Progress and Duke Energy Carolinas entered into the CCR Settlement Agreement with the Settling Parties, which was filed with the NCUC on January 25, 2021. Duke Energy Progress expects the NCUC to issue an order on its net rate increase by the second quarter of 2021. For information on a proposed settlement pending before the NCUC, see "2021 Coal Ash Settlement." Duke Energy Progress cannot predict the outcome of this matter.

Hurricane Dorian

Hurricane Dorian reached the Carolinas in September 2019 as a Category 2 hurricane making landfall within Duke Energy Progress' service territory. Total estimated incremental operation and maintenance expenses incurred to repair and restore the system are approximately \$168 million with an additional \$4 million in capital investments made for restoration efforts. Approximately \$145 million and \$179 million of the operation and maintenance expenses are deferred in Regulatory assets within Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2020, and December 31, 2019, respectively. A request for an accounting order to defer incremental storm costs associated with Hurricane Dorian was included in Duke Energy Progress' October 30, 2019, general rate case filing with the NCUC. Terms of the June 2, 2020, Agreement and Stipulation of Partial Settlement removed incremental storm costs from the general rate case. A petition seeking to securitize these costs, along with costs from Hurricane Florence, Hurricane Michael and Winter Storm Diego, was filed on October 26, 2020, with the NCUC. For information on the securitization filing, see "2020 North Carolina Storm Securitization Filings." Duke Energy Progress cannot predict the outcome of this matter.

On February 7, 2020, a petition was filed with the PSCSC in the 2019 storm deferrals docket requesting deferral of approximately \$22 million in operation and maintenance expenses to an existing storm deferral balance previously approved by the PSCSC. The PSCSC voted to approve the request on March 4, 2020, and issued a final order on April 7, 2020. On July 1, 2020, Duke Energy Progress filed a supplemental true up reducing the actual costs to \$17 million.

2018 South Carolina Rate Case

On November 8, 2018, Duke Energy Progress filed an application with the PSCSC for a rate increase for retail customers of approximately \$59 million.

After hearings in April 2019, the PSCSC issued an order on May 21, 2019, which included a return on equity of 9.5% and a capital structure of 53% equity and 47% debt. The order also included the following material components:

- 1 Approval of recovery of \$4 million of coal ash costs over a five-year period with a return at Duke Energy Progress' WACC;
Denial of recovery of \$65 million of certain coal ash costs deemed to be related to the Coal Ash Act and incremental to the federal CCR rule;
Approval of a \$17 million decrease to base rates to reflect the change in ongoing tax expense, primarily the reduction in the federal income tax rate from 35% to 21%;

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Approval of a \$12 million decrease through the EDIT Tax Savings Rider resulting from the federal tax rate change and deferred revenues since January 2018 related to the change, to be returned in accordance with ARAM for protected EDIT, over a 20-year period for unprotected EDIT associated with Property, Plant and Equipment, over a five-year period for unprotected EDIT not associated with Property, Plant and Equipment and over a three-year period for the deferred revenues; and

Approval of a \$12 million increase due to the expiration of EDIT related to reductions in the North Carolina state income tax rate from 6.9% to 2.5%.

As a result of the order, revised customer rates were effective June 1, 2019. On May 31, 2019, Duke Energy Progress filed a Petition for Rehearing or Reconsideration of that order contending substantial rights of Duke Energy Progress were prejudiced by unlawful, arbitrary and capricious rulings by the PSCSC on certain issues presented in the proceeding. On June 19, 2019, the PSCSC issued a Directive denying Duke Energy Progress' request to rehear or reconsider the Commission's rulings on certain issues presented in the proceeding including coal ash remediation and disposal costs, return on equity and the recovery of a return on deferred operation and maintenance expenses, but allowing additional litigation-related costs. As a result of the Directive allowing litigation-related costs, customer rates were revised effective July 1, 2019. An order detailing the Commission's decision in the Directive was issued on October 18, 2019. Duke Energy Progress filed a notice of appeal on November 15, 2019, with the Supreme Court of South Carolina. The ORS filed a Notice of Cross Appeal on November 20, 2019. On February 12, 2020, Duke Energy Progress and the ORS filed a joint motion to extend briefing schedule deadlines, which was approved by the Supreme Court of South Carolina on February 20, 2020. On March 10, 2020, the ORS filed a consent motion requesting withdrawal of their appeal, which was granted by the Supreme Court of South Carolina on April 30, 2020. Initial briefs were filed on April 21, 2020. Response briefs were filed on July 6, 2020, and reply briefs were filed on August 11, 2020. Oral arguments have not yet been scheduled by the Supreme Court of South Carolina. Based on legal analysis and the filing of the appeal, Duke Energy Progress has not recorded an adjustment for its deferred coal ash costs in this matter. Duke Energy Progress cannot predict the outcome of this matter.

Western Carolinas Modernization Plan

Duke Energy Progress retired the 376-MW Asheville coal-fired plant on January 29, 2020, at which time the net book value, including associated ash basin closure costs, of \$214 million was transferred from Generation facilities to be retired, net to Regulatory assets within Current Assets and Other Noncurrent Assets on the Consolidated Balance Sheets.

On December 27, 2019, Asheville Combined Cycle Unit 5 Combustion Turbine and Unit 6 Steam Turbine Generator and the common systems that serve combined cycle units went into commercial operation. Duke Energy Progress placed the Unit 7 Combustion Turbine into commercial operation in simple-cycle mode on January 15, 2020. The Unit 8 Steam Turbine Generator went into commercial operation on April 5, 2020. On June 2, 2020, Duke Energy Progress filed a request with the PSCSC for an accounting order for the deferral of post-in-service costs incurred in connection with the addition of the Asheville combined-cycle generating plant. The petition requested the PSCSC issue an accounting order authorizing Duke Energy Progress to defer post-in-service costs including the Asheville combined-cycle's depreciation expense, property taxes, incremental operations and maintenance expenses and carrying costs at WACC of approximately \$8 million annually. On June 17, 2020, the PSCSC voted to approve the petition and issued its final order on July 6, 2020.

On October 8, 2018, Duke Energy Progress filed an application with the NCUC for a CPCN to construct the Hot Springs Microgrid Solar and Battery Storage Facility, which was approved with certain conditions on May 10, 2019. A hearing to update the NCUC on the status of the project was held on March 5, 2020. Construction began in May 2020 with commercial operation expected to begin in October 2021.

On July 27, 2020, Duke Energy Progress filed an application with the NCUC for a CPCN to construct the Woodfin Solar Facility, a 5-MW solar generating facility to be constructed on a closed landfill in Buncombe County. The expert hearing was held on November 18, 2020. Duke Energy Progress cannot predict the outcome of this matter.

FERC Return on Equity Complaints

On October 11, 2019, NCEMPA filed a complaint at the FERC against Duke Energy Progress pursuant to Section 206 of the Federal Power Act (FPA), alleging that the 11% stated return on equity (ROE) component contained in the demand formula rate in the Full Requirements Power Purchase Agreement (FRPPA) between NCEMPA and Duke Energy Progress is unjust and unreasonable. On July 16, 2020, the FERC set this matter for hearing and settlement judge procedures and established a refund effective date of October 11, 2019. In its order setting the matter for settlement, the FERC allowed for the consideration of variations to the base transmission-related ROE methodology developed in its Order No. 569-A, through the introduction of "specific facts and circumstances" involving issues specific to the case. It is Duke Energy Progress' view that, in consideration of the specific facts and circumstances of risks under the provisions of the FRPPA, the stated 11% ROE is just and reasonable. The parties are currently in FERC settlement procedures. Duke Energy Progress cannot predict the outcome of this matter.

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

On October 16, 2020, NCEMC filed a complaint at the FERC against Duke Energy Progress pursuant to Section 206 of the FPA, alleging that the 11% stated ROE component in the demand formula rate in the Power Supply and Coordination Agreement between NCEMC and Duke Energy Progress is unjust and unreasonable. Under FPA Section 206, the earliest refund effective date that the FERC can establish is the date of the filing of the complaint. Duke Energy Progress responded to the complaint on November 20, 2020, demonstrating that the 11% ROE is just and reasonable for the service provided. The parties have filed additional pleadings. The FERC has not issued an order, and there is no deadline for the FERC to act. Duke Energy Progress cannot predict the outcome of this matter.

Duke Energy Florida

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Florida's Consolidated Balance Sheets.

(in millions)	December 31,		Earns/Pays a Return	Recovery/Refund Period Ends
	2020	2019		
Regulatory Assets(a)				
AROs – coal ash(c)	\$ 10	\$ 9		(b)
AROs – nuclear and other(c)	2	159	Yes	(b)
Accrued pension and OPEB(c)	482	474	Yes	(g)
Storm cost deferrals(c)	108	413	(e)	(b)
Nuclear asset securitized balance, net	991	1,042		2036
Retired generation facilities(c)	174	183	Yes	(b)
Hedge costs deferrals	59	44	Yes	2038
AMI(c)	45	53	Yes	2032
DSM/EE(c)	17	25	Yes	2025
Deferred fuel and purchased power	4	39	(f)	2022
Qualifying facility contract buyouts	107	121	Yes	2034
Customer connect project	30	20		2037
Other	35	31	(d)	(b)
Total regulatory assets	2,064	2,613		
Less: current portion	265	419		
Total noncurrent regulatory assets	\$ 1,799	\$ 2,194		
Regulatory Liabilities(a)				
Net regulatory liability related to income taxes(c)	\$ 749	\$ 793		(b)
Costs of removal(c)	—	267	(d)	(b)
Deferred fuel and purchased power(c)	—	1	(f)	
Other	19	26	(d)	(b)
Total regulatory liabilities	768	1,087		

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
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Less: current portion	110	94
Total noncurrent regulatory liabilities	\$ 658	\$ 993

- (a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.
- (b) The expected recovery or refund period varies or has not been determined.
- (c) Included in rate base.
- (d) Certain costs earn/pay a return.
- (e) Earns a debt return/interest once collections begin.
- (f) Earns commercial paper rate.
- (g) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

COVID-19 Filings

In March 2020, Governor Ron DeSantis directed the State Health Officer of Florida to declare a public health emergency in Florida related to the COVID-19 pandemic. The governor also issued an Executive Order on March 9, 2020, in which he declared a state of emergency in Florida and directed the Director of the Division of Emergency Management to implement the state's Comprehensive Emergency Management Plan. On March 19, 2020, Duke Energy Florida filed a request to modify its tariff to allow it to waive late fees for customers, and on April 6, 2020, the FPSC issued an order approving the request. Duke Energy Florida had already voluntarily waived reconnect fees and credit card fees and ceased disconnecting customers for nonpayment. On April 2, 2020, Duke Energy Florida filed a petition with the FPSC to accelerate a \$78 million fuel cost refund to customers in the month of May 2020. Typically, the refund would be made over the course of 2021. The FPSC approved the petition on April 28, 2020. Duke Energy Florida resumed normal billing practices as of August 24, 2020, with the exception of the billing of late payment charges. Customers were notified of the resumption of normal billing practices, the option of deferred payment arrangements and where to find assistance, if necessary. Service disconnections for nonpayment for residential customers resumed on October 5, 2020.

2021 Settlement Agreement

On January 14, 2021, Duke Energy Florida filed a Settlement Agreement (the "Settlement") with the FPSC. The parties to the Settlement include Duke Energy Florida, the Office of Public Counsel (OPC), the Florida Industrial Power Users Group, White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate and NUCOR Steel Florida, Inc. (collectively, the "Parties").

Pursuant to the Settlement, the Parties agreed to a base rate stay-out provision that expires year-end 2024; however, Duke Energy Florida is allowed an increase to its base rates of an incremental \$67 million in 2022, \$49 million in 2023 and \$79 million in 2024, subject to adjustment in the event of tax reform during the years 2021, 2022 and 2023. The Parties also agreed to a return on equity ("ROE") band of 8.85% to 10.85% with a midpoint of 9.85% based on a capital structure of 53% equity and 47% debt. The ROE band can be increased by 25 basis points if the average 30-year U.S. Treasury rate increases 50 basis points or more over a six-month period in which case the midpoint ROE would rise from 9.85% to 10.10%. Duke Energy Florida will also be able to retain the DOE award of \$173 million for spent nuclear fuel, which is expected to be received in 2022, in order to mitigate customer rates over the term of the Settlement. In return, Duke Energy Florida will be able to recognize the \$173 million into earnings from 2022 through 2024.

In addition to these terms, the Settlement contains provisions related to the accelerated depreciation of Crystal River Units 4-5, the approval of approximately \$1 billion in future investments in new cost effective solar power, the implementation of a new Electric Vehicle Charging Station Program and the deferral and recovery of costs in connection with the implementation of Duke Energy Florida's Vision Florida program, which explores various emerging non-carbon emitting generation technology, distributed technologies and resiliency projects, among other things. The Settlement also resolves remaining unrecovered storm costs for hurricanes Dorian and Michael.

The Settlement is subject to the review and approval of the FPSC, which may occur in the second quarter of 2021. If the FPSC approves the Settlement, the new rates will be effective January 1, 2022, with subsequent base rate increases effective January 1, 2023, and January 1, 2024. Duke Energy Florida cannot predict the outcome of this matter.

Storm Restoration Cost Recovery

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy Florida filed a petition with the FPSC on April 30, 2019, to recover \$223 million of estimated retail incremental storm restoration costs for Hurricane Michael, consistent with the provisions in the 2017 Settlement, and the FPSC approved the petition on June 11, 2019. The FPSC also approved allowing Duke Energy Florida to use the tax savings resulting from the Tax Act to recover these storm costs in lieu of implementing a storm surcharge. Approved storm costs are currently expected to be fully recovered by approximately year-end 2021. On November 22, 2019, Duke Energy Florida filed a petition for approval of actual retail recoverable storm restoration costs related to Hurricane Michael in the amount of \$191 million plus interest. On May 19, 2020, Duke Energy Florida filed a supplemental true up reducing the actual retail recoverable storm restoration costs related to Hurricane Michael by approximately \$3 million, resulting in a total request to recover \$188 million actual retail recoverable storm restoration costs, plus interest. On November 12, 2020, Duke Energy Florida and OPC requested a 90 day abatement to engage in discussions to narrow the issues being litigated. The Prehearing Officer approved this request on November 16, 2020, and ordered Duke Energy Florida and OPC to update the commission on their discussions by February 12, 2021. Approximately \$80 million and \$204 million of these costs are included in Regulatory assets within Current Assets and Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2020, and December 31, 2019, respectively.

Duke Energy Florida filed a petition with the FPSC on December 19, 2019, to recover \$169 million of estimated retail incremental storm restoration costs for Hurricane Dorian, consistent with the provisions in the 2017 Settlement and the FPSC approved the petition on February 24, 2020. Approximately \$167 million of these costs are included in Regulatory assets within Current Assets and Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2019, representing recoverable costs under the FPSC's storm rule and Duke Energy Florida's OATT formula rates. The amount at December 31, 2020 was immaterial. The final actual amount of \$145 million was filed on September 30, 2020. Pursuant to the 2021 Settlement Agreement filed for FPSC approval on January 14, 2021, all matters regarding storm cost recovery relating to hurricanes Michael and Dorian have been resolved.

Clean Energy Connection

On July 1, 2020, Duke Energy Florida petitioned the FPSC for approval of a voluntary solar program. The program consists of 10 new solar generating facilities with combined capacity of approximately 750 MW. The program allows participants to support cost-effective solar development in Florida by paying a subscription fee based on per kilowatt-subscriptions and receiving a credit on their bill based on the actual generation associated with their portion of the solar portfolio. The estimated cost of the 10 new solar generation facilities is approximately \$1 billion over the next four years, and this investment will be included in base rates offset by the revenue from the subscription fees. The credits will be included for recovery in the fuel cost recovery clause. A remote hearing was held on November 17, 2020, and post-hearing briefs were filed with the FPSC from all parties by December 9, 2020. The FPSC voted to approve the program on January 5, 2021, and issued its written order on January 26, 2021.

Crystal River Unit 3 Accelerated Decommissioning Filing

On May 29, 2019, Duke Energy Florida entered into a Decommissioning Services Agreement for the accelerated decommissioning of Crystal River Unit 3 located in Citrus County, Florida, with ADP CR3, LLC and ADP SF1, LLC, each of which is a wholly owned subsidiary of Accelerated Decommissioning Partners, LLC (ADP), a joint venture between NorthStar Group Services, Inc. and Orano USA LLC. The agreement will allow for completion of the decommissioning of Crystal River Unit 3 by 2027, rather than 2074 as originally planned. Duke Energy Florida will also sell and assign the spent nuclear fuel, storage canisters, high-level waste and existing dry spent fuel storage installation and certain related assets, together with certain associated liabilities and obligations to ADP SF1, LLC. Duke Energy Florida expects that the assets of the Nuclear Decommissioning Trust Fund as of December 31, 2020, will be sufficient to cover the contract price. The U.S. Nuclear Regulatory Commission approved the transaction on April 1, 2020, and the FPSC issued an order approving the transaction on August 27, 2020. The transaction closed on October 1, 2020.

Citrus County CC

Construction of the 1,640-MW combined-cycle natural gas plant in Citrus County, Florida, began in October 2015 with an estimated cost of \$1.5 billion, including AFUDC. Both units came online in the fourth quarter of 2018. The ultimate cost of the facility was estimated to be \$1.6 billion, and Duke Energy Florida recorded Impairment charges on Duke Energy's Consolidated Statements of Operations of \$60 million in the fourth quarter of 2018 for the overrun. In the year ended December 31, 2019, Duke Energy Florida recorded a \$36 million reduction to the prior year impairment due to a decrease in the cost estimate of the Citrus County CC, primarily related to the settlement agreement with Fluor, the EPC contractor. This adjustment reduced the estimated cost of the facility to \$1.5 billion.

Duke Energy Ohio

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Ohio's Consolidated Balance Sheets.

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	December 31,		Earns/Pays a Return	Recovery/Refund Period Ends
	2020	2019		
Regulatory Assets(a)				
AROs – coal ash	\$ 22	\$ 16	Yes	(b)
Accrued pension and OPEB	149	155		(g)
Storm cost deferrals	4	7		2023
PISCC and deferred operating expenses(c)	16	17	Yes	2083
Hedge costs deferrals	7	6		(b)
AMI	36	40		(b)
DSM/EE	1	2	(f)	(e)
Vacation accrual	6	5		2021
Deferred fuel and purchased power	—	1		2021
CEP deferral	117	76	Yes	(b)
MGP	104	102		(b)
Deferred pipeline integrity costs	21	17	Yes	(b)
Other	166	154		(b)
Total regulatory assets	649	598		
Less: current portion	39	49		
Total noncurrent regulatory assets	\$ 610	\$ 549		
Regulatory Liabilities(a)				
Net regulatory liability related to income taxes	\$ 628	\$ 654		(b)
Costs of removal	68	86		(d)
Provision for rate refunds	45	31		(b)
Accrued pension and OPEB	17	16		(g)
Other	55	40		(b)
Total regulatory liabilities	813	827		
Less: current portion	65	64		
Total noncurrent regulatory liabilities	\$ 748	\$ 763		

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.

(b) The expected recovery or refund period varies or has not been determined.

(c) Included in rate base.

(d) Recovery over the life of the associated assets.

(e) Recovered via a rider mechanism.

(f) Includes incentives on DSM/EE investments.

(g) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy Ohio COVID-19 Filings

In response to the COVID-19 pandemic, on March 9, 2020, Governor Mike DeWine declared a state of emergency in the state of Ohio. The PUCO issued an order directing utilities to cease disconnections for nonpayment and waive late payment and reconnection fees and to minimize direct customer contact. The PUCO also directed utilities to maintain flexible payment plans and tariff interpretations to assist customers during this crisis and to seek any regulatory waivers, if necessary. In response, Duke Energy Ohio ceased all disconnections except for safety-related concerns and waived late payment and reconnection fees. On March 19, 2020, Duke Energy Ohio filed its compliance plan with the PUCO and sought waiver of several regulations to minimize direct customer contact. On May 4, 2020, Duke Energy Ohio filed a motion to suspend payment rules to enable proactive outreach to residential customers offering additional options for managing their utility bills. PUCO found the proposal to address the state of emergency and the accompanying waivers reasonable and directed Duke Energy Ohio to work with the PUCO Staff on a comprehensive plan for resumption of activities and operations, to be filed 45 days before resumption of activities. The transition plan to resume normal operations to pre-COVID-19 levels was filed on June 26, 2020, and approved by the PUCO on July 29, 2020. Pursuant to the transition plan, suspended work and activities resumed beginning August 10, 2020, and disconnections resumed on September 8, 2020, for nonresidential customers and October 5, 2020, for residential customers.

On April 16, 2020, Duke Energy Ohio filed an application for a Reasonable Arrangement to temporarily lower the minimum bill for demand-metered commercial and industrial customers. On June 17, 2020, the PUCO denied Duke Energy Ohio's application for a reasonable arrangement and ordered Duke Energy Ohio to work with the PUCO Staff on payment arrangements for impacted nonresidential customers.

On May 11, 2020, Duke Energy Ohio filed with the PUCO a request seeking deferral of incremental costs incurred, as well as specific miscellaneous lost revenues using existing uncollectible riders already in place for both electric and natural gas operations. Duke Energy Ohio would subsequently file for rider recovery at a later date. On June 17, 2020, the PUCO approved Duke Energy Ohio's deferral application. The Commission denied the accrual of carrying costs and ordered Duke Energy Ohio to also track potential savings experienced as a result of COVID-19.

Duke Energy Kentucky COVID-19

In response to the COVID-19 pandemic, on March 6, 2020, Governor Andy Beshear declared a state of emergency in the commonwealth of Kentucky. The KPSC issued an order directing utilities to cease disconnections for nonpayment and waive late payment fees. The KPSC also directed utilities to maintain flexible payment plans and tariff interpretations to assist customers during this crisis and to seek any regulatory waivers, if necessary. In response, Duke Energy Kentucky ceased all disconnections except for safety-related concerns and waived late payment and reconnection fees. On September 21, 2020, the KPSC issued an order ending the disconnection moratorium for residential and nonresidential customers effective no earlier than October 20, 2020. Utilities are required to offer residential customers a default payment plan for any arrearages accumulated through the October 2020 billing cycle. Assessment of late payment charges for nonresidential customers resumed beginning October 20, 2020, and resumed for residential customers after December 31, 2020. Duke Energy Kentucky is following the order, as clarified on September 30, 2020, by the KPSC.

2017 Electric Security Plan Filing

On June 1, 2017, Duke Energy Ohio filed with the PUCO a request for a standard service offer in the form of an ESP. On April 13, 2018, Duke Energy Ohio, along with certain intervenors, filed a Stipulation and Recommendation (Stipulation) with the PUCO resolving that the term of the ESP would be from June 1, 2018, to May 31, 2025, and included continuation of market-based customer rates through competitive procurement processes for generation, continuation and expansion of existing rider mechanisms and approved new rider mechanisms relating to costs incurred to enhance the customer experience and transform the grid and a service reliability rider for vegetation management. On September 13, 2019, and September 16, 2019, Interstate Gas Supply/Retail Supply Association and the Ohio Consumers' Counsel (OCC), respectively, filed appeals to the Supreme Court of Ohio claiming the PUCO's order was in error. On March 13, 2020, the Supreme Court of Ohio dismissed OCC's appeal. On April 22, 2020, the Supreme Court of Ohio dismissed all remaining appeals of the PUCO's December 19, 2018 order approving the Stipulation. The case has been resolved.

Electric Base Rate Case

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy Ohio filed with the PUCO an electric distribution base rate case application and supporting testimony in March 2017. Duke Energy Ohio requested an estimated annual increase of approximately \$15 million and a return on equity of 10.4%. On April 13, 2018, Duke Energy Ohio, along with certain intervenors, filed the Stipulation with the PUCO including a \$19 million decrease in annual base distribution revenue with a return on equity unchanged from the current rate of 9.84% based upon a capital structure of 50.75% equity and 49.25% debt. Upon approval of new rates, Duke Energy Ohio's rider for recovering its initial SmartGrid implementation ended as these costs would be recovered through base rates. The Stipulation also renewed 14 existing riders, some of which were included in Duke Energy Ohio's ESP, and added two new riders including the Enhanced Service Reliability Rider to recover vegetation management costs not included in base rates, up to \$10 million per year (operation and maintenance only) and the Power Future Initiatives Rider (formerly PowerForward Rider) to recover costs incurred to enhance the customer experience and further transform the grid (operation and maintenance and capital). In addition to the changes in revenue attributable to the Stipulation, Duke Energy Ohio's capital-related riders, including the Distribution Capital Investments Rider, began to reflect the lower federal income tax rate associated with the Tax Act with updates to customers' bills beginning April 1, 2018. This change reduced electric revenue by approximately \$20 million on an annualized basis. On December 19, 2018, the PUCO approved the Stipulation without material modification. New base rates were implemented effective January 2, 2019. On September 13, 2019, and September 16, 2019, Interstate Gas Supply/Retail Supply Association and the OCC, respectively, filed appeals to the Supreme Court of Ohio claiming the PUCO's order was in error. On March 13, 2020, the Supreme Court of Ohio dismissed the OCC's appeal. On April 22, 2020, the Supreme Court of Ohio dismissed all remaining appeals of the PUCO's December 19, 2018 order approving the Stipulation. The case has been resolved.

Ohio Valley Electric Corporation

On March 31, 2017, Duke Energy Ohio filed for approval to adjust its existing Rider PSR to pass through net costs related to its contractual entitlement to capacity and energy from the generating assets owned by OVEC. Duke Energy Ohio sought deferral authority for net costs incurred from April 1, 2017, until the new rates under Rider PSR were put into effect. On April 13, 2018, Duke Energy Ohio, along with certain intervenors, filed a Stipulation with the PUCO resolving numerous issues including those related to Rider PSR. The Stipulation activated Rider PSR for recovery of net costs incurred from January 1, 2018, through May 2025. On December 19, 2018, the PUCO approved the Stipulation without material modification. The PSR rider became effective April 1, 2019. On September 13, 2019, and September 16, 2019, Interstate Gas Supply/Retail Supply Association and the OCC filed appeals to the Supreme Court of Ohio claiming the PUCO's order was in error. On March 13, 2020, the Supreme Court of Ohio dismissed OCC's appeal. On April 22, 2020, the Supreme Court of Ohio dismissed all remaining appeals of the PUCO's December 19, 2018 order approving the Stipulation. The case has been resolved.

On July 23, 2019, House Bill 6 (HB 6) was signed into law that became effective January 1, 2020. Among other things, the bill allows for funding through a rider mechanism referred to as the Clean Air Fund (Rider CAF), of two nuclear generating facilities located in Northern Ohio owned by Energy Harbor (f/k/a FirstEnergy Solutions), repeal of energy efficiency mandates and recovery of prudently incurred costs, net of any revenues, for Ohio investor-owned utilities that are participants under the OVEC power agreement. The recovery is through a non-bypassable rider that replaced any existing recovery mechanism approved by the PUCO and will remain in place through 2030. As such, Duke Energy Ohio created the Legacy Generation Rider (Rider LGR) that replaced Rider PSR effective January 1, 2020. The amounts recoverable from customers are subject to an annual cap, with incremental costs that exceed such cap eligible for deferral and recovery subject to review. See Note 17 for additional discussion of Duke Energy Ohio's ownership interest in OVEC. In July 2020, legislation to repeal HB 6 was proposed in both the Ohio House and Senate, with subsequent hearings to receive witness testimony. On December 21, 2020, the Franklin County Circuit Court issued an injunction against the PUCO's Order that approved the nuclear plant funding through Rider CAF set to become effective on January 1, 2021. On December 28, 2020, in a separate proceeding, the Ohio Supreme Court, ordered a temporary stay on the implementation of Rider CAF. Duke Energy Ohio is not impacted by any changes in Rider CAF. The General Assembly's session ended without addressing HB 6. Duke Energy Ohio cannot predict the outcome of this matter.

Tax Act – Ohio

On December 21, 2018, Duke Energy Ohio filed an application to change its base rate tariffs and establish a new rider to implement the benefits of the Tax Act for natural gas customers. Duke Energy Ohio requested commission approval to implement the changes and rider effective April 1, 2019. The new rider will flow through to customers the benefit of the lower statutory federal tax rate from 35% to 21% since January 1, 2018, all future benefits of the lower tax rates and a full refund of deferred income taxes collected at the higher tax rates in prior years. Deferred income taxes subject to normalization rules will be refunded consistent with federal law and deferred income taxes not subject to normalization rules will be refunded over a 10-year period. The PUCO established a procedural schedule and testimony was filed on July 31, 2019. An evidentiary hearing occurred on August 7, 2019. Initial briefs were filed on September 11, 2019. Reply briefs were filed on September 25, 2019. Duke Energy Ohio cannot predict the outcome of this matter.

Energy Efficiency Cost Recovery

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

On February 26, 2020, the PUCO issued an order directing utilities to wind down their demand-side management programs by September 30, 2020, and to terminate the programs by December 31, 2020, in response to changes in Ohio law that eliminated Ohio's energy efficiency mandates. On March 27, 2020, Duke Energy Ohio filed an Application for Rehearing seeking clarification on the final true up and reconciliation process after 2020. On April 22, 2020, the PUCO granted rehearing for further consideration. The PUCO issued two orders on November 18, 2020, on the application for rehearing. The first order was a Third Entry on Rehearing on the Duke Energy Ohio portfolio holding the cost cap previously imposed was unlawful, a shared savings cap of \$8 million pretax should be imposed and lost distribution revenues could not be recovered after December 31, 2020. The second order directs all utilities set the rider to zero effective January 1, 2021, and to file a separate application for final reconciliation of all energy efficiency costs prior to December 31, 2020. On December 18, 2020, Duke Energy Ohio filed an application for rehearing. On January 13, 2021, the application for rehearing was granted for further consideration. Duke Energy Ohio cannot predict the outcome of this matter.

On October 9, 2020, Duke Energy Ohio filed an application to implement a voluntary efficiency program portfolio to commence on January 1, 2021. The application proposes a mechanism for recovery of program costs and a benefit associated with avoided transmission and distribution costs. The application remains under review. As of January 1, 2021, Duke Energy Ohio suspended its energy efficiency programs due to changes in Ohio law. Duke Energy Ohio cannot predict the outcome of this matter.

Natural Gas Pipeline Extension

Duke Energy Ohio is proposing to install a new natural gas pipeline (the Central Corridor Project) in its Ohio service territory to increase system reliability and enable the retirement of older infrastructure. Duke Energy Ohio currently estimates the pipeline development costs and construction activities will range from \$163 million to \$245 million in direct costs (excluding overheads and AFUDC) and that construction of the pipeline extension is expected to be completed before the 2021/2022 winter season. An evidentiary hearing for a Certificate of Environmental Compatibility and Public Need concluded on April 11, 2019. On November 21, 2019, the Ohio Power Siting Board (OPSB) approved Duke Energy Ohio's application subject to 41 conditions on construction. Applications for rehearing were filed by several stakeholders on December 23, 2019, arguing that the OPSB approval was incorrect. On February 20, 2020, the OPSB denied the rehearing requests. On April 15, 2020, Joint Appellants filed a notice of appeal at the Supreme Court of Ohio of the OPSB's decision approving Duke Energy Ohio's Central Corridor application. On June 4, 2020, the OPSB filed a motion to dismiss claims raised by one of the Joint Appellants and on August 5, 2020, the Supreme Court of Ohio dismissed one of the Joint Appellants from the appeal. Joint Appellants filed their merit briefs on August 26, 2020. Appellee briefs were filed October 15, 2020. Appellants' briefs were filed on November 24, 2020. On September 22, 2020, Duke Energy Ohio filed an application with the OPSB for approval to amend the certificated pipeline route due to changes in the route negotiated with property owners and municipalities. The staff report was filed on December 21, 2020, recommending approval subject to three conditions that reaffirm previous conditions, and provide guidance regarding local permitting and construction supervision. On December 23, 2020, Duke Energy Ohio filed a letter indicating its acceptance of these conditions if required by the OPSB. On January 21, 2021, the OPSB approved the amended filing with the recommended conditions. On January 27, 2021, the Ohio Supreme Court set oral argument for March 31, 2021. Duke Energy Ohio cannot predict the outcome of this matter.

MGP Cost Recovery

As part of its 2012 natural gas base rate case, Duke Energy Ohio has approval to defer and recover costs related to environmental remediation at two sites (East End and West End) that housed former MGP operations. Duke Energy Ohio has collected approximately \$55 million in environmental remediation costs incurred between 2009 through 2012 through Rider MGP, which is currently suspended. Duke Energy Ohio has made annual applications with the PUCO to recover its incremental remediation costs consistent with the PUCO's directive in Duke Energy Ohio's 2012 natural gas base rate case. To date, the PUCO has not ruled on Duke Energy Ohio's annual applications for the calendar years 2013 through 2019. On September 28, 2018, the staff of the PUCO issued a report recommending a disallowance of approximately \$12 million of the \$26 million in MGP remediation costs incurred between 2013 through 2017 that staff believes are not eligible for recovery. Staff interprets the PUCO's 2012 Order granting Duke Energy Ohio recovery of MGP remediation as limiting the recovery to work directly on the East End and West End sites. On October 30, 2018, Duke Energy Ohio filed reply comments objecting to the staff's recommendations and explaining, among other things, the obligation Duke Energy Ohio has under Ohio law to remediate all areas impacted by the former MGPs and not just physical property that housed the former plants and equipment. On March 29, 2019, Duke Energy Ohio filed its annual application to recover incremental remediation expense for the calendar year 2018 seeking recovery of approximately \$20 million in remediation costs. On July 12, 2019, the staff recommended a disallowance of approximately \$11 million for work that staff believes occurred in areas not authorized for recovery. Additionally, staff recommended that any discussion pertaining to Duke Energy Ohio's recovery of ongoing MGP costs should be directly tied to or netted against insurance proceeds collected by Duke Energy Ohio. An evidentiary hearing concluded on November 21, 2019. Initial briefs were filed on January 17, 2020, and reply briefs were filed on February 14, 2020. Duke Energy Ohio cannot predict the outcome of this matter.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

On March 31, 2020, Duke Energy Ohio filed its annual application to recover incremental remediation expense for the calendar year 2019 seeking recovery of approximately \$39 million in remediation costs incurred during 2019. On July 23, 2020, the staff recommended a disallowance of approximately \$4 million for work the staff believes occurred in areas not authorized for recovery. Additionally, the staff recommended insurance proceeds, net of litigation costs and attorney fees, should be reimbursed to customers and not be held by Duke Energy Ohio until all investigation and remediation is complete. Duke Energy Ohio filed comments in response to the staff report on August 21, 2020, and intervenor comments were filed on November 9, 2020. Duke Energy Ohio cannot predict the outcome of this matter.

The 2012 PUCO order also contained conditional deadlines for completing the MGP environmental remediation and the deferral of remediation costs at the MGP sites. Subsequent to the order, the deadline was extended to December 31, 2019. On May 10, 2019, Duke Energy Ohio filed an application requesting a continuation of its existing deferral authority for MGP remediation that must occur after December 31, 2019. On July 12, 2019, staff recommended the Commission deny the deferral authority request. On September 13, 2019, intervenor comments were filed opposing Duke Energy Ohio's request for continuation of existing deferral authority and on October 2, 2019, Duke Energy Ohio filed reply comments. Duke Energy Ohio cannot predict the outcome of this matter.

Duke Energy Kentucky Electric Base Rate Case

On September 3, 2019, Duke Energy Kentucky filed a rate case with the KPSC requesting an increase in electric base rates of approximately \$46 million. On January 31, 2020, Duke Energy Kentucky filed rebuttal testimony updating its rate increase request to approximately \$44 million. Hearings concluded on February 20, 2020, and briefing was completed March 20, 2020. On April 27, 2020, the KPSC issued its decision approving a \$24 million increase for Duke Energy Kentucky with a 9.25% return on equity. The KPSC denied Duke Energy Kentucky's major storm deferral mechanism and EV and battery storage pilots. The KPSC approved Duke Energy Kentucky's Green Source Advantage tariff. New customer rates were effective on May 1, 2020. On May 18, 2020, Duke Energy Kentucky filed its motion for rehearing and on June 4, 2020, the motion was granted in part and denied in part by the KPSC. On October 16, 2020, the KPSC issued an Order on Rehearing authorizing an additional \$4 million increase in revenue requirement bringing the total authorized revenue requirement increase to \$28 million. Revised customer rates took effect in November 2020. The case has been resolved.

Regional Transmission Organization Realignment

Duke Energy Ohio, including Duke Energy Kentucky, transferred control of its transmission assets from MISO to PJM, effective December 31, 2011. The PUCO approved a settlement related to Duke Energy Ohio's recovery of certain costs of the RTO realignment via a non-bypassable rider. Duke Energy Ohio is allowed to recover all MISO Transmission Expansion Planning (MTEP) costs directly or indirectly charged to Ohio customers. The KPSC also approved a request to effect the RTO realignment, subject to a commitment not to seek double recovery in a future rate case of the transmission expansion fees that may be charged by MISO and PJM in the same period or overlapping periods.

The following table provides a reconciliation of the beginning and ending balance of Duke Energy Ohio's recorded liability for its exit obligation and share of MTEP costs recorded in Other within Current Liabilities and Other Noncurrent Liabilities on the Consolidated Balance Sheets. The retail portions of MTEP costs billed by MISO are recovered by Duke Energy Ohio through a non-bypassable rider. As of December 31, 2020, and 2019, \$37 million and \$40 million, respectively, are recorded in Regulatory assets on Duke Energy Ohio's Consolidated Balance Sheets.

(in millions)	Provisions/		Cash	
	December 31, 2019	Adjustments	Reductions	December 31, 2020
Duke Energy Ohio	\$ 54	\$ (1)	\$ (3)	\$ 50

Duke Energy Indiana

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Indiana's Consolidated Balance Sheets.

(in millions)	December 31,		Earns/Pays a Return	Recovery/Refund Period Ends
	2020	2019		
Regulatory Assets(a)				

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

AROs – coal ash	\$ 615	\$ 529	Yes	(b)
Accrued pension and OPEB	245	243		(e)
Retired generation facilities ^(c)	43	49	Yes	2030
PISCC and deferred operating expenses ^(c)	303	246	Yes	(b)
Hedge costs deferrals	22	23		(b)
AMI	19	18		2031
Vacation accrual	12	12		2021
Deferred fuel and purchased power	9	—		2021
Other	60	52		(b)
Total regulatory assets	1,328	1,172		
Less: current portion	125	90		
Total noncurrent regulatory assets	\$ 1,203	\$ 1,082		
Regulatory Liabilities^(a)				
Net regulatory liability related to income taxes	\$ 956	\$ 1,008		(b)
Costs of removal	599	599		(d)
Accrued pension and OPEB	100	90		(e)
Amounts to be refunded to customers	17	—		(b)
Other	66	43		(b)
Total regulatory liabilities	1,738	1,740		
Less: current portion	111	55		
Total noncurrent regulatory liabilities	\$ 1,627	\$ 1,685		

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.

(b) The expected recovery or refund period varies or has not been determined.

(c) Included in rate base.

(d) Refunded over the life of the associated assets.

(e) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

COVID-19 Filing

In response to the COVID-19 pandemic, on March 6, 2020, Governor Eric Holcomb declared a public health disaster emergency in the state of Indiana, which is currently still in effect. At that time, Duke Energy Indiana had already voluntarily suspended all disconnections and waived late payment fees and check return fees. The utility also waived credit card fees for residential customers. The Executive Order requiring utilities in the state to suspend disconnection of utility service expired July 1, 2020.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

On May 8, 2020, Duke Energy Indiana, along with other Indiana utilities, filed a request with the IURC for approval of deferral treatment for costs and revenue reductions associated with the COVID-19 pandemic. The utilities requested initial deferral approval in July 2020, with individual subdockets for each utility to be established for consideration of utility-specific cost and revenue impacts, cost recovery timing and customer payment plans. On June 29, 2020, the IURC issued an order in Phase 1 wherein it extended the disconnection moratorium for jurisdictional utilities until August 14, 2020, along with requiring six-month payment arrangements, waiver of late fees, reconnection fees, convenience fees and deposits. The IURC permitted jurisdictional utilities to use regulatory accounting for any impacts associated with the prohibition on utility disconnections, waiver or exclusion of certain utility fees (i.e., late fees, convenience fees, deposits, and reconnection fees), the use of expanded payment arrangements to aid customers, and for COVID-19 related uncollectible and incremental bad debt expense. The IURC did not permit recovery of lost revenues due to load reduction or carrying costs. In Phase 2 filings, individual utilities may choose to request regulatory accounting for other COVID-19 related operation and maintenance costs wherein evidence of the impact of any costs or offsetting savings can be presented and considered in an evidentiary hearing. On August 12, 2020, the IURC issued a supplemental order extending the requirement for six-month payment arrangements and waiver of certain customer fees for another 60 days but did not extend the disconnect moratorium. As such, Duke Energy Indiana resumed service disconnections for nonpayment in mid-September 2020. Normal billing practices resumed in mid-October 2020, except that Duke Energy Indiana has committed to provide extended payment arrangements into 2021 and to waive credit card and pay station fees for residential customers through the end of 2020. Customers were notified of the resumption of normal billing practices, the option of deferred payment arrangements and where to find assistance, if necessary. Duke Energy Indiana cannot predict the outcome of this matter.

2019 Indiana Rate Case

On July 2, 2019, Duke Energy Indiana filed a general rate case with the IURC for a rate increase for retail customers of approximately \$395 million. The rebuttal case, filed on December 4, 2019, updated the requested revenue requirement to result in a 15.6% or \$396 million average retail rate increase, including the impacts of the Utility Receipts Tax. Hearings concluded on February 7, 2020. On June 29, 2020, the IURC issued the order in the rate case approving a revenue increase of \$146 million before certain adjustments and ratemaking refinements. The order provided for an overall cost of capital of 5.7% based on a 9.7% return on equity and a 53% equity component of the capital structure, and approved Duke Energy Indiana's requested forecasted rate base of \$10.2 billion as of December 31, 2020, including the Edwardsport Integrated Gasification Combined Cycle (IGCC) Plant. The IURC reduced Duke Energy Indiana's request by slightly more than \$200 million, when accounting for the utility receipts tax and other adjustments. Approximately 50% of the reduction is due to a prospective change in depreciation and use of regulatory asset for the end-of-life inventory at retired generating plants, approximately 20% is due to the approved 9.7% return on equity versus requested 10.4% and approximately 20% is related to miscellaneous earnings neutral adjustments. Step one rates are estimated to be approximately 75% of the total and became effective on July 30, 2020. Step two rates are estimated to be the remaining 25% of the total rate increase and will be implemented in mid-2021. Several groups filed notices of appeal of the IURC order on July 29, 2020. Appellate briefs were filed on October 14, 2020, focusing on three issues: wholesale sales allocations, coal ash basin cost recovery and the Edwardsport IGCC operating and maintenance expense level approved. The appeal was fully briefed in January 2021, and a decision is expected in the first or second quarter of 2021. Duke Energy Indiana cannot predict the outcome of this matter.

2020 Indiana Coal Ash Recovery Case

In Duke Energy Indiana's rate case, the IURC approved coal ash basin closure costs expended through 2018 including financing costs as a regulatory asset and included in rate base. The IURC opened a subdocket to deal with the post-2018 coal ash related expenditures. Duke Energy Indiana filed testimony on April 15, 2020, in the coal ash subdocket requesting recovery for the post-2018 coal ash basin closure costs for plans that have been approved by the Indiana Department of Environmental Management as well as continuing deferral, with carrying costs, on the balance. An evidentiary hearing was held on September 14, 2020, and the parties have agreed on a delayed briefing schedule that allows for the Indiana Rate Case appeal to proceed. Briefing will be completed by mid-May 2021. Duke Energy Indiana cannot predict the outcome of this matter.

Piedmont

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Piedmont's Consolidated Balance Sheets.

(in millions)	December 31,		Earns/Pays a Return	Recovery/Refund Period Ends
	2020	2019		
Regulatory Assets(a)				
AROs – nuclear and other	\$ 20	\$ 16		(d)

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Accrued pension and OPEB(c)	88	90	(f)
Vacation accrual	12	12	2021
Derivatives – natural gas supply contracts(e)	122	117	
Amounts due from customers	110	36	Yes (b)
Deferred pipeline integrity costs(c)	71	62	2023
Other	32	30	(b)
Total regulatory assets	455	363	
Less: current portion	153	73	
Total noncurrent regulatory assets	\$ 302	\$ 290	
Regulatory Liabilities(a)			
Net regulatory liability related to income taxes	\$ 499	\$ 555	(b)
Costs of removal	575	574	(d)
Provision for rate refunds	6	41	Yes
Accrued pension and OPEB(c)	3	3	(f)
Amounts to be refunded to customers	34	34	Yes (b)
Other	15	5	(b)
Total regulatory liabilities	1,132	1,212	
Less: current portion	88	81	
Total noncurrent regulatory liabilities	\$ 1,044	\$ 1,131	

- (a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.
- (b) The expected recovery or refund period varies or has not been determined.
- (c) Included in rate base.
- (d) Recovery over the life of the associated assets.
- (e) Balance will fluctuate with changes in the market. Current contracts extend into 2031.
- (f) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

COVID-19 Filings

North Carolina

On March 10, 2020, Governor Roy Cooper declared a state of emergency due to the COVID-19 pandemic. On March 19, 2020, the NCUC issued an order directing that utilities under its jurisdiction suspend disconnections for nonpayment of utility bills during the state of emergency and allow for customers to enter into payment arrangements to pay off arrearages accumulated during the state of emergency after the end of the state of emergency. Additionally, to help mitigate the financial impacts of the COVID-19 pandemic on their customers, on March 19, 2020, Piedmont filed a request with the NCUC seeking authorization to waive: (1) any late payment charges incurred by a residential or nonresidential customer, effective March 21, 2020; (2) the application of fees for checks returned for insufficient funds for residential and nonresidential customers; (3) the reconnection charge when a residential or nonresidential customer seeks to have service restored for those customers whose service was recently disconnected for nonpayment and to work with customers regarding the other requirements to restore service, including re-establishment of credit; and (4) the fees and charges associated with the use of credit cards or debit cards to pay residential electric utility bills, effective March 21, 2020. The NCUC granted Piedmont's request on March 20, 2020.

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

On July 29, 2020, the NCUC issued its Order Lifting Disconnection Moratorium and Allowing Collection of Arrearages Pursuant to Special Repayment Plans. The order contained the following: (1) public utilities may resume customer disconnections due to nonpayment for bills first rendered on or after September 1, 2020, after appropriate notice; (2) the late fee moratorium will continue through the end of the state of emergency or until further order of the commission; (3) Duke Energy utilities may reinstate fees for checks returned for insufficient funds as well as transaction fees for use of credit cards or debit cards for bills first rendered on or after September 1, 2020; and (4) no sooner than September 1, 2020, the collection of past-due or delinquent accounts accrued up to and including August 31, 2020, may proceed subject to conditions.

Normal billing practices resumed as of October 1, 2020, with the exception of billing of late payment charges. Service disconnections for nonpayment resumed on November 4, 2020. Customers were notified of the resumption of normal billing practices, the option of payment arrangements and where to find assistance, if necessary. The NCUC's moratorium for the billing of late payment charges is still in effect until further order from the NCUC. Piedmont cannot predict the outcome of this matter.

South Carolina

On March 13, 2020, Governor Henry McMaster declared a state of emergency due to the COVID-19 pandemic. The governor also issued a letter on March 14, 2020, to the ORS Executive Director regarding the suspension of disconnection of essential utility services for nonpayment. On March 18, 2020, the PSCSC issued an order approving such waivers, and also approved waivers for regulations related to late fees and reconnect fees. The PSCSC's order also required utilities to track the financial impacts of actions taken pursuant to such waivers for possible reporting to the PSCSC.

On May 13, 2020, the ORS filed a letter with the PSCSC that included a request from Governor McMaster that utilities proceed with developing and implementing plans for phasing in normal business operations. On May 14, 2020, the PSCSC conditionally vacated the regulation waivers regarding termination of service and suspension of disconnect fees. Prior to termination, utilities are to refer past-due customers to local organizations for assistance and/or deferred payment arrangements. Piedmont filed a report on June 30, 2020, as required by PSCSC order, reporting revenue impact, costs and savings related to COVID-19 to date. Updates on cost impacts were filed on September 30, 2020, and on December 31, 2020, and included financial impacts through the end of August 2020, and the end of November 2020, respectively.

On September 30, 2020, Piedmont filed an update on its planned return to normal operations during the COVID-19 pandemic. Normal billing practices resumed as of October 1, 2020, and service disconnections for nonpayment resumed on November 4, 2020. Customers were notified of the resumption of normal billing practices, the option of payment arrangements and where to find assistance, if necessary.

Tennessee

On March 12, 2020, Governor Bill Lee declared a state of emergency due to the COVID-19 pandemic. In an effort to help mitigate the financial impacts of the COVID-19 pandemic on their customers, on March 20, 2020, Piedmont filed a request with the TPUC seeking authorization to waive, effective March 21, 2020: (1) any late payment charges incurred by a residential or nonresidential customer; (2) the application of fees for checks returned for insufficient funds for residential and nonresidential customers; and (3) the reconnection charge when a residential or nonresidential customer seeks to have service restored for those customers whose service was recently disconnected for nonpayment and to work with customers regarding the other requirements to restore service, including re-establishment of credit. The TPUC granted Piedmont's request by Order issued March 31, 2020. The Order also stated that customers were not relieved of their obligation to pay for utility services received.

The TPUC held its regularly scheduled Commission Conference electronically on August 10, 2020, and on September 16, 2020, issued an Order Lifting Suspension of Disconnections of Service for Lack of Payment with Conditions, effective August 29, 2020. The conditions relate to required customer communications, payment plan options for past-due amounts and ongoing reporting to the TPUC. Potential recovery of costs related to the COVID-19 pandemic may be considered in future, individual docketed proceedings.

On October 15, 2020, Piedmont filed a report on its planned return to normal operations during the COVID-19 pandemic. Normal billing practices resumed as of October 1, 2020, and service disconnections for nonpayment resumed on November 4, 2020. Customers were notified of the resumption of normal billing practices, the option of payment arrangements and where to find assistance, if necessary.

2020 Tennessee Rate Case

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

On July 2, 2020, Piedmont filed an application with the TPUC, its first general rate case in Tennessee in nine years, for a rate increase for retail customers of approximately \$30 million, which represents an approximate 15% increase in annual revenues. The rate increase is driven by significant infrastructure upgrade investments since its previous rate case. Approximately half of the plant additions being added to rate base are categories of capital investment not covered under the IMR mechanism, which was approved in 2013. Piedmont amended its requested increase to approximately \$26 million in December 2020. As authorized under Tennessee law, Piedmont implemented interim rates on January 2, 2021, at the level requested in its adjusted request. A settlement reached with the Tennessee Consumer Advocate in mid-January was filed with the TPUC on February 2, 2021. The settlement results in an increase of revenues of approximately \$16 million and a ROE of 9.8%. At a hearing on February 16, 2021, the TPUC voted to accept the settlement, with new rates effective January 2, 2021. Piedmont must refund customers the difference between bills previously rendered under interim rates and such bills if rendered under approved rates, plus interest.

2021 North Carolina Rate Case

On February 19, 2021, Piedmont filed notice with the NCUC of its intent to file a general rate case on or about March 22, 2021. Piedmont's last general rate case in North Carolina was filed in April 2019, with rates effective November 2019.

2019 North Carolina Rate Case

On April 1, 2019, Piedmont filed an application with the NCUC, its first general rate case in North Carolina in six years. On August 13, 2019, Piedmont, the Public Staff, and two groups representing industrial customers filed an Agreement and Stipulation Settlement resolving issues in the base rate proceeding, which included a return on equity of 9.7% and a capital structure of 52% equity and 48% debt. Other major components of the Stipulation included:

- 2 An annual increase in revenues of \$109 million before consideration of riders associated with federal and state tax reform;
 - 3 A decrease through a rider mechanism of \$23 million per year to return unprotected federal EDIT over a five-year period and deferred revenues related to the federal rate reduction of \$37 million to be returned over one year;
- A decrease through a rider mechanism of \$21 million per year related to reductions in the North Carolina state income tax rate to be returned over a three-year period;
- An overall cap on net revenue increase of \$83 million. This will impact Piedmont beginning November 1, 2022, only if the company does not file another general rate case in the interim;
- 4 Continuation of the IMR mechanism; and
 - 5 Establishment of a new deferral mechanism for certain Distribution Integrity Management Program (DIMP) operations and maintenance expenses incurred effective November 1, 2019, and thereafter.

On October 31, 2019, the NCUC approved the Stipulation and the revised customer rates were effective November 1, 2019.

OTHER REGULATORY MATTERS

Atlantic Coast Pipeline, LLC

Atlantic Coast Pipeline (ACP pipeline) was planned to be an approximately 600-mile interstate natural gas pipeline running from West Virginia to North Carolina. Duke Energy indirectly owns a 47% interest, which is accounted for as an equity method investment through its Gas Utilities and Infrastructure segment.

On April 15, 2020, the United States District Court for the District of Montana granted partial summary judgment in favor of the plaintiffs in Northern Plains Resource Council v. U.S. Army Corps of Engineers (USACE) (Northern Plains), vacating USACE's Nationwide Permit 12 (NWP 12) and remanding it to USACE for consultation under the Endangered Species Act (ESA) of 1973. In Northern Plains, the court ruled that NWP 12 was unlawful because USACE did not consult under the ESA with the U.S. Fish and Wildlife Service and/or National Marine Fisheries Service prior to NWP 12's reissuance in 2017. Because NWP 12 has been vacated and its application enjoined, USACE currently has suspended verification of any new or pending applications under NWP 12 until further court action clarifies the situation.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

On May 28, 2020, the U.S. Court of Appeals for the Ninth Circuit issued a ruling that limited the NWP 12 vacatur to energy infrastructure projects. In July 2020, the Supreme Court of the United States issued an order allowing other new oil and gas pipeline projects to use the NWP 12 process pending appeal to the U.S. Court of Appeals for the Ninth Circuit; however, that did not decrease the uncertainty associated with an eventual ruling. Together, these rulings indicated that the timeline to reinstate the necessary water crossing permits for ACP would likely cause further delays and cost increases.

On July 5, 2020, Dominion Energy, Inc. announced a sale of substantially all of its gas transmission and storage segment assets, operations core to the ACP pipeline project.

As a result of the uncertainty created by the NWP 12 rulings, the potential impact on the cost and schedule for the project, the ongoing legal challenges and the risk of additional legal challenges and delays through the construction period and Dominion's decision to sell substantially all of its gas transmission and storage segment assets, Duke Energy's Board of Directors and management decided that it was not prudent to continue to invest in the project. On July 5, 2020, Duke Energy and Dominion announced the cancellation of the ACP pipeline project.

As a result, Duke Energy recorded pretax charges to earnings of approximately \$2.1 billion for the year ended December 31, 2020, within Equity in (losses) earnings of unconsolidated affiliates on the Duke Energy Consolidated Statements of Operations. The tax benefit associated with this cancellation was \$393 million and is recorded in Income Tax Expense (Benefit) Expense on the Duke Energy Consolidated Statements of Operations. Additional charges of less than \$20 million are expected to be recorded within the next three years as ACP incurs obligations to exit operations.

As part of the pretax charges to earnings of approximately \$2.1 billion, Duke Energy has liabilities related to the cancellation of the ACP pipeline project of \$928 million and \$8 million within Other Current Liabilities and Other Noncurrent Liabilities, respectively, in the Gas Utilities and Infrastructure segment. The liability represents Duke Energy's obligation of approximately \$860 million to fund ACP's outstanding debt and \$76 million to satisfy remaining ARO requirements to restore construction sites.

See Notes 7 and 12 for additional information regarding this transaction.

Potential Coal Plant Retirements

The Subsidiary Registrants periodically file integrated resource plans (IRPs) with their state regulatory commissions. The IRPs provide a view of forecasted energy needs over a long term (10 to 20 years) and options being considered to meet those needs. IRPs filed by the Subsidiary Registrants included planning assumptions to potentially retire certain coal-fired generating facilities in North Carolina and Indiana earlier than their current estimated useful lives. Duke Energy continues to evaluate the potential need to retire these coal-fired generating facilities earlier than the current estimated useful lives and plans to seek regulatory recovery for amounts that would not be otherwise recovered when any of these assets are retired.

The table below contains the net carrying value of generating facilities planned for retirement or included in recent IRPs as evaluated for potential retirement. Dollar amounts in the table below are included in Net property, plant and equipment on the Consolidated Balance Sheets as of December 31, 2020, and exclude capitalized asset retirement costs.

	Capacity	Remaining Net
	(in MW)	Book Value (in millions)
Duke Energy Carolinas		
Allen Steam Station Units 1-3(a)	604	\$ 113
Allen Steam Station Units 4-5(b)	526	338
Cliffside Unit 5(b)	546	350
Duke Energy Progress		
Mayo Unit 1(b)	746	676
Roxboro Units 3-4(b)	1,409	484
Duke Energy Florida		
Crystal River Units 4-5(c)	1,430	1,696
Duke Energy Indiana		

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Gallagher Units 2 and 4(d)	280	102
Gibson Units 1-5(e)	2,845	1,866
Cayuga Units 1-2(e)	1,005	777
Total Duke Energy	9,391	\$ 6,402

- (a) As part of the 2015 resolution of a lawsuit involving alleged New Source Review violations, Duke Energy Carolinas must retire Allen Steam Station Units 1 through 3 by December 31, 2024. The long-term energy options considered in the IRP could result in retirement of these units earlier than their current estimated useful lives. Unit 3 with a capacity of 270 MW and a net book value of \$26 million at December 31, 2020, is expected to be retired in March 2021.
- (b) These units are included in the IRP filed by Duke Energy Carolinas and Duke Energy Progress in North Carolina and South Carolina on September 1, 2020. The long-term energy options considered in the IRP could result in retirement of these units earlier than their current estimated useful lives. In 2019, Duke Energy Carolinas and Duke Energy Progress filed North Carolina rate cases that included depreciation studies that accelerate end-of-life dates for these plants. A decision by NCUC is expected by the end of the first quarter 2021.
- (c) On January 14, 2021, Duke Energy Florida filed a settlement agreement with the FPSC, which proposed depreciation rates reflecting retirement dates for Duke Energy Florida's last two coal-fired generating facilities, Crystal River Units 4-5, eight years ahead of schedule in 2034 rather than in 2042, in support of Duke Energy's carbon reduction goals. A request for the FPSC to hold a hearing has been made and a decision by the FPSC is expected in the second quarter 2021.
- (d) Duke Energy Indiana committed to either retire or stop burning coal at Gallagher Units 2 and 4 by December 31, 2022, as part of the 2016 settlement of Edwardsport IGCC matters. In February 2021, upon approval by MISO of a new retirement date, Duke Energy Indiana determined it would modify the retirement date to June 1, 2021.
- (e) On July 1, 2019, Duke Energy Indiana filed its 2018 IRP with the IURC. The 2018 IRP included scenarios evaluating the potential retirement of coal-fired generating units at Gibson and Cayuga. The rate case filed July 2, 2019, included proposed depreciation rates reflecting retirement dates from 2026 to 2038. The depreciation rates reflecting these updated retirement dates were approved by the IURC as part of the rate case order issued on June 29, 2020.

4. COMMITMENTS AND CONTINGENCIES

INSURANCE

General Insurance

The Duke Energy Registrants have insurance and reinsurance coverage either directly or through indemnification from Duke Energy's captive insurance company, Bison, and its affiliates, consistent with companies engaged in similar commercial operations with similar type properties. The Duke Energy Registrants' coverage includes (i) commercial general liability coverage for liabilities arising to third parties for bodily injury and property damage; (ii) workers' compensation; (iii) automobile liability coverage; and (iv) property coverage for all real and personal property damage. Real and personal property damage coverage excludes electric transmission and distribution lines, but includes damages arising from boiler and machinery breakdowns, earthquakes, flood damage and extra expense, but not outage or replacement power coverage. All coverage is subject to certain deductibles or retentions, sublimits, exclusions, terms and conditions common for companies with similar types of operations. The Duke Energy Registrants self-insure their electric transmission and distribution lines against loss due to storm damage and other natural disasters. As discussed further in Note 3, Duke Energy Florida maintains a storm damage reserve and has a regulatory mechanism to recover the cost of named storms on an expedited basis.

The cost of the Duke Energy Registrants' coverage can fluctuate from year to year reflecting claims history and conditions of the insurance and reinsurance markets.

In the event of a loss, terms and amounts of insurance and reinsurance available might not be adequate to cover claims and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered by other sources, could have a material effect on the Duke Energy Registrants' results of operations, cash flows or financial position. Each company is responsible to the extent losses may be excluded or exceed limits of the coverage available.

Nuclear Insurance

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy Carolinas owns and operates McGuire and Oconee and operates and has a partial ownership interest in Catawba. McGuire and Catawba each have two reactors. Oconee has three reactors. The other joint owners of Catawba reimburse Duke Energy Carolinas for certain expenses associated with nuclear insurance per the Catawba joint owner agreements.

Duke Energy Progress owns and operates Robinson, Brunswick and Harris. Robinson and Harris each have one reactor. Brunswick has two reactors.

Duke Energy Florida owns Crystal River Unit 3, which permanently ceased operation in 2013 and reached a SAFSTOR condition in January 2018 after the successful transfer of all used nuclear fuel assemblies to an on-site dry cask storage facility.

In the event of a loss, terms and amounts of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered by other sources, could have a material effect on Duke Energy Carolinas', Duke Energy Progress' and Duke Energy Florida's results of operations, cash flows or financial position. Each company is responsible to the extent losses may be excluded or exceed limits of the coverage available.

Nuclear Liability Coverage

The Price-Anderson Act requires owners of nuclear reactors to provide for public nuclear liability protection per nuclear incident up to a maximum total financial protection liability. The maximum total financial protection liability, which is approximately \$13.8 billion, is subject to change every five years for inflation and for the number of licensed reactors. Total nuclear liability coverage consists of a combination of private primary nuclear liability insurance coverage and a mandatory industry risk-sharing program to provide for excess nuclear liability coverage above the maximum reasonably available private primary coverage. The U.S. Congress could impose revenue-raising measures on the nuclear industry to pay claims.

Primary Liability Insurance

Duke Energy Carolinas and Duke Energy Progress have purchased the maximum reasonably available private primary nuclear liability insurance as required by law, which is \$450 million per station. Duke Energy Florida has purchased \$100 million primary nuclear liability insurance in compliance with the law.

Excess Liability Program

This program provides \$13.3 billion of coverage per incident through the Price-Anderson Act's mandatory industry-wide excess secondary financial protection program of risk pooling. This amount is the product of potential cumulative retrospective premium assessments of \$138 million times the current 97 licensed commercial nuclear reactors in the U.S. Under this program, licensees could be assessed retrospective premiums to compensate for public nuclear liability damages in the event of a nuclear incident at any licensed facility in the U.S. Retrospective premiums may be assessed at a rate not to exceed \$20.5 million per year per licensed reactor for each incident. The assessment may be subject to state premium taxes.

Nuclear Property and Accidental Outage Coverage

Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida are members of Nuclear Electric Insurance Limited (NEIL), an industry mutual insurance company, which provides property damage, nuclear accident decontamination and premature decommissioning insurance for each station for losses resulting from damage to its nuclear plants, either due to accidents or acts of terrorism. Additionally, NEIL provides accidental outage coverage for losses in the event of a major accidental outage at an insured nuclear station.

Pursuant to regulations of the NRC, each company's property damage insurance policies provide that all proceeds from such insurance be applied, first, to place the plant in a safe and stable condition after a qualifying accident and second, to decontaminate the plant before any proceeds can be used for decommissioning, plant repair or restoration.

Losses resulting from acts of terrorism are covered as common occurrences, such that if terrorist acts occur against one or more commercial nuclear power plants insured by NEIL within a 12-month period, they would be treated as one event and the owners of the plants where the act occurred would share one full limit of liability. The full limit of liability is currently \$3.2 billion. NEIL sublimits the total aggregate for all of their policies for non-nuclear terrorist events to approximately \$1.8 billion.

Each nuclear facility has accident property damage, nuclear accident decontamination and premature decommissioning liability insurance from NEIL with limits of \$1.5 billion, except for Crystal River Unit 3. Crystal River Unit 3's limit is \$50 million and is on an actual cash value basis. All nuclear facilities except for Catawba and Crystal River Unit 3 also share an additional \$1.25 billion nuclear accident insurance limit above their dedicated underlying limit. This shared additional excess limit is not subject to reinstatement in the event of a loss. Catawba has a dedicated \$1.25 billion of additional nuclear accident insurance limit above its dedicated underlying limit. Catawba and Oconee also have an additional \$750 million of non-nuclear accident property damage limit. All coverages are subject to sublimits and significant deductibles.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

NEIL's Accidental Outage policy provides some coverage, similar to business interruption, for losses in the event of a major accident property damage outage of a nuclear unit. Coverage is provided on a weekly limit basis after a significant waiting period deductible and at 100% of the applicable weekly limits for 52 weeks and 80% of the applicable weekly limits for up to the next 110 weeks. Coverage is provided until these applicable weekly periods are met, where the accidental outage policy limit will not exceed \$490 million for McGuire and Catawba, \$434 million for Harris, \$420 million for Brunswick, \$392 million for Oconee and \$336 million for Robinson. NEIL sublimits the accidental outage recovery up to the first 104 weeks of coverage not to exceed \$328 million from non-nuclear accidental property damage. Coverage amounts decrease in the event more than one unit at a station is out of service due to a common accident. All coverages are subject to sublimits and significant deductibles.

Potential Retroactive Premium Assessments

In the event of NEIL losses, NEIL's board of directors may assess member companies' retroactive premiums of amounts up to 10 times their annual premiums for up to six years after a loss. NEIL has never exercised this assessment. The maximum aggregate annual retrospective premium obligations for Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida are \$156 million, \$93 million and \$1 million, respectively. Duke Energy Carolinas' maximum assessment amount includes 100% of potential obligations to NEIL for jointly owned reactors. Duke Energy Carolinas would seek reimbursement from the joint owners for their portion of these assessment amounts.

ENVIRONMENTAL

The Duke Energy Registrants are subject to federal, state and local laws regarding air and water quality, hazardous and solid waste disposal, coal ash and other environmental matters. These laws can be changed from time to time, imposing new obligations on the Duke Energy Registrants. The following environmental matters impact all of the Duke Energy Registrants.

Remediation Activities

In addition to the ARO recorded as a result of various environmental regulations, discussed in Note 9, the Duke Energy Registrants are responsible for environmental remediation at various sites. These include certain properties that are part of ongoing operations and sites formerly owned or used by Duke Energy entities. These sites are in various stages of investigation, remediation and monitoring. Managed in conjunction with relevant federal, state and local agencies, remediation activities vary based upon site conditions and location, remediation requirements, complexity and sharing of responsibility. If remediation activities involve joint and several liability provisions, strict liability, or cost recovery or contribution actions, the Duke Energy Registrants could potentially be held responsible for environmental impacts caused by other potentially responsible parties and may also benefit from insurance policies or contractual indemnities that cover some or all cleanup costs. Liabilities are recorded when losses become probable and are reasonably estimable. The total costs that may be incurred cannot be estimated because the extent of environmental impact, allocation among potentially responsible parties, remediation alternatives and/or regulatory decisions have not yet been determined at all sites. Additional costs associated with remediation activities are likely to be incurred in the future and could be significant. Costs are typically expensed as Operation, maintenance and other in the Consolidated Statements of Operations unless regulatory recovery of the costs is deemed probable.

The following tables contain information regarding reserves for probable and estimable costs related to the various environmental sites. These reserves are recorded in Other within Other Noncurrent Liabilities on the Consolidated Balance Sheets.

(in millions)	December 31, 2020	December 31, 2019
Reserves for Environmental Remediation		
Duke Energy	\$ 75	\$ 58
Duke Energy Carolinas	19	11
Progress Energy	19	16
Duke Energy Progress	6	4
Duke Energy Florida	12	9
Duke Energy Ohio	22	19
Duke Energy Indiana	6	4
Piedmont	10	8

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Additional losses in excess of recorded reserves that could be incurred for the stages of investigation, remediation and monitoring for environmental sites that have been evaluated at this time are not material except as presented in the table below.

(in millions)

Duke Energy	\$ 25
Duke Energy Carolinas	12
Duke Energy Ohio	4
Piedmont	2

LITIGATION

Duke Energy Carolinas and Duke Energy Progress

Coal Ash Insurance Coverage Litigation

In March 2017, Duke Energy Carolinas and Duke Energy Progress filed a civil action in the North Carolina Business Court against various insurance providers. The lawsuit seeks payment for coal ash related liabilities covered by third-party liability insurance policies. The insurance policies were issued between 1971 and 1986 and provide third-party liability insurance for property damage. The civil action seeks damages for breach of contract and indemnification for costs arising from the Coal Ash Act and the EPA CCR rule at 15 coal-fired plants in North Carolina and South Carolina. Fact discovery has been completed. The parties filed dispositive pretrial motions relating to key legal issues on December 4, 2020. Hearings on these motions are scheduled to begin on February 24, 2021, and trial is scheduled for January 24, 2022. Duke Energy Carolinas and Duke Energy Progress cannot predict the outcome of this matter.

Duke Energy Carolinas

NTE Carolinas II, LLC Litigation

In November 2017, Duke Energy Carolinas entered into a standard FERC large generator interconnection agreement (LGIA) with NTE Carolinas II, LLC (NTE), a company that proposed to build a combined-cycle natural gas plant in Rockingham County, North Carolina. On September 6, 2019, Duke Energy Carolinas filed a lawsuit in Mecklenburg County Superior Court against NTE for breach of contract and alleging that NTE's failure to pay benchmark payments for Duke Energy Carolinas' transmission system upgrades required under the interconnection agreement constituted a termination of the interconnection agreement. Duke Energy Carolinas is seeking a monetary judgment against NTE because NTE failed to make multiple milestone payments. The lawsuit was moved to federal court in North Carolina. NTE filed a motion to dismiss Duke Energy Carolinas' complaint and brought counterclaims alleging anti-competitive conduct and violations of state and federal statutes. Duke Energy Carolinas filed a motion to dismiss NTE's counterclaims.

On May 21, 2020, in response to a NTE petition challenging Duke Energy Carolina's termination of the LGIA, FERC issued a ruling (i) that it has exclusive jurisdiction to determine whether a transmission provider may terminate a LGIA, (ii) FERC approval is required to terminate a conforming LGIA if objected to by the interconnection customer, and (iii) Duke Energy may not announce the termination of a conforming LGIA unless FERC has approved the termination.

On August 17, 2020, the court denied both NTE's and Duke Energy Carolinas' Motion to Dismiss. The parties are in active discovery and trial is scheduled for June 20, 2022. Duke Energy Carolinas cannot predict the outcome of this matter.

Asbestos-related Injuries and Damages Claims

Duke Energy Carolinas has experienced numerous claims for indemnification and medical cost reimbursement related to asbestos exposure. These claims relate to damages for bodily injuries alleged to have arisen from exposure to or use of asbestos in connection with construction and maintenance activities conducted on its electric generation plants prior to 1985. As of December 31, 2020, there were 145 asserted claims for non-malignant cases with the cumulative relief sought of up to \$39 million and 56 asserted claims for malignant cases with the cumulative relief sought of up to \$20 million. Based on Duke Energy Carolinas' experience, it is expected that the ultimate resolution of most of these claims likely will be less than the amount claimed.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy Carolinas has recognized asbestos-related reserves of \$572 million and \$604 million at December 31, 2020, and 2019, respectively. These reserves are classified in Other within Other Noncurrent Liabilities and Other within Current Liabilities on the Consolidated Balance Sheets. These reserves are based upon Duke Energy Carolinas' best estimate for current and future asbestos claims through 2040 and are recorded on an undiscounted basis. In light of the uncertainties inherent in a longer-term forecast, management does not believe they can reasonably estimate the indemnity and medical costs that might be incurred after 2040 related to such potential claims. It is possible Duke Energy Carolinas may incur asbestos liabilities in excess of the recorded reserves.

Duke Energy Carolinas has third-party insurance to cover certain losses related to asbestos-related injuries and damages above an aggregate self-insured retention. Duke Energy Carolinas' cumulative payments began to exceed the self-insurance retention in 2008. Future payments up to the policy limit will be reimbursed by the third-party insurance carrier. The insurance policy limit for potential future insurance recoveries indemnification and medical cost claim payments is \$714 million in excess of the self-insured retention. Receivables for insurance recoveries were \$704 million and \$742 million at December 31, 2020, and 2019, respectively. These amounts are classified in Other within Other Noncurrent Assets and Receivables within Current Assets on the Consolidated Balance Sheets. Duke Energy Carolinas is not aware of any uncertainties regarding the legal sufficiency of insurance claims. Duke Energy Carolinas believes the insurance recovery asset is probable of recovery as the insurance carrier continues to have a strong financial strength rating.

As described in Note 1, Duke Energy adopted the new guidance for credit losses effective January 1, 2020, using the modified retrospective method of adoption, which does not require restatement of prior year reported results. The reserve for credit losses for insurance receivables for the asbestos-related injuries and damages based on adoption of the new standard is \$15 million for Duke Energy and Duke Energy Carolinas as of December 31, 2020. The insurance receivable is evaluated based on the risk of default and the historical losses, current conditions and expected conditions around collectability. Management evaluates the risk of default annually based on payment history, credit rating and changes in the risk of default from credit agencies.

Duke Energy Progress and Duke Energy Florida

Spent Nuclear Fuel Matters

On June 18, 2018, Duke Energy Progress and Duke Energy Florida sued the U.S. in the U.S. Court of Federal Claims for damages incurred for the period 2014 through 2018. The lawsuit claimed the Department of Energy breached a contract in failing to accept spent nuclear fuel under the Nuclear Waste Policy Act of 1982 and asserted damages for the cost of on-site storage in the amount of \$100 million and \$200 million for Duke Energy Progress and Duke Energy Florida, respectively. Discovery is ongoing and a trial is expected to occur in 2021.

Duke Energy Florida

Power Purchase Dispute Arbitration

Duke Energy Florida, on behalf of its customers, entered into a PPA for the purchase of firm capacity and energy from a qualifying facility under the Public Utilities Regulatory Policies Act of 1978. Duke Energy Florida determined the qualifying facility did not perform in accordance with the PPA, and Duke Energy Florida terminated the PPA. The qualifying facility counterparty filed a confidential American Arbitration Association (AAA) arbitration demand, challenging the termination of the PPA and seeking damages. Duke Energy Florida denies liability and is vigorously defending the arbitration claim.

The final arbitration hearing occurred during the week of December 7, 2020. An arbitral award has not yet been issued. Duke Energy Florida cannot predict the outcome of this matter.

Duke Energy Indiana

Coal Ash Basin Closure Plan Appeal

On January 27, 2020, Hoosier Environmental Council filed a Petition for Administrative Review with the Indiana Office of Environmental Adjudication (the court) challenging the Indiana Department of Environmental Management's December 10, 2019, partial approval of Duke Energy Indiana's ash pond closure plan. On March 11, 2020, Duke Energy Indiana filed a Motion to Dismiss. On May 5, 2020, the court denied the motion. The parties have completed discovery and will now prepare to file dispositive motions. Summary judgment briefing will be completed by March 30, 2021. If these claims survive dispositive motions, a hearing is scheduled for April 26, 2021. Duke Energy Indiana cannot predict the outcome of this matter. See Note 9 for additional information.

Other Litigation and Legal Proceedings

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Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

The Duke Energy Registrants are involved in other legal, tax and regulatory proceedings arising in the ordinary course of business, some of which involve significant amounts. The Duke Energy Registrants believe the final disposition of these proceedings will not have a material effect on their results of operations, cash flows or financial position.

The table below presents recorded reserves based on management's best estimate of probable loss for legal matters, excluding asbestos-related reserves. Reserves are classified on the Consolidated Balance Sheets in Other within Other Noncurrent Liabilities and Other within Current Liabilities. The reasonably possible range of loss in excess of recorded reserves is not material, other than as described above.

(in millions)	December 31,	
	2020	2019
Reserves for Legal Matters		
Duke Energy	\$ 68	\$ 62
Duke Energy Carolinas	2	2
Progress Energy	61	55
Duke Energy Progress	13	12
Duke Energy Florida	28	22
Piedmont	1	1

OTHER COMMITMENTS AND CONTINGENCIES

General

As part of their normal business, the Duke Energy Registrants are party to various financial guarantees, performance guarantees and other contractual commitments to extend guarantees of credit and other assistance to various subsidiaries, investees and other third parties. These guarantees involve elements of performance and credit risk, which are not fully recognized on the Consolidated Balance Sheets and have uncapped maximum potential payments. See Note 7 for more information.

Purchase Obligations

Purchased Power

Duke Energy Progress, Duke Energy Florida and Duke Energy Ohio have ongoing purchased power contracts, including renewable energy contracts, with other utilities, wholesale marketers, co-generators and qualified facilities. These purchased power contracts generally provide for capacity and energy payments. In addition, Duke Energy Progress and Duke Energy Florida have various contracts to secure transmission rights.

The following table presents executory purchased power contracts with terms exceeding one year, excluding contracts classified as leases.

(in millions)	Contract Expiration	Minimum Purchase Amount at December 31, 2020							Total
		2021	2022	2023	2024	2025	Thereafter		
Duke Energy Progress ^(a)	2025-2032	\$ 66	\$ 73	\$ 66	\$ 67	\$ 69	\$ 69	\$ 410	
Duke Energy Florida ^(b)	2023-2025	335	354	374	262	91	—	1,416	
Duke Energy Ohio ^{(c)(d)}	2022	130	55	—	—	—	—	185	

- (a) Contracts represent either 100% of net plant output or vary.
(b) Contracts represent 100% of net plant output.
(c) Contracts represent between 1% and 11% of net plant output.
(d) Excludes PPA with OVEC. See Note 17 for additional information.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Gas Supply and Capacity Contracts

Duke Energy Ohio and Piedmont routinely enter into long-term natural gas supply commodity and capacity commitments and other agreements that commit future cash flows to acquire services needed in their businesses. These commitments include pipeline and storage capacity contracts and natural gas supply contracts to provide service to customers. Costs arising from the natural gas supply commodity and capacity commitments, while significant, are pass-through costs to customers and are generally fully recoverable through the fuel adjustment or PGA procedures and prudence reviews in North Carolina and South Carolina and under the Tennessee Incentive Plan in Tennessee. In the Midwest, these costs are recovered via the Gas Cost Recovery Rate in Ohio or the Gas Cost Adjustment Clause in Kentucky. The time periods for fixed payments under pipeline and storage capacity contracts are up to 15 years. The time periods for fixed payments under natural gas supply contracts are up to six years. The time period for the natural gas supply purchase commitments is up to 11 years.

Certain storage and pipeline capacity contracts require the payment of demand charges that are based on rates approved by the FERC in order to maintain rights to access the natural gas storage or pipeline capacity on a firm basis during the contract term. The demand charges that are incurred in each period are recognized in the Consolidated Statements of Operations and Comprehensive Income as part of natural gas purchases and are included in Cost of natural gas.

The following table presents future unconditional purchase obligations under natural gas supply and capacity contracts as of December 31, 2020.

(in millions)	Duke Energy	Duke Energy Ohio	Piedmont
2021	\$ 311	\$ 41	\$ 270
2022	270	28	242
2023	197	20	177
2024	139	17	122
2025	125	14	111
Thereafter	662	60	602
Total	\$ 1,704	\$ 180	\$ 1,524

5. LEASES

As part of its operations, Duke Energy leases certain aircraft, space on communication towers, industrial equipment, fleet vehicles, fuel transportation (barges and railcars), land and office space under various terms and expiration dates. Additionally, Duke Energy Carolinas, Duke Energy Progress and Duke Energy Indiana have finance leases related to firm natural gas pipeline transportation capacity. Duke Energy Progress and Duke Energy Florida have entered into certain PPAs, which are classified as finance and operating leases.

Duke Energy has certain lease agreements, which include variable lease payments that are based on the usage of an asset. These variable lease payments are not included in the measurement of the ROU assets or operating lease liabilities on the Consolidated Financial Statements.

Certain Duke Energy lease agreements include options for renewal and early termination. The intent to renew a lease varies depending on the lease type and asset. Renewal options that are reasonably certain to be exercised are included in the lease measurements. The decision to terminate a lease early is dependent on various economic factors. No termination options have been included in any of the lease measurements.

Duke Energy Carolinas entered into a sale-leaseback arrangement in December 2019, to construct and occupy an office tower. The lease agreement was evaluated as a sale-leaseback of real estate and it was determined that the transaction did not qualify for sale-leaseback accounting. As a result, the transaction is being accounted for as a financing. For this transaction, Duke Energy Carolinas will continue to record the real estate on the Consolidated Balance Sheets within Property, Plant and Equipment as if it were the legal owner and will continue to recognize depreciation expense over the estimated useful life. In addition, a liability will be recorded for the failed sale-leaseback obligation within Long-Term Debt on the Consolidated Balance Sheets, with the monthly lease payments commencing after the construction phase being split between interest expense and principal pay down of the debt.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy operates various renewable energy projects and sells the generated output to utilities, electric cooperatives, municipalities and commercial and industrial customers through long-term PPAs. In certain situations, these PPAs and the associated renewable energy projects qualify as operating leases. Rental income from these leases is accounted for as Nonregulated electric and other revenues in the Consolidated Statements of Operations. There are no minimum lease payments as all payments are contingent based on actual electricity generated by the renewable energy projects. Contingent lease payments were \$275 million, \$264 million and \$268 million for the years ended December 31, 2020, 2019, and 2018, respectively. Renewable energy projects owned by Duke Energy and accounted for as operating leases had a cost basis of \$3,335 million and \$3,349 million and accumulated depreciation of \$848 million and \$721 million at December 31, 2020, and 2019, respectively. These assets are principally classified as nonregulated electric generation and transmission assets.

Piedmont has certain agreements with Duke Energy Carolinas for the construction and transportation of natural gas pipelines to supply its natural gas plant needs. Piedmont accounts for these pipeline lateral contracts as sales-type leases since the present value of the sum of the lease payments equals the fair value of the assets. These pipeline lateral assets owned by Piedmont had a current net investment basis of \$2 million and \$4 million as of December 31, 2020, and 2019, respectively, and a long-term net investment basis of \$205 million and \$70 million as of December 31, 2020, and 2019, respectively. These assets are classified in Other, within Current Assets and Other Noncurrent Assets, respectively, on Piedmont's Consolidated Balance Sheets. Duke Energy Carolinas accounts for the contracts as finance leases. The activity for these contracts is eliminated in consolidation at Duke Energy.

The following tables present the components of lease expense.

(in millions)	Year Ended December 31, 2020							
	Duke	Duke	Duke	Duke	Duke	Duke	Duke	Duke
	Energy	Carolinas	Progress	Energy	Energy	Energy	Ohio	Indiana
Operating lease expense ^(a)	\$ 283	\$ 53	\$ 162	\$ 72	\$ 90	\$ 11	\$ 19	\$ 7
Short-term lease expense ^(a)	4	—	2	1	1	—	1	—
Variable lease expense ^(a)	30	13	13	5	8	—	1	1
Finance lease expense								
Amortization of leased assets ^(b)	119	8	24	6	18	—	1	—
Interest on lease liabilities ^(c)	61	30	44	37	7	—	—	—
Total finance lease expense	180	38	68	43	25	—	1	—
Total lease expense	\$ 497	\$ 104	\$ 245	\$ 121	\$ 124	\$ 11	\$ 22	\$ 8

(a) Included in Operations, maintenance and other or, for barges and railcars, Fuel used in electric generation and purchased power on the Consolidated Statements of Operations.

(b) Included in Depreciation and amortization on the Consolidated Statements of Operations.

(c) Included in Interest Expense on the Consolidated Statements of Operations.

(in millions)	Year Ended December 31, 2019							
	Duke	Duke	Duke	Duke	Duke	Duke	Duke	Duke
	Energy	Carolinas	Progress	Energy	Energy	Energy	Ohio	Indiana
Operating lease expense ^(a)	\$ 292	\$ 47	\$ 161	\$ 69	\$ 92	\$ 11	\$ 20	\$ 5
Short-term lease expense ^(a)	16	5	9	4	5	1	2	—
Variable lease expense ^(a)	47	22	22	16	6	—	1	1

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Finance lease expense

Amortization of leased assets ^(b)	111	6	21	5	16	1	—	—
Interest on lease liabilities ^(c)	61	15	42	33	9	—	1	—
Total finance lease expense	172	21	63	38	25	1	1	—
Total lease expense	\$ 527	\$ 95	\$ 255	\$ 127	\$ 128	\$ 13	\$ 24	\$ 6

- (a) Included in Operations, maintenance and other or, for barges and railcars, Fuel used in electric generation and purchased power on the Consolidated Statements of Operations.
- (b) Included in Depreciation and amortization on the Consolidated Statements of Operations.
- (c) Included in Interest Expense on the Consolidated Statements of Operations.

The following table presents rental expense for operating leases, as reported under the former lease standard. These amounts are included in Operation, maintenance and other and Fuel used in electric generation and purchased power on the Consolidated Statements of Operations.

(in millions)	Year Ended	
	December 31, 2018	
Duke Energy	\$	268
Duke Energy Carolinas		49
Progress Energy		143
Duke Energy Progress		75
Duke Energy Florida		68
Duke Energy Ohio		13
Duke Energy Indiana		21
Piedmont		11

The following table presents operating lease maturities and a reconciliation of the undiscounted cash flows to operating lease liabilities.

(in millions)	December 31, 2020							
	Duke		Duke		Duke		Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
2021	\$ 229	\$ 24	\$ 99	\$ 44	\$ 55	\$ 2	\$ 5	\$ 5
2022	212	22	95	40	55	2	4	5
2023	202	20	95	41	54	2	4	5
2024	186	14	95	41	54	2	4	5
2025	162	10	85	31	54	2	4	5
Thereafter	870	51	376	252	124	20	59	—
Total operating lease payments	1,861	141	845	449	396	30	80	25
Less: present value discount	(344)	(24)	(149)	(95)	(54)	(9)	(24)	(2)

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Total operating lease liabilities ^(a)	\$ 1,517	\$ 117	\$ 696	\$ 354	\$ 342	\$ 21	\$ 56	\$ 23
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(a) Certain operating lease payments include renewal options that are reasonably certain to be exercised.

The following table presents finance lease maturities and a reconciliation of the undiscounted cash flows to finance lease liabilities.

(in millions)	December 31, 2020					
	Duke		Duke		Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Indiana
2021	\$ 186	\$ 38	\$ 68	\$ 43	\$ 25	\$ 1
2022	173	38	68	43	25	1
2023	174	38	68	43	25	1
2024	119	38	52	43	9	1
2025	51	38	48	43	5	1
Thereafter	762	502	481	475	6	26
Total finance lease payments	1,465	692	785	690	95	31
Less: amounts representing interest	(620)	(398)	(408)	(394)	(14)	(21)
Total finance lease liabilities	\$ 845	\$ 294	\$ 377	\$ 296	\$ 81	\$ 10

The following tables contain additional information related to leases.

(in millions)		Classification		December 31, 2020					
				Duke		Duke	Duke	Duke	Duke
				Duke	Energy	Progress	Energy	Energy	Energy
		Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Assets									
Operating	Operating lease ROU assets, net	\$ 1,524	\$ 110	\$ 690	\$ 346	\$ 344	\$ 20	\$ 55	\$ 20
Finance	Net property, plant and equipment	797	312	416	297	119	—	7	—
Total lease assets		\$ 2,321	\$ 422	\$ 1,106	\$ 643	\$ 463	\$ 20	\$ 62	\$ 20
Liabilities									
Current									
Operating	Other current liabilities	\$ 177	\$ 20	\$ 73	\$ 31	\$ 42	\$ 1	\$ 3	\$ 4
Finance	Current maturities of long-term debt	129	5	26	7	19	—	—	—
Noncurrent									

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Operating	Operating lease liabilities	1,340	97	623	323	300	20	53	19
Finance	Long-Term Debt	716	289	351	289	62	—	10	—
Total lease liabilities		\$ 2,362	\$ 411	\$ 1,073	\$ 650	\$ 423	\$ 21	\$ 66	\$ 23

December 31, 2019

(in millions)	Classification	Duke		Duke		Duke	Duke	Duke	Duke	
		Energy	Carolinas	Energy	Progress	Energy	Florida	Ohio	Indiana	Piedmont
Assets										
Operating	Operating lease ROU assets, net	1,658								
		\$	\$ 123	\$ 788	\$ 387	\$ 401	\$ 21	\$ 57	\$ 24	
Finance	Net property, plant and equipment	926	198	443	308	135	—	7	—	
		2,584								
Total lease assets		\$	\$ 321	\$ 1,231	\$ 695	\$ 536	\$ 21	\$ 64	\$ 24	
Liabilities										
Current										
Operating	Other current liabilities	\$ 208	\$ 27	\$ 95	\$ 37	\$ 58	\$ 1	\$ 3	\$ 4	
Finance	Current maturities of long-term debt	119	7	24	6	18	—	—	—	
Noncurrent										
Operating	Operating lease liabilities	1,432	102	697	354	343	21	55	23	
Finance	Long-Term Debt	850	172	381	301	80	—	10	—	
Total lease liabilities		2,609								
		\$	\$ 308	\$ 1,197	\$ 698	\$ 499	\$ 22	\$ 68	\$ 27	

Year Ended December 31, 2020

(in millions)	Classification	Duke		Duke		Duke	Duke	Duke	Duke
		Energy	Carolinas	Energy	Progress	Energy	Florida	Ohio	Indiana
Cash paid for amounts included in the measurement of lease liabilities(a)									
Operating	Operating cash flows from operating leases	\$ 271	\$ 31	\$ 124	\$ 52	\$ 72	\$ 2	\$ 6	\$ 5
Operating	Operating cash flows from finance leases	61	30	44	37	7	—	—	—
Financing	Financing cash flows from finance leases	119	8	24	6	18	—	1	—

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Lease assets obtained in exchange for new lease liabilities (non-cash)

Operating ^(b)	\$ 116	\$ 17	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —
Finance	125	125	—	—	—	—	—	—

- (a) No amounts were classified as investing cash flows from operating leases for the year ended December 31, 2020.
(b) Does not include ROU assets recorded as a result of the adoption of the new lease standard.

Year Ended December 31, 2019

(in millions)	Duke		Duke		Duke		Duke	
	Duke Energy	Carolinas	Progress Energy	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont

Cash paid for amounts included in the measurement of lease liabilities^(a)

Operating cash flows from operating leases	\$ 285	\$ 34	\$ 131	\$ 53	\$ 78	\$ 2	\$ 7	\$ 7
Operating cash flows from finance leases	61	15	42	33	9	—	1	—
Financing cash flows from finance leases	111	6	21	5	16	1	—	—

Lease assets obtained in exchange for new lease liabilities (non-cash)

Operating ^(b)	\$ 194	\$ 44	\$ 30	\$ 30	\$ —	\$ —	\$ —	\$ 1
Finance	251	76	175	175	—	—	—	—

- (a) No amounts were classified as investing cash flows from operating leases for the year ended December 31, 2019.
(b) Does not include ROU assets recorded as a result of the adoption of the new lease standard.

December 31, 2020

	Duke		Duke		Duke		Duke	
	Duke Energy	Carolinas	Progress Energy	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont

Weighted average remaining lease term (years)

Operating leases	10	9	10	12	8	17	18	5
Finance leases	13	19	15	17	11	—	25	—

Weighted average discount rate^(a)

Operating leases	3.8 %	3.4 %	3.8 %	3.9 %	3.8 %	4.2 %	4.2 %	3.6 %
Finance leases	8.4 %	11.6 %	11.9 %	12.4 %	8.2 %	— %	11.9 %	— %

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

- (a) The discount rate is calculated using the rate implicit in a lease if it is readily determinable. Generally, the rate used by the lessor is not provided to Duke Energy and in these cases the incremental borrowing rate is used. Duke Energy will typically use its fully collateralized incremental borrowing rate as of the commencement date to calculate and record the lease. The incremental borrowing rate is influenced by the lessee's credit rating and lease term and as such may differ for individual leases, embedded leases or portfolios of leased assets.

	December 31, 2019							
	Duke		Duke		Duke		Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Weighted average remaining lease term (years)								
Operating leases	11	9	10	12	8	17	18	6
Finance leases	13	19	16	18	11	—	26	—
Weighted average discount rate^(a)								
Operating leases	3.9 %	3.5 %	3.8 %	3.9 %	3.8 %	4.2 %	4.1 %	3.6 %
Finance leases	8.1 %	11.8 %	11.9 %	12.4 %	8.3 %	— %	11.9 %	— %

- (a) The discount rate is calculated using the rate implicit in a lease if it is readily determinable. Generally, the rate used by the lessor is not provided to Duke Energy and in these cases the incremental borrowing rate is used. Duke Energy will typically use its fully collateralized incremental borrowing rate as of the commencement date to calculate and record the lease. The incremental borrowing rate is influenced by the lessee's credit rating and lease term and as such may differ for individual leases, embedded leases or portfolios of leased assets.

6. DEBT AND CREDIT FACILITIES

Summary of Debt and Related Terms

The following tables summarize outstanding debt.

	December 31, 2020								
	Weighted	Duke		Duke		Duke		Duke	
	Average	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Interest	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
(in millions)	Rate								
Unsecured debt, maturing 2021-2078	3.71 %	\$23,669	\$ 1,150	\$ 3,150	\$ 700	\$ 350	\$1,180	\$ 403	\$ 2,800
Secured debt, maturing 2021-2052	2.67 %	4,270	543	1,584	252	1,332	—	—	—
First mortgage bonds, maturing 2021-2050 ^(a)	4.00 %	29,177	10,008	14,100	7,875	6,225	1,850	3,219	—
Finance leases, maturing 2022-2051 ^(b)	6.96 %	845	294	377	296	81	—	10	—
Tax-exempt bonds, maturing 2027-2041 ^(c)	0.75 %	477	—	48	48	—	77	352	—

Notes payable and commercial

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

paper(d)	0.51 %	3,407	—	—	—	—	—	—	—
Money pool/intercompany borrowings		—	806	3,119	445	196	194	281	530
Fair value hedge carrying value adjustment		4	4	—	—	—	—	—	—
Unamortized debt discount and premium, net(e)		1,217	(20)	(31)	(19)	(11)	(29)	(18)	(5)
Unamortized debt issuance costs(f)		(330)	(62)	(113)	(44)	(62)	(14)	(25)	(15)
Total debt	3.62 %	\$ 62,736	\$ 12,723	\$ 22,234	\$ 9,553	\$ 8,111	\$ 3,258	\$ 4,222	\$ 3,310
Short-term notes payable and commercial paper		(2,873)	—	—	—	—	—	—	—
Short-term money pool/intercompany borrowings		—	(506)	(2,969)	(295)	(196)	(169)	(131)	(530)
Current maturities of long-term debt(g)		(4,238)	(506)	(1,426)	(603)	(823)	(50)	(70)	(160)
Total long-term debt(g)		\$ 55,625	\$ 11,711	\$ 17,839	\$ 8,655	\$ 7,092	\$ 3,039	\$ 4,021	\$ 2,620

(a) Substantially all electric utility property is mortgaged under mortgage bond indentures.

(b) Duke Energy includes \$24 million and \$341 million of finance lease purchase accounting adjustments related to Duke Energy Progress and Duke Energy Florida, respectively, related to PPAs that are not accounted for as finance leases in their respective financial statements because of grandfathering provisions in GAAP.

Substantially all tax-exempt bonds are secured by first mortgage bonds, letters of credit or the Master Credit Facility.

Includes \$625 million classified as Long-Term Debt on the Consolidated Balance Sheets due to the existence of long-term credit facilities that backstop these commercial paper balances, along with Duke Energy's ability and intent to refinance these balances on a long-term basis. The weighted average days to maturity for Duke Energy's commercial paper program was 23 days.

Duke Energy includes \$1,196 million and \$117 million in purchase accounting adjustments related to Progress Energy and Piedmont, respectively.

Duke Energy includes \$33 million in purchase accounting adjustments primarily related to the merger with Progress Energy.

(c) Refer to Note 17 for additional information on amounts from consolidated VIEs.

December 31, 2019

(in millions)	Weighted								
	Average Interest Rate	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
Unsecured debt, maturing 2020-2078	4.02 %	\$ 22,477	\$ 1,150	\$ 3,650	\$ 700	\$ 350	\$ 1,110	\$ 405	\$ 2,399
Secured debt, maturing 2020-2052	3.30 %	4,537	544	1,722	335	1,387	—	—	—
First mortgage bonds, maturing 2020-2049(a)	4.13 %	27,977	9,557	13,800	7,575	6,225	1,449	3,169	—
Finance leases, maturing 2022-2051(b)	6.60 %	969	179	405	307	98	—	10	—
Tax-exempt bonds, maturing 2022-2041(c)	2.90 %	730	243	48	48	—	77	362	—
Notes payable and commercial paper(d)	1.98 %	3,588	—	—	—	—	—	—	—
Money pool/intercompany borrowings		—	329	1,970	216	—	337	180	476
Fair value hedge carrying value		5	5	—	—	—	—	—	—

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NOTES TO FINANCIAL STATEMENTS (Continued)			

adjustment

Unamortized debt discount and premium, net ^(e)	1,294	(23)	(29)	(17)	(11)	(30)	(19)	(2)	
Unamortized debt issuance costs ^(f)	(316)	(55)	(111)	(40)	(62)	(12)	(20)	(13)	
Total debt	3.92 %	\$61,261	\$ 11,929	\$ 21,455	\$ 9,124	\$ 7,987	\$ 2,931	\$ 4,087	\$ 2,860
Short-term notes payable and commercial paper	(3,135)	—	—	—	—	—	—	—	
Short-term money pool/intercompany borrowings	—	(29)	(1,821)	(66)	—	(312)	(30)	(476)	
Current maturities of long-term debt ^(g)	(3,141)	(458)	(1,577)	(1,006)	(571)	—	(503)	—	
Total long-term debt^(g)	\$54,985	\$ 11,442	\$ 18,057	\$ 8,052	\$ 7,416	\$ 2,619	\$ 3,554	\$ 2,384	

- (a) Substantially all electric utility property is mortgaged under mortgage bond indentures.
- (b) Duke Energy includes \$44 million and \$419 million of finance lease purchase accounting adjustments related to Duke Energy Progress and Duke Energy Florida, respectively, related to PPAs that are not accounted for as finance leases in their respective financial statements because of grandfathering provisions in GAAP.
- (c) Substantially all tax-exempt bonds are secured by first mortgage bonds, letters of credit or the Master Credit Facility.
- (d) Includes \$625 million that was classified as Long-Term Debt on the Consolidated Balance Sheets due to the existence of long-term credit facilities that backstop these commercial paper balances, along with Duke Energy's ability and intent to refinance these balances on a long-term basis. The weighted average days to maturity for Duke Energy's commercial paper programs was 14 days.
- (e) Duke Energy includes \$1,275 million and \$137 million in purchase accounting adjustments related to Progress Energy and Piedmont, respectively.
- (f) Duke Energy includes \$37 million in purchase accounting adjustments primarily related to the merger with Progress Energy.
- (g) Refer to Note 17 for additional information on amounts from consolidated VIEs.

Current Maturities of Long-Term Debt

The following table shows the significant components of Current maturities of Long-Term Debt on the Consolidated Balance Sheets. The Duke Energy Registrants currently anticipate satisfying these obligations with cash on hand and proceeds from additional borrowings.

(in millions)	Maturity Date	Interest Rate	December 31, 2020
Unsecured Debt^(a)			
Duke Energy (Parent)	May 2021	0.721 %)	500
Piedmont	June 2021	4.240 %	160
Duke Energy (Parent)	September 2021	3.550 %	500
Duke Energy (Parent)	September 2021	1.800 %	750
Duke Energy Florida	November 2021	0.482 %)	200
Secured Debt			
Duke Energy Florida	April 2021	0.972 %)	250
First Mortgage Bonds			
Duke Energy Carolinas	June 2021	3.900 %	500
Duke Energy Florida	August 2021	3.100 %	300

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy Progress	September 2021	3.000 %	500
Duke Energy Progress	September 2021	8.625 %	100
Other(c)			478
Current maturities of long-term debt		\$	4,238

- (a) During October 2020, Progress Energy early retired \$500 million of unsecured debt with an original maturity of January 15, 2021.
(b) Debt has a floating interest rate.
(c) Includes finance lease obligations, amortizing debt and small bullet maturities.

Maturities and Call Options

The following table shows the annual maturities of long-term debt for the next five years and thereafter. Amounts presented exclude short-term notes payable, commercial paper and money pool borrowings and debt issuance costs for the Subsidiary Registrants.

(in millions)	December 31, 2020							
	Duke Energy(a)	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
	2021	\$ 4,238	\$ 506	\$ 1,426	\$ 603	\$ 823	\$ 50	\$ 70
2022	4,905	721	1,736	1,208	78	—	84	—
2023	3,356	1,008	638	561	77	325	3	45
2024	1,344	9	76	10	66	—	4	40
2025	3,153	310	725	661	64	270	154	205
Thereafter	41,983	9,745	14,802	6,274	6,878	2,486	3,818	2,350
Total long-term debt, including current maturities	\$ 58,979	\$ 12,299	\$ 19,403	\$ 9,317	\$ 7,986	\$ 3,131	\$ 4,133	\$ 2,800

- (a) Excludes \$1,346 million in purchase accounting adjustments related to the Progress Energy merger and the Piedmont acquisition.

The Duke Energy Registrants have the ability under certain debt facilities to call and repay the obligation prior to its scheduled maturity. Therefore, the actual timing of future cash repayments could be materially different than as presented above.

Short-Term Obligations Classified as Long-Term Debt

Tax-exempt bonds that may be put to the Duke Energy Registrants at the option of the holder and certain commercial paper issuances and money pool borrowings are classified as Long-Term Debt on the Consolidated Balance Sheets. These tax-exempt bonds, commercial paper issuances and money pool borrowings, which are short-term obligations by nature, are classified as long-term due to Duke Energy's intent and ability to utilize such borrowings as long-term financing. As Duke Energy's Master Credit Facility and other bilateral letter of credit agreements have non-cancelable terms in excess of one year as of the balance sheet date, Duke Energy has the ability to refinance these short-term obligations on a long-term basis. The following tables show short-term obligations classified as long-term debt.

(in millions)	December 31, 2020				
	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana

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NOTES TO FINANCIAL STATEMENTS (Continued)

Tax-exempt bonds	\$ 312	\$ —	\$ —	\$ 27	\$ 285
Commercial paper(a)	625	300	150	25	150
Total	\$ 937	\$ 300	\$ 150	\$ 52	\$ 435

December 31, 2019

(in millions)	Duke Energy				
	Duke Energy	Carolinas	Progress	Ohio	Indiana
Tax-exempt bonds	\$ 312	\$ —	\$ —	\$ 27	\$ 285
Commercial paper(a)	625	300	150	25	150
Total	\$ 937	\$ 300	\$ 150	\$ 52	\$ 435

(a) Progress Energy amounts are equal to Duke Energy Progress amounts.

Summary of Significant Debt Issuances

The following tables summarize significant debt issuances (in millions).

Year Ended December 31, 2020

Issuance Date	Maturity Date	Interest Rate	Duke Energy							
			Duke Energy	Energy (Parent)	Energy Carolinas	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont
Unsecured Debt										
May 2020(a)	Jun 2030	2.450 %	\$ 500	\$ 500	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
May 2020(b)	Jun 2050	3.350 %	400	—	—	—	—	—	—	400
August 2020(c)	Feb 2022	0.400 % ^(d)	700	—	—	700	—	—	—	—
September 2020(e)	Sep 2025	0.900 %	650	650	—	—	—	—	—	—
September 2020(e)	Jun 2030	2.450 %	350	350	—	—	—	—	—	—
First Mortgage Bonds										
January 2020(f)	Feb 2030	2.450 %	500	—	500	—	—	—	—	—
January 2020(f)	Aug 2049	3.200 %	400	—	400	—	—	—	—	—
March 2020(g)	Apr 2050	2.750 %	550	—	—	—	—	—	550	—
May 2020(b)	Jun 2030	2.125 %	400	—	—	—	—	400	—	—
June 2020(b)	Jun 2030	1.750 %	500	—	—	—	500	—	—	—
August 2020(h)	Aug 2050	2.500 %	600	—	—	600	—	—	—	—
Total issuances			\$ 5,550	\$ 1,500	\$ 900	\$ 1,300	\$ 500	\$ 400	\$ 550	\$ 400

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

- (a) Debt issued to repay \$500 million borrowing made under Duke Energy (Parent) revolving credit facility in March 2020, and for general corporate purposes.
- (b) Debt issued to repay short-term debt and for general corporate purposes.
Debt issued to repay \$700 million term loan due December 2020.
- (c) Debt issuance has a floating interest rate.
Debt issued to repay a portion of outstanding commercial paper, to repay a portion of Duke Energy (Parent)'s outstanding \$1.7 billion term loan due March 2021 and for general corporate purposes.
Debt issued to repay at maturity \$450 million first mortgage bonds due June 2020 and for general corporate purposes.
Debt issued to repay at maturity \$500 million first mortgage bonds due July 2020 and to pay down short-term debt.
- (d) Debt issued to repay at maturity \$300 million first mortgage bonds due September 2020 and for general corporate purposes.

		Year Ended December 31, 2019									
				Duke	Duke	Duke	Duke	Duke	Duke	Duke	
		Maturity	Interest	Duke	Energy	Energy	Energy	Energy	Energy	Energy	Energy
Issuance Date	Date	Rate	Energy	(Parent)	Carolinas	Progress	Florida	Ohio	Indiana	Piedmont	
Unsecured Debt											
March 2019(a)	Mar 2022	2.538 %	(b)) \$ 300	\$ 300	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
March 2019(a)	Mar 2022	3.227 %	300	300	—	—	—	—	—	—	—
May 2019(e)	Jun 2029	3.500 %	600	—	—	—	—	—	—	—	600
June 2019(a)	Jun 2029	3.400 %	600	600	—	—	—	—	—	—	—
June 2019(a)	Jun 2049	4.200 %	600	600	—	—	—	—	—	—	—
July 2019(g)	Jul 2049	4.320 %	40	—	—	—	—	40	—	—	—
September 2019(g)	Oct 2025	3.230 %	95	—	—	—	—	95	—	—	—
September 2019(g)	Oct 2029	3.560 %	75	—	—	—	—	75	—	—	—
November 2019(h)	Nov 2021	2.167 %	(b)) 200	—	—	—	200	—	—	—	—
First Mortgage Bonds											
January 2019(c)	Feb 2029	3.650 %	400	—	—	—	—	400	—	—	—
January 2019(c)	Feb 2049	4.300 %	400	—	—	—	—	400	—	—	—
March 2019(d)	Mar 2029	3.450 %	600	—	—	600	—	—	—	—	—
August 2019(a)	Aug 2029	2.450 %	450	—	450	—	—	—	—	—	—
August 2019(a)	Aug 2049	3.200 %	350	—	350	—	—	—	—	—	—
September 2019(f)	Oct 2049	3.250 %	500	—	—	—	—	—	—	500	—
November 2019(i)	Dec 2029	2.500 %	700	—	—	—	700	—	—	—	—
Total issuances			\$6,210	\$ 1,800	\$ 800	\$ 600	\$ 900	\$ 1,010	\$ 500	\$ 600	

- (a) Debt issued to pay down short-term debt and for general corporate purposes.
- (b) Debt issuance has a floating interest rate.
Debt issued to repay at maturity \$450 million first mortgage bonds due April 2019, pay down short-term debt and for general corporate purposes.
Debt issued to fund eligible green energy projects in the Carolinas.

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(c) Debt issued to repay in full the outstanding \$350 million Piedmont unsecured term loan due September 2019, pay down short-term debt and for general corporate purposes.

Debt issued to retire \$150 million of pollution control bonds, pay down short-term debt and for general corporate purposes.

Debt issued to repay at maturity \$100 million debentures due October 2019, pay down short-term debt and for general corporate purposes.

Debt issued to fund storm restoration costs and for general corporate purposes.

(d) Debt issued to reimburse the payment of existing and new Eligible Green Expenditures in Florida.

AVAILABLE CREDIT FACILITIES

Master Credit Facility

In March 2020, Duke Energy amended its existing \$8 billion Master Credit Facility to extend the termination date to March 2025. The Duke Energy Registrants, excluding Progress Energy, have borrowing capacity under the Master Credit Facility up to a specified sublimit for each borrower. Duke Energy has the unilateral ability at any time to increase or decrease the borrowing sublimits of each borrower, subject to a maximum sublimit for each borrower. The amount available under the Master Credit Facility has been reduced to backstop issuances of commercial paper, certain letters of credit and variable-rate demand tax-exempt bonds that may be put to the Duke Energy Registrants at the option of the holder.

The table below includes the current borrowing sublimits and available capacity under these credit facilities.

	December 31, 2020							
	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	
(in millions)	Energy	(Parent)	Carolinas	Progress	Florida	Ohio	Indiana	Piedmont
Facility size ^(a)	\$ 8,000	\$ 2,650	\$ 1,475	\$ 1,250	\$ 800	\$ 625	\$ 600	\$ 600
Reduction to backstop issuances								
Commercial paper ^(b)	(2,239)	—	(736)	(407)	(179)	(176)	(257)	(484)
Outstanding letters of credit	(40)	(34)	(4)	(2)	—	—	—	—
Tax-exempt bonds	(81)	—	—	—	—	—	(81)	—
Available capacity	\$ 5,640	\$ 2,616	\$ 735	\$ 841	\$ 621	\$ 449	\$ 262	\$ 116

(a) Represents the sublimit of each borrower.

(b) Duke Energy issued \$625 million of commercial paper and loaned the proceeds through the money pool to Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio and Duke Energy Indiana. The balances are classified as Long-Term Debt Payable to Affiliated Companies in the Consolidated Balance Sheets.

Term Loan Facility

In response to market volatility and ongoing liquidity impacts from COVID-19, in March 2020, Duke Energy (Parent) entered into a \$1.5 billion, 364-day Term Loan Credit Agreement, borrowing the full \$1.5 billion available on March 19, 2020. The term loan contained a provision for increasing the amount available for borrowing by up to \$500 million. Duke Energy (Parent) exercised this provision on March 27, 2020, borrowing an additional \$188 million. Proceeds were used to reduce outstanding commercial paper and for general corporate purposes. The loan was repaid by Duke Energy (Parent) as of December 31, 2020. Refer to Note 1 for additional information on the COVID-19 pandemic.

Three-Year Revolving Credit Facility

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Duke Energy (Parent) has a \$1 billion revolving credit facility. The facility had an initial termination date of June 2020, but in May 2019, Duke Energy extended the termination date of the facility to May 2022. Borrowings under this facility will be used for general corporate purposes. As of December 31, 2020, \$500 million has been drawn under this facility. This balance is classified as Long-term debt on Duke Energy's Consolidated Balance Sheets. Any undrawn commitments can be drawn, and borrowings can be prepaid, at any time throughout the term of the facility. During the first quarter of 2020, an additional \$500 million was drawn under this facility to manage liquidity impacts from COVID-19. The additional \$500 million was paid down during the second quarter of 2020. The terms and conditions of the facility are generally consistent with those governing Duke Energy's Master Credit Facility.

Duke Energy Progress Term Loan Facility

In December 2018, Duke Energy Progress entered into a two-year term loan facility with commitments totaling \$700 million. Borrowings under the facility were used to pay storm-related costs, pay down commercial paper and to partially finance an upcoming bond maturity. As of December 31, 2019, the entire \$700 million had been drawn under the term loan and was classified as Current maturities of long-term debt on Duke Energy Progress' Consolidated Balance Sheets. In August 2020, Duke Energy Progress repaid its \$700 million two-year term loan facility.

Other Debt Matters

In September 2019, Duke Energy filed a Form S-3 with the SEC. Under this Form S-3, which is uncapped, the Duke Energy Registrants, excluding Progress Energy, may issue debt and other securities, including preferred stock, in the future at amounts, prices and with terms to be determined at the time of future offerings. The registration statement was filed to replace a similar prior filing upon expiration of its three-year term and also allows for the issuance of common and preferred stock by Duke Energy.

Duke Energy has an effective Form S-3 with the SEC to sell up to \$3 billion of variable denomination floating-rate demand notes, called PremierNotes. The Form S-3 states that no more than \$1.5 billion of the notes will be outstanding at any particular time. The notes are offered on a continuous basis and bear interest at a floating rate per annum determined by the Duke Energy PremierNotes Committee, or its designee, on a weekly basis. The interest rate payable on notes held by an investor may vary based on the principal amount of the investment. The notes have no stated maturity date, are non-transferable and may be redeemed in whole or in part by Duke Energy or at the investor's option at any time. The balance as of December 31, 2020, and 2019, was \$1,168 million and \$1,049 million, respectively. The notes are short-term debt obligations of Duke Energy and are reflected as Notes payable and commercial paper on Duke Energy's Consolidated Balance Sheets.

Money Pool

The Subsidiary Registrants, excluding Progress Energy, are eligible to receive support for their short-term borrowing needs through participation with Duke Energy and certain of its subsidiaries in a money pool arrangement. Under this arrangement, those companies with short-term funds may provide short-term loans to affiliates participating in this arrangement. The money pool is structured such that the Subsidiary Registrants, excluding Progress Energy, separately manage their cash needs and working capital requirements. Accordingly, there is no net settlement of receivables and payables between money pool participants. Duke Energy (Parent), may loan funds to its participating subsidiaries, but may not borrow funds through the money pool. Accordingly, as the money pool activity is between Duke Energy and its wholly owned subsidiaries, all money pool balances are eliminated within Duke Energy's Consolidated Balance Sheets.

Money pool receivable balances are reflected within Notes receivable from affiliated companies on the Subsidiary Registrants' Consolidated Balance Sheets. Money pool payable balances are reflected within either Notes payable to affiliated companies or Long-Term Debt Payable to Affiliated Companies on the Subsidiary Registrants' Consolidated Balance Sheets.

Restrictive Debt Covenants

The Duke Energy Registrants' debt and credit agreements contain various financial and other covenants. Duke Energy's Master Credit Facility contains a covenant requiring the debt-to-total capitalization ratio not to exceed 65% for each borrower, excluding Piedmont, and 70% for Piedmont. Failure to meet those covenants beyond applicable grace periods could result in accelerated due dates and/or termination of the agreements. As of December 31, 2020, each of the Duke Energy Registrants was in compliance with all covenants related to their debt agreements. In addition, some credit agreements may allow for acceleration of payments or termination of the agreements due to nonpayment, or acceleration of other significant indebtedness of the borrower or some of its subsidiaries. None of the debt or credit agreements contain material adverse change clauses.

Other Loans

As of December 31, 2020, and 2019, Duke Energy had loans outstanding of \$817 million, including \$35 million at Duke Energy Progress and \$777 million, including \$36 million at Duke Energy Progress, respectively, against the cash surrender value of life insurance policies it owns on the lives of its executives. The amounts outstanding were carried as a reduction of the related cash surrender value that is included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets.

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7. GUARANTEES AND INDEMNIFICATIONS

Duke Energy has various financial and performance guarantees and indemnifications with non-consolidated entities, which are issued in the normal course of business. As discussed below, these contracts include performance guarantees, standby letters of credit, debt guarantees and indemnifications. Duke Energy enters into these arrangements to facilitate commercial transactions with third parties by enhancing the value of the transaction to the third party. At December 31, 2020, Duke Energy does not believe conditions are likely for significant performance under these guarantees, except for ACP as described below. To the extent liabilities are incurred as a result of the activities covered by the guarantees, such liabilities are included on the accompanying Consolidated Balance Sheets.

On January 2, 2007, Duke Energy completed the spin-off of its previously wholly owned natural gas businesses to shareholders. Guarantees issued by Duke Energy or its affiliates, or assigned to Duke Energy prior to the spin-off, remained with Duke Energy subsequent to the spin-off. Guarantees issued by Spectra Capital or its affiliates prior to the spin-off remained with Spectra Capital subsequent to the spin-off, except for guarantees that were later assigned to Duke Energy. Duke Energy has indemnified Spectra Capital against any losses incurred under certain of the guarantee obligations that remain with Spectra Capital. At December 31, 2020, the maximum potential amount of future payments associated with these guarantees were \$56 million, the majority of which expires by 2028.

In October 2017, ACP executed a \$3.4 billion revolving credit facility with a stated maturity date of October 2021. Duke Energy entered into a guarantee agreement to support its share of the ACP revolving credit facility. In July 2020, ACP reduced the size of the credit facility to \$1.9 billion. Duke Energy's maximum exposure to loss under the terms of the guarantee is \$860 million as of December 31, 2020. This amount represents 47% of the outstanding borrowings under the credit facility.

Duke Energy recognized the \$860 million within Other Current Liabilities on the Consolidated Balance Sheets at December 31, 2020, of which \$95 million was previously recognized due the adoption of new guidance for credit losses effective January 1, 2020. See Notes 3 and 12 for more information. The remaining reserve for credit losses for financial guarantees of \$4 million at December 31, 2020, is included within Other Noncurrent Liabilities on the Duke Energy's Consolidated Balance Sheets. Management considers financial guarantees for evaluation under this standard based on the anticipated amount outstanding at the time of default. The reserve for credit losses is based on the evaluation of the contingent components of financial guarantees. Management evaluates the risk of default, exposure and length of time remaining in the period for each contract.

In addition to the Spectra Capital and ACP revolving credit facility guarantees above, Duke Energy has issued performance guarantees to customers and other third parties that guarantee the payment and performance of other parties, including certain non-wholly owned entities, as well as guarantees of debt of certain non-consolidated entities. If such entities were to default on payments or performance, Duke Energy would be required under the guarantees to make payments on the obligations of these entities. The maximum potential amount of future payments required under these guarantees as of December 31, 2020, was \$56 million of which \$53 million expire between 2021 and 2030, with the remaining performance guarantees having no contractual expiration. Additionally, certain guarantees have uncapped maximum potential payments; however, Duke Energy does not believe these guarantees will have a material effect on its results of operations, cash flows or financial position.

Duke Energy uses bank-issued standby letters of credit to secure the performance of wholly owned and non-wholly owned entities to a third party or customer. Under these arrangements, Duke Energy has payment obligations to the issuing bank that are triggered by a draw by the third party or customer due to the failure of the wholly owned or non-wholly owned entity to perform according to the terms of its underlying contract. At December 31, 2020, Duke Energy had issued a total of \$566 million in letters of credit, which expire between 2021 and 2023. The unused amount under these letters of credit was \$76 million.

Duke Energy recognized \$11 million and \$23 million as of December 31, 2020, and 2019, respectively, primarily in Other within Other Noncurrent Liabilities on the Consolidated Balance Sheets, for the guarantees discussed above. As current estimates change, additional losses related to guarantees and indemnifications to third parties, which could be material, may be recorded by the Duke Energy Registrants in the future.

8. JOINT OWNERSHIP OF GENERATING AND TRANSMISSION FACILITIES

The Duke Energy Registrants maintain ownership interests in certain jointly owned generating and transmission facilities. The Duke Energy Registrants are entitled to a share of the generating capacity and output of each unit equal to their respective ownership interests. The Duke Energy Registrants pay their ownership share of additional construction costs, fuel inventory purchases and operating expenses. The Duke Energy Registrants share of revenues and operating costs of the jointly owned facilities is included within the corresponding line in the Consolidated Statements of Operations. Each participant in the jointly owned facilities must provide its own financing.

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The following table presents the Duke Energy Registrants' interest of jointly owned plant or facilities and amounts included on the Consolidated Balance Sheets. All facilities are operated by the Duke Energy Registrants and are included in the Electric Utilities and Infrastructure segment.

(in millions except for ownership interest)	December 31, 2020			
	Ownership Interest	Property, Plant and Equipment	Accumulated Depreciation	Construction Work in Progress
Duke Energy Carolinas				
Catawba (units 1 and 2)(a)	19.25 %	\$ 1,017	\$ 518	\$ 23
W.S. Lee CC(b)	87.27 %	632	49	1
Duke Energy Indiana				
Gibson (unit 5)(c)	50.05 %	447	199	4
Vermillion(d)	62.50 %	174	101	1
Transmission and local facilities(c)	Various	5,817	1,508	150

(a) Jointly owned with North Carolina Municipal Power Agency Number 1, NCEMC and PMPA.

(b) Jointly owned with NCEMC.

(c) Jointly owned with WVPA and IMPA.

(d) Jointly owned with WVPA.

9. ASSET RETIREMENT OBLIGATIONS

Duke Energy records an ARO when it has a legal obligation to incur retirement costs associated with the retirement of a long-lived asset and the obligation can be reasonably estimated. Certain assets of the Duke Energy Registrants have an indeterminate life, such as transmission and distribution facilities, and thus the fair value of the retirement obligation is not reasonably estimable. A liability for these AROs will be recorded when a fair value is determinable.

The Duke Energy Registrants' regulated operations accrue costs of removal for property that does not have an associated legal retirement obligation based on regulatory orders from state commissions. These costs of removal are recorded as a regulatory liability in accordance with regulatory accounting treatment. The Duke Energy Registrants do not accrue the estimated cost of removal for any nonregulated assets. See Note 3 for the estimated cost of removal for assets without an associated legal retirement obligation, which are included in Regulatory liabilities on the Consolidated Balance Sheets.

The following table presents the AROs recorded on the Consolidated Balance Sheets.

(in millions)	December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
Decommissioning of nuclear power facilities(a)	\$ 6,845	\$ 2,695	\$ 4,101	\$ 3,642	\$ 459	\$ —	\$ —	\$ —
Closure of ash impoundments	5,778	2,597	1,973	1,950	23	67	1,140	—
Other	381	58	75	43	32	44	36	20

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Total asset retirement obligation	\$ 13,004	\$ 5,350	\$ 6,149	\$ 5,635	\$ 514	\$ 111	\$ 1,176	\$ 20
Less: Current portion	718	264	283	283	—	3	168	—
Total noncurrent asset retirement obligation	\$ 12,286	\$ 5,086	\$ 5,866	\$ 5,352	\$ 514	\$ 108	\$ 1,008	\$ 20

(a) Duke Energy amount includes purchase accounting adjustments related to the merger with Progress Energy.

Nuclear Decommissioning Liability

AROs related to nuclear decommissioning are based on site-specific cost studies. The NCUC, PSCSC and FPSC require updated cost estimates for decommissioning nuclear plants every five years.

The following table summarizes information about the most recent site-specific nuclear decommissioning cost studies. Decommissioning costs are stated in 2018 or 2019 dollars, depending on the year of the cost study, and include costs to decommission plant components not subject to radioactive contamination.

(in millions)	Annual Funding		Decommissioning Costs(a)	Year of Cost Study
	Requirement(a)			
Duke Energy	\$ 27	\$	9,105	2018 or 2019
Duke Energy Carolinas ^{(b)(c)}	—		4,365	2018
Duke Energy Progress ^(d)	27		4,181	2019
Duke Energy Florida ^(e)	—		559	N/A

(a) Amounts for Progress Energy equal the sum of Duke Energy Progress and Duke Energy Florida.

(b) Decommissioning cost for Duke Energy Carolinas reflects its ownership interest in jointly owned reactors. Other joint owners are responsible for decommissioning costs related to their interest in the reactors.

(c) Duke Energy Carolinas' site-specific nuclear decommissioning cost study completed in 2018 was filed with the NCUC and PSCSC in 2019. A new funding study was also completed and filed with the NCUC and PSCSC in 2019.

(d) Duke Energy Progress' site-specific nuclear decommissioning cost study completed in 2019 was filed with the NCUC and PSCSC in March 2020. Duke Energy Progress also completed a funding study, which was filed with the NCUC and PSCSC in July 2020.

(e) During 2019, Duke Energy Florida reached an agreement to transfer decommissioning work for Crystal River Unit 3 to a third party and decommissioning costs are based on the agreement with this third party rather than a cost study. Regulatory approval was received from the NRC and the FPSC in April 2020 and August 2020, respectively. See Note 3 for more information.

Nuclear Decommissioning Trust Funds

Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida each maintain NDTFs that are intended to pay for the decommissioning costs of their respective nuclear power plants. The NDTF investments are managed and invested in accordance with applicable requirements of various regulatory bodies including the NRC, FERC, NCUC, PSCSC, FPSC and the IRS.

Use of the NDTF investments is restricted to nuclear decommissioning activities including license termination, spent fuel and site restoration. The license termination and spent fuel obligations relate to contaminated decommissioning and are recorded as AROs. The site restoration obligation relates to non-contaminated decommissioning and is recorded to cost of removal within Regulatory liabilities on the Consolidated Balance Sheets.

The following table presents the fair value of NDTF assets legally restricted for purposes of settling AROs associated with nuclear decommissioning. Duke Energy Florida entered into an agreement with a third party to decommission Crystal River Unit 3 and was granted an exemption from the NRC, which allows for use of the NDTF for all aspects of nuclear decommissioning. The entire balance of Duke Energy Florida's NDTF may be applied toward license termination, spent fuel and site restoration costs incurred to decommission Crystal River Unit 3 and is excluded from the table below. See Note 16 for additional information related to the fair value of the Duke Energy Registrants' NDTFs.

(in millions)	December 31,	
	2020	2019

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Duke Energy	\$ 7,726	\$ 6,766
Duke Energy Carolinas	4,381	3,837
Duke Energy Progress	3,345	2,929

Nuclear Operating Licenses

Operating licenses for nuclear units are potentially subject to extension. The following table includes the current expiration of nuclear operating licenses.

Unit	Year of Expiration
Duke Energy Carolinas	
Catawba Units 1 and 2	2043
McGuire Unit 1	2041
McGuire Unit 2	2043
Oconee Units 1 and 2	2033
Oconee Unit 3	2034
Duke Energy Progress	
Brunswick Unit 1	2036
Brunswick Unit 2	2034
Harris	2046
Robinson	2030

The NRC has acknowledged permanent cessation of operation and permanent removal of fuel from the reactor vessel at Crystal River Unit 3. Therefore, the license no longer authorizes operation of the reactor. During 2019, Duke Energy Florida entered into an agreement for the accelerated decommissioning of Crystal River Unit 3. Regulatory approval was received from the NRC and the FPSC in April 2020 and August 2020, respectively. See Note 3 for more information.

Closure of Ash Impoundments

The Duke Energy Registrants are subject to state and federal regulations covering the closure of coal ash impoundments, including the EPA CCR rule and the Coal Ash Act, and other agreements. AROs recorded on the Duke Energy Registrants' Consolidated Balance Sheets include the legal obligation for closure of coal ash basins and the disposal of related ash as a result of these regulations and agreements.

The ARO amount recorded on the Consolidated Balance Sheets is based upon estimated closure costs for impacted ash impoundments. The amount recorded represents the discounted cash flows for estimated closure costs based upon specific closure plans. Actual costs to be incurred will be dependent upon factors that vary from site to site. The most significant factors are the method and time frame of closure at the individual sites. Closure methods considered include removing the water from ash basins, consolidating material as necessary and capping the ash with a synthetic barrier, excavating and relocating the ash to a lined structural fill or lined landfill or recycling the ash for concrete or some other beneficial use. The ultimate method and timetable for closure will be in compliance with standards set by federal and state regulations and other agreements. The ARO amount will be adjusted as additional information is gained through the closure and post-closure process, including acceptance and approval of compliance approaches, which may change management assumptions, and may result in a material change to the balance. See ARO Liability Rollforward section below for information on revisions made to the coal ash liability during 2020 and 2019.

Asset retirement costs associated with the AROs for operating plants and retired plants are included in Net property, plant and equipment and Regulatory assets, respectively, on the Consolidated Balance Sheets. See Note 3 for additional information on Regulatory assets related to AROs.

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Cost recovery for future expenditures will be pursued through the normal ratemaking process with federal and state utility commissions, which permit recovery of necessary and prudently incurred costs associated with Duke Energy's regulated operations. See Note 3 for additional information on recovery of coal ash costs.

ARO Liability Rollforward

The following tables present changes in the liability associated with AROs.

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke Energy	Carolinas	Progress Energy	Energy Progress	Florida	Ohio	Indiana	Piedmont
Balance at December 31, 2018	\$ 10,467	\$ 3,949	\$ 5,411	\$ 4,820	\$ 591	\$ 93	\$ 722	\$ 19
Accretion expense ^(a)	508	235	252	227	25	3	28	1
Liabilities settled ^(b)	(895)	(329)	(499)	(460)	(39)	(12)	(54)	—
Liabilities incurred in the current year	25	18	7	—	7	—	—	—
Revisions in estimates of cash flows ^(c)	3,213	1,861	1,300	1,306	(6)	(4)	136	(3)
Balance at December 31, 2019	13,318	5,734	6,471	5,893	578	80	832	17
Accretion expense ^(a)	542	258	246	225	21	4	33	1
Liabilities settled ^(b)	(724)	(198)	(451)	(358)	(93)	(2)	(74)	—
Liabilities incurred in the current year	22	—	5	—	5	—	—	—
Revisions in estimates of cash flows ^(d)	(154)	(444)	(122)	(125)	3	29	385	2
Balance at December 31, 2020	\$ 13,004	\$ 5,350	\$ 6,149	\$ 5,635	\$ 514	\$ 111	\$ 1,176	\$ 20

- (a) Substantially all accretion expense for the years ended December 31, 2020, and 2019, relates to Duke Energy's regulated operations and has been deferred in accordance with regulatory accounting treatment.
- (b) Amounts primarily relate to ash impoundment closures and nuclear decommissioning.
- (c) Amounts primarily relate to increases in closure estimates for certain ash impoundments as a result of the NCDEQ's April 1, 2019, Order and the related settlement agreement dated December 31, 2019.
- (d) Primarily relates to decreases due to revised basin closure cost estimates, partially offset by increases related to new closure plan approvals, post closure maintenance and beneficiation costs. Duke Energy Indiana estimates also include the impacts of closure estimates for certain ash impoundments due to the impact of Hoosier Environmental Council's petition filed with the court challenging the Indiana Department of Environmental Management's partial approval of Duke Energy Indiana's ash pond closure plan. See Note 4 for more information on Hoosier Environmental Council's petition. The incremental amount recorded represents the discounted cash flows for estimated closure costs based upon the probability weightings of the potential closure methods as evaluated on a site-by-site basis.

10. PROPERTY, PLANT AND EQUIPMENT

The following tables summarize the property, plant and equipment for Duke Energy and its subsidiary registrants.

December 31, 2020

Average							
Remaining Useful Life	Duke Energy	Progress Energy	Duke Energy	Duke Energy	Duke Energy	Duke Energy	Duke Energy

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(in millions)	(Years)	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Land		\$ 2,046	\$ 536	\$ 908	\$ 463	\$ 445	\$ 171	\$ 118	\$ 279
Plant – Regulated									
Electric generation, distribution and transmission	39	117,107	44,059	50,785	31,375	19,410	6,255	16,008	—
Natural gas transmission and distribution	54	10,799	—	—	—	—	3,136	—	7,663
Other buildings and improvements	36	2,038	740	459	197	262	374	300	165
Plant – Nonregulated									
Electric generation, distribution and transmission	27	5,444	—	—	—	—	—	—	—
Other buildings and improvements	10	519	—	—	—	—	—	—	—
Nuclear fuel		3,284	1,837	1,447	1,447	—	—	—	—
Equipment	15	2,608	620	759	498	261	385	238	122
Construction in process		6,645	1,645	2,013	709	1,304	407	409	581
Other	14	5,090	1,203	1,521	1,070	441	294	309	324
Total property, plant and equipment(a)(e)		155,580	50,640	57,892	35,759	22,123	11,022	17,382	9,134
Total accumulated depreciation – regulated(b)(c)		(46,216)	(17,453)	(18,368)	(12,801)	(5,560)	(3,013)	(5,661)	(1,749)
Total accumulated depreciation – nonregulated(d)(e)		(2,611)	—	—	—	—	—	—	—
Generation facilities to be retired, net		29	—	29	29	—	—	—	—
Total net property, plant and equipment		\$ 106,782	\$ 33,187	\$ 39,553	\$ 22,987	\$ 16,563	\$ 8,009	\$ 11,721	\$ 7,385

- (a) Includes finance leases of \$832 million, \$335 million, \$416 million, \$297 million, \$119 million and \$10 million at Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana, respectively, primarily within Plant – Regulated. The Progress Energy, Duke Energy Progress and Duke Energy Florida amounts are net of \$141 million, \$24 million and \$117 million, respectively, of accumulated amortization of finance leases.
- (b) Includes \$1,832 million, \$1,010 million, \$822 million and \$822 million of accumulated amortization of nuclear fuel at Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.
- (c) Includes accumulated amortization of finance leases of \$12 million, \$23 million and \$3 million at Duke Energy, Duke Energy Carolinas and Duke Energy Indiana, respectively.
- (d) Includes accumulated amortization of finance leases of \$23 million at Duke Energy.
- (e) Includes gross property, plant and equipment cost of consolidated VIEs of \$6,394 million and accumulated depreciation of consolidated VIEs of \$1,242 million at Duke Energy.

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In 2020, Duke Energy evaluated recoverability of its renewable merchant plants principally located in the Electric Reliability Council of Texas West market and in the PJM West market due to declining market pricing and declining long-term forecasted energy prices, primarily driven by lower forecasted natural gas prices. Duke Energy determined that the assets were not impaired because the carrying value of \$210 million approximates the aggregate estimated future undiscounted cash flows. A continued decline in energy market pricing would likely result in a future impairment. Duke Energy retained 51% ownership interest in these facilities following the 2019 transaction to sell a minority interest in certain renewable assets. See Note 1 for further information.

December 31, 2019									
(in millions)	Average	Duke		Duke		Duke		Duke	
	Remaining Useful Life (Years)	Duke Energy	Energy Carolinas	Progress Energy	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Piedmont
Land		\$ 2,091	\$ 520	\$ 884	\$ 449	\$ 435	\$ 150	\$ 117	\$ 388
Plant – Regulated									
Electric generation, distribution and transmission	39	111,739	42,723	48,142	30,018	18,124	5,838	15,032	—
Natural gas transmission and distribution	54	9,839	—	—	—	—	2,892	—	6,947
Other buildings and improvements	32	1,810	714	401	162	239	269	278	148
Plant – Nonregulated									
Electric generation, distribution and transmission	28	5,103	—	—	—	—	—	—	—
Other buildings and improvements	9	488	—	—	—	—	—	—	—
Nuclear fuel		3,253	1,891	1,362	1,362	—	—	—	—
Equipment	13	2,313	546	665	452	213	319	205	128
Construction in process		6,102	1,389	2,149	1,114	1,035	504	381	531
Other	13	4,916	1,139	1,467	1,046	411	269	292	304
Total property, plant and equipment(a)(e)		147,654	48,922	55,070	34,603	20,457	10,241	16,305	8,446
Total accumulated depreciation – regulated(b)(c)		(43,419)	(16,525)	(17,159)	(11,915)	(5,236)	(2,843)	(5,233)	(1,681)
Total accumulated depreciation – nonregulated(d)(e)		(2,354)	—	—	—	—	—	—	—
Generation facilities to be retired, net		246	—	246	246	—	—	—	—
Total net property, plant and equipment		\$ 102,127	\$ 32,397	\$ 38,157	\$ 22,934	\$ 15,221	\$ 7,398	\$ 11,072	\$ 6,765

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

- (a) Includes finance leases of \$952 million, \$211 million, \$443 million, \$308 million, \$135 million, and \$10 million at Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana, respectively, primarily within Plant – Regulated. The Progress Energy, Duke Energy Progress and Duke Energy Florida amounts are net of \$143 million, \$17 million and \$126 million, respectively, of accumulated amortization of finance leases.
- (b) Includes \$1,807 million, \$1,082 million, \$725 million and \$725 million of accumulated amortization of nuclear fuel at Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.
- (c) Includes accumulated amortization of finance leases of \$6 million, \$13 million, and \$3 million at Duke Energy, Duke Energy Carolinas and Duke Energy Indiana, respectively.
- (d) Includes accumulated amortization of finance leases of \$20 million at Duke Energy.
- (e) Includes gross property, plant and equipment cost of consolidated VIEs of \$5,747 million and accumulated depreciation of consolidated VIEs of \$1,041 million at Duke Energy.

The following tables present capitalized interest, which includes the debt component of AFUDC.

(in millions)	Years Ended December 31,		
	2020	2019	2018
Duke Energy	\$ 112	\$ 159	\$ 161
Duke Energy Carolinas	28	30	35
Progress Energy	17	31	51
Duke Energy Progress	12	28	26
Duke Energy Florida	5	3	25
Duke Energy Ohio	26	22	17
Duke Energy Indiana	10	26	27
Piedmont	8	26	17

11. GOODWILL AND INTANGIBLE ASSETS

GOODWILL

Duke Energy

The following table presents goodwill by reportable segment for Duke Energy included on Duke Energy's Consolidated Balance Sheets at December 31, 2020, and 2019.

(in millions)	Electric Utilities		Gas Utilities		Commercial		Total
	and Infrastructure		and Infrastructure		Renewables		
Goodwill Balance at December 31, 2019	\$ 17,379	\$	1,924	\$	122	\$	19,425
Accumulated impairment charges	—		—		(122)		(122)
Goodwill balance at December 31, 2019, adjusted for accumulated impairment charges	\$ 17,379	\$	1,924	\$	—	\$	19,303
Goodwill Balance at December 31, 2020	\$ 17,379	\$	1,924	\$	122	\$	19,425
Accumulated impairment charges	—		—		(122)		(122)
Goodwill balance at December 31, 2020, adjusted for	\$ 17,379	\$	1,924	\$	—	\$	19,303

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NOTES TO FINANCIAL STATEMENTS (Continued)			

accumulated impairment charges

- (a) Duke Energy evaluated the recoverability of goodwill during 2018 and 2017 and recorded impairment charges of \$93 million and \$29 million, respectively, related to the Commercial Renewables reporting unit included in Impairment charges on Duke Energy's Consolidated Statements of Operations. The fair value of the reporting unit was determined based on the income approach and market approach in 2018 and 2017, respectively. See "Goodwill Impairment Testing" below for the results of the 2020 goodwill impairment test.

Duke Energy Ohio

Duke Energy Ohio's Goodwill balance of \$920 million, allocated \$596 million to Electric Utilities and Infrastructure and \$324 million to Gas Utilities and Infrastructure, is presented net of accumulated impairment charges of \$216 million on the Consolidated Balance Sheets at December 31, 2020, and 2019.

Progress Energy

Progress Energy's Goodwill is included in the Electric Utilities and Infrastructure segment and there are no accumulated impairment charges.

Piedmont

Piedmont's Goodwill is included in the Gas Utilities and Infrastructure segment and there are no accumulated impairment charges.

Goodwill Impairment Testing

Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont are required to perform an annual goodwill impairment test as of the same date each year and, accordingly, perform their annual impairment testing of goodwill as of August 31. Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont update their test between annual tests if events or circumstances occur that would more likely than not reduce the fair value of a reporting unit below its carrying value. As the fair value for Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont exceeded their respective carrying values at the date of the annual impairment analysis, no goodwill impairment charges were recorded in 2020.

INTANGIBLE ASSETS

The following tables show the carrying amount and accumulated amortization of intangible assets included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets of the Duke Energy Registrants at December 31, 2020, and 2019.

(in millions)	December 31, 2020							
	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Piedmont
	Energy	Carolin	Energy	Progress	Florida	Ohio	Indiana	
Emission allowances	\$ 8	\$ —	\$ 5	\$ 2	\$ 3	\$ —	\$ 2	\$ —
Renewable energy certificates	196	65	130	130	—	1	—	—
Natural gas, coal and power contracts	24	—	—	—	—	—	24	—
Renewable operating and development projects	107	—	—	—	—	—	—	—
Other	20	—	—	—	—	—	—	—
Total gross carrying amounts	355	65	135	132	3	1	26	—
Accumulated amortization – natural gas, coal and power contracts	(23)	—	—	—	—	—	(23)	—
Accumulated amortization – renewable operating and	(34)	—	—	—	—	—	—	—

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

development projects

Accumulated amortization – other	(3)	—	—	—	—	—	—	—	—
Total accumulated amortization	(60)	—	—	—	—	—	—	(23)	—
Total intangible assets, net	\$ 295	\$ 65	\$ 135	\$ 132	\$ 3	\$ 1	\$ 3	\$ —	—

December 31, 2019

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke	Piedmont
	Duke	Energy	Progress	Energy	Energy	Energy	Energy		
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana		
Emission allowances	\$ 18	\$ —	\$ 5	\$ 2	\$ 3	\$ —	\$ 12	\$ —	
Renewable energy certificates	172	53	118	118	—	1	—	—	
Natural gas, coal and power contracts	24	—	—	—	—	—	24	—	
Renewable operating and development projects	89	—	—	—	—	—	—	—	
Other	2	—	—	—	—	—	—	—	
Total gross carrying amounts	305	53	123	120	3	1	36	—	
Accumulated amortization – natural gas, coal and power contracts	(21)	—	—	—	—	—	(21)	—	
Accumulated amortization – renewable operating and development projects	(34)	—	—	—	—	—	—	—	
Accumulated amortization – other	(1)	—	—	—	—	—	—	—	
Total accumulated amortization	(56)	—	—	—	—	—	(21)	—	
Total intangible assets, net	\$ 249	\$ 53	\$ 123	\$ 120	\$ 3	\$ 1	\$ 15	\$ —	

Amortization Expense

Amortization expense amounts for natural gas, coal and power contracts, renewable operating projects and other intangible assets are immaterial for the years ended December 31, 2020, 2019 and 2018, and are expected to be immaterial for the next five years as of December 31, 2020.

12. INVESTMENTS IN UNCONSOLIDATED AFFILIATES**EQUITY METHOD INVESTMENTS**

Investments in affiliates that are not controlled by Duke Energy, but over which it has significant influence, are accounted for using the equity method.

The following table presents Duke Energy's investments in unconsolidated affiliates accounted for under the equity method, as well as the respective equity in earnings, by segment.

Years Ended December 31,

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	2020		2019		2018	
	Investments	Equity in earnings	Investments	Equity in earnings	Investments	Equity in earnings
Electric Utilities and Infrastructure	\$ 105	\$ (1)	\$ 122	\$ 9	\$ 97	\$ 6
Gas Utilities and Infrastructure	215	(2,017)	1,388	114	1,003	27
Commercial Renewables	534	—	314	(4)	201	(1)
Other	107	13	112	43	108	51
Total	\$ 961	\$ (2,005)	\$ 1,936	\$ 162	\$ 1,409	\$ 83

During the years ended December 31, 2020, 2019 and 2018, Duke Energy received distributions from equity investments of \$37 million, \$55 million and \$108 million, respectively, which are included in Other assets within Cash Flows from Operating Activities on the Consolidated Statements of Cash Flows. During the years ended December 31, 2020, 2019 and 2018, Duke Energy received distributions from equity investments of \$133 million, \$11 million and \$137 million, respectively, which are included in Return of investment capital within Cash Flows from Investing Activities on the Consolidated Statements of Cash Flows.

During the years ended December 31, 2020, 2019 and 2018, Piedmont received distributions from equity investments of \$2 million, \$1 million and \$1 million, respectively, which are included in Other assets within Cash Flows from Operating Activities and \$2 million, \$4 million and \$3 million, respectively, which are included within Cash Flows from Investing Activities on the Consolidated Statements of Cash Flows.

Significant investments in affiliates accounted for under the equity method are discussed below.

Electric Utilities and Infrastructure

Duke Energy owns 50% interests in both DATC and Pioneer, which build, own and operate electric transmission facilities in North America.

Gas Utilities and Infrastructure

The table below outlines Duke Energy's ownership interests in natural gas pipeline companies and natural gas storage facilities.

Entity Name	Ownership Interest	Investment Amount (in millions)	
		December 31, 2020	December 31, 2019
Pipeline Investments^(a)			
ACP ^(b)	47 %	\$ —	\$ 1,179
Sabal Trail	7.5 %	120	121
Cardinal ^(c)	21.49 %	9	9
Storage Facilities			
Pine Needle ^(c)	45 %	27	28
Hardy Storage ^(c)	50 %	56	51
Other	29.68 %	3	—
Total Investments^(d)		\$ 215	\$ 1,388

(a) Duke Energy recorded OTTI of \$25 million and \$55 million within Equity in (losses) earnings of unconsolidated affiliates on Duke Energy's Consolidated Statements of Operations for the years ended December 31, 2019, and 2018, respectively, to completely impair its 24% ownership interest in Constitution.

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

- (b) In 2020, Duke Energy determined it would no longer continue its investment in the construction of the ACP pipeline. See Notes 3 and 7 for further information.
- (c) Piedmont owns the Cardinal, Pine Needle and Hardy Storage investments.
- (d) Duke Energy includes purchase accounting adjustments related to Piedmont.

Commercial Renewables

DS Cornerstone, LLC, which owns wind farm projects in the U.S. was part of a sale of minority interest in a certain portion of renewable assets in 2019. See Note 1 for more information on the sale. Prior to the sale, Duke Energy had a 50% interest in DS Cornerstone, LLC. After the sale, Duke Energy has a 26% interest in the investment.

As of December 31, 2020, Duke Energy completed its acquisition of 70 distributed fuel cell projects from Bloom Energy Corporation, which approximates 43 MW of capacity serving commercial and industrial customers across the U.S. Duke Energy is not the primary beneficiary of the distributed fuel cell portfolio and does not consolidate these assets.

Other

Duke Energy has a 17.5% indirect economic ownership interest and 25% board representation and voting rights interest in NMC, which owns and operates a methanol and MTBE business in Jubail, Saudi Arabia.

Significant Subsidiaries

For the year ended December 31, 2020, Duke Energy's investment in ACP met the requirements of S-X Rule 4-08(g) to provide summarized financial information. The following table provides summary information for ACP as required under S-X Rule 1-02(bb) for the comparative periods in Duke Energy's consolidated balance sheets and consolidated statements of operations.

(in millions)	December 31,	
	2020	2019
Current assets	\$ 43	\$ 17
Noncurrent assets	93	4,091
Current liabilities	1,965	37
Noncurrent liabilities	167	1,760
Membership interests	(1,996)	2,311

	Years Ended December 31,		
	2020	2019	2018
Net revenues	\$ —	\$ —	\$ —
Operating loss	(4,612)	(5)	(6)
Net (loss) income	(4,512)	246	138
Net (loss) income attributable to Duke Energy	\$ (2,121)	\$ 116	\$ 65

13. RELATED PARTY TRANSACTIONS

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

The Subsidiary Registrants engage in related party transactions in accordance with the applicable state and federal commission regulations. Refer to the Consolidated Balance Sheets of the Subsidiary Registrants for balances due to or due from related parties. Material amounts related to transactions with related parties included in the Consolidated Statements of Operations and Comprehensive Income are presented in the following table.

(in millions)	Years Ended December 31,		
	2020	2019	2018
Duke Energy Carolinas			
Corporate governance and shared service expenses ^(a)	\$ 753	\$ 841	\$ 985
Indemnification coverages ^(b)	20	20	22
Joint Dispatch Agreement (JDA) revenue ^(c)	25	60	84
JDA expense ^(c)	114	186	207
Intercompany natural gas purchases ^(d)	15	15	15
Progress Energy			
Corporate governance and shared service expenses ^(a)	\$ 715	\$ 778	\$ 906
Indemnification coverages ^(b)	36	37	34
JDA revenue ^(c)	114	186	207
JDA expense ^(c)	25	60	84
Intercompany natural gas purchases ^(d)	75	76	78
Duke Energy Progress			
Corporate governance and shared service expenses ^(a)	\$ 420	\$ 462	\$ 577
Indemnification coverages ^(b)	17	15	13
JDA revenue ^(c)	114	186	207
JDA expense ^(c)	25	60	84
Intercompany natural gas purchases ^(d)	75	76	78
Duke Energy Florida			
Corporate governance and shared service expenses ^(a)	\$ 295	\$ 316	\$ 329
Indemnification coverages ^(b)	19	22	21
Duke Energy Ohio			
Corporate governance and shared service expenses ^(a)	\$ 326	\$ 354	\$ 374
Indemnification coverages ^(b)	4	4	5
Duke Energy Indiana			
Corporate governance and shared service expenses ^(a)	\$ 401	\$ 412	\$ 405
Indemnification coverages ^(b)	8	7	7
Piedmont			
Corporate governance and shared service expenses ^(a)	\$ 140	\$ 138	\$ 170

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Indemnification coverages ^(b)	3	3	2
Intercompany natural gas sales ^(d)	90	91	93
Natural gas storage and transportation costs ^(e)	23	23	25

(e) The Subsidiary Registrants are charged their proportionate share of corporate governance and other shared services costs, primarily related to human resources, employee benefits, information technology, legal and accounting fees, as well as other third-party costs. These amounts are primarily recorded in Operation, maintenance and other on the Consolidated Statements of Operations and Comprehensive Income.

(f) The Subsidiary Registrants incur expenses related to certain indemnification coverages through Bison, Duke Energy's wholly owned captive insurance subsidiary. These expenses are recorded in Operation, maintenance and other on the Consolidated Statements of Operations and Comprehensive Income.

Duke Energy Carolinas and Duke Energy Progress participate in a JDA, which allows the collective dispatch of power plants between the service territories to reduce customer rates. Revenues from the sale of power and expenses from the purchase of power pursuant to the JDA are recorded in Operating Revenues and Fuel used in electric generation and purchased power, respectively, on the Consolidated Statements of Operations and Comprehensive Income.

Piedmont provides long-term natural gas delivery service to certain Duke Energy Carolinas and Duke Energy Progress natural gas-fired generation facilities. Piedmont records the sales in Operating Revenues, and Duke Energy Carolinas and Duke Energy Progress record the related purchases as a component of Fuel used in electric generation and purchased power on their respective Consolidated Statements of Operations and Comprehensive Income. These intercompany revenues and expenses are eliminated in consolidation.

(g) Piedmont has related party transactions as a customer of its equity method investments in Pine Needle, Hardy Storage, and Cardinal natural gas storage and transportation facilities. These expenses are included in Cost of natural gas on Piedmont's Consolidated Statements of Operations and Comprehensive Income.

In addition to the amounts presented above, the Subsidiary Registrants have other affiliate transactions, including rental of office space, participation in a money pool arrangement, other operational transactions and their proportionate share of certain charged expenses. See Note 6 for more information regarding money pool. These transactions of the Subsidiary Registrants are incurred in the ordinary course of business and are eliminated in consolidation.

As discussed in Note 17, certain trade receivables have been sold by Duke Energy Ohio and Duke Energy Indiana to CRC, an affiliate formed by a subsidiary of Duke Energy. The proceeds obtained from the sales of receivables are largely cash but do include a subordinated note from CRC for a portion of the purchase price.

Intercompany Income Taxes

Duke Energy and the Subsidiary Registrants file a consolidated federal income tax return and other state and jurisdictional returns. The Subsidiary Registrants have a tax sharing agreement with Duke Energy for the allocation of consolidated tax liabilities and benefits. Income taxes recorded represent amounts the Subsidiary Registrants would incur as separate C-Corporations. The following table includes the balance of intercompany income tax receivables and payables for the Subsidiary Registrants.

(in millions)	Duke		Duke		Duke		Duke	
	Energy	Progress	Energy	Energy	Energy	Energy	Indiana	Piedmont
	Carolinas	Energy	Progress	Florida	Ohio			
December 31, 2020								
Intercompany income tax receivable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 9	\$ 10
Intercompany income tax payable	31	33	46	35	2	—	—	—
December 31, 2019								
Intercompany income tax receivable	\$ —	\$ 125	\$ 28	\$ —	\$ 9	\$ 28	\$ 13	\$ —
Intercompany income tax payable	5	—	—	2	—	—	—	—

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NOTES TO FINANCIAL STATEMENTS (Continued)			

14. DERIVATIVES AND HEDGING

The Duke Energy Registrants use commodity and interest rate contracts to manage commodity price risk and interest rate risk. The primary use of commodity derivatives is to hedge the generation portfolio against changes in the prices of electricity and natural gas. Piedmont enters into natural gas supply contracts to provide diversification, reliability and natural gas cost benefits to its customers. Interest rate derivatives are used to manage interest rate risk associated with borrowings.

All derivative instruments not identified as NPNS are recorded at fair value as assets or liabilities on the Consolidated Balance Sheets. Cash collateral related to derivative instruments executed under master netting arrangements is offset against the collateralized derivatives on the Consolidated Balance Sheets. The cash impacts of settled derivatives are recorded as operating activities on the Consolidated Statements of Cash Flows.

INTEREST RATE RISK

The Duke Energy Registrants are exposed to changes in interest rates as a result of their issuance or anticipated issuance of variable-rate and fixed-rate debt and commercial paper. Interest rate risk is managed by limiting variable-rate exposures to a percentage of total debt and by monitoring changes in interest rates. To manage risk associated with changes in interest rates, the Duke Energy Registrants may enter into interest rate swaps, U.S. Treasury lock agreements and other financial contracts. In anticipation of certain fixed-rate debt issuances, a series of forward-starting interest rate swaps or Treasury locks may be executed to lock in components of current market interest rates. These instruments are later terminated prior to or upon the issuance of the corresponding debt.

Cash Flow Hedges

For a derivative designated as hedging the exposure to variable cash flows of a future transaction, referred to as a cash flow hedge, the effective portion of the derivative's gain or loss is initially reported as a component of other comprehensive income and subsequently reclassified into earnings once the future transaction impacts earnings. Amounts for interest rate contracts are reclassified to earnings as interest expense over the term of the related debt. Gains and losses reclassified out of AOCI for the years ended December 31, 2020, 2019 and 2018, were not material. Duke Energy's interest rate derivatives designated as hedges include interest rate swaps used to hedge existing debt within the Commercial Renewables segment and forward-starting interest rate swaps not accounted for under regulatory accounting.

Undesignated Contracts

Undesignated contracts primarily include contracts not designated as a hedge because they are accounted for under regulatory accounting or contracts that do not qualify for hedge accounting.

Duke Energy's interest rate swaps for its regulated operations employ regulatory accounting. With regulatory accounting, the mark-to-market gains or losses on the swaps are deferred as regulatory liabilities or regulatory assets, respectively. Regulatory assets and liabilities are amortized consistent with the treatment of the related costs in the ratemaking process. The accrual of interest on the swaps is recorded as Interest Expense on the Duke Energy Registrant's Consolidated Statements of Operations and Comprehensive Income.

The following tables show notional amounts of outstanding derivatives related to interest rate risk.

(in millions)	December 31, 2020					
	Duke Energy		Duke Energy		Duke Energy	
	Energy	Carolinas	Progress Energy	Progress	Florida	Ohio
Cash flow hedges	\$ 632	\$ —	\$ —	\$ —	\$ —	\$ —
Undesignated contracts	1,177	400	750	750	—	27
Total notional amount^(a)	\$ 1,809	\$ 400	\$ 750	\$ 750	\$ —	\$ 27

December 31, 2019

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	Duke Energy		Progress Energy		Duke Energy		Duke Energy	
	Energy	Carolinas	Energy	Progress	Florida	Ohio		
Cash flow hedges	\$ 993	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Undesignated contracts	1,277	450	800	250	550		27	
Total notional amount(a)	\$ 2,270	\$ 450	\$ 800	\$ 250	\$ 550		\$ 27	

(a) Duke Energy includes amounts related to consolidated VIEs of \$632 million in cash flow hedges as of December 31, 2020, and \$693 million in cash flow hedges as of December 31, 2019.

COMMODITY PRICE RISK

The Duke Energy Registrants are exposed to the impact of changes in the prices of electricity purchased and sold in bulk power markets and natural gas purchases, including Piedmont's natural gas supply contracts. Exposure to commodity price risk is influenced by a number of factors including the term of contracts, the liquidity of markets and delivery locations. To manage risk associated with commodity prices, the Duke Energy Registrants may enter into long-term power purchase or sales contracts and long-term natural gas supply agreements.

Cash Flow Hedges

For derivatives designated as hedging the exposure to variable cash flows of a future transaction, referred to as a cash flow hedge, the derivative's gain or loss is initially reported as a component of other comprehensive income and subsequently reclassified into earnings once the future transaction impacts earnings. Gains and losses reclassified out of accumulated other comprehensive income (loss) for the year ended December 31, 2020, 2019 and 2018, were not material. Duke Energy's commodity derivatives designated as hedges include long-term electricity sales in the Commercial Renewables segment.

Undesignated Contracts

For the Subsidiary Registrants, bulk power electricity and natural gas purchases flow through fuel adjustment clauses, formula-based contracts or other cost sharing mechanisms. Differences between the costs included in rates and the incurred costs, including undesignated derivative contracts, are largely deferred as regulatory assets or regulatory liabilities. Piedmont policies allow for the use of financial instruments to hedge commodity price risks. The strategy and objective of these hedging programs are to use the financial instruments to reduce gas cost volatility for customers.

Volumes

The tables below include volumes of outstanding commodity derivatives. Amounts disclosed represent the absolute value of notional volumes of commodity contracts excluding NPNS. The Duke Energy Registrants have netted contractual amounts where offsetting purchase and sale contracts exist with identical delivery locations and times of delivery. Where all commodity positions are perfectly offset, no quantities are shown.

	December 31, 2020						
	Duke Energy		Progress Energy		Duke Energy		Duke Energy
	Duke Energy	Carolinas	Energy	Progress	Ohio	Indiana	Piedmont
Electricity (GWh)(a)	35,409	—	—	—	2,559	10,802	—
Natural gas (millions of Dth)	678	145	158	158	—	2	373
	December 31, 2019						
	Duke Energy		Progress Energy		Duke Energy		Duke Energy
	Duke Energy	Carolinas	Energy	Progress	Ohio	Indiana	Piedmont

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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NOTES TO FINANCIAL STATEMENTS (Continued)			

	Energy	Carolinas	Energy	Progress	Ohio	Indiana	Piedmont
Electricity (GWh)	15,858	—	—	—	1,887	13,971	—
Natural gas (millions of Dth)	704	130	160	160	—	3	411

(a) Duke Energy includes 22,048 GWh that relates to cash flow hedges.

LOCATION AND FAIR VALUE OF DERIVATIVE ASSETS AND LIABILITIES RECOGNIZED IN THE CONSOLIDATED BALANCE SHEETS

The following tables show the fair value and balance sheet location of derivative instruments. Although derivatives subject to master netting arrangements are netted on the Consolidated Balance Sheets, the fair values presented below are shown gross and cash collateral on the derivatives has not been netted against the fair values shown.

Derivative Assets	December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
(in millions)	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Commodity Contracts								
<i>Not Designated as Hedging Instruments</i>								
Current	\$ 30	\$ 14	\$ 9	\$ 9	\$ —	\$ 1	\$ 6	\$ 1
Noncurrent	13	6	6	6	—	—	—	—
Total Derivative Assets – Commodity Contracts	\$ 43	\$ 20	\$ 15	\$ 15	\$ —	\$ 1	\$ 6	\$ 1
Interest Rate Contracts								
<i>Not Designated as Hedging Instruments</i>								
Current	\$ 18	\$ —	\$ 18	\$ 18	\$ —	\$ —	\$ —	\$ —
Total Derivative Assets – Interest Rate Contracts	\$ 18	\$ —	\$ 18	\$ 18	\$ —	\$ —	\$ —	\$ —
Total Derivative Assets	\$ 61	\$ 20	\$ 33	\$ 33	\$ —	\$ 1	\$ 6	\$ 1

Derivative Liabilities	December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
(in millions)	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Commodity Contracts								
<i>Designated as Hedging Instruments</i>								
Current	\$ 14	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Noncurrent	70	—	—	—	—	—	—	—
<i>Not Designated as Hedging Instruments</i>								
Current	\$ 30	\$ 13	\$ 2	\$ 2	\$ —	\$ —	\$ 1	\$ 15

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Noncurrent	137	3	27	12	—	—	—	107
Total Derivative Liabilities – Commodity								
Contracts	\$ 251	\$ 16	\$ 29	\$ 14	\$ —	\$ —	\$ 1	\$ 122
Interest Rate Contracts								
<i>Designated as Hedging Instruments</i>								
Current	\$ 15	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Noncurrent	48	—	—	—	—	—	—	—
<i>Not Designated as Hedging Instruments</i>								
Current	5	4	—	—	—	1	—	—
Noncurrent	5	—	—	—	—	5	—	—
Total Derivative Liabilities – Interest Rate								
Contracts	\$ 73	\$ 4	\$ —	\$ —	\$ —	\$ 6	\$ —	\$ —
Total Derivative Liabilities	\$ 324	\$ 20	\$ 29	\$ 14	\$ —	\$ 6	\$ 1	\$ 122

Derivative Assets

December 31, 2019

(in millions)	Duke		Duke		Duke	Duke	Duke		
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Indiana	Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio			
Commodity Contracts									
<i>Not Designated as Hedging Instruments</i>									
Current	\$ 17	\$ —	\$ —	\$ —	\$ —	\$ 3	\$ 13	\$ 1	
Noncurrent	1	—	—	—	—	1	—	—	
Total Derivative Assets – Commodity									
Contracts	\$ 18	\$ —	\$ —	\$ —	\$ —	\$ 4	\$ 13	\$ 1	
Interest Rate Contracts									
<i>Not Designated as Hedging Instruments</i>									
Current	6	—	6	—	6	—	—	—	
Total Derivative Assets – Interest Rate									
Contracts	\$ 6	\$ —	\$ 6	\$ —	\$ 6	\$ —	\$ —	\$ —	
Equity Securities Contracts									
<i>Not Designated as Hedging Instruments</i>									
Current	\$ 1	\$ —	\$ 1	\$ —	\$ 1	\$ —	\$ —	\$ —	
Total Derivative Assets – Equity Securities									
Contracts	\$ 1	\$ —	\$ 1	\$ —	\$ 1	\$ —	\$ —	\$ —	
Total Derivative Assets	\$ 25	\$ —	\$ 7	\$ —	\$ 7	\$ 4	\$ 13	\$ 1	

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Derivative Liabilities

December 31, 2019

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Commodity Contracts								
<i>Not Designated as Hedging Instruments</i>								
Current	\$ 67	\$ 33	\$ 26	\$ 26	\$ —	\$ —	\$ 1	\$ 7
Noncurrent	156	10	37	22	—	—	—	110
Total Derivative Liabilities – Commodity Contracts	\$ 223	\$ 43	\$ 63	\$ 48	\$ —	\$ —	\$ 1	\$ 117
Interest Rate Contracts								
<i>Designated as Hedging Instruments</i>								
Current	\$ 19	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Noncurrent	21	—	—	—	—	—	—	—
<i>Not Designated as Hedging Instruments</i>								
Current	8	6	1	1	—	1	—	—
Noncurrent	5	—	—	—	—	5	—	—
Total Derivative Liabilities – Interest Rate Contracts	\$ 53	\$ 6	\$ 1	\$ 1	\$ —	\$ 6	\$ —	\$ —
Equity Securities Contracts								
<i>Not Designated as Hedging Instruments</i>								
Current	\$ 24	\$ —	\$ 24	\$ —	\$ 24	\$ —	\$ —	\$ —
Total Derivative Liabilities – Equity Securities Contracts	\$ 24	\$ —	\$ 24	\$ —	\$ 24	\$ —	\$ —	\$ —
Total Derivative Liabilities	\$ 300	\$ 49	\$ 88	\$ 49	\$ 24	\$ 6	\$ 1	\$ 117

OFFSETTING ASSETS AND LIABILITIES

The following tables present the line items on the Consolidated Balance Sheets where derivatives are reported. Substantially all of Duke Energy's outstanding derivative contracts are subject to enforceable master netting arrangements. The gross amounts offset in the tables below show the effect of these netting arrangements on financial position and include collateral posted to offset the net position. The amounts shown are calculated by counterparty. Accounts receivable or accounts payable may also be available to offset exposures in the event of bankruptcy. These amounts are not included in the tables below.

Derivative Assets

December 31, 2020

(in millions)	Duke		Duke		Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana
Current							

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NOTES TO FINANCIAL STATEMENTS (Continued)

Gross amounts recognized	\$ 48	\$ 14	\$ 27	\$ 27	\$ —	\$ 1	\$ 6	\$ 1
Gross amounts offset	(3)	(2)	(2)	(2)	—	—	—	—
Net amounts presented in Current Assets:								
Other	\$ 45	\$ 12	\$ 25	\$ 25	\$ —	\$ 1	\$ 6	\$ 1
Noncurrent								
Gross amounts recognized	\$ 13	\$ 6	\$ 6	\$ 6	\$ —	\$ —	\$ —	\$ —
Gross amounts offset	(5)	(1)	(4)	(4)	—	—	—	—
Net amounts presented in Other								
Noncurrent Assets: Other	\$ 8	\$ 5	\$ 2	\$ 2	\$ —	\$ —	\$ —	\$ —

Derivative Liabilities

December 31, 2020

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke Energy	Energy Carolinas	Progress Energy	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont
Current								
Gross amounts recognized	\$ 64	\$ 17	\$ 2	\$ 2	\$ —	\$ 1	\$ 1	\$ 15
Gross amounts offset	(3)	(2)	(2)	(2)	—	—	—	—
Net amounts presented in Current Liabilities: Other	\$ 61	\$ 15	\$ —	\$ —	\$ —	\$ 1	\$ 1	\$ 15
Noncurrent								
Gross amounts recognized	\$ 260	\$ 3	\$ 27	\$ 12	\$ —	\$ 5	\$ —	\$ 107
Gross amounts offset	(5)	(1)	(4)	(4)	—	—	—	—
Net amounts presented in Other								
Noncurrent Liabilities: Other	\$ 255	\$ 2	\$ 23	\$ 8	\$ —	\$ 5	\$ —	\$ 107

Derivative Assets

December 31, 2019

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke Energy	Energy Carolinas	Progress Energy	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont
Current								
Gross amounts recognized	\$ 24	\$ —	\$ 7	\$ —	\$ 7	\$ 3	\$ 13	\$ 1
Gross amounts offset	(1)	—	(1)	—	(1)	—	—	—
Net amounts presented in Current Assets:								
Other	\$ 23	\$ —	\$ 6	\$ —	\$ 6	\$ 3	\$ 13	\$ 1
Noncurrent								
Gross amounts recognized	\$ 1	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —	\$ —

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NOTES TO FINANCIAL STATEMENTS (Continued)

Gross amounts offset	—	—	—	—	—	—	—	—	—
Net amounts presented in Other Noncurrent Assets: Other	\$ 1	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —	\$ —	\$ —

Derivative Liabilities

December 31, 2019

(in millions)	Duke Energy		Duke Progress Energy		Duke Florida		Duke Ohio		Duke Indiana		Duke Piedmont	
	Energy	Carolinas	Energy	Progress	Energy	Florida	Ohio	Indiana	Indiana	Piedmont	Piedmont	
Current												
Gross amounts recognized	\$ 118	\$ 39	\$ 51	\$ 27	\$ 24	\$ 1	\$ 1	\$ 1	\$ 1	\$ 7	\$ 7	\$ 7
Gross amounts offset	(24)	—	(24)	—	(24)	—	—	—	—	—	—	—
Net amounts presented in Current Liabilities: Other	\$ 94	\$ 39	\$ 27	\$ 27	\$ —	\$ 1	\$ 1	\$ 1	\$ 1	\$ 7	\$ 7	\$ 7
Noncurrent												
Gross amounts recognized	\$ 182	\$ 10	\$ 37	\$ 22	\$ —	\$ 5	\$ —	\$ —	\$ —	\$ 110	\$ 110	\$ 110
Gross amounts offset	—	—	—	—	—	—	—	—	—	—	—	—
Net amounts presented in Other Noncurrent Liabilities: Other	\$ 182	\$ 10	\$ 37	\$ 22	\$ —	\$ 5	\$ —	\$ —	\$ —	\$ 110	\$ 110	\$ 110

OBJECTIVE CREDIT CONTINGENT FEATURES

Certain derivative contracts contain objective credit contingent features. These features include the requirement to post cash collateral or letters of credit if specific events occur, such as a credit rating downgrade below investment grade. The following tables show information with respect to derivative contracts that are in a net liability position and contain objective credit-risk-related payment provisions.

(in millions)	December 31, 2020			
	Duke Energy	Duke Carolinas	Duke Progress Energy	Duke Energy
Aggregate fair value of derivatives in a net liability position	\$ 24	\$ 9	\$ 14	\$ 14
Fair value of collateral already posted	—	—	—	—
Additional cash collateral or letters of credit in the event credit-risk-related contingent features were triggered	24	9	14	14

(in millions)	December 31, 2019			
	Duke Energy	Duke Carolinas	Duke Progress Energy	Duke Energy

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Aggregate fair value of derivatives in a net liability position	\$ 79	\$ 35	\$ 44	\$ 44
Fair value of collateral already posted	—	—	—	—
Additional cash collateral or letters of credit in the event credit-risk-related contingent features were triggered	79	35	44	44

The Duke Energy Registrants have elected to offset cash collateral and fair values of derivatives. For amounts to be netted, the derivative and cash collateral must be executed with the same counterparty under the same master netting arrangement.

15. INVESTMENTS IN DEBT AND EQUITY SECURITIES

Duke Energy's investments in debt and equity securities are primarily comprised of investments held in (i) the NDTF at Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida, (ii) the grantor trusts at Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana related to OPEB plans and (iii) Bison. The Duke Energy Registrants classify investments in debt securities as AFS and investments in equity securities as FV-NI.

For investments in debt securities classified as AFS, the unrealized gains and losses are included in other comprehensive income until realized, at which time they are reported through net income. For investments in equity securities classified as FV-NI, both realized and unrealized gains and losses are reported through net income. Substantially all of Duke Energy's investments in debt and equity securities qualify for regulatory accounting, and accordingly, all associated realized and unrealized gains and losses on these investments are deferred as a regulatory asset or liability.

Duke Energy classifies the majority of investments in debt and equity securities as long term, unless otherwise noted.

Investment Trusts

The investments within the Investment Trusts are managed by independent investment managers with discretion to buy, sell and invest pursuant to the objectives set forth by the investment manager agreements and trust agreements. The Duke Energy Registrants have limited oversight of the day-to-day management of these investments. As a result, the ability to hold investments in unrealized loss positions is outside the control of the Duke Energy Registrants. Accordingly, all unrealized losses associated with debt securities within the Investment Trusts are recognized immediately and deferred to regulatory accounts where appropriate.

Other AFS Securities

Unrealized gains and losses on all other AFS securities are included in other comprehensive income until realized, unless it is determined the carrying value of an investment has a credit loss. The Duke Energy Registrants analyze all investment holdings each reporting period to determine whether a decline in fair value is related to a credit loss. If a credit loss exists, the unrealized credit loss is included in earnings. There were no material credit losses as of December 31, 2020, and 2019.

Other Investments amounts are recorded in Other within Other Noncurrent Assets on the Consolidated Balance Sheets.

DUKE ENERGY

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

	December 31, 2020			December 31, 2019		
	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
(in millions)						
NDTF						

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Cash and cash equivalents	\$	—	\$	—	\$	177	\$	—	\$	—	\$	101
Equity securities		4,138		54		6,235		3,523		55		5,661
Corporate debt securities		76		1		806		37		1		603
Municipal bonds		22		—		370		13		—		368
U.S. government bonds		51		—		1,361		33		1		1,256
Other debt securities		8		—		180		3		—		141
Total NDTF Investments	\$	4,295	\$	55	\$	9,129	\$	3,609	\$	57	\$	8,130
Other Investments												
Cash and cash equivalents	\$	—	\$	—	\$	127	\$	—	\$	—	\$	52
Equity securities		79		—		146		57		—		122
Corporate debt securities		8		—		110		3		—		67
Municipal bonds		5		—		86		4		—		94
U.S. government bonds		—		—		42		2		—		41
Other debt securities		—		—		47		—		—		56
Total Other Investments	\$	92	\$	—	\$	558	\$	66	\$	—	\$	432
Total Investments	\$	4,387	\$	55	\$	9,687	\$	3,675	\$	57	\$	8,562

The table below summarizes the maturity date for debt securities.

(in millions)	December 31, 2020
Due in one year or less	\$ 149
Due after one through five years	922
Due after five through 10 years	671
Due after 10 years	1,260
Total	\$ 3,002

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

(in millions)	Years Ended December 31,		
	2020	2019	2018
FV-NI:			
Realized gains	\$ 366	\$ 172	\$ 168
Realized losses	174	151	126
AFS:			
Realized gains	96	94	22

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Realized losses 51 67 51

DUKE ENERGY CAROLINAS

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

(in millions)	December 31, 2020			December 31, 2019		
	Gross	Gross	Estimated	Gross	Gross	Estimated
	Unrealized	Unrealized		Unrealized	Unrealized	
	Holding	Holding	Holding	Holding	Holding	
	Gains	Losses	Fair Value	Gains	Losses	Fair Value
NDTF						
Cash and cash equivalents	\$ —	\$ —	\$ 30	\$ —	\$ —	\$ 21
Equity securities	2,442	23	3,685	1,914	8	3,154
Corporate debt securities	49	1	510	21	1	361
Municipal bonds	6	—	91	3	—	96
U.S. government bonds	25	—	475	16	1	578
Other debt securities	7	—	174	3	—	137
Total NDTF Investments	\$ 2,529	\$ 24	\$ 4,965	\$ 1,957	\$ 10	\$ 4,347

The table below summarizes the maturity date for debt securities.

(in millions)	December 31, 2020
Due in one year or less	\$ 14
Due after one through five years	299
Due after five through 10 years	279
Due after 10 years	658
Total	\$ 1,250

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

(in millions)	Years Ended December 31,		
	2020	2019	2018
FV-NI:			
Realized gains	\$ 64	\$ 113	\$ 89
Realized losses	99	107	73

AFS:

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Realized gains	60	55	19
Realized losses	37	38	35

PROGRESS ENERGY

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

(in millions)	December 31, 2020			December 31, 2019		
	Gross	Gross	Estimated	Gross	Gross	Estimated
	Unrealized	Unrealized		Unrealized	Unrealized	
	Holding	Holding	Fair Value	Holding	Holding	
	Gains	Losses	Fair Value	Gains	Losses	Fair Value
NDTF						
Cash and cash equivalents	\$ —	\$ —	\$ 147	\$ —	\$ —	\$ 80
Equity securities	1,696	31	2,550	1,609	47	2,507
Corporate debt securities	27	—	296	16	—	242
Municipal bonds	16	—	279	10	—	272
U.S. government bonds	26	—	886	17	—	678
Other debt securities	1	—	6	—	—	4
Total NDTF Investments	\$ 1,766	\$ 31	\$ 4,164	\$ 1,652	\$ 47	\$ 3,783
Other Investments						
Cash and cash equivalents	\$ —	\$ —	\$ 106	\$ —	\$ —	\$ 49
Municipal bonds	3	—	26	3	—	51
Total Other Investments	\$ 3	\$ —	\$ 132	\$ 3	\$ —	\$ 100
Total Investments	\$ 1,769	\$ 31	\$ 4,296	\$ 1,655	\$ 47	\$ 3,883

The table below summarizes the maturity date for debt securities.

(in millions)	December 31, 2020
Due in one year or less	\$ 109
Due after one through five years	567
Due after five through 10 years	298
Due after 10 years	519
Total	\$ 1,493

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

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(in millions)	Years Ended December 31,		
	2020	2019	2018
FV-NI:			
Realized gains	\$ 302	\$ 59	\$ 79
Realized losses	75	44	53
AFS:			
Realized gains	24	36	3
Realized losses	13	29	15

DUKE ENERGY PROGRESS

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

(in millions)	December 31, 2020			December 31, 2019			
	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	
	NDTF						
	Cash and cash equivalents	\$ —	\$ —	\$ 76	\$ —	\$ —	\$ 53
Equity securities	1,617	31	2,459	1,258	21	2,077	
Corporate debt securities	27	—	296	16	—	242	
Municipal bonds	16	—	279	10	—	272	
U.S. government bonds	26	—	412	16	—	403	
Other debt securities	1	—	6	—	—	4	
Total NDTF Investments	\$ 1,687	\$ 31	\$ 3,528	\$ 1,300	\$ 21	\$ 3,051	
Other Investments							
Cash and cash equivalents	\$ —	\$ —	\$ 1	\$ —	\$ —	\$ 2	
Total Other Investments	\$ —	\$ —	\$ 1	\$ —	\$ —	\$ 2	
Total Investments	\$ 1,687	\$ 31	\$ 3,529	\$ 1,300	\$ 21	\$ 3,053	

The table below summarizes the maturity date for debt securities.

(in millions)	December 31, 2020
Due in one year or less	\$ 21
Due after one through five years	259
Due after five through 10 years	210

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Due after 10 years	503
Total	\$ 993

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

(in millions)	Years Ended December 31,		
	2020	2019	2018
FV-NI:			
Realized gains	\$ 52	\$ 38	\$ 68
Realized losses	59	33	48
AFS:			
Realized gains	24	7	2
Realized losses	13	5	10

DUKE ENERGY FLORIDA

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

(in millions)	December 31, 2020			December 31, 2019		
	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
	NDTF					
Cash and cash equivalents	\$ —	\$ —	\$ 71	\$ —	\$ —	\$ 27
Equity securities	79	—	91	351	26	430
U.S. government bonds	—	—	474	1	—	275
Total NDTF Investments(a)	\$ 79	\$ —	\$ 636	\$ 352	\$ 26	\$ 732
Other Investments						
Cash and cash equivalents	\$ —	\$ —	\$ 1	\$ —	\$ —	\$ 4
Municipal bonds	3	—	26	3	—	51
Total Other Investments	\$ 3	\$ —	\$ 27	\$ 3	\$ —	\$ 55
Total Investments	\$ 82	\$ —	\$ 663	\$ 355	\$ 26	\$ 787

(a) During the years ended December 31, 2020, and 2019, Duke Energy Florida continued to receive reimbursements from the NDTF for costs related to ongoing decommissioning activity of the Crystal River Unit 3.

The table below summarizes the maturity date for debt securities.

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(in millions)	December 31, 2020
Due in one year or less	\$ 88
Due after one through five years	308
Due after five through 10 years	88
Due after 10 years	16
Total	\$ 500

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

(in millions)	Years Ended December 31,		
	2020	2019	2018
FV-NI:			
Realized gains	\$ 250	\$ 21	\$ 11
Realized losses	16	11	5
AFS:			
Realized gains	—	29	1
Realized losses	—	24	5

DUKE ENERGY INDIANA

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are measured at FV-NI and debt investments are classified as AFS.

(in millions)	December 31, 2020			December 31, 2019		
	Gross Unrealized Holding	Gross Unrealized Holding	Estimated Fair Value	Gross Unrealized Holding	Gross Unrealized Holding	Estimated Fair Value
	Gains	Losses		Gains	Losses	
Investments						
Cash and cash equivalents	\$ —	\$ —	\$ 1	\$ —	\$ —	\$ —
Equity securities	58	—	97	43	—	81
Corporate debt securities	—	—	3	—	—	6
Municipal bonds	1	—	38	1	—	36
U.S. government bonds	—	—	4	—	—	2
Total Investments	\$ 59	\$ —	\$ 143	\$ 44	\$ —	\$ 125

The table below summarizes the maturity date for debt securities.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	December 31, 2020
Due in one year or less	\$ 3
Due after one through five years	17
Due after five through 10 years	10
Due after 10 years	15
Total	\$ 45

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were immaterial.

16. FAIR VALUE MEASUREMENTS

Fair value is the exchange price to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. The fair value definition focuses on an exit price versus the acquisition cost. Fair value measurements use market data or assumptions market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs may be readily observable, corroborated by market data, or generally unobservable. Valuation techniques maximize the use of observable inputs and minimize use of unobservable inputs. A midmarket pricing convention (the midpoint price between bid and ask prices) is permitted for use as a practical expedient.

Fair value measurements are classified in three levels based on the fair value hierarchy as defined by GAAP. Certain investments are not categorized within the fair value hierarchy. These investments are measured at fair value using the net asset value per share practical expedient. The net asset value is derived based on the investment cost, less any impairment, plus or minus changes resulting from observable price changes for an identical or similar investment of the same issuer.

Fair value accounting guidance permits entities to elect to measure certain financial instruments that are not required to be accounted for at fair value, such as equity method investments or the company's own debt, at fair value. The Duke Energy Registrants have not elected to record any of these items at fair value.

Valuation methods of the primary fair value measurements disclosed below are as follows.

Investments in equity securities

The majority of investments in equity securities are valued using Level 1 measurements. Investments in equity securities are typically valued at the closing price in the principal active market as of the last business day of the quarter. Principal active markets for equity prices include published exchanges such as the NYSE and Nasdaq Stock Market. Foreign equity prices are translated from their trading currency using the currency exchange rate in effect at the close of the principal active market. There was no after-hours market activity that was required to be reflected in the reported fair value measurements.

Investments in debt securities

Most investments in debt securities are valued using Level 2 measurements because the valuations use interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) and consider the counterparty credit rating. If the market for a particular fixed-income security is relatively inactive or illiquid, the measurement is Level 3.

Commodity derivatives

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
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Commodity derivatives with clearinghouses are classified as Level 1. Commodity derivatives with observable forward curves are classified as Level 2. If forward price curves are not observable for the full term of the contract and the unobservable period had more than an insignificant impact on the valuation, the commodity derivative is classified as Level 3. In isolation, increases (decreases) in natural gas forward prices result in favorable (unfavorable) fair value adjustments for natural gas purchase contracts; and increases (decreases) in electricity forward prices result in unfavorable (favorable) fair value adjustments for electricity sales contracts. Duke Energy regularly evaluates and validates pricing inputs used to estimate the fair value of natural gas commodity contracts by a market participant price verification procedure. This procedure provides a comparison of internal forward commodity curves to market participant generated curves.

Interest rate derivatives

Most over-the-counter interest rate contract derivatives are valued using financial models that utilize observable inputs for similar instruments and are classified as Level 2. Inputs include forward interest rate curves, notional amounts, interest rates and credit quality of the counterparties.

Other fair value considerations

See Note 11 for a discussion of the valuation of goodwill and intangible assets.

DUKE ENERGY

The following tables provide recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets. Derivative amounts in the tables below for all Duke Energy Registrants exclude cash collateral, which is disclosed in Note 14. See Note 15 for additional information related to investments by major security type for the Duke Energy Registrants.

(in millions)	December 31, 2020				
	Total Fair	Level 1	Level 2	Level 3	Not
	Value				
NDTF cash and cash equivalents	\$ 177	\$ 177	\$ —	\$ —	\$ —
NDTF equity securities	6,235	6,189	—	—	46
NDTF debt securities	2,717	874	1,843	—	—
Other equity securities	146	146	—	—	—
Other debt securities	285	37	248	—	—
Other cash and cash equivalents	127	127	—	—	—
Derivative assets	61	1	53	7	—
Total assets	9,748	7,551	2,144	7	46
Derivative liabilities	(324)	—	(240)	(84)	—
Net assets (liabilities)	\$ 9,424	\$ 7,551	\$ 1,904	\$ (77)	\$ 46

(in millions)	December 31, 2019				
	Total Fair	Level 1	Level 2	Level 3	Not
	Value				
NDTF cash and cash equivalents	\$ 101	\$ 101	\$ —	\$ —	\$ —
NDTF equity securities	5,684	5,633	—	—	51
NDTF debt securities	2,368	725	1,643	—	—
Other equity securities	122	122	—	—	—
Other debt securities	258	39	219	—	—

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Other cash and cash equivalents	52	52	—	—	—
Derivative assets	25	3	7	15	—
Total assets	8,610	6,675	1,869	15	51
NDTF equity security contracts	(23)	—	(23)	—	—
Derivative liabilities	(277)	(15)	(145)	(117)	—
Net assets (liabilities)	\$ 8,310	\$ 6,660	\$ 1,701	\$ (102)	\$ 51

The following table provides reconciliations of beginning and ending balances of assets and liabilities measured at fair value using Level 3 measurements.

(in millions)	Derivatives (net)	
	Years Ended December 31,	
	2020	2019
Balance at beginning of period	\$ (102)	\$ (113)
Total pretax realized or unrealized losses included in comprehensive income	(84)	—
Purchases, sales, issuances and settlements:		
Purchases	14	37
Settlements	(19)	(44)
Net transfers Out of Level 3(a)	117	—
Total (losses) gains included on the Consolidated Balance Sheet	(3)	18
Balance at end of period	\$ (77)	\$ (102)

(a) Transferred from Level 3 to Level 2 because observable market data became available.

DUKE ENERGY CAROLINAS

The following tables provide recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

(in millions)	December 31, 2020			
	Total Fair	Level 1	Level 2	Not
	Value			
NDTF cash and cash equivalents	\$ 30	\$ 30	\$ —	\$ —
NDTF equity securities	3,685	3,639	—	46
NDTF debt securities	1,250	192	1,058	—
Derivative assets	20	—	20	—
Total assets	4,985	3,861	1,078	46
Derivative liabilities	(20)	—	(20)	—
Net assets	\$ 4,965	\$ 3,861	\$ 1,058	\$ 46

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	December 31, 2019			
	Total Fair Value	Level 1	Level 2	Not Categorized
NDTF cash and cash equivalents	\$ 21	\$ 21	\$ —	\$ —
NDTF equity securities	3,154	3,103	—	51
NDTF debt securities	1,172	206	966	—
Total assets	4,347	3,330	966	51
Derivative liabilities	(49)	—	(49)	—
Net assets	\$ 4,298	\$ 3,330	\$ 917	\$ 51

PROGRESS ENERGY

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

(in millions)	December 31, 2020			December 31, 2019		
	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
NDTF cash and cash equivalents	\$ 147	\$ 147	\$ —	\$ 80	\$ 80	\$ —
NDTF equity securities	2,550	2,550	—	2,530	2,530	—
NDTF debt securities	1,467	682	785	1,196	519	677
Other debt securities	26	—	26	51	—	51
Other cash and cash equivalents	106	106	—	49	49	—
Derivative assets	33	—	33	7	—	7
Total assets	4,329	3,485	844	3,913	3,178	735
NDTF equity security contracts	—	—	—	(23)	—	(23)
Derivative liabilities	(29)	—	(29)	(65)	—	(65)
Net assets	\$ 4,300	\$ 3,485	\$ 815	\$ 3,825	\$ 3,178	\$ 647

DUKE ENERGY PROGRESS

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

(in millions)	December 31, 2020			December 31, 2019		
	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
NDTF cash and cash equivalents	\$ 76	\$ 76	\$ —	\$ 53	\$ 53	\$ —
NDTF equity securities	2,459	2,459	—	2,077	2,077	—

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NOTES TO FINANCIAL STATEMENTS (Continued)			

NDTF debt securities	993	237	756	921	244	677
Other cash and cash equivalents	1	1	—	2	2	—
Derivative assets	33	—	33	—	—	—
Total assets	3,562	2,773	789	3,053	2,376	677
Derivative liabilities	(14)	—	(14)	(49)	—	(49)
Net assets	\$ 3,548	\$ 2,773	\$ 775	\$ 3,004	\$ 2,376	\$ 628

DUKE ENERGY FLORIDA

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

(in millions)	December 31, 2020			December 31, 2019		
	Total Fair			Total Fair		
	Value	Level 1	Level 2	Value	Level 1	Level 2
NDTF cash and cash equivalents	\$ 71	\$ 71	\$ —	\$ 27	\$ 27	\$ —
NDTF equity securities	91	91	—	453	453	—
NDTF debt securities	474	445	29	275	275	—
Other debt securities	26	—	26	51	—	51
Other cash and cash equivalents	1	1	—	4	4	—
Derivative assets	—	—	—	7	—	7
Total assets	663	608	55	817	759	58
NDTF equity security contracts	—	—	—	(23)	—	(23)
Derivative liabilities	—	—	—	(1)	—	(1)
Net assets	\$ 663	\$ 608	\$ 55	\$ 793	\$ 759	\$ 34

DUKE ENERGY OHIO

The recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets were not material at December 31, 2020, and 2019.

DUKE ENERGY INDIANA

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

(in millions)	December 31, 2020				December 31, 2019			
	Total Fair Value	Level 1	Level 2	Level 3	Total Fair Value	Level 1	Level 2	Level 3
Other equity securities	\$ 97	\$ 97	\$ —	\$ —	\$ 81	\$ 81	\$ —	\$ —
Other debt securities	45	—	45	—	44	—	44	—
Other cash equivalents	1	1	—	—	—	—	—	—

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Derivative assets	6	—	—	6	13	2	—	11
Total assets	149	98	45	6	138	83	44	11
Derivative liabilities	(1)	(1)	—	—	(1)	(1)	—	—
Total assets	\$ 148	\$ 97	\$ 45	\$ 6	\$ 137	\$ 82	\$ 44	\$ 11

The following table provides a reconciliation of beginning and ending balances of assets and liabilities measured at fair value using Level 3 measurements.

(in millions)	Derivatives (net)	
	Years Ended December 31,	
	2020	2019
Balance at beginning of period	\$ 11	\$ 22
Purchases, sales, issuances and settlements:		
Purchases	10	28
Settlements	(13)	(36)
Total losses included on the Consolidated Balance Sheet	(2)	(3)
Balance at end of period	\$ 6	\$ 11

PIEDMONT

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

(in millions)	December 31, 2020			December 31, 2019		
	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 3
Derivative assets	\$ 1	\$ 1	\$ —	\$ 1	\$ 1	\$ —
Derivative liabilities	(122)	—	(122)	(117)	—	(117)
Net (liabilities) assets	\$ (121)	\$ 1	\$ (122)	\$ (116)	\$ 1	\$ (117)

The following table provides a reconciliation of beginning and ending balances of assets and liabilities measured at fair value using Level 3 measurements.

(in millions)	Derivatives (net)	
	Years Ended December 31,	
	2020	2019
Balance at beginning of period	\$ (117)	\$ (141)
Net transfers Out of Level 3(a)	117	—
Total gains and settlements	—	24
Balance at end of period	\$ —	\$ (117)

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NOTES TO FINANCIAL STATEMENTS (Continued)			

(a) Transferred from Level 3 to Level 2 because observable market data became available.

QUANTITATIVE INFORMATION ABOUT UNOBSERVABLE INPUTS

The following tables include quantitative information about the Duke Energy Registrants' derivatives classified as Level 3.

December 31, 2020					
Investment Type	Fair Value (in millions)	Valuation Technique	Unobservable Input	Range	Weighted
					Average
Range					
Duke Energy					
Electricity contracts	\$ (84)	Discounted cash flow	Forward electricity curves – price per MWh	\$ 14.68 – \$ 151.84	\$ 28.84
Duke Energy Ohio					
FTRs	1	RTO auction pricing	FTR price – per MWh	0.25 – 1.68	0.79
Duke Energy Indiana					
FTRs	6	RTO auction pricing	FTR price – per MWh	(2.40) – 7.41	1.05
Duke Energy					
Total Level 3 derivatives	\$ (77)				

December 31, 2019					
Investment Type	Fair Value (in millions)	Valuation Technique	Unobservable Input	Range	Weighted
					Average
Range					
Duke Energy Ohio					
FTRs	\$ 4	RTO auction pricing	FTR price – per MWh	\$ 0.59 – \$ 3.47	\$ 2.07
Duke Energy Indiana					
FTRs	11	RTO auction pricing	FTR price – per MWh	(0.66) – 9.24	1.15
Piedmont					
Natural gas contracts	(117)	Discounted cash flow	Forward natural gas curves – price per MMBtu	1.59 – 2.46	1.91
Duke Energy					
Total Level 3 derivatives	\$ (102)				

OTHER FAIR VALUE DISCLOSURES

The fair value and book value of long-term debt, including current maturities, is summarized in the following table. Estimates determined are not necessarily indicative of amounts that could have been settled in current markets. Fair value of long-term debt uses Level 2 measurements.

December 31, 2020	December 31, 2019
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(in millions)	Book Value		Fair Value	
Duke Energy ^(a)	\$ 59,863	\$ 69,292	\$ 58,126	\$ 63,062
Duke Energy Carolinas	12,218	14,917	11,900	13,516
Progress Energy	19,264	23,470	19,634	22,291
Duke Energy Progress	9,258	10,862	9,058	9,934
Duke Energy Florida	7,915	9,756	7,987	9,131
Duke Energy Ohio	3,089	3,650	2,619	2,964
Duke Energy Indiana	4,091	5,204	4,057	4,800
Piedmont	2,780	3,306	2,384	2,642

(a) Book value of long-term debt includes \$1.3 billion as of December 31, 2020, and \$1.5 billion as of December 31, 2019, of unamortized debt discount and premium, net in purchase accounting adjustments related to the mergers with Progress Energy and Piedmont that are excluded from fair value of long-term debt.

At both December 31, 2020, and December 31, 2019, fair value of cash and cash equivalents, accounts and notes receivable, accounts payable, notes payable and commercial paper, and nonrecourse notes payable of VIEs are not materially different from their carrying amounts because of the short-term nature of these instruments and/or because the stated rates approximate market rates.

17. VARIABLE INTEREST ENTITIES

A VIE is an entity that is evaluated for consolidation using more than a simple analysis of voting control. The analysis to determine whether an entity is a VIE considers contracts with an entity, credit support for an entity, the adequacy of the equity investment of an entity and the relationship of voting power to the amount of equity invested in an entity. This analysis is performed either upon the creation of a legal entity or upon the occurrence of an event requiring reevaluation, such as a significant change in an entity's assets or activities. A qualitative analysis of control determines the party that consolidates a VIE. This assessment is based on (i) what party has the power to direct the activities of the VIE that most significantly impact its economic performance and (ii) what party has rights to receive benefits or is obligated to absorb losses that could potentially be significant to the VIE. The analysis of the party that consolidates a VIE is a continual reassessment.

CONSOLIDATED VIEs

The obligations of the consolidated VIEs discussed in the following paragraphs are nonrecourse to the Duke Energy Registrants. The registrants have no requirement to provide liquidity to, purchase assets of or guarantee performance of these VIEs unless noted in the following paragraphs.

No financial support was provided to any of the consolidated VIEs during the years ended December 31, 2020, 2019 and 2018, or is expected to be provided in the future, that was not previously contractually required.

Receivables Financing – DERF/DEPR/DEFR

DERF, DEPR and DEFR are bankruptcy remote, special purpose subsidiaries of Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida, respectively. DERF, DEPR and DEFR are wholly owned LLCs with separate legal existence from their parent companies, and their assets are not generally available to creditors of their parent companies. On a revolving basis, DERF, DEPR and DEFR buy certain accounts receivable arising from the sale of electricity and related services from their parent companies.

DERF, DEPR and DEFR borrow amounts under credit facilities to buy these receivables. Borrowing availability from the credit facilities is limited to the amount of qualified receivables purchased, which generally exclude receivables past due more than a predetermined number of days and reserves for expected past-due balances. The sole source of funds to satisfy the related debt obligations is cash collections from the receivables. Amounts borrowed under the credit facilities for DERF and DEPR are reflected on the Consolidated Balance Sheets as Long-Term Debt. Amounts borrowed under the credit facilities for DEFR are reflected on the Consolidated Balance Sheets as Current maturities of long-term debt.

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Due to the COVID-19 pandemic, as described in Note 1, the Duke Energy Registrants suspended customer disconnections for nonpayment. Since taking action to suspend customer disconnections for nonpayment, certain jurisdictions have now returned to normal operations and billing practices. The full impact of COVID-19 and the Duke Energy Registrant's related response on customers' ability to pay for service is uncertain. However, the level of past-due receivables at Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida have increased significantly during the COVID-19 pandemic, and it is reasonably possible eventual write-offs of customer receivables may increase over current estimates. In 2020, DERF, DEPR and DEFR executed amendments to their credit facilities to manage the impact of past-due receivables resulting from the suspension of customer disconnections from COVID-19. See Note 3 for information about COVID-19 filings with state utility commissions.

The most significant activity that impacts the economic performance of DERF, DEPR and DEFR are the decisions made to manage delinquent receivables. Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida are considered the primary beneficiaries and consolidate DERF, DEPR and DEFR, respectively, as they make those decisions.

Receivables Financing – CRC

CRC is a bankruptcy remote, special purpose entity indirectly owned by Duke Energy. On a revolving basis, CRC buys certain accounts receivable arising from the sale of electricity, natural gas and related services from Duke Energy Ohio and Duke Energy Indiana. CRC borrows amounts under a credit facility to buy the receivables from Duke Energy Ohio and Duke Energy Indiana. Borrowing availability from the credit facility is limited to the amount of qualified receivables sold to CRC, which generally exclude receivables past due more than a predetermined number of days and reserves for expected past-due balances. The sole source of funds to satisfy the related debt obligation is cash collections from the receivables. Amounts borrowed under the credit facility are reflected on Duke Energy's Consolidated Balance Sheets as Long-Term Debt.

The proceeds Duke Energy Ohio and Duke Energy Indiana receive from the sale of receivables to CRC are approximately 75% cash and 25% in the form of a subordinated note from CRC. The subordinated note is a retained interest in the receivables sold. Depending on collection experience, additional equity infusions to CRC may be required by Duke Energy to maintain a minimum equity balance of \$3 million.

Due to the COVID-19 pandemic, as described in Note 1, the Duke Energy Registrants suspended customer disconnections for nonpayment. Since taking action to suspend customer disconnections for nonpayment, certain jurisdictions have now returned to normal operations and billing practices. The full impact of COVID-19 and the Duke Energy Registrant's related response on customers' ability to pay for service is uncertain. However, the level of past-due receivables at Duke Energy Ohio and Duke Energy Indiana have increased significantly during the COVID-19 pandemic, and it is reasonably possible eventual write-offs of customer receivables may increase over current estimates. In July of 2020, CRC executed an amendment to its credit facility to manage the impact of past-due receivables resulting from the suspension of customer disconnections from COVID-19. See Note 3 for information about COVID-19 filings with state utility commissions.

CRC is considered a VIE because (i) equity capitalization is insufficient to support its operations, (ii) power to direct the activities that most significantly impact the economic performance of the entity is not held by the equity holder and (iii) deficiencies in net worth of CRC are funded by Duke Energy. The most significant activities that impact the economic performance of CRC are decisions made to manage delinquent receivables. Duke Energy is considered the primary beneficiary and consolidates CRC as it makes these decisions. Neither Duke Energy Ohio nor Duke Energy Indiana consolidate CRC.

Receivables Financing – Credit Facilities

The following table summarizes the amounts and expiration dates of the credit facilities and associated restricted receivables described above.

(in millions)	CRC	Duke Energy		
		Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida
		DERF	DEPR	DEFR
Expiration date	February 2023	December 2022	April 2023	April 2021
Credit facility amount	\$ 350	\$ 475	\$ 350	\$ 250
Amounts borrowed at December 31, 2020	350	364	250	250
Amounts borrowed at December 31, 2019	350	474	325	250
Restricted Receivables at December 31, 2020	547	696	500	397

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Restricted Receivables at December 31, 2019	522	642	489	336
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Nuclear Asset-Recovery Bonds – Duke Energy Florida Project Finance, LLC (DEFPF)

DEFPF is a bankruptcy remote, wholly owned special purpose subsidiary of Duke Energy Florida. DEFPF was formed in 2016 for the sole purpose of issuing nuclear asset-recovery bonds to finance Duke Energy Florida's unrecovered regulatory asset related to Crystal River Unit 3.

In 2016, DEFPF issued senior secured bonds and used the proceeds to acquire nuclear asset-recovery property from Duke Energy Florida. The nuclear asset-recovery property acquired includes the right to impose, bill, collect and adjust a non-bypassable nuclear asset-recovery charge from all Duke Energy Florida retail customers until the bonds are paid in full and all financing costs have been recovered. The nuclear asset-recovery bonds are secured by the nuclear asset-recovery property and cash collections from the nuclear asset-recovery charges are the sole source of funds to satisfy the debt obligation. The bondholders have no recourse to Duke Energy Florida.

DEFPF is considered a VIE primarily because the equity capitalization is insufficient to support its operations. Duke Energy Florida has the power to direct the significant activities of the VIE as described above and therefore Duke Energy Florida is considered the primary beneficiary and consolidates DEFPF.

The following table summarizes the impact of DEFPF on Duke Energy Florida's Consolidated Balance Sheets.

(in millions)	December 31,	
	2020	2019
Receivables of VIEs	\$ 4	\$ 5
Regulatory Assets: Current	53	52
Current Assets: Other	39	39
Other Noncurrent Assets: Regulatory assets	937	989
Current Liabilities: Other	10	10
Current maturities of long-term debt	55	54
Long-Term Debt	1,002	1,057

Commercial Renewables

Certain of Duke Energy's renewable energy facilities are VIEs due to Duke Energy issuing guarantees for debt service and operations and maintenance reserves in support of debt financings. Assets are restricted and cannot be pledged as collateral or sold to third parties without prior approval of debt holders. Additionally, Duke Energy has VIEs associated with tax equity arrangements entered into with third-party investors in order to finance the cost of renewable assets eligible for tax credits. The activities that most significantly impacted the economic performance of these renewable energy facilities were decisions associated with siting, negotiating PPAs and EPC agreements, and decisions associated with ongoing operations and maintenance-related activities. Duke Energy is considered the primary beneficiary and consolidates the entities as it is responsible for all of these decisions.

The table below presents material balances reported on Duke Energy's Consolidated Balance Sheets related to Commercial Renewables VIEs.

(in millions)	December 31,	
	2020	2019
Current Assets: Other	\$ 257	\$ 203
Property, Plant and Equipment: Cost	6,394	5,747
Accumulated depreciation and amortization	(1,242)	(1,041)
Other Noncurrent Assets: Other	67	106

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Current maturities of long-term debt	167	162
Long-Term Debt	1,569	1,541
Other Noncurrent Liabilities: AROs	148	127
Other Noncurrent Liabilities: Other	316	228

NON-CONSOLIDATED VIEs

The following tables summarize the impact of non-consolidated VIEs on the Consolidated Balance Sheets.

(in millions)	December 31, 2020					
	Duke Energy			Duke Energy Ohio	Duke Energy Indiana	
	Pipeline	Commercial				
	Investments	Renewables	Total	Ohio	Indiana	
Receivables from affiliated companies	\$ —	\$ —	\$ —	\$ 83	\$ 110	
Investments in equity method unconsolidated affiliates	—	530	530	—	—	
Other noncurrent assets	31	—	31	—	—	
Total assets	\$ 31	\$ 530	\$ 561	\$ 83	\$ 110	
Other current liabilities	928	5	933	—	—	
Other noncurrent liabilities	8	10	18	—	—	
Total liabilities	\$ 936	\$ 15	\$ 951	\$ —	\$ —	
Net assets (liabilities)	\$ (905)	\$ 515	\$ (390)	\$ 83	\$ 110	

(in millions)	December 31, 2019					
	Duke Energy			Duke Energy Ohio	Duke Energy Indiana	
	Pipeline	Commercial				
	Investments	Renewables	Total	Ohio	Indiana	
Receivables from affiliated companies	\$ —	\$ (1)	\$ (1)	\$ 64	\$ 77	
Investments in equity method unconsolidated affiliates	1,179	300	1,479	—	—	
Total assets	\$ 1,179	\$ 299	\$ 1,478	\$ 64	\$ 77	
Taxes accrued	(1)	—	(1)	—	—	
Other current liabilities	—	4	4	—	—	
Deferred income taxes	59	—	59	—	—	
Other noncurrent liabilities	—	11	11	—	—	
Total liabilities	\$ 58	\$ 15	\$ 73	\$ —	\$ —	
Net assets	\$ 1,121	\$ 284	\$ 1,405	\$ 64	\$ 77	

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The Duke Energy Registrants are not aware of any situations where the maximum exposure to loss significantly exceeds the carrying values shown above except for the PPA with OVEC, which is discussed below, and future exit costs associated with the cancellation of the ACP pipeline, as discussed below.

Pipeline Investments

Duke Energy has investments in various joint ventures to construct and operate pipeline projects. These entities are considered VIEs due to having insufficient equity to finance their own activities without subordinated financial support. Duke Energy does not have the power to direct the activities that most significantly impact the economic performance, the obligation to absorb losses or the right to receive benefits of these VIEs and therefore does not consolidate these entities.

Duke Energy has a 47% ownership interest in ACP. In 2020, Duke Energy determined that it would no longer invest in the construction of the ACP pipeline. The current liability related to the cancellation of the ACP pipeline represents Duke Energy's continuing obligation to fund its share of ACP's obligations. See Notes 3, 7 and 12 for further information regarding this transaction.

Commercial Renewables

Duke Energy has investments in various renewable energy project entities. Some of these entities are VIEs due to Duke Energy issuing guarantees for debt service and operations and maintenance reserves in support of debt financings. Duke Energy does not consolidate these VIEs because power to direct and control key activities is shared jointly by Duke Energy and other owners.

OVEC

Duke Energy Ohio's 9% ownership interest in OVEC is considered a non-consolidated VIE due to OVEC having insufficient equity to finance its activities without subordinated financial support. The activities that most significantly impact OVEC's economic performance include fuel strategy and supply activities and decisions associated with ongoing operations and maintenance-related activities. Duke Energy Ohio does not have the unilateral power to direct these activities, and therefore, does not consolidate OVEC.

As a counterparty to an Inter-Company Power Agreement (ICPA), Duke Energy Ohio has a contractual arrangement to receive entitlements to capacity and energy from OVEC's power plants through June 2040 commensurate with its power participation ratio, which is equivalent to Duke Energy Ohio's ownership interest. Costs, including fuel, operating expenses, fixed costs, debt amortization and interest expense, are allocated to counterparties to the ICPA based on their power participation ratio. The value of the ICPA is subject to variability due to fluctuation in power prices and changes in OVEC's cost of business. On March 31, 2018, FES, a subsidiary of FirstEnergy Corp. and an ICPA counterparty with a power participation ratio of 4.85%, filed for Chapter 11 bankruptcy, which could increase costs allocated to the counterparties. On July 31, 2018, the bankruptcy court rejected the FES ICPA, which means OVEC is an unsecured creditor in the FES bankruptcy proceeding. Duke Energy Ohio cannot predict the impact of the bankruptcy filing on its OVEC interests. In addition, certain proposed environmental rulemaking could result in future increased OVEC cost allocations. In July 2020, legislation was proposed to repeal HB 6. Duke Energy cannot predict the outcome of this matter. See Note 3 for additional information.

CRC

See discussion under Consolidated VIEs for additional information related to CRC.

Amounts included in Receivables from affiliated companies in the above table for Duke Energy Ohio and Duke Energy Indiana reflect their retained interest in receivables sold to CRC. These subordinated notes held by Duke Energy Ohio and Duke Energy Indiana are stated at fair value. Carrying values of retained interests are determined by allocating carrying value of the receivables between assets sold and interests retained based on relative fair value. The allocated bases of the subordinated notes are not materially different than their face value because (i) the receivables generally turnover in less than two months, (ii) credit losses are reasonably predictable due to the broad customer base and lack of significant concentration and (iii) the equity in CRC is subordinate to all retained interests and thus would absorb losses first. The hypothetical effect on fair value of the retained interests assuming both a 10% and a 20% unfavorable variation in credit losses or discount rates is not material due to the short turnover of receivables and historically low credit loss history. Interest accrues to Duke Energy Ohio and Duke Energy Indiana on the retained interests using the acceptable yield method. This method generally approximates the stated rate on the notes since the allocated basis and the face value are nearly equivalent. An impairment charge is recorded against the carrying value of both retained interests and purchased beneficial interest whenever it is determined that an OTTI has occurred.

Key assumptions used in estimating fair value are detailed in the following table.

Duke Energy Ohio

Duke Energy Indiana

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

	2020	2019	2020	2019
Anticipated credit loss ratio	0.5 %	0.6 %	0.3 %	0.3 %
Discount rate	1.6 %	3.3 %	1.6 %	3.3 %
Receivable turnover rate	13.4 %	13.4 %	11.3 %	11.5 %

The following table shows the gross and net receivables sold.

	Duke Energy Ohio		Duke Energy Indiana	
	December 31,		December 31,	
(in millions)	2020	2019	2020	2019
Receivables sold	\$ 270	\$ 253	\$ 344	\$ 307
Less: Retained interests	83	64	110	77
Net receivables sold	\$ 187	\$ 189	\$ 234	\$ 230

The following table shows sales and cash flows related to receivables sold.

	Duke Energy Ohio			Duke Energy Indiana		
	Years Ended December 31,			Years Ended December 31,		
(in millions)	2020	2019	2018	2020	2019	2018
Sales						
Receivables sold	\$ 1,905	\$ 1,979	\$ 1,987	\$ 2,631	\$ 2,837	\$ 2,842
Loss recognized on sale	10	14	13	12	17	16
Cash flows						
Cash proceeds from receivables sold	1,875	1,993	1,967	2,586	2,860	2,815
Collection fees received	1	1	1	1	1	1
Return received on retained interests	4	6	6	5	9	9

Cash flows from sales of receivables are reflected within Cash Flows From Operating Activities and Cash Flows from Investing Activities on Duke Energy Ohio's and Duke Energy Indiana's Consolidated Statements of Cash Flows.

Collection fees received in connection with servicing transferred accounts receivable are included in Operation, maintenance and other on Duke Energy Ohio's and Duke Energy Indiana's Consolidated Statements of Operations and Comprehensive Income. The loss recognized on sales of receivables is calculated monthly by multiplying receivables sold during the month by the required discount. The required discount is derived monthly utilizing a three-year weighted average formula that considers charge-off history, late charge history and turnover history on the sold receivables, as well as a component for the time value of money. The discount rate, or component for the time value of money, is the prior month-end LIBOR plus a fixed rate of 1%.

18. REVENUE

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy recognizes revenue consistent with amounts billed under tariff offerings or at contractually agreed upon rates based on actual physical delivery of electric or natural gas service, including estimated volumes delivered when billings have not yet occurred. As such, the majority of Duke Energy's revenues have fixed pricing based on the contractual terms of the published tariffs, with variability in expected cash flows attributable to the customer's volumetric demand and ultimate quantities of energy or natural gas supplied and used during the billing period. The stand-alone selling price of related sales are designed to support recovery of prudently incurred costs and an appropriate return on invested assets and are primarily governed by published tariff rates or contractual agreements approved by relevant regulatory bodies. As described in Note 1, certain excise taxes and franchise fees levied by state or local governments are required to be paid even if not collected from the customer. These taxes are recognized on a gross basis as part of revenues. Duke Energy elects to account for all other taxes net of revenues.

Performance obligations are satisfied over time as energy or natural gas is delivered and consumed with billings generally occurring monthly and related payments due within 30 days, depending on regulatory requirements. In no event does the timing between payment and delivery of the goods and services exceed one year. Using this output method for revenue recognition provides a faithful depiction of the transfer of electric and natural gas service as customers obtain control of the commodity and benefit from its use at delivery. Additionally, Duke Energy has an enforceable right to consideration for energy or natural gas delivered at any discrete point in time and will recognize revenue at an amount that reflects the consideration to which Duke Energy is entitled for the energy or natural gas delivered.

As described above, the majority of Duke Energy's tariff revenues are at-will and, as such, related contracts with customers have an expected duration of one year or less and will not have future performance obligations for disclosure. Additionally, other long-term revenue streams, including wholesale contracts, generally provide services that are part of a single performance obligation, the delivery of electricity or natural gas. As such, other than material fixed consideration under long-term contracts, related disclosures for future performance obligations are also not applicable.

Duke Energy earns substantially all of its revenues through its reportable segments, Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

Electric Utilities and Infrastructure

Electric Utilities and Infrastructure earns the majority of its revenues through retail and wholesale electric service through the generation, transmission, distribution and sale of electricity. Duke Energy generally provides retail and wholesale electric service customers with their full electric load requirements or with supplemental load requirements when the customer has other sources of electricity.

Retail electric service is generally marketed throughout Duke Energy's electric service territory through standard service offers. The standard service offers are through tariffs determined by regulators in Duke Energy's regulated service territory. Each tariff, which is assigned to customers based on customer class, has multiple components such as an energy charge, a demand charge, a basic facilities charge and applicable riders. Duke Energy considers each of these components to be aggregated into a single performance obligation for providing electric service, or in the case of distribution only customers in Duke Energy Ohio, for delivering electricity. Electricity is considered a single performance obligation satisfied over time consistent with the series guidance and is provided and consumed over the billing period, generally one month. Retail electric service is typically provided to at-will customers who can cancel service at any time, without a substantive penalty. Additionally, Duke Energy adheres to applicable regulatory requirements in each jurisdiction to ensure the collectability of amounts billed and appropriate mitigating procedures are followed when necessary. As such, revenue from contracts with customers for such contracts is equivalent to the electricity supplied and billed in that period (including unbilled estimates).

Wholesale electric service is generally provided under long-term contracts using cost-based pricing. FERC regulates costs that may be recovered from customers and the amount of return companies are permitted to earn. Wholesale contracts include both energy and demand charges. For full requirements contracts, Duke Energy considers both charges as a single performance obligation for providing integrated electric service. For contracts where energy and demand charges are considered separate performance obligations, energy and demand are each a distinct performance obligation under the series guidance and are satisfied as energy is delivered and stand-ready service is provided on a monthly basis. This service represents consumption over the billing period and revenue is recognized consistent with billings and unbilled estimates, which generally occur monthly. Contractual amounts owed are typically trued up annually based upon incurred costs in accordance with FERC published filings and the specific customer's actual peak demand. Estimates of variable consideration related to potential additional billings or refunds owed are updated quarterly.

The majority of wholesale revenues are full requirements contracts where the customers purchase the substantial majority of their energy needs and do not have a fixed quantity of contractually required energy or capacity. As such, related forecasted revenues are considered optional purchases. Supplemental requirements contracts that include contracted blocks of energy and capacity at contractually fixed prices have the following estimated remaining performance obligations:

Remaining Performance Obligations

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	2021	2022	2023	2024	2025	Thereafter	Total
Progress Energy	\$ 93	\$ 107	\$ 44	\$ 45	\$ 7	\$ 51	\$ 347
Duke Energy Progress	8	8	8	8	—	—	32
Duke Energy Florida	85	99	36	37	7	51	315
Duke Energy Indiana	5	—	7	12	12	24	60

Revenues for block sales are recognized monthly as energy is delivered and stand-ready service is provided, consistent with invoiced amounts and unbilled estimates.

Gas Utilities and Infrastructure

Gas Utilities and Infrastructure earns its revenue through retail and wholesale natural gas service through the transportation, distribution and sale of natural gas. Duke Energy generally provides retail and wholesale natural gas service customers with all natural gas load requirements. Additionally, while natural gas can be stored, substantially all natural gas provided by Duke Energy is consumed by customers simultaneously with receipt of delivery.

Retail natural gas service is marketed throughout Duke Energy's natural gas service territory using published tariff rates. The tariff rates are established by regulators in Duke Energy's service territories. Each tariff, which is assigned to customers based on customer class, have multiple components, such as a commodity charge, demand charge, customer or monthly charge and transportation costs. Duke Energy considers each of these components to be aggregated into a single performance obligation for providing natural gas service. For contracts where Duke Energy provides all of the customer's natural gas needs, the delivery of natural gas is considered a single performance obligation satisfied over time, and revenue is recognized monthly based on billings and unbilled estimates as service is provided and the commodity is consumed over the billing period. Additionally, natural gas service is typically at-will and customers can cancel service at any time, without a substantive penalty. Duke Energy also adheres to applicable regulatory requirements to ensure the collectability of amounts billed and receivable and appropriate mitigating procedures are followed when necessary.

Certain long-term individually negotiated contracts exist to provide natural gas service. These contracts are regulated and approved by state commissions. The negotiated contracts have multiple components, including a natural gas and a demand charge, similar to retail natural gas contracts. Duke Energy considers each of these components to be a single performance obligation for providing natural gas service. This service represents consumption over the billing period, generally one month.

Fixed capacity payments under long-term contracts for the Gas Utilities and Infrastructure segment include minimum margin contracts and supply arrangements with municipalities and power generation facilities. Revenues for related sales are recognized monthly as natural gas is delivered and stand-ready service is provided, consistent with invoiced amounts and unbilled estimates. Estimated remaining performance obligations are as follows:

(in millions)	Remaining Performance Obligations						
	2021	2022	2023	2024	2025	Thereafter	Total
Piedmont	\$ 65	\$ 64	\$ 61	\$ 59	\$ 58	\$ 319	\$ 626

Commercial Renewables

Commercial Renewables earns the majority of its revenues through long-term PPAs and generally sells all of its wind and solar facility output, electricity and RECs to customers. The majority of these PPAs have historically been accounted for as leases. For PPAs that are not accounted for as leases, the delivery of electricity and the delivery of RECs are considered separate performance obligations.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

The delivery of electricity is a performance obligation satisfied over time and represents generation and consumption of the electricity over the billing period, generally one month. The delivery of RECs is a performance obligation satisfied at a point in time and represents delivery of each REC generated by the wind or solar facility. The majority of self-generated RECs are bundled with energy in Duke Energy's contracts and, as such, related revenues are recognized as energy is generated and delivered as that pattern is consistent with Duke Energy's performance. Commercial Renewables recognizes revenue based on the energy generated and billed for the period, generally one month, at contractual rates (including unbilled estimates) according to the invoice practical expedient. Amounts are typically due within 30 days of invoice.

Commercial Renewables also earns revenues from installation of distributed solar generation resources, which is primarily composed of EPC projects to deliver functioning solar power systems, generally completed within two to 12 months from commencement of construction. The installation of distributed solar generation resources is a performance obligation that is satisfied over time. Revenue from fixed-price EPC contracts is recognized using the input method as work is performed based on the estimated ratio of incurred costs to estimated total costs.

Other

The remainder of Duke Energy's operations is presented as Other, which does not include material revenues from contracts with customers.

Disaggregated Revenues

For the Electric and Gas Utility and Infrastructure segments, revenue by customer class is most meaningful to Duke Energy as each respective customer class collectively represents unique customer expectations of service, generally has different energy and demand requirements, and operates under tailored, regulatory approved pricing structures. Additionally, each customer class is impacted differently by weather and a variety of economic factors including the level of population growth, economic investment, employment levels, and regulatory activities in each of Duke Energy's jurisdictions. As such, analyzing revenues disaggregated by customer class allows Duke Energy to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. For the Commercial Renewables segment, the majority of revenues from contracts with customers are from selling all of the unit-contingent output at contractually defined pricing under long-term PPAs with consistent expectations regarding the timing and certainty of cash flows. Disaggregated revenues are presented as follows:

(in millions)	Year Ended December 31, 2020							
	Duke		Duke		Duke	Duke	Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Indiana	Piedmont
By market or type of customer	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
<i>Electric Utilities and Infrastructure</i>								
Residential	\$ 9,806	\$ 2,997	\$ 5,017	\$ 2,059	\$ 2,958	\$ 726	\$ 1,064	\$ —
General	6,194	2,233	2,779	1,312	1,467	442	740	—
Industrial	2,859	1,137	901	649	252	137	683	—
Wholesale	1,864	380	1,228	1,034	194	32	224	—
Other revenues	914	281	596	294	302	82	72	—
Total Electric Utilities and Infrastructure revenue from contracts with customers	\$ 21,637	\$ 7,028	\$ 10,521	\$ 5,348	\$ 5,173	\$ 1,419	\$ 2,783	\$ —
<i>Gas Utilities and Infrastructure</i>								
Residential	\$ 930	\$ —	\$ —	\$ —	\$ —	\$ 300	\$ —	\$ 630
Commercial	446	—	—	—	—	117	—	329
Industrial	127	—	—	—	—	17	—	110
Power Generation	—	—	—	—	—	—	—	34

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
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NOTES TO FINANCIAL STATEMENTS (Continued)

Other revenues	87	—	—	—	—	17	—	70
Total Gas Utilities and Infrastructure revenue from contracts with customers	\$ 1,590	\$ —	\$ —	\$ —	\$ —	\$ 451	\$ —	\$ 1,173
<i>Commercial Renewables</i>								
Revenue from contracts with customers	\$ 227	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<i>Other</i>								
Revenue from contracts with customers	\$ 26	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total revenue from contracts with customers	\$ 23,480	\$ 7,028	\$ 10,521	\$ 5,348	\$ 5,173	\$ 1,870	\$ 2,783	\$ 1,173
Other revenue sources(a)	\$ 388	\$ (13)	\$ 106	\$ 74	\$ 15	\$ (12)	\$ 12	\$ 124
Total revenues	\$ 23,868	\$ 7,015	\$ 10,627	\$ 5,422	\$ 5,188	\$ 1,858	\$ 2,795	\$ 1,297

(a) Other revenue sources include revenues from leases, derivatives and alternative revenue programs that are not considered revenues from contracts with customers. Alternative revenue programs in certain jurisdictions include regulatory mechanisms that periodically adjust for over or under collection of related revenues.

Year Ended December 31, 2019

(in millions)	Year Ended December 31, 2019							
	Duke Energy	Duke Energy	Duke Energy	Duke Energy	Duke Energy	Duke Energy	Duke Energy	Duke Energy
By market or type of customer	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
<i>Electric Utilities and Infrastructure</i>								
Residential	\$ 9,863	\$ 3,044	\$ 4,998	\$ 2,144	\$ 2,854	\$ 733	\$ 1,087	\$ —
General	6,431	2,244	2,935	1,368	1,567	451	802	—
Industrial	3,071	1,215	934	675	259	147	774	—
Wholesale	2,212	462	1,468	1,281	187	46	235	—
Other revenues	770	276	548	317	231	80	89	—
Total Electric Utilities and Infrastructure revenue from contracts with customers	\$ 22,347	\$ 7,241	\$ 10,883	\$ 5,785	\$ 5,098	\$ 1,457	\$ 2,987	\$ —
<i>Gas Utilities and Infrastructure</i>								
Residential	\$ 976	\$ —	\$ —	\$ —	\$ —	\$ 315	\$ —	\$ 661
Commercial	508	—	—	—	—	130	—	378
Industrial	141	—	—	—	—	19	—	122
Power Generation	—	—	—	—	—	—	—	51
Other revenues	129	—	—	—	—	19	—	110

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Total Gas Utilities and Infrastructure revenue																
from contracts with customers	\$	1,754	\$	—	\$	—	\$	—	\$	483	\$	—	\$	1,322		
<i>Commercial Renewables</i>																
Revenue from contracts with customers	\$	223	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—		
<i>Other</i>																
Revenue from contracts with customers	\$	24	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—		
Total revenue from contracts with customers																
	\$	24,348	\$	7,241	\$	10,883	\$	5,785	\$	5,098	\$	1,940	\$	2,987	\$	1,322
Other revenue sources(a)																
	\$	731	\$	154	\$	319	\$	172	\$	133	\$	—	\$	17	\$	59
Total revenues																
	\$	25,079	\$	7,395	\$	11,202	\$	5,957	\$	5,231	\$	1,940	\$	3,004	\$	1,381

(a) Other revenue sources include revenues from leases, derivatives and alternative revenue programs that are not considered revenues from contracts with customers. Alternative revenue programs in certain jurisdictions include regulatory mechanisms that periodically adjust for over or under collection of related revenues.

		Year Ended December 31, 2018														
		Duke		Duke		Duke		Duke								
(in millions)		Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy							
By market or type of customer		Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont							
<i>Electric Utilities and Infrastructure</i>																
Residential	\$	9,587	\$	2,981	\$	4,785	\$	2,019	\$	2,766	\$	743	\$	1,076	\$	—
General		6,127		2,119		2,809		1,280		1,529		422		778		—
Industrial		2,974		1,180		904		642		262		131		760		—
Wholesale		2,324		508		1,462		1,303		159		57		298		—
Other revenues		717		320		502		320		182		73		91		—
Total Electric Utilities and Infrastructure revenue from contracts with customers																
	\$	21,729	\$	7,108	\$	10,462	\$	5,564	\$	4,898	\$	1,426	\$	3,003	\$	—
<i>Gas Utilities and Infrastructure</i>																
Residential	\$	1,000	\$	—	\$	—	\$	—	\$	—	\$	331	\$	—	\$	669
Commercial		514		—		—		—		—		135		—		378
Industrial		147		—		—		—		—		18		—		128
Power Generation		—		—		—		—		—		—		—		54
Other revenues		139		—		—		—		—		19		—		120

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Total Gas Utilities and Infrastructure revenue from contracts with customers	\$ 1,800	\$ —	\$ —	\$ —	\$ —	\$ 503	\$ —	\$ 1,349
<i>Commercial Renewables</i>								
Revenue from contracts with customers	\$ 209	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<i>Other</i>								
Revenue from contracts with customers	\$ 19	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —	\$ —
Total revenue from contracts with customers	\$ 23,757	\$ 7,108	\$ 10,462	\$ 5,564	\$ 4,898	\$ 1,930	\$ 3,003	\$ 1,349
Other revenue sources ^(a)	\$ 764	\$ 192	\$ 266	\$ 135	\$ 123	\$ 27	\$ 56	\$ 26
Total revenues	\$ 24,521	\$ 7,300	\$ 10,728	\$ 5,699	\$ 5,021	\$ 1,957	\$ 3,059	\$ 1,375

(a) Other revenue sources include revenues from leases, derivatives and alternative revenue programs that are not considered revenues from contracts with customers. Alternative revenue programs in certain jurisdictions include regulatory mechanisms that periodically adjust for over or under collection of related revenues.

As described in Note 1, Duke Energy adopted the new guidance for credit losses effective January 1, 2020, using the modified retrospective method of adoption, which does not require restatement of prior year reported results. The following table presents the reserve for credit losses for trade and other receivables based on adoption of the new standard.

(in millions)	Year Ended December 31, 2020							
	Duke Energy		Duke Energy Progress		Duke Energy Florida		Duke Energy Ohio	
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Balance at December 31, 2019	\$ 76	\$ 10	\$ 16	\$ 8	\$ 7	\$ 4	\$ 3	\$ 6
Cumulative Change in Accounting Principle	5	1	2	1	1	—	—	1
Write-Offs	(58)	(13)	(23)	(8)	(14)	—	—	(6)
Credit Loss Expense	75	13	29	9	20	—	—	11
Other Adjustments	48	12	13	13	—	—	—	—
Balance at December 31, 2020	\$ 146	\$ 23	\$ 37	\$ 23	\$ 14	\$ 4	\$ 3	\$ 12

Trade and other receivables are evaluated based on an estimate of the risk of loss over the life of the receivable and current and historical conditions using supportable assumptions. Management evaluates the risk of loss for trade and other receivables by comparing the historical write-off amounts to total revenue over a specified period. Historical loss rates are adjusted due to the impact of current conditions, including the impacts of COVID-19, as well as forecasted conditions over a reasonable time period. The calculated write-off rate can be applied to the receivable balance for which an established reserve does not already exist. Management reviews the assumptions and risk of loss periodically for trade and other receivables. Due to the COVID-19 pandemic, as described in Note 1, certain jurisdictions have resumed standard billing and credit practices, disconnections for nonpayment and late payment charges, all of which were previously suspended in the first quarter of 2020. The specific actions taken by each Duke Energy Registrant are described in Note 3 and the impact of COVID-19 on certain receivables financing entities are described in Note 17. The impact of COVID-19 and Duke Energy's related response on customers' ability to pay for service is uncertain, and it is reasonably possible eventual write-offs of customer receivables may increase over current estimates.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The aging of trade receivables is presented in the table below. Duke Energy considers receivables greater than 30 days outstanding past due.

(in millions)	December 31, 2020								
	Duke			Duke		Duke	Duke	Duke	
	Duke Energy	Carolin as	Progre ss	Duke Energy	Progre ss	Flori da	Ohio	Indi ana	Pied mont
Unbilled Receivables	\$ 969	\$ 328	\$ 283	\$ 167	\$ 116	\$ 2	\$ 16	\$ 86	
0-30 days	1,789	445	707	398	307	60	26	149	
30-60 days	185	80	54	25	29	8	3	8	
60-90 days	22	1	10	4	6	2	1	3	
90+ days	119	16	32	9	23	30	12	9	
Deferred Payment Arrangements ^(a)	215	96	80	52	28	—	—	7	
Trade and Other Receivables	\$ 3,299	\$ 966	\$ 1,166	\$ 655	\$ 509	\$ 102	\$ 58	\$ 262	

(a) Due to certain customer financial hardships created by the COVID-19 pandemic and resulting stay-at-home orders, Duke Energy permitted customers to defer payment of past-due amounts through an installment payment plan over a period of several months.

IMPACT OF WEATHER AND THE TIMING OF BILLING PERIODS

Revenues and costs are influenced by seasonal weather patterns. Peak sales of electricity occur during the summer and winter months, which results in higher revenue and cash flows during these periods. By contrast, lower sales of electricity occur during the spring and fall, allowing for scheduled plant maintenance. Residential and general service customers are more impacted by weather than industrial customers. Estimated weather impacts are based on actual current period weather compared to normal weather conditions. Normal weather conditions are defined as the long-term average of actual historical weather conditions. Heating degree days measure the variation in weather based on the extent the average daily temperature falls below a base temperature. Cooling degree days measure the variation in weather based on the extent the average daily temperature rises above the base temperature. Each degree of temperature below the base temperature counts as one heating degree day and each degree of temperature above the base temperature counts as one cooling degree day.

The estimated impact of weather on earnings for Electric Utilities and Infrastructure is based on the temperature variances from a normal condition and customers' historic usage patterns. The methodology used to estimate the impact of weather does not consider all variables that may impact customer response to weather conditions, such as humidity in the summer or wind chill in the winter. The precision of this estimate may also be impacted by applying long-term weather trends to shorter-term periods.

Gas Utilities and Infrastructure's costs and revenues are influenced by seasonal patterns due to peak natural gas sales occurring during the winter months as a result of space heating requirements. Residential customers are the most impacted by weather. There are certain regulatory mechanisms for the North Carolina, South Carolina, Tennessee, Ohio and Kentucky service territories that normalize the margins collected from certain customer classes during the winter. In North Carolina, rate design provides protection from both weather and other usage variations such as conservation, while South Carolina, Tennessee and Kentucky revenues are adjusted solely based on weather. Ohio primarily employs a fixed charge each month regardless of the season and usage.

UNBILLED REVENUE

Unbilled revenues are recognized by applying customer billing rates to the estimated volumes of energy or natural gas delivered but not yet billed. Unbilled revenues can vary significantly from period to period as a result of seasonality, weather, customer usage patterns, customer mix, average price in effect for customer classes, timing of rendering customer bills and meter reading schedules, and the impact of weather normalization or margin decoupling mechanisms.

Unbilled revenues are included within Receivables and Receivables of VIEs on the Consolidated Balance Sheets as shown in the following table.

December 31,

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	2020	2019
Duke Energy	\$ 969	\$ 843
Duke Energy Carolinas	328	298
Progress Energy	283	217
Duke Energy Progress	167	122
Duke Energy Florida	116	95
Duke Energy Ohio	2	1
Duke Energy Indiana	16	16
Piedmont	86	78

Additionally, Duke Energy Ohio and Duke Energy Indiana sell, on a revolving basis, nearly all of their retail accounts receivable, including receivables for unbilled revenues, to an affiliate, CRC and account for the transfers of receivables as sales. Accordingly, the receivables sold are not reflected on the Consolidated Balance Sheets of Duke Energy Ohio and Duke Energy Indiana. See Note 17 for further information. These receivables for unbilled revenues are shown in the table below.

(in millions)	December 31,	
	2020	2019
Duke Energy Ohio	\$ 87	\$ 82
Duke Energy Indiana	134	115

19. STOCKHOLDERS' EQUITY

Basic EPS is computed by dividing net income available to Duke Energy common stockholders, as adjusted for distributed and undistributed earnings allocated to participating securities and accumulated preferred dividends, by the weighted average number of common shares outstanding during the period. Diluted EPS is computed by dividing net income available to Duke Energy common stockholders, as adjusted for distributed and undistributed earnings allocated to participating securities and accumulated preferred dividends, by the diluted weighted average number of common shares outstanding during the period. Diluted EPS reflects the potential dilution that could occur if securities or other agreements to issue common stock, such as equity forward sale agreements, were exercised or settled. Duke Energy's participating securities are RSUs that are entitled to dividends declared on Duke Energy common stock during the RSUs vesting periods. Dividends declared on preferred stock are recorded on the Consolidated Statements of Operations as a reduction of net income to arrive at net income available to Duke Energy common stockholders. Dividends accumulated on preferred stock are an adjustment to net income used in the calculation of basic and diluted EPS.

The following table presents Duke Energy's basic and diluted EPS calculations, the weighted average number of common shares outstanding and common and preferred share dividends declared.

(in millions, except per share amounts)	Years Ended December 31,		
	2020	2019	2018
Net Income available to Duke Energy common stockholders	\$ 1,270	\$ 3,707	\$ 2,666
Less: Income (Loss) from discontinued operations	7	(7)	19
Accumulated preferred stock dividends adjustment	1	(15)	—
Less: Impact of participating securities	2	5	5
Income from continuing operations available to Duke Energy common stockholders	\$ 1,262	\$ 3,694	\$ 2,642
Weighted average common shares outstanding – basic	737	729	708

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Duke Energy Florida, LLC		04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Equity forwards	1	—	—
Weighted average common shares outstanding – diluted	738	729	708
EPS from continuing operations available to Duke Energy common stockholders			
Basic and Diluted	\$ 1.71	\$ 5.07	\$ 3.73
Potentially dilutive items excluded from the calculation ^(a)	2	2	2
Dividends declared per common share	\$ 3.82	\$ 3.75	\$ 3.64
Dividends declared on Series A preferred stock per depositary share	\$ 1.437	\$ 1.03	\$ —
Dividends declared on Series B preferred stock per share	\$ 49.292	\$ —	\$ —

(a) Performance stock awards were not included in the dilutive securities calculation because the performance measures related to the awards had not been met.

Common Stock

In November 2019, Duke Energy filed a prospectus supplement and executed an Equity Distribution Agreement (EDA) under which it may sell up to \$1.5 billion of its common stock through a new ATM offering program, including an equity forward sales component. Under the terms of the EDA, Duke Energy may issue and sell shares of common stock through September 2022.

Separately, in November 2019, Duke Energy marketed an equity offering of 28.75 million shares of common stock through an Underwriting Agreement. In connection with the offering, Duke Energy entered into equity forward sales agreements with an initial forward price of \$85.99 per share. In March 2020, Duke Energy marketed approximately 940,000 shares of common stock through an equity forward transaction under the ATM with an initial forward price of \$89.76 per share. In May 2020, Duke Energy marketed approximately 903,000 shares of common stock through an equity forward transaction under the ATM with an initial forward price of \$82.44 per share. In August 2020, Duke Energy marketed approximately 936,000 shares of common stock through an equity forward transaction under the ATM with an initial forward price of \$79.52 per share.

In December 2020, Duke Energy physically settled the equity forwards by delivering 32 million shares of common stock in exchange for net cash proceeds of approximately \$2.6 billion.

Preferred Stock

On March 29, 2019, Duke Energy completed the issuance of 40 million depositary shares, each representing 1/1,000th share of its Series A Cumulative Redeemable Perpetual Preferred Stock, at a price of \$25 per depositary share. The transaction resulted in net proceeds of \$973 million after issuance costs with proceeds used for general corporate purposes and to reduce short-term debt. The preferred stock has a \$25 liquidation preference per depositary share and earns dividends on a cumulative basis at a rate of 5.75% per annum. Dividends are payable quarterly in arrears on the 16th day of March, June, September and December, and began on June 16, 2019.

The Series A Preferred Stock has no maturity or mandatory redemption date, is not redeemable at the option of the holders and includes separate call options. The first call option allows Duke Energy to call the Series A Preferred Stock at a redemption price of \$25.50 per depositary share prior to June 15, 2024, in whole but not in part, at any time within 120 days after a ratings event where a rating agency amends, clarifies or changes the criteria it uses to assign equity credit for securities such as the preferred stock. The second call option allows Duke Energy to call the preferred stock, in whole or in part, at any time, on or after June 15, 2024, at a redemption price of \$25 per depositary share. Duke Energy is also required to redeem all accumulated and unpaid dividends if either call option is exercised.

On September 12, 2019, Duke Energy completed the issuance of 1 million shares of its Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, at a price of \$1,000 per share. The transaction resulted in net proceeds of \$989 million after issuance costs with proceeds being used to pay down short-term debt, repay at maturity \$500 million senior notes due September 2019, and for general corporate purposes. The preferred stock has a \$1,000 liquidation preference per share and earns dividends on a cumulative basis at an initial rate of 4.875% per annum. Dividends are payable semiannually in arrears on the 16th day of March and September, and began on March 16, 2020. On September 16, 2024, the First Call Date, and any fifth anniversary of the First Call Date (each a Reset Date), the dividend rate will reset based on the then current five-year U.S. Treasury rate plus a spread of 3.388%.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The Series B Preferred Stock has no maturity or mandatory redemption date, is not redeemable at the option of the holders and includes separate call options. The first call option allows Duke Energy to call the Series B Preferred Stock at a redemption price of \$1,020 per share, in whole but not in part, at any time within 120 days after a ratings event. The second call option allows Duke Energy to call the preferred stock, in whole or in part, on the First Call Date or any subsequent Reset Date at a redemption price in cash equal to \$1,000 per share. Duke Energy is also required to redeem all accumulated and unpaid dividends if either call option is exercised.

Dividends issued on its Series A and Series B Preferred Stock are subject to approval by the Board of Directors. However, the deferral of dividend payments on the preferred stock prohibits the declaration of common stock dividends.

The Series A and Series B Preferred Stock rank, with respect to dividends and distributions upon liquidation or dissolution:

- 6 senior to Common Stock and to each other class or series of capital stock established after the original issue date of the Series A and Series B Preferred Stock that is expressly made subordinated to the Series A and Series B Preferred Stock;
 - 1 on a parity with any class or series of capital stock established after the original issue date of the Series A and Series B Preferred Stock that is not expressly made senior or subordinated to the Series A or Series B Preferred Stock;
- junior to any class or series of capital stock established after the original issue date of the Series A and Series B Preferred Stock that is expressly made senior to the Series A or Series B Preferred Stock;
- 1 junior to all existing and future indebtedness (including indebtedness outstanding under Duke Energy's credit facilities, unsecured senior notes, junior subordinated debentures and commercial paper) and other liabilities with respect to assets available to satisfy claims against Duke Energy; and
 - 2 structurally subordinated to existing and future indebtedness and other liabilities of Duke Energy's subsidiaries and future preferred stock of subsidiaries.

Holders of Series A and Series B Preferred Stock have no voting rights with respect to matters that generally require the approval of voting stockholders. The limited voting rights of holders of Series A and Series B Preferred Stock include the right to vote as a single class, respectively, on certain matters that may affect the preference or special rights of the preferred stock, except in the instance that Duke Energy elects to defer the payment of dividends for a total of six quarterly full dividend periods for Series A Preferred Stock or three semiannual full dividend periods for Series B Preferred Stock. If dividends are deferred for a cumulative total of six quarterly full dividend periods for Series A Preferred Stock or three semiannual full dividend periods for Series B Preferred Stock, whether or not for consecutive dividend periods, holders of the respective preferred stock have the right to elect two additional Board members to the Board of Directors.

20. SEVERANCE

During 2020, as a result of partial settlements between Duke Energy Carolinas, Duke Energy Progress and the Public Staff, Duke Energy Carolinas and Duke Energy Progress deferred as Regulatory assets on the Consolidated Balance Sheets, approximately \$65 million and \$33 million, respectively, of previously recorded severance charges within Operation, maintenance and other on the Consolidated Statements of Operations. These severance charges were previously recorded during 2018, as Duke Energy reviewed its operations and identified opportunities for improvement to better serve its customers. This operational review included the company's workforce strategy and staffing levels to ensure the company was staffed with the right skill sets and number of teammates to execute the long-term vision for Duke Energy. As such, Duke Energy extended voluntary and involuntary severance benefits to certain employees in specific areas as a part of workforce planning and digital transformation efforts. See Note 3 for more information.

The following table presents the direct and allocated severance and related charges accrued for approximately 30 employees in 2020, 140 employees in 2019, and 1,900 employees in 2018, by the Duke Energy Registrants within Operation, maintenance and other on the Consolidated Statements of Operations.

(in millions)	Duke Energy		Duke Energy Progress		Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Year Ended December 31, 2020(a)(b)	\$ (85)	\$ (58)	\$ (28)	\$ (31)	\$ 3	\$ —	\$ —	\$ —

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Year Ended December 31, 2019	16	8	6	3	3	—	1	1
Year Ended December 31, 2018	187	102	69	52	17	6	7	2

- (a) Includes unamortized deferred severance charges of approximately \$(86) million, \$(57) million, \$(29) million and \$(29) million for Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.
- (b) Includes adjustments associated with 2018 severance charges of approximately \$(6) million, \$(2) million, \$(3) million and \$(2) million for Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

The table below presents the severance liability for past and ongoing severance plans including the plans described above.

(in millions)	Duke Energy		Duke Energy Progress		Duke Energy Florida		Duke Energy Ohio		Duke Energy Indiana		Duke Energy Piedmont	
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont				
Balance at December 31, 2019	\$ 41	\$ 11	\$ 13	\$ 6	\$ 7	\$ 1	\$ 2	\$ —				
Provision/Adjustments	1	—	—	(2)	2	(1)	—	—				
Cash Reductions	(31)	(9)	(10)	(3)	(7)	—	(1)	—				
Balance at December 31, 2020	\$ 11	\$ 2	\$ 3	\$ 1	\$ 2	\$ —	\$ 1	\$ —				

21. STOCK-BASED COMPENSATION

The Duke Energy Corporation 2015 Long-Term Incentive Plan (the 2015 Plan) provides for the grant of stock-based compensation awards to employees and outside directors. The 2015 Plan reserves 10 million shares of common stock for issuance. Duke Energy has historically issued new shares upon exercising or vesting of share-based awards. However, Duke Energy may use a combination of new share issuances and open market repurchases for share-based awards that are exercised or vest in the future. Duke Energy has not determined with certainty the amount of such new share issuances or open market repurchases.

The following table summarizes the total expense recognized by the Duke Energy Registrants, net of tax, for stock-based compensation.

(in millions)	Years Ended December 31,		
	2020	2019	2018
Duke Energy	\$ 61	\$ 65	\$ 56
Duke Energy Carolinas	22	24	20
Progress Energy	23	24	21
Duke Energy Progress	15	15	13
Duke Energy Florida	9	9	8
Duke Energy Ohio	4	5	4
Duke Energy Indiana	6	6	5
Piedmont	3	3	3

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy's pretax stock-based compensation costs, the tax benefit associated with stock-based compensation expense and stock-based compensation costs capitalized are included in the following table.

(in millions)	Years Ended December 31,		
	2020	2019	2018
RSU awards	\$ 46	\$ 44	\$ 43
Performance awards	38	45	35
Pretax stock-based compensation cost	\$ 84	\$ 89	\$ 78
Stock-based compensation costs capitalized	5	5	5
Stock-based compensation expense	\$ 79	\$ 84	\$ 73
Tax benefit associated with stock-based compensation expense	\$ 18	\$ 19	\$ 17

RESTRICTED STOCK UNIT AWARDS

RSU awards generally vest over periods from immediate to three years. Fair value amounts are based on the market price of Duke Energy's common stock on the grant date. The following table includes information related to RSU awards.

	Years Ended December 31,		
	2020	2019	2018
Shares granted (in thousands)	498	571	649
Fair value (in millions)	\$ 50	\$ 51	\$ 49

The following table summarizes information about RSU awards outstanding.

	Weighted Average	
	Shares (in thousands)	Grant Date Fair Value (per share)
Outstanding at December 31, 2019	1,010	\$ 83
Granted	498	100
Vested	(532)	82
Forfeited	(37)	92
Outstanding at December 31, 2020	939	93
RSU awards expected to vest	898	93

The total grant date fair value of shares vested during the years ended December 31, 2020, 2019 and 2018, was \$43 million, \$49 million and \$43 million, respectively. At December 31, 2020, Duke Energy had \$31 million of unrecognized compensation cost, which is expected to be recognized over a weighted average period of 23 months.

PERFORMANCE AWARDS

Stock-based performance awards generally vest after three years if performance targets are met. The actual number of shares issued will range from zero to 200% of target shares, depending on the level of performance achieved.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Performance awards contain performance conditions and a market condition. The performance conditions are based on Duke Energy's cumulative adjusted EPS and total incident case rate (total incident case rate is one of our key employee safety metrics). The market condition is based on TSR of Duke Energy relative to a predefined peer group.

Relative TSR is valued using a path-dependent model that incorporates expected relative TSR into the fair value determination of Duke Energy's performance-based share awards. The model uses three-year historical volatilities and correlations for all companies in the predefined peer group, including Duke Energy, to simulate Duke Energy's relative TSR as of the end of the performance period. For each simulation, Duke Energy's relative TSR associated with the simulated stock price at the end of the performance period plus expected dividends within the period results in a value per share for the award portfolio. The average of these simulations is the expected portfolio value per share. Actual life to date results of Duke Energy's relative TSR for each grant are incorporated within the model. For performance awards granted in 2020, the model used a risk-free interest rate of 1.4%, which reflects the yield on three-year Treasury bonds as of the grant date, and an expected volatility of 13.6% based on Duke Energy's historical volatility over three years using daily stock prices.

The following table includes information related to stock-based performance awards.

	Years Ended December 31,		
	2020	2019	2018
Shares granted assuming target performance (in thousands)	319	320	372
Fair value (in millions)	\$ 34	\$ 27	\$ 27

The following table summarizes information about stock-based performance awards outstanding and assumes payout at the target level.

	Weighted Average	
	Shares (in thousands)	Grant Date Fair Value (per share)
Outstanding at December 31, 2019	1,109	\$ 80
Granted	319	105
Vested	(448)	81
Forfeited	(18)	88
Outstanding at December 31, 2020	962	87
Stock-based performance awards expected to vest	937	87

The total grant date fair value of shares vested during the years ended December 31, 2020, and 2019, was \$36 million and \$23 million, respectively. At December 31, 2020, Duke Energy had \$23 million of unrecognized compensation cost, which is expected to be recognized over a weighted average period of 21 months.

22. EMPLOYEE BENEFIT PLANS

DEFINED BENEFIT RETIREMENT PLANS

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Duke Energy and certain subsidiaries maintain, and the Subsidiary Registrants participate in, qualified, non-contributory defined benefit retirement plans. The Duke Energy plans cover most employees using a cash balance formula. Under a cash balance formula, a plan participant accumulates a retirement benefit consisting of pay credits based upon a percentage of current eligible earnings, age or age and years of service and interest credits. Certain employees are eligible for benefits that use a final average earnings formula. Under these final average earnings formulas, a plan participant accumulates a retirement benefit equal to the sum of percentages of their (i) highest three-year, four-year, or five-year average earnings, (ii) highest three-year, four-year, or five-year average earnings in excess of covered compensation per year of participation (maximum of 35 years) or (iii) highest three-year average earnings times years of participation in excess of 35 years. Duke Energy also maintains, and the Subsidiary Registrants participate in, non-qualified, non-contributory defined benefit retirement plans that cover certain executives. The qualified and non-qualified, non-contributory defined benefit plans are closed to new participants.

Duke Energy uses a December 31 measurement date for its defined benefit retirement plan assets and obligations. Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan assets as of December 31, 2020, and 2019, were attributable to actual investment performance that exceeded expected investment performance. Actuarial losses experienced by the defined benefit retirement plans in remeasuring plan obligations as of December 31, 2020, and 2019, were primarily attributable to the decrease in the discount rate used to measure plan obligations.

As a result of the application of settlement accounting due to total lump-sum benefit payments exceeding the settlement threshold (defined as the sum of the service cost and interest cost on projected benefit obligation components of net periodic pension costs) for one of its qualified pension plans, Duke Energy recognized settlement charges of \$94 million, primarily as a regulatory asset within Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2019 (an immaterial amount was recorded in Other income and expenses, net within the Consolidated Statement of Operations).

Settlement charges recognized by the Subsidiary Registrants as of December 31, 2019, which represent amounts allocated by Duke Energy for employees of the Subsidiary Registrants and allocated charges for their proportionate share of settlement charges for employees of Duke Energy's shared services affiliate, were \$53 million for Duke Energy Carolinas, \$26 million for Progress Energy, \$20 million for Duke Energy Progress, \$6 million for Duke Energy Florida, \$4 million for Duke Energy Indiana, \$2 million for Duke Energy Ohio and \$8 million for Piedmont.

The settlement charges reflect the recognition of a pro-rata portion of previously unrecognized actuarial losses, equal to the percentage of reduction in the projected benefit obligation resulting from total lump-sum benefit payments as of December 31, 2019. Settlement charges recognized as a regulatory asset within Other Noncurrent Assets on the Consolidated Balance Sheets are amortized over the average remaining service period for participants in the plan. Amortization of settlement charges is disclosed in the tables below as a component of net periodic pension costs.

Net periodic benefit costs disclosed in the tables below represent the cost of the respective benefit plan for the periods presented prior to capitalization of amounts reflected as Net property, plant and equipment, on the Consolidated Balance Sheets. Only the service cost component of net periodic benefit costs is eligible to be capitalized. The remaining non-capitalized portions of net periodic benefit costs are classified as either: (1) service cost, which is recorded in Operations, maintenance and other on the Consolidated Statements of Operations; or as (2) components of non-service cost, which is recorded in Other income and expenses, net, on the Consolidated Statements of Operations. Amounts presented in the tables below for the Subsidiary Registrants represent the amounts of pension and other post-retirement benefit cost allocated by Duke Energy for employees of the Subsidiary Registrants. Additionally, the Consolidated Statements of Operations of the Subsidiary Registrants also include allocated net periodic benefit costs for their proportionate share of pension and post-retirement benefit cost for employees of Duke Energy's shared services affiliate that provide support to the Subsidiary Registrants. However, in the tables below, these amounts are only presented within the Duke Energy column (except for amortization of settlement charges). These allocated amounts are included in the governance and shared service costs discussed in Note 13.

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 Energy does not anticipate making any contributions in 2021. The following table includes information related to the Duke Energy Registrants' contributions to its qualified defined benefit pension plans.

(in millions)	Duke Energy		Duke Progress Energy		Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Contributions Made:								
2020	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2019	77	7	57	4	53	2	2	1
2018	141	46	45	25	20	—	8	—

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NOTES TO FINANCIAL STATEMENTS (Continued)			

QUALIFIED PENSION PLANS**Components of Net Periodic Pension Costs**

(in millions)	Year Ended December 31, 2020							
	Duke		Duke		Duke	Duke	Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	
Service cost	\$ 165	\$ 51	\$ 48	\$ 27	\$ 21	\$ 5	\$ 9	\$ 6
Interest cost on projected benefit obligation	269	62	85	38	46	15	22	9
Expected return on plan assets	(572)	(145)	(190)	(87)	(101)	(28)	(42)	(21)
Amortization of actuarial loss	128	28	41	18	23	6	12	9
Amortization of prior service credit	(32)	(8)	(3)	(2)	(1)	—	(2)	(9)
Amortization of settlement charges	18	9	7	6	1	—	1	1
Net periodic pension costs(a)(b)	\$ (24)	\$ (3)	\$ (12)	\$ —	\$ (11)	\$ (2)	\$ —	\$ (5)

(in millions)	Year Ended December 31, 2019							
	Duke		Duke		Duke	Duke	Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	
Service cost	\$ 158	\$ 49	\$ 46	\$ 26	\$ 20	\$ 4	\$ 9	\$ 5
Interest cost on projected benefit obligation	317	75	100	45	54	18	26	10
Expected return on plan assets	(567)	(147)	(178)	(88)	(89)	(28)	(43)	(22)
Amortization of actuarial loss	108	24	39	15	24	4	8	8
Amortization of prior service credit	(32)	(8)	(3)	(2)	(1)	—	(2)	(9)
Amortization of settlement charges	6	2	1	1	—	2	—	—
Net periodic pension costs(a)(b)	\$ (10)	\$ (5)	\$ 5	\$ (3)	\$ 8	\$ —	\$ (2)	\$ (8)

(in millions)	Year Ended December 31, 2018							
	Duke		Duke		Duke	Duke	Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	
Service cost	\$ 182	\$ 58	\$ 51	\$ 29	\$ 22	\$ 5	\$ 11	\$ 7
Interest cost on projected benefit obligation	299	72	94	43	50	17	23	11

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Expected return on plan assets	(559)	(147)	(178)	(85)	(91)	(28)	(42)	(22)
Amortization of actuarial loss	132	29	44	21	23	5	10	11
Amortization of prior service credit	(32)	(8)	(3)	(2)	(1)	—	(2)	(10)
Net periodic pension costs(a)(b)	\$ 22	\$ 4	\$ 8	\$ 6	\$ 3	\$ (1)	\$ —	\$ (3)

- (a) Duke Energy amounts exclude \$4 million, \$4 million and \$5 million for the years ended December 2020, 2019 and 2018, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.
- (b) Duke Energy Ohio amounts exclude \$2 million, \$2 million and \$2 million for the years ended December 2020, 2019 and 2018, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.

Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Assets

(in millions)	Year Ended December 31, 2020							
	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Ohio	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
	Regulatory assets, net increase (decrease)	\$ (62)	\$ (39)	\$ (26)	\$ (30)	\$ 4	\$ (2)	\$ 5
Accumulated other comprehensive loss (income)								
Deferred income tax expense (benefit)	\$ 2	\$ —	\$ 1	\$ —	\$ 1	\$ —	\$ —	\$ —
Amortization of prior year service credit	1	—	—	—	—	—	—	—
Amortization of prior year actuarial losses	(11)	—	(1)	—	(3)	—	—	—
Net amount recognized in accumulated other comprehensive income	\$ (8)	\$ —	\$ —	\$ —	\$ (2)	\$ —	\$ —	\$ —

(in millions)	Year Ended December 31, 2019							
	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Ohio	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
	Regulatory assets, net (decrease) increase	\$ (212)	\$ (156)	\$ (79)	\$ (59)	\$ (20)	\$ 12	\$ 22
Accumulated other comprehensive (income) loss								
Deferred income tax expense (benefit)	\$ 20	\$ —	\$ 1	\$ —	\$ (1)	\$ —	\$ —	\$ —
Amortization of prior year service credit	1	—	—	—	—	—	—	—
Amortization of prior year actuarial losses	(15)	—	(2)	—	3	—	—	—

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Net amount recognized in accumulated other comprehensive income \$ 6 \$ — \$ (1) \$ — \$ 2 \$ — \$ — \$ —

Reconciliation of Funded Status to Net Amount Recognized

(in millions)	Year Ended December 31, 2020							
	Duke	Duke	Duke	Duke	Duke	Duke	Duke	Duke
	Energy	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Carolin	Energy	Progress	Florida	Ohio	Indiana	Piedmont	
Change in Projected Benefit Obligation								
Obligation at prior measurement date	\$ 8,321	\$ 1,923	\$ 2,608	\$ 1,170	\$ 1,424	\$ 481	\$ 693	\$ 292
Service cost	157	49	46	26	20	4	8	5
Interest cost	269	62	85	38	46	15	22	9
Actuarial loss	433	83	144	50	93	21	46	14
Transfers	—	8	(8)	(8)	—	15	—	—
Benefits paid	(541)	(137)	(160)	(83)	(76)	(34)	(49)	(27)
Benefits paid – settlements	(5)	—	—	—	—	—	(5)	—
Obligation at measurement date	\$ 8,634	\$ 1,988	\$ 2,715	\$ 1,193	\$ 1,507	\$ 502	\$ 715	\$ 293
Accumulated Benefit Obligation at measurement date	\$ 8,577	\$ 1,989	\$ 2,684	\$ 1,194	\$ 1,476	\$ 493	\$ 709	\$ 294
Change in Fair Value of Plan Assets								
Plan assets at prior measurement date	\$ 8,910	\$ 2,263	\$ 2,898	\$ 1,364	\$ 1,515	\$ 443	\$ 667	\$ 335
Actual return on plan assets	973	247	319	149	166	48	71	35
Benefits paid	(541)	(137)	(160)	(83)	(76)	(34)	(49)	(27)
Benefits paid – settlements	(5)	—	—	—	—	—	(5)	—
Transfers	—	8	(8)	(8)	—	15	—	—
Plan assets at measurement date	\$ 9,337	\$ 2,381	\$ 3,049	\$ 1,422	\$ 1,605	\$ 472	\$ 684	\$ 343
Funded status of plan	\$ 703	\$ 393	\$ 334	\$ 229	\$ 98	\$ (30)	\$ (31)	\$ 50

(in millions)	Year Ended December 31, 2019							
	Duke	Duke	Duke	Duke	Duke	Duke	Duke	Duke
	Energy	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Carolin	Energy	Progress	Florida	Ohio	Indiana	Piedmont	
Change in Projected Benefit Obligation								

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Obligation at prior measurement date	\$ 7,869	\$ 1,954	\$ 2,433	\$ 1,125	\$ 1,295	\$ 435	\$ 618	\$ 264
Service cost	150	47	43	25	18	4	8	5
Interest cost	317	75	100	45	54	18	26	10
Actuarial loss	716	101	223	87	135	54	87	33
Transfers	—	11	—	—	—	—	—	—
Benefits paid	(731)	(265)	(191)	(112)	(78)	(30)	(46)	(20)
Obligation at measurement date	\$ 8,321	\$ 1,923	\$ 2,608	\$ 1,170	\$ 1,424	\$ 481	\$ 693	\$ 292
Accumulated Benefit Obligation at measurement date	\$ 8,262	\$ 1,923	\$ 2,578	\$ 1,170	\$ 1,392	\$ 471	\$ 686	\$ 292
Change in Fair Value of Plan Assets								
Plan assets at prior measurement date	\$ 8,233	\$ 2,168	\$ 2,606	\$ 1,268	\$ 1,322	\$ 405	\$ 611	\$ 305
Employer contributions	77	7	57	4	53	2	2	1
Actual return on plan assets	1,331	342	426	204	218	66	100	49
Benefits paid	(731)	(265)	(191)	(112)	(78)	(30)	(46)	(20)
Transfers	—	11	—	—	—	—	—	—
Plan assets at measurement date	\$ 8,910	\$ 2,263	\$ 2,898	\$ 1,364	\$ 1,515	\$ 443	\$ 667	\$ 335
Funded status of plan	\$ 589	\$ 340	\$ 290	\$ 194	\$ 91	\$ (38)	\$ (26)	\$ 43

Amounts Recognized in the Consolidated Balance Sheets**December 31, 2020**

(In millions)	Duke		Duke		Duke	Duke	Duke	Duke	Piedmont
	Duke Energy	Carolinas	Progress Energy	Progress	Energy Florida	Energy Ohio	Energy Indiana		
Prefunded pension ^(a)	\$ 780	\$ 393	\$ 379	\$ 229	\$ 143	\$ 58	\$ 79	\$ 50	
Noncurrent pension liability ^(b)	\$ 77	\$ —	\$ 45	\$ —	\$ 45	\$ 88	\$ 110	\$ —	
Net asset (liability) recognized	\$ 703	\$ 393	\$ 334	\$ 229	\$ 98	\$ (30)	\$ (31)	\$ 50	
Regulatory assets	\$ 1,910	\$ 381	\$ 691	\$ 283	\$ 408	\$ 110	\$ 209	\$ 80	
Accumulated other comprehensive (income) loss									
Deferred income tax benefit	\$ (21)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Prior service credit	(2)	—	—	—	—	—	—	—	
Net actuarial loss	100	—	2	—	—	—	—	—	
Net amounts recognized in accumulated other comprehensive loss	\$ 77	\$ —	\$ 2	\$ —	\$ —	\$ —	\$ —	\$ —	

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	December 31, 2019							
	Duke		Duke		Duke	Duke	Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Indiana	Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Prefunded pension ^(a)	\$ 621	\$ 340	\$ 322	\$ 194	\$ 123	\$ 38	\$ 57	\$ 43
Noncurrent pension liability ^(b)	\$ 32	\$ —	\$ 32	\$ —	\$ 32	\$ 76	\$ 83	\$ —
Net asset recognized	\$ 589	\$ 340	\$ 290	\$ 194	\$ 91	\$ (38)	\$ (26)	\$ 43
Regulatory assets	\$ 1,972	\$ 420	\$ 717	\$ 313	\$ 404	\$ 112	\$ 204	\$ 81
Accumulated other comprehensive (income) loss								
Deferred income tax benefit	\$ (23)	\$ —	\$ (1)	\$ —	\$ (1)	\$ —	\$ —	\$ —
Prior service credit	(3)	—	—	—	—	—	—	—
Net actuarial loss	111	—	3	—	3	—	—	—
Net amounts recognized in accumulated other comprehensive loss	\$ 85	\$ —	\$ 2	\$ —	\$ 2	\$ —	\$ —	\$ —
Amounts to be recognized in net periodic pension costs in the next year								
Unrecognized net actuarial loss	\$ 135	\$ 29	\$ 43	\$ 19	\$ 24	\$ 7	\$ 10	\$ 9
Unrecognized prior service credit	(32)	(8)	(3)	(2)	(1)	(1)	(2)	(9)

(a) Included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets.

(b) Included in Accrued pension and other post-retirement benefit costs on the Consolidated Balance Sheets.

Information for Plans with Accumulated Benefit Obligation in Excess of Plan Assets

(in millions)	December 31, 2020				
	Duke		Duke	Duke	Duke
	Duke	Progress	Energy	Energy	Energy
	Energy	Energy	Florida	Ohio	Indiana
Projected benefit obligation	\$ 4,914	\$ 828	\$ 828	\$ 184	\$ 293
Accumulated benefit obligation	4,856	796	796	176	285
Fair value of plan assets	4,837	783	783	96	183

(in millions)	December 31, 2019	
	Duke	Duke
	Energy	Energy
	Ohio	Indiana

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Projected benefit obligation	\$ 155	\$ 260
Accumulated benefit obligation	146	252
Fair value of plan assets	79	177

Assumptions Used for Pension Benefits Accounting

The discount rate used to determine the current year pension obligation and following year's pension expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high-quality corporate bonds that generate sufficient cash flow to provide for projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

The average remaining service period for participants in active plans and life expectancy of participants in inactive plans is 13 years for Duke Energy, Duke Energy Indiana and Duke Energy Ohio, 14 years for Progress Energy, Duke Energy Progress and Duke Energy Florida, 12 years for Duke Energy Carolinas and nine years for Piedmont.

The following tables present the assumptions or range of assumptions used for pension benefit accounting.

	December 31,		
	2020	2019	2018
Benefit Obligations			
Discount rate	2.60%	3.30%	4.30%
Interest crediting rate	4.00%	4.00%	4.00%
Salary increase	3.50 % – 4.00%	3.50 % – 4.00%	3.50 % – 4.00%
Net Periodic Benefit Cost			
Discount rate	3.30%	4.30%	3.60%
Interest crediting rate	4.00%	4.00%	4.00%
Salary increase	3.50 % – 4.00%	3.50 % – 4.00%	3.50 % – 4.00%
Expected long-term rate of return on plan assets	6.85%	6.85%	6.50%

Expected Benefit Payments

(in millions)	Duke		Duke		Duke		Duke		Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Ohio	Indiana	Piedmont	
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont		
Years ending December 31,										
2021	\$ 667	\$ 169	\$ 177	\$ 94	\$ 82	\$ 40	\$ 53	\$ 29		
2022	650	170	176	92	83	39	51	25		
2023	655	174	181	95	85	38	49	22		
2024	644	168	184	96	87	37	49	21		
2025	617	163	181	93	88	35	47	19		
2025-2029	2,745	677	846	399	443	154	217	83		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

NON-QUALIFIED PENSION PLANS

The accumulated benefit obligation, which equals the projected benefit obligation for non-qualified pension plans, was \$320 million for Duke Energy, \$13 million for Duke Energy Carolinas, \$111 million for Progress Energy, \$33 million for Duke Energy Progress, \$45 million for Duke Energy Florida, \$4 million for Duke Energy Ohio, \$2 million for Duke Energy Indiana and \$4 million for Piedmont as of December 31, 2020.

Employer contributions, which equal benefits paid for non-qualified pension plans, were \$23 million for Duke Energy, \$2 million for Duke Energy Carolinas, \$8 million for Progress Energy, \$3 million for Duke Energy Progress and \$3 million for Duke Energy Florida for the year ended December 31, 2020. Employer contributions were not material for Duke Energy Ohio, Duke Energy Indiana or Piedmont for the year ended December 31, 2020.

Net periodic pension costs for non-qualified pension plans were not material for the years ended December 31, 2020, 2019 or 2018.

OTHER POST-RETIREMENT BENEFIT PLANS

Duke Energy provides, and the Subsidiary Registrants participate in, some health care and life insurance benefits for retired employees on a contributory and non-contributory basis. Employees are eligible for these benefits if they have met age and service requirements at retirement, as defined in the plans. The health care benefits include medical, dental and prescription drug coverage and are subject to certain limitations, such as deductibles and copayments.

Duke Energy did not make any pre-funding contributions to its other post-retirement benefit plans during the years ended December 31, 2020, 2019 or 2018.

Components of Net Periodic Other Post-Retirement Benefit Costs

(in millions)	Year Ended December 31, 2020							
	Duke		Duke		Duke		Duke	
	Duke Energy	Energy Carolinas	Progress Energy	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Piedmont
Service cost	\$ 4	\$ 1	\$ 1	\$ —	\$ —	\$ —	\$ 1	\$ —
Interest cost on accumulated post-retirement benefit obligation	23	5	10	5	4	1	2	1
Expected return on plan assets	(13)	(8)	—	—	—	—	—	(2)
Amortization of actuarial loss	2	—	1	—	1	—	4	—
Amortization of prior service credit	(14)	(4)	(3)	(1)	(2)	(1)	(1)	(2)
Net periodic post-retirement benefit costs (a)(b)	\$ 2	\$ (6)	\$ 9	\$ 4	\$ 3	\$ —	\$ 6	\$ (3)

(in millions)	Year Ended December 31, 2019							
	Duke		Duke		Duke		Duke	
	Duke Energy	Energy Carolinas	Progress Energy	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Piedmont
Service cost	\$ 4	\$ 1	\$ 1	\$ —	\$ 1	\$ —	\$ 1	\$ —
Interest cost on accumulated post-retirement benefit obligation	30	7	12	7	5	1	3	1

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Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Expected return on plan assets	(12)	(7)	—	—	—	—	—	(1)
Amortization of actuarial loss	4	2	1	—	1	—	4	—
Amortization of prior service credit	(19)	(5)	(8)	(1)	(7)	(1)	(1)	(2)
Net periodic post-retirement benefit costs(a)(b)	\$ 7	\$ (2)	\$ 6	\$ 6	\$ —	\$ —	\$ 7	\$ (2)

Year Ended December 31, 2018

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke Energy	Energy Carolinas	Progress Energy	Progress Energy	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont
Service cost	\$ 6	\$ 1	\$ 1	\$ —	\$ 1	\$ 1	\$ 1	\$ 1
Interest cost on accumulated post-retirement benefit obligation	28	7	12	6	6	1	3	1
Expected return on plan assets	(13)	(8)	—	—	—	—	—	(2)
Amortization of actuarial loss	6	3	1	1	—	—	4	—
Amortization of prior service credit	(19)	(5)	(8)	(1)	(7)	(1)	(1)	(2)
Net periodic post-retirement benefit costs(a)(b)	\$ 8	\$ (2)	\$ 6	\$ 6	\$ —	\$ 1	\$ 7	\$ (2)

- (a) Duke Energy amounts exclude \$6 million, \$6 million and \$7 million for the years ended December 2020, 2019 and 2018, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.
- (b) Duke Energy Ohio amounts exclude \$1 million, \$2 million and \$2 million for the years ended December 2020, 2019 and 2018, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.

Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Assets and Liabilities

Year Ended December 31, 2020

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke Energy	Energy Carolinas	Progress Energy	Progress Energy	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont
Regulatory assets, net increase (decrease)	\$ 9	\$ —	\$ 9	\$ 6	\$ 3	\$ —	\$ (4)	\$ —
Regulatory liabilities, net increase (decrease)	\$ (10)	\$ (7)	\$ —	\$ —	\$ —	\$ —	\$ (1)	\$ —
Accumulated other comprehensive (income) loss								
Deferred income tax benefit	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Amortization of prior year service credit	1	—	—	—	—	—	—	—

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Net amount recognized in
accumulated other comprehensive

income \$ 1 \$ — \$ — \$ — \$ — \$ — \$ — \$ — \$ —

Year Ended December 31, 2019

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Regulatory assets, net increase (decrease)	\$ (127)	\$ —	\$ (127)	\$ (82)	\$ (45)	\$ —	\$ (5)	\$ —
Regulatory liabilities, net increase (decrease)	\$ (152)	\$ 1	\$ (149)	\$ (93)	\$ (56)	\$ (1)	\$ (4)	\$ 3
Accumulated other comprehensive (income) loss								
Deferred income tax benefit	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Amortization of prior year actuarial gain	(4)	—	—	—	—	—	—	—
Net amount recognized in accumulated other comprehensive income	\$ (4)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

Reconciliation of Funded Status to Accrued Other Post-Retirement Benefit Costs

Year Ended December 31, 2020

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Change in Projected Benefit Obligation								
Accumulated post-retirement benefit obligation at prior measurement date	\$ 723	\$ 175	\$ 303	\$ 168	\$ 135	\$ 29	\$ 64	\$ 30
Service cost	4	1	1	—	—	—	1	—
Interest cost	23	5	10	5	4	1	2	1
Plan participants' contributions	15	3	5	3	2	1	2	—
Actuarial losses	19	8	8	5	2	—	1	1
Benefits paid	(75)	(18)	(28)	(15)	(13)	(4)	(9)	(2)
Accumulated post-retirement benefit obligation at measurement date	\$ 709	\$ 174	\$ 299	\$ 166	\$ 130	\$ 27	\$ 61	\$ 30
Change in Fair Value of Plan Assets								
Plan assets at prior measurement date	\$ 220	\$ 130	\$ (1)	\$ (1)	\$ —	\$ 9	\$ 5	\$ 34

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
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NOTES TO FINANCIAL STATEMENTS (Continued)

Actual return on plan assets	24	14	—	—	—	—	1	4
Benefits paid	(75)	(18)	(28)	(15)	(13)	(4)	(9)	(2)
Employer contributions	53	10	23	11	10	3	8	1
Plan participants' contributions	15	3	5	3	2	1	2	—
Plan assets at measurement date	\$ 237	\$ 139	\$ (1)	\$ (2)	\$ (1)	\$ 9	\$ 7	\$ 37
Funded status of plan	\$ (472)	\$ (35)	\$ (300)	\$ (168)	\$ (131)	\$ (18)	\$ (54)	\$ 7

Year Ended December 31, 2019

(in millions)	Duke		Duke		Duke		Duke		Duke	
	Duke Energy	Carolinas	Progress Energy	Progress Energy	Florida	Ohio	Indiana	Piedmont		
Change in Projected Benefit Obligation										
Accumulated post-retirement benefit obligation at prior measurement date	\$ 728	\$ 174	\$ 303	\$ 166	\$ 137	\$ 29	\$ 67	\$ 30		
Service cost	4	1	1	—	1	—	1	—		
Interest cost	30	7	12	7	5	1	3	1		
Plan participants' contributions	16	3	6	3	2	1	2	—		
Actuarial losses	28	9	13	9	5	1	2	—		
Benefits paid	(83)	(19)	(32)	(17)	(15)	(3)	(11)	(1)		
Accumulated post-retirement benefit obligation at measurement date	\$ 723	\$ 175	\$ 303	\$ 168	\$ 135	\$ 29	\$ 64	\$ 30		
Change in Fair Value of Plan Assets										
Plan assets at prior measurement date	\$ 195	\$ 115	\$ —	\$ —	\$ —	\$ 8	\$ 5	\$ 29		
Actual return on plan assets	32	20	(1)	—	—	1	—	6		
Benefits paid	(83)	(19)	(32)	(17)	(15)	(3)	(11)	(1)		
Employer contributions	60	11	26	13	13	2	9	—		
Plan participants' contributions	16	3	6	3	2	1	2	—		
Plan assets at measurement date	\$ 220	\$ 130	\$ (1)	\$ (1)	\$ —	\$ 9	\$ 5	\$ 34		
Funded status of plan	\$ (503)	\$ (45)	\$ (304)	\$ (169)	\$ (135)	\$ (20)	\$ (59)	\$ 4		

Amounts Recognized in the Consolidated Balance Sheets

December 31, 2020

Duke		Duke		Duke		Duke		Duke	
Duke Energy	Progress Energy	Progress Energy	Energy	Energy	Energy	Energy	Energy	Energy	

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
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NOTES TO FINANCIAL STATEMENTS (Continued)

(in millions)	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Prefunded post-retirement benefit	\$ 8	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —	\$ 7
Current post-retirement liability(a)	9	—	6	4	2	2	—	—
Noncurrent post-retirement liability(b)	471	35	294	164	129	17	54	—
Net liability (asset) recognized	\$ 472	\$ 35	\$ 300	\$ 168	\$ 131	\$ 18	\$ 54	\$ (7)
Regulatory assets	\$ 144	\$ —	\$ 144	\$ 88	\$ 56	\$ —	\$ 32	\$ —
Regulatory liabilities	\$ 139	\$ 32	\$ —	\$ —	\$ —	\$ 17	\$ 62	\$ 3
Accumulated other comprehensive (income) loss								
Deferred income tax expense	\$ 3	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Prior service credit	(1)	—	—	—	—	—	—	—
Net actuarial gain	(13)	—	—	—	—	—	—	—
Net amounts recognized in accumulated other comprehensive income	\$ (11)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

December 31, 2019

(in millions)	Duke		Duke		Duke		Duke		Duke	
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Indiana	Piedmont	
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont		
Current post-retirement liability(a)	\$ 9	\$ —	\$ 5	\$ 3	\$ 2	\$ 1	\$ —	\$ —		
Noncurrent post-retirement liability(b)	494	45	299	163	133	19	59	(4)		
Total accrued post-retirement liability	\$ 503	\$ 45	\$ 304	\$ 166	\$ 135	\$ 20	\$ 59	\$ (4)		
Regulatory assets	\$ 135	\$ —	\$ 135	\$ 82	\$ 53	\$ —	\$ 36	\$ —		
Regulatory liabilities	\$ 149	\$ 39	\$ —	\$ —	\$ —	\$ 17	\$ 63	\$ 3		
Accumulated other comprehensive (income) loss										
Deferred income tax expense	\$ 3	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		
Prior service credit	(2)	—	—	—	—	—	—	—		
Net actuarial gain	(13)	—	—	—	—	—	—	—		
Net amounts recognized in accumulated other comprehensive income	\$ (12)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		
Amounts to be recognized in net periodic pension expense in the next year										
Unrecognized net actuarial loss	\$ 5	\$ 3	\$ 1	\$ —	\$ 1	\$ —	\$ —	\$ —		

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Unrecognized prior service credit	(14)	(4)	(3)	(1)	(2)	(1)	(1)	(2)
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- (a) Included in Other within Current Liabilities on the Consolidated Balance Sheets.
- (b) Included in Accrued pension and other post-retirement benefit costs on the Consolidated Balance Sheets.

Assumptions Used for Other Post-Retirement Benefits Accounting

The discount rate used to determine the current year other post-retirement benefits obligation and following year's other post-retirement benefits expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high-quality corporate bonds that generate sufficient cash flow to provide for projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

The average remaining service period of active covered employees is eight years for Duke Energy, seven years for Progress Energy, Duke Energy Florida and Duke Energy Ohio and six years for Duke Energy Carolinas, Duke Energy Progress, Duke Energy Indiana and Piedmont.

The following tables present the assumptions used for other post-retirement benefits accounting.

	December 31,		
	2020	2019	2018
Benefit Obligations			
Discount rate	2.60 %	3.30 %	4.30 %
Net Periodic Benefit Cost			
Discount rate	3.30 %	4.30 %	3.60 %
Expected long-term rate of return on plan assets	6.85 %	6.85 %	6.50 %
Assumed tax rate	23 %	23 %	35 %

Assumed Health Care Cost Trend Rate

	December 31,	
	2020	2019
Health care cost trend rate assumed for next year	6.25 %	6.00 %
Rate to which the cost trend is assumed to decline (the ultimate trend rate)	4.75 %	4.75 %
Year that rate reaches ultimate trend	2028	2026

Expected Benefit Payments

(in millions)	Duke		Duke		Duke		Duke		Duke	
	Duke Energy	Carolinas	Progress Energy	Progress Energy	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont		
Years ending December 31,										
2021	\$ 73	\$ 17	\$ 28	\$ 15	\$ 12	\$ 3	\$ 8	\$ 2		
2022	66	16	26	14	12	3	7	2		
2023	62	15	25	14	11	3	6	2		

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

2024	58	14	24	13	11	2	6	2
2025	54	13	22	12	10	2	5	2
2026-2030	223	54	94	52	41	9	21	11

PLAN ASSETS

Description and Allocations

Duke Energy Master Retirement Trust

Assets for both the qualified pension and other post-retirement benefits are maintained in the Duke Energy Master Retirement Trust. Approximately 98% of the Duke Energy Master Retirement Trust assets were allocated to qualified pension plans and approximately 2% were allocated to other post-retirement plans (comprised of 401(h) accounts), as of December 31, 2020, and 2019. The investment objective of the Duke Energy Master Retirement Trust is to invest in a diverse portfolio of assets that is expected to generate positive surplus return over time (i.e., asset growth greater than liability growth) subject to a prudent level of portfolio risk, for the purpose of enhancing the security of benefits for plan participants.

As of December 31, 2020, Duke Energy assumes pension and other post-retirement plan assets will generate a long-term rate of return of 6.5%. The expected long-term rate of return was developed using a weighted average calculation of expected returns based primarily on future expected returns across asset classes considering the use of active asset managers, where applicable. The asset allocation targets were set after considering the investment objective and the risk profile. Equity securities are held for their higher expected returns. Debt securities are primarily held to hedge the qualified pension plan. Return seeking debt securities, hedge funds and other global securities are held for diversification. Investments within asset classes are diversified to achieve broad market participation and reduce the impact of individual managers or investments.

Effective January 1, 2020, the target asset allocation for the Duke Energy Retirement Master Trust is 58% liability hedging assets and 42% return-seeking assets. Duke Energy periodically reviews its asset allocation targets, and over time, as the funded status of the benefit plans increase, the level of asset risk relative to plan liabilities may be reduced to better manage Duke Energy's benefit plan liabilities and reduce funded status volatility.

The Duke Energy Master Retirement Trust is authorized to engage in the lending of certain plan assets. Securities lending is an investment management enhancement that utilizes certain existing securities of the Duke Energy Master Retirement Trust to earn additional income. Securities lending involves the loaning of securities to approved parties. In return for the loaned securities, the Duke Energy Master Retirement Trust receives collateral in the form of cash and securities as a safeguard against possible default of any borrower on the return of the loan under terms that permit the Duke Energy Master Retirement Trust to sell the securities. The Duke Energy Master Retirement Trust mitigates credit risk associated with securities lending arrangements by monitoring the fair value of the securities loaned, with additional collateral obtained or refunded as necessary. The fair value of securities on loan was approximately \$482 million and \$351 million at December 31, 2020, and 2019, respectively. Cash and securities obtained as collateral exceeded the fair value of the securities loaned at December 31, 2020, and 2019, respectively. Securities lending income earned by the Duke Energy Master Retirement Trust was immaterial for the years ended December 31, 2020, 2019 and 2018, respectively.

Qualified pension and other post-retirement benefits for the Subsidiary Registrants are derived from the Duke Energy Master Retirement Trust, as such, each are allocated their proportionate share of the assets discussed below.

The following table includes the target asset allocations by asset class at December 31, 2020, and the actual asset allocations for the Duke Energy Master Retirement Trust.

	Target Allocation	Actual Allocation at December 31,	
		2020	2019
Global equity securities	28 %	30 %	27 %
Global private equity securities	1 %	1 %	1 %
Debt securities	58 %	55 %	57 %
Return seeking debt securities	4 %	5 %	5 %

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Hedge funds	3 %	3 %	3 %
Real estate and cash	6 %	6 %	7 %
Total	100 %	100 %	100 %

Other post-retirement assets

Duke Energy's other post-retirement assets are comprised of Voluntary Employees' Beneficiary Association (VEBA) trusts and 401(h) accounts held within the Duke Energy Master Retirement Trust. Duke Energy's investment objective is to achieve sufficient returns, subject to a prudent level of portfolio risk, for the purpose of promoting the security of plan benefits for participants.

The following table presents target and actual asset allocations for the VEBA trusts at December 31, 2020.

	Target Allocation	Actual Allocation at December 31,	
		2020	2019
U.S. equity securities	30 %	36 %	35 %
Non-U.S. equity securities	6 %	6 %	9 %
Real estate	2 %	2 %	2 %
Debt securities	45 %	42 %	37 %
Cash	17 %	14 %	17 %
Total	100 %	100 %	100 %

Fair Value Measurements

Duke Energy classifies recurring and non-recurring fair value measurements based on the fair value hierarchy as discussed in Note 16.

Valuation methods of the primary fair value measurements disclosed below are as follows:

Investments in equity securities

Investments in equity securities are typically valued at the closing price in the principal active market as of the last business day of the reporting period. Principal active markets for equity prices include published exchanges such as NASDAQ and NYSE. Foreign equity prices are translated from their trading currency using the currency exchange rate in effect at the close of the principal active market. Prices have not been adjusted to reflect after-hours market activity. The majority of investments in equity securities are valued using Level 1 measurements. When the price of an institutional commingled fund is unpublished, it is not categorized in the fair value hierarchy, even though the funds are readily available at the fair value.

Investments in corporate debt securities and U.S. government securities

Most debt investments are valued based on a calculation using interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) and consider the counterparty credit rating. Most debt valuations are Level 2 measurements. If the market for a particular fixed-income security is relatively inactive or illiquid, the measurement is Level 3. U.S. Treasury debt is typically Level 2.

Investments in short-term investment funds

Investments in short-term investment funds are valued at the net asset value of units held at year end and are readily redeemable at the measurement date. Investments in short-term investment funds with published prices are valued as Level 1. Investments in short-term investment funds with unpublished prices are valued as Level 2.

Duke Energy Master Retirement Trust

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The following tables provide the fair value measurement amounts for the Duke Energy Master Retirement Trust qualified pension and other post-retirement assets.

(in millions)	December 31, 2020					
	Total Fair					Not
	Value	Level 1	Level 2	Level 3	Categorized(b)	
Equity securities	\$ 3,202	\$ 3,162	\$ —	\$ —	\$ 40	
Corporate debt securities	4,162	—	4,162	—	—	
Short-term investment funds	397	247	150	—	—	
Partnership interests	97	—	—	—	97	
Hedge funds	198	—	—	—	198	
U.S. government securities	1,164	—	1,164	—	—	
Governments bonds – foreign	73	—	73	—	—	
Cash	98	98	—	—	—	
Net pending transactions and other investments	88	34	54	—	—	
Total assets(a)	\$ 9,479	\$ 3,541	\$ 5,603	\$ —	\$ 335	

- (a) Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont were allocated approximately 26%, 32%, 15%, 17%, 5%, 7% and 4%, respectively, of the Duke Energy Master Retirement Trust at December 31, 2020. Accordingly, all amounts included in the table above are allocable to the Subsidiary Registrants using these percentages.
- (b) Certain investments that are measured at fair value using the net asset value per share practical expedient have not been categorized in the fair value hierarchy.

(in millions)	December 31, 2019					
	Total Fair					Not
	Value	Level 1	Level 2	Level 3	Categorized(b)	
Equity securities	\$ 2,730	\$ 2,712	\$ —	\$ —	\$ 18	
Corporate debt securities	3,999	—	3,999	—	—	
Short-term investment funds	545	455	90	—	—	
Partnership interests	104	—	—	—	104	
Hedge funds	206	—	—	—	206	
U.S. government securities	1,231	—	1,231	—	—	
Guaranteed investment contracts	11	—	—	11	—	
Governments bonds – foreign	78	—	78	—	—	
Cash	75	75	—	—	—	
Net pending transactions and other investments	46	(43)	89	—	—	
Total assets(a)	\$ 9,025	\$ 3,199	\$ 5,487	\$ 11	\$ 328	

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Duke Energy Florida, LLC			
NOTES TO FINANCIAL STATEMENTS (Continued)			

- (a) Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont were allocated approximately 26%, 31%, 15%, 17%, 5%, 7% and 4%, respectively, of the Duke Energy Master Retirement Trust at December 31, 2019. Accordingly, all amounts included in the table above are allocable to the Subsidiary Registrants using these percentages.
- (b) Certain investments that are measured at fair value using the net asset value per share practical expedient have not been categorized in the fair value hierarchy.

The following table provides a reconciliation of beginning and ending balances of Duke Energy Master Retirement Trust qualified pension and other post-retirement assets at fair value on a recurring basis where the determination of fair value includes significant unobservable inputs (Level 3).

(in millions)	2020	2019
Balance at January 1	\$ 11	\$ 27
Sales	(12)	(18)
Total gains and other, net	1	2
Transfer of Level 3 assets to other classifications	—	—
Balance at December 31	\$ —	\$ 11

Other post-retirement assets

The following tables provide the fair value measurement amounts for VEBA trust assets.

(in millions)	December 31, 2020	
	Total Fair	
	Value	Level 2
Cash and cash equivalents	\$ 5	\$ 5
Real estate	1	1
Equity securities	23	23
Debt securities	19	19
Total assets	\$ 48	\$ 48

(in millions)	December 31, 2019	
	Total Fair	
	Value	Level 2
Cash and cash equivalents	\$ 9	\$ 9
Real estate	1	1
Equity securities	22	22
Debt securities	18	18
Total assets	\$ 50	\$ 50

EMPLOYEE SAVINGS PLANS

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Retirement Savings Plan

Duke Energy or its affiliates sponsor, and the Subsidiary Registrants participate in, employee savings plans that cover substantially all U.S. employees. Most employees participate in a matching contribution formula where Duke Energy provides a matching contribution generally equal to 100% of employee before-tax and Roth 401(k) contributions of up to 6% of eligible pay per pay period. Dividends on Duke Energy shares held by the savings plans are charged to retained earnings when declared and shares held in the plans are considered outstanding in the calculation of basic and diluted EPS.

For new and rehired employees who are not eligible to participate in Duke Energy's defined benefit plans, an additional employer contribution of 4% of eligible pay per pay period, which is subject to a three-year vesting schedule, is provided to the employee's savings plan account. Certain Piedmont employees whose participation in a prior Piedmont defined benefit plan (that was frozen as of December 31, 2017) are eligible for employer transition credit contributions of 3% to 5% of eligible pay per period, for each pay period during the three-year period ending December 31, 2020.

The following table includes pretax employer matching contributions made by Duke Energy and expensed by the Subsidiary Registrants.

(in millions)	Duke Energy		Duke Progress Energy		Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Years ended December 31,								
2020	\$ 213	\$ 67	\$ 57	\$ 38	\$ 19	\$ 5	\$ 11	\$ 13
2019	214	66	58	38	20	5	11	13
2018	213	68	58	40	19	4	10	12

23. INCOME TAXES

Consolidated Appropriations Act

On December 27, 2020, President Trump signed the Consolidated Appropriations Act (CAA) into law. In addition to the CAA providing funding for government operations, it also provided tax provisions to assist with COVID-19 relief, including extending certain expiring tax provisions. The Company has reviewed the provisions of the CAA and has determined that there is no material impact on the 2020 financial statements as a result of the CAA being signed into law.

CARES Act

On March 27, 2020, the CARES Act was enacted. The CARES Act is an emergency economic stimulus package in response to the COVID-19 pandemic. Among other provisions, the CARES Act accelerates the remaining AMT credit refund allowances resulting in taxpayers being able to immediately claim a refund in full for any AMT credit carryforwards and deferral of certain 2020 payroll taxes. In the third quarter of 2020, Duke Energy received \$572 million related to these AMT credit carryforwards and \$19 million of interest income. In addition, the Company has deferred approximately \$117 million of payroll taxes, with 50% payable by December 31, 2021, and the remaining 50% payable by December 31, 2022. The other provisions within the CARES Act do not materially impact Duke Energy's income tax accounting. See Note 1 for information on COVID-19.

Tax Act

On December 22, 2017, President Trump signed the Tax Act into law. Among other provisions, the Tax Act lowered the corporate federal income tax rate from 35% to 21%, limits interest deductions outside of regulated utility operations, requires the normalization of excess deferred taxes associated with property under the average rate assumption method as a prerequisite to qualifying for accelerated depreciation and repealed the federal manufacturing deduction. The Tax Act also repealed the corporate AMT and stipulates a refund of 50% of remaining AMT credit carryforwards (to the extent the credits exceed regular tax for the year) for tax years 2018, 2019, and 2020, with all remaining AMT credits to be refunded in tax year 2021.

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On December 22, 2017, the SEC staff issued Staff Accounting Bulletin (SAB) 118, Income Tax Accounting Implications of the Tax Cuts and Jobs Act, which provides guidance on accounting for the Tax Act's impact. SAB 118 provides a measurement period, which in no case should extend beyond one year from the Tax Act enactment date, during which a company acting in good faith may complete the accounting for the impacts of the Tax Act under ASC Topic 740. In accordance with SAB 118, a company must reflect the income tax effects of the Tax Act in the reporting period in which the accounting under ASC Topic 740 is complete. To the extent that a company's accounting for certain income tax effects of the Tax Act is incomplete, a company can determine a reasonable estimate for those effects and record a provisional estimate in the financial statements in the first reporting period in which a reasonable estimate can be determined.

As of December 31, 2018, the accounting for the effects of the Tax Act was complete. During the year ended December 31, 2018, Duke Energy recorded the following measurement period adjustments in accordance with SAB 118:

- 1 Additional tax expense of \$23 million related to the completion of the analysis of Duke Energy's existing regulatory liability related to deferred taxes;
A \$10 million tax benefit for the remeasurement of deferred tax assets and deferred tax liabilities primarily related to the guidance on bonus depreciation issued by the IRS in August 2018, affecting the computation of the Company's 2017 Federal income tax liability;
- 2 Additional tax expense of \$7 million related to the portion of the deferred tax asset as of December 31, 2017, that represents nondeductible long-term incentives under the Tax Act's limitation on the deductibility of executive compensation; and
- 3 During the fourth quarter of 2018, the Company released the \$76 million valuation allowance that it recorded in the first quarter of 2018 as a result of additional guidance published by the IRS that stated refundable AMT credits would not be subject to sequestration.
- 4 The majority of Duke Energy's operations are regulated and it is expected that the Subsidiary Registrants will ultimately pass on the savings associated with the amount representing the remeasurement of deferred tax balances related to regulated operations to customers. For Duke Energy's regulated operations, where the reduction is expected to be returned to customers in future rates, the remeasurement has been deferred as a regulatory liability. During 2018, Duke Energy recorded an additional regulatory liability of \$83 million, representing the revaluation of those deferred tax balances. The Subsidiary Registrants continue to respond to requests from regulators in various jurisdictions to determine the timing and magnitude of savings they will pass on to customers.

In addition, during 2018, Duke Energy reclassified \$573 million of AMT credit carryforwards from noncurrent deferred tax liabilities to a current federal income tax receivable. In 2019, Duke Energy received a refund of \$573 million related to AMT credit carryforwards based on the filing of Duke Energy's 2018 income tax return in 2019 and reclassified \$286 million of AMT credits from noncurrent deferred tax liabilities to a current federal income tax receivable.

Income Tax Expense

Components of Income Tax Expense

(in millions)	Year Ended December 31, 2020							
	Duke Energy		Duke Energy Progress		Duke Energy Florida		Duke Energy Ohio Indiana Piedmont	
	Duke Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Current income taxes								
Federal	\$ (281)	\$ 314	\$ 280	\$ 181	\$ 148	\$ 10	\$ 48	\$ (27)
State	(9)	35	29	17	24	1	7	(8)
Foreign	1	—	—	—	—	—	—	—
Total current income taxes	(289)	349	309	198	172	11	55	(35)
Deferred income taxes								
Federal	155	(171)	(167)	(180)	1	30	12	60
State	(92)	(86)	(24)	(49)	25	2	17	(7)
Total deferred income taxes^(a)	63	(257)	(191)	(229)	26	32	29	53

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ITC amortization	(10)	(4)	(5)	(5)	—	—	—	—
Income tax (benefit) expense from continuing operations	(236)	88	113	(36)	198	43	84	18
Tax expense from discontinued operations	2	—	—	—	—	—	—	—
Total income tax (benefit) expense included in Consolidated Statements of Operations	\$ (234)	\$ 88	\$ 113	\$ (36)	\$ 198	\$ 43	\$ 84	\$ 18

- (a) Total deferred income taxes includes the generation of NOL carryforwards and tax credit carryforwards of \$20 million at Duke Energy Carolinas, \$3 million at Duke Energy Progress, \$8 million at Duke Energy Indiana, and \$11 million at Piedmont. In addition, total deferred income taxes includes utilization of NOL carryforwards and tax credit carryforwards of \$39 million at Progress Energy, \$30 million at Duke Energy Florida and \$79 million at Duke Energy.

Year Ended December 31, 2019

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Current income taxes								
Federal	\$ (299)	\$ 164	\$ (173)	\$ (36)	\$ (43)	\$ (41)	\$ (23)	\$ (92)
State	10	13	(7)	(3)	18	(1)	1	(1)
Foreign	2	—	—	—	—	—	—	—
Total current income taxes	(287)	177	(180)	(39)	(25)	(42)	(22)	(93)
Deferred income taxes								
Federal	855	175	422	220	153	77	128	133
State	(38)	(37)	17	(18)	27	5	28	3
Total deferred income taxes ^(a)	817	138	439	202	180	82	156	136
ITC amortization	(11)	(4)	(6)	(6)	—	—	—	—
Income tax expense from continuing operations	519	311	253	157	155	40	134	43
Tax benefit from discontinued operations	(2)	—	—	—	—	—	—	—
Total income tax expense included in Consolidated Statements of Operations	\$ 517	\$ 311	\$ 253	\$ 157	\$ 155	\$ 40	\$ 134	\$ 43

- (a) Total deferred income taxes includes the generation of tax credit carryforwards of \$8 million at Duke Energy Carolinas. In addition, total deferred income taxes includes utilization of NOL carryforwards and tax credit carryforwards of \$243 million at Progress Energy, \$35 million at Duke Energy Progress, \$152 million at Duke Energy Florida, \$25 million at Duke Energy Ohio, \$60 million at Duke Energy Indiana, \$90 million at Piedmont and \$775 million at Duke Energy.

Year Ended December 31, 2018

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont

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Current income taxes

Federal	\$ (647)	\$ (8)	\$ (135)	\$ (71)	\$ (49)	\$ 20	\$ 29	\$ 67
State	(11)	6	(5)	(5)	(10)	(1)	3	1
Foreign	3	—	—	—	—	—	—	—
Total current income taxes	(655)	(2)	(140)	(76)	(59)	19	32	68

Deferred income taxes

Federal	1,064	299	341	256	115	21	74	(36)
State	49	11	20	(17)	45	3	22	5
Total deferred income taxes(a)(b)	1,113	310	361	239	160	24	96	(31)
ITC amortization	(10)	(5)	(3)	(3)	—	—	—	—
Income tax expense from continuing operations	448	303	218	160	101	43	128	37
Tax benefit from discontinued operations	(26)	—	—	—	—	—	—	—
Total income tax expense included in Consolidated Statements of Operations	\$ 422	\$ 303	\$ 218	\$ 160	\$ 101	\$ 43	\$ 128	\$ 37

- (a) Includes benefits of NOL carryforwards and tax credit carryforwards of \$22 million at Duke Energy Carolinas, \$293 million at Progress Energy, \$59 million at Duke Energy Progress, \$219 million at Duke Energy Florida, \$17 million at Duke Energy Ohio, \$21 million at Duke Energy Indiana and \$39 million at Piedmont. In addition, total deferred income taxes includes utilization of NOL carryforwards and tax credit carryforwards of \$18 million at Duke Energy.
- (b) For the year ended December 31, 2018, the Company has revised the December 31, 2017, estimates of the income tax effects of the Tax Act, in accordance with SAB 118. See the Statutory Rate Reconciliation section below for additional information on the Tax Act's impact on income tax expense.

Duke Energy Income from Continuing Operations before Income Taxes

(in millions)	Years Ended December 31,		
	2020	2019	2018
Domestic	\$ 826	\$ 4,053	\$ 3,018
Foreign	13	44	55
Income from continuing operations before income taxes	\$ 839	\$ 4,097	\$ 3,073

Statutory Rate Reconciliation

The following tables present a reconciliation of income tax expense at the U.S. federal statutory tax rate to the actual tax expense from continuing operations.

(in millions)	Year Ended December 31, 2020							
	Duke		Duke		Duke		Duke	
	Duke Energy	Progress Energy	Duke Energy	Progress Energy	Duke Energy	Ohio Energy	Duke Energy	Piedmont
Income tax expense, computed at the statutory rate of 21%	\$ 176	\$ 219	\$ 243	\$ 80	\$ 204	\$ 62	\$ 103	\$ 61

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State income tax, net of federal income tax effect	(80)	(40)	4	(25)	39	2	19	(12)
Amortization of excess deferred income tax	(276)	(82)	(118)	(68)	(49)	(20)	(36)	(21)
AFUDC equity income	(48)	(13)	(9)	(6)	(3)	(2)	(4)	(10)
AFUDC equity depreciation	103	19	10	5	5	1	4	—
Noncontrolling Interests	62	—	—	—	—	—	—	—
Renewable energy PTCs	(110)	—	—	—	—	—	—	—
Other tax credits	(37)	(13)	(16)	(14)	(2)	(1)	(3)	(2)
Tax true up	(12)	(3)	1	(5)	5	—	(1)	1
Other items, net	(14)	1	(2)	(3)	(1)	1	2	1
Income tax (benefit) expense from continuing operations	\$ (236)	\$ 88	\$ 113	\$ (36)	\$ 198	\$ 43	\$ 84	\$ 18
Effective tax rate	(28.1)%	8.4 %	9.7 %	(9.5)%	20.4 %	14.6 %	17.1 %	6.2 %

Year Ended December 31, 2019

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Income tax expense, computed at the statutory rate of 21%	\$ 860	\$ 360	\$ 332	\$ 202	\$ 178	\$ 59	\$ 120	\$ 51
State income tax, net of federal income tax effect	(22)	(19)	8	(17)	35	3	22	2
Amortization of excess deferred income tax	(121)	(29)	(64)	(10)	(54)	(12)	(6)	(10)
AFUDC equity income	(52)	(9)	(14)	(13)	(1)	(3)	(3)	—
AFUDC equity depreciation	34	19	10	5	5	1	4	—
Renewable energy PTCs	(120)	—	—	—	—	—	—	—
Other tax credits	(23)	(11)	(9)	(7)	(2)	(1)	(1)	(1)
Tax true up	(64)	(9)	(8)	(3)	(5)	(7)	(1)	—
Other items, net	27	9	(2)	—	(1)	—	(1)	1
Income tax expense from continuing operations	\$ 519	\$ 311	\$ 253	\$ 157	\$ 155	\$ 40	\$ 134	\$ 43
Effective tax rate	12.7 %	18.1 %	16.0 %	16.3 %	18.3 %	14.3 %	23.5 %	17.6 %

Year Ended December 31, 2018

	Duke	Duke	Duke	Duke	Duke	
	Duke	Energy	Progress	Energy	Energy	Energy

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(in millions)	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Income tax expense, computed at the statutory rate of 21%	\$ 645	\$ 288	\$ 263	\$ 174	\$ 137	\$ 46	\$ 109	\$ 35
State income tax, net of federal income tax effect	30	14	13	(17)	28	2	20	4
Amortization of excess deferred income tax	(61)	—	(55)	(1)	(54)	(3)	(2)	—
AFUDC equity income	(42)	(15)	(22)	(12)	(10)	(2)	(2)	—
AFUDC equity depreciation	31	18	9	5	4	1	4	—
Renewable energy PTCs	(129)	—	—	—	—	—	—	—
Other tax credits	(28)	(7)	(13)	(5)	(8)	(1)	(1)	(3)
Tax Act(a)	20	1	25	19	—	2	—	—
Other items, net	(18)	4	(2)	(3)	4	(2)	—	1
Income tax expense from continuing operations	\$ 448	\$ 303	\$ 218	\$ 160	\$ 101	\$ 43	\$ 128	\$ 37
Effective tax rate	14.6 %	22.1 %	17.4 %	19.3 %	15.4 %	19.6 %	24.6 %	22.3 %

(a) For the year ended December 31, 2018, the Company revised the December 31, 2017, estimates of the income tax effects of the Tax Act, in accordance with SAB 118. Amounts primarily include but are not limited to items that are excluded for ratemaking purposes related certain wholesale fixed-rate contracts, remeasurement of nonregulated net deferred tax liabilities, Federal NOLs, and valuation allowance on foreign tax credits.

Valuation allowances have been established for certain state NOL carryforwards and state income tax credits that reduce deferred tax assets to an amount that will be realized on a more-likely-than-not basis. The net change in the total valuation allowance is included in State income tax, net of federal income tax effect, in the above tables.

Valuation allowances have been established for foreign tax credits that reduce deferred tax assets to an amount that will be realized on a more-likely-than-not basis. The net change in the total valuation allowance is included in Tax Act in the above tables.

DEFERRED TAXES

Net Deferred Income Tax Liability Components

(in millions)	December 31, 2020							
	Duke	Duke	Duke	Duke	Duke	Duke	Duke	Duke
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Deferred credits and other liabilities	\$ 286	\$ 85	\$ 87	\$ 67	\$ 18	\$ 21	\$ 7	\$ 38
Lease obligations	515	96	208	120	87	5	16	5
Pension, post-retirement and other employee benefits	236	(30)	68	24	38	16	26	(5)
Progress Energy merger purchase accounting adjustments(a)	441	—	—	—	—	—	—	—
Tax credits and NOL carryforwards	3,909	285	508	179	282	16	183	29
Regulatory liabilities and deferred credits	—	11	—	—	—	18	—	—

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Investments and other assets	—	—	—	—	—	7	—
Other	93	8	14	9	4	7	8
Valuation allowance	(586)	—	—	—	—	—	—
Total deferred income tax assets	4,894	455	885	399	429	90	75
Investments and other assets	(2,267)	(1,127)	(669)	(507)	(164)	—	(48)
Accelerated depreciation rates	(10,729)	(3,170)	(3,868)	(1,778)	(2,124)	(1,071)	(844)
Regulatory assets and deferred debits, net	(1,142)	—	(744)	(412)	(332)	—	(4)
Total deferred income tax liabilities	(14,138)	(4,297)	(5,281)	(2,697)	(2,620)	(1,071)	(896)
Net deferred income tax liabilities	\$ (9,244)	\$ (3,842)	\$ (4,396)	\$ (2,298)	\$ (2,191)	\$ (981)	\$ (821)

(a) Primarily related to lease obligations and debt fair value adjustments.

The following table presents the expiration of tax credits and NOL carryforwards.

(in millions)	December 31, 2020	
	Amount	Expiration Year
General Business Credits	\$ 2,033	2024 — 2040
Federal NOL carryforwards ^{(a) (f)}	154	2024 — Indefinite
Capital loss carryforward ^(e)	85	2024
State carryforwards and credits ^{(b) (f)}	340	2021 — Indefinite
Foreign NOL carryforwards ^(c)	12	2027 — 2037
Foreign Tax Credits ^(d)	1,272	2024 — 2027
Charitable contribution carryforwards	13	2025
Total tax credits and NOL carryforwards	\$ 3,909	

(a) A valuation allowance of \$4 million has been recorded on the Federal NOL carryforwards, as presented in the Net Deferred Income Tax Liability Components table.

(b) A valuation allowance of \$97 million has been recorded on the state NOL and attribute carryforwards, as presented in the Net Deferred Income Tax Liability Components table.

(c) A valuation allowance of \$12 million has been recorded on the foreign NOL carryforwards, as presented in the Net Deferred Income Tax Liability Components table.

(d) A valuation allowance of \$388 million has been recorded on the foreign tax credits, as presented in the Net Deferred Income Tax Liability Components table.

(e) A valuation allowance of \$85 million has been recorded on the Federal capital loss carryforward, as presented in the Net Deferred Income Tax Liability Components table.

(f) Indefinite carryforward for Federal NOLs, and NOLs for states that have adopted the Tax Act's NOL provisions, generated in tax years beginning after December 31, 2017.

December 31, 2019						
	Duke	Duke	Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(in millions)	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Deferred credits and other liabilities	\$ 125	\$ 24	\$ 25	\$ 49	\$ —	\$ 14	\$ 5	\$ 22
Lease obligations	462	72	193	92	102	5	17	6
Pension, post-retirement and other employee benefits	303	(5)	88	38	44	17	27	(3)
Progress Energy merger purchase accounting adjustments ^(a)	389	—	—	—	—	—	—	—
Tax credits and NOL carryforwards	3,925	262	486	176	253	16	176	19
Regulatory liabilities and deferred credits	—	—	—	—	—	36	52	42
Investments and other assets	—	—	—	—	—	10	—	2
Other	97	5	8	3	2	8	1	6
Valuation allowance	(587)	—	—	—	—	—	—	—
Total deferred income tax assets	4,714	358	800	358	401	106	278	94
Investments and other assets	(1,664)	(981)	(577)	(390)	(190)	—	(12)	—
Accelerated depreciation rates	(10,813)	(3,254)	(3,798)	(1,918)	(1,913)	(1,028)	(1,416)	(802)
Regulatory assets and deferred debits, net	(1,115)	(44)	(887)	(438)	(477)	—	—	—
Total deferred income tax liabilities	(13,592)	(4,279)	(5,262)	(2,746)	(2,580)	(1,028)	(1,428)	(802)
Net deferred income tax liabilities	\$ (8,878)	\$ (3,921)	\$ (4,462)	\$ (2,388)	\$ (2,179)	\$ (922)	\$ (1,150)	\$ (708)

(a) Primarily related to finance lease obligations and debt fair value adjustments.

UNRECOGNIZED TAX BENEFITS

The following tables present changes to unrecognized tax benefits.

(in millions)	Year Ended December 31, 2020							
	Duke	Duke	Duke	Duke	Duke	Duke	Duke	Duke
	Energy	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Unrecognized tax benefits – January 1	\$ 126	\$ 8	\$ 9	\$ 6	\$ 3	\$ 1	\$ 1	\$ 4
Gross decreases – tax positions in prior periods	(2)	—	—	—	—	—	—	—
Gross increases – current period tax positions	4	2	1	—	—	—	—	—
Reduction due to lapse of statute of limitations	(3)	—	—	—	—	—	—	(3)
Total changes	(1)	2	1	—	—	—	—	(3)
Unrecognized tax benefits – December 31	\$ 125	\$ 10	\$ 10	\$ 6	\$ 3	\$ 1	\$ 1	\$ 1

(in millions)	Year Ended December 31, 2019				
	Duke	Duke	Duke	Duke	Duke
	Energy	Energy	Progress	Energy	Energy

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
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NOTES TO FINANCIAL STATEMENTS (Continued)

(in millions)	Duke Energy	Energy Carolinas	Progress Energy	Energy Progress	Energy Florida	Energy Ohio	Energy Indiana	Energy Piedmont
Unrecognized tax benefits – January 1	\$ 24	\$ 6	\$ 9	\$ 6	\$ 3	\$ 1	\$ 1	\$ 4
Unrecognized tax benefits increases	105	2	1	1	—	—	—	—
Gross decreases – tax positions in prior periods	(3)	—	(1)	(1)	—	—	—	—
Total changes	102	2	—	—	—	—	—	—
Unrecognized tax benefits – December 31	\$ 126	\$ 8	\$ 9	\$ 6	\$ 3	\$ 1	\$ 1	\$ 4

Year Ended December 31, 2018

(in millions)	Duke Energy	Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
Unrecognized tax benefits – January 1	\$ 25	\$ 5	\$ 5	\$ 5	\$ 5	\$ 1	\$ 1	\$ 3
Unrecognized tax benefits increases (decreases)								
Gross decreases – tax positions in prior periods	(2)	(1)	—	—	(4)	—	—	—
Gross increases – tax positions in prior periods	7	2	4	1	2	—	—	1
Decreases due to settlements	(6)	—	—	—	—	—	—	—
Total changes	(1)	1	4	1	(2)	—	—	1
Unrecognized tax benefits – December 31	\$ 24	\$ 6	\$ 9	\$ 6	\$ 3	\$ 1	\$ 1	\$ 4

The following table includes additional information regarding the Duke Energy Registrants' unrecognized tax benefits at December 31, 2020. Duke Energy Registrants do not anticipate a material increase or decrease in unrecognized tax benefits within the next 12 months.

December 31, 2020

(in millions)	Duke Energy	Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
Amount that if recognized, would affect the effective tax rate or regulatory liability(a)	\$ 122	\$ 10	\$ 10	\$ 6	\$ 3	\$ 1	\$ 1	\$ 1

(a) The Duke Energy Registrants are unable to estimate the specific amounts that would affect the ETR versus the regulatory liability.

Duke Energy and its subsidiaries are no longer subject to U.S. federal examination for years before 2016. With few exceptions, Duke Energy and its subsidiaries are no longer subject to state, local or non-U.S. income tax examinations by tax authorities for years before 2016.

24. OTHER INCOME AND EXPENSES, NET

The components of Other income and expenses, net on the Consolidated Statements of Operations are as follows.

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
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NOTES TO FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2020

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Interest income	\$ 32	\$ 4	\$ 8	\$ 2	\$ 6	\$ 4	\$ 6	\$ 17
AFUDC equity	154	62	42	29	12	7	23	19
Post in-service equity returns	27	17	8	8	—	1	1	—
Nonoperating income, other	240	94	71	36	35	4	7	15
Other income and expense, net	\$ 453	\$ 177	\$ 129	\$ 75	\$ 53	\$ 16	\$ 37	\$ 51

Year Ended December 31, 2019

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Interest income	\$ 31	\$ 1	\$ 11	\$ —	\$ 11	\$ 10	\$ 10	\$ 1
AFUDC equity	139	42	66	60	6	13	18	—
Post in-service equity returns	29	20	7	7	—	1	—	—
Nonoperating income, other	231	88	57	33	31	—	13	19
Other income and expense, net	\$ 430	\$ 151	\$ 141	\$ 100	\$ 48	\$ 24	\$ 41	\$ 20

Year Ended December 31, 2018

(in millions)	Duke		Duke		Duke	Duke	Duke	Duke
	Duke	Energy	Progress	Energy	Energy	Energy	Energy	Energy
	Energy	Carolinas	Energy	Progress	Florida	Ohio	Indiana	Piedmont
Interest income	\$ 20	\$ 1	\$ 18	\$ 1	\$ 18	\$ 7	\$ 9	\$ 1
AFUDC equity	221	73	104	57	47	11	32	—
Post in-service equity returns	15	9	5	5	—	1	—	—
Nonoperating income, other	143	70	38	24	21	4	4	13
Other income and expense, net	\$ 399	\$ 153	\$ 165	\$ 87	\$ 86	\$ 23	\$ 45	\$ 14

25. SUBSEQUENT EVENTS

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

For information on subsequent events related to the sale of a minority interest in Duke Energy Indiana and regulatory matters, see Notes 1 and 3, respectively.

In February 2021, a severe winter storm impacted certain Commercial Renewables assets in Texas. Extreme weather conditions limited the ability for these solar and wind facilities to generate and sell electricity into the Electric Reliability Council of Texas market. The financial impact of the storm is estimated to be between approximately \$75 million and \$100 million on a pre-tax basis.

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year	8,005,684	(1,752,887)		
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value	(2,262,783)	1,390,860		
4	Total (lines 2 and 3)	(2,262,783)	1,390,860		
5	Balance of Account 219 at End of Preceding Quarter/Year	5,742,901	(362,027)		
6	Balance of Account 219 at Beginning of Current Year	5,742,901	(362,027)		
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value	(72,806)	(979,604)		
9	Total (lines 7 and 8)	(72,806)	(979,604)		
10	Balance of Account 219 at End of Current Quarter/Year	5,670,095	(1,341,631)		

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1			6,252,797		
2					
3			(871,923)		
4			(871,923)	691,973,269	691,101,346
5			5,380,874		
6			5,380,874		
7					
8			(1,052,410)		
9			(1,052,410)	770,836,654	769,784,244
10			4,328,464		

**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	17,154,542,119	17,152,010,879
4	Property Under Capital Leases	462,916,300	462,916,300
5	Plant Purchased or Sold		
6	Completed Construction not Classified	3,373,853,491	3,373,853,491
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	20,991,311,910	20,988,780,670
9	Leased to Others		
10	Held for Future Use	135,779,946	135,779,946
11	Construction Work in Progress	1,303,817,349	1,303,817,349
12	Acquisition Adjustments	20,325,435	20,325,435
13	Total Utility Plant (8 thru 12)	22,451,234,640	22,448,703,400
14	Accum Prov for Depr, Amort, & Depl	5,753,625,944	5,751,243,747
15	Net Utility Plant (13 less 14)	16,697,608,696	16,697,459,653
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	5,500,492,618	5,500,492,618
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	247,642,387	245,260,190
22	Total In Service (18 thru 21)	5,748,135,005	5,745,752,808
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj	5,490,939	5,490,939
33	Total Accum Prov (equals 14) (22,26,30,31,32)	5,753,625,944	5,751,243,747

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
 FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
	2,531,240				3
					4
					5
					6
					7
	2,531,240				8
					9
					10
					11
					12
	2,531,240				13
	2,382,197				14
	149,043				15
					16
					17
					18
					19
					20
	2,382,197				21
	2,382,197				22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
	2,382,197				33

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 200 Line No.: 3 Column: e

Univeristy of Florida Cogen Asset

Schedule Page: 200 Line No.: 4 Column: b

The Property Under Capital Lease includes net Capital Leases of \$119,237,668 and net Operating Leases of \$343,678,632.

NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.

Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year
			Additions (c)
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)		
2	Fabrication		
3	Nuclear Materials		
4	Allowance for Funds Used during Construction		
5	(Other Overhead Construction Costs, provide details in footnote)		
6	SUBTOTAL (Total 2 thru 5)		
7	Nuclear Fuel Materials and Assemblies		
8	In Stock (120.2)		
9	In Reactor (120.3)		
10	SUBTOTAL (Total 8 & 9)		
11	Spent Nuclear Fuel (120.4)		
12	Nuclear Fuel Under Capital Leases (120.6)		
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)		
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)		
15	Estimated net Salvage Value of Nuclear Materials in line 9		
16	Estimated net Salvage Value of Nuclear Materials in line 11		
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing		
18	Nuclear Materials held for Sale (157)		
19	Uranium		
20	Plutonium		
21	Other (provide details in footnote):		
22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)		

Name of Respondent

Duke Energy Florida, LLC

Document Accession #: 20210419-8124

This Report Is:

(1) An Original

(2) A Resubmission

Date of Report

(Mo, Da, Yr)

Submission Date: 04/15/2021

Year/Period of Report

End of 2020/Q4

NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

Changes during Year		Balance End of Year (f)	Line No.
Amortization (d)	Other Reductions (Explain in a footnote) (e)		
			1
			2
			3
			4
			5
			6
			7
			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents	8,450,028	
4	(303) Miscellaneous Intangible Plant	313,585,398	29,075,768
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	322,035,426	29,075,768
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	3,512,023	39,782
9	(311) Structures and Improvements	522,448,335	953,415
10	(312) Boiler Plant Equipment	1,952,317,033	31,915,737
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units	504,464,338	1,092,344
13	(315) Accessory Electric Equipment	224,464,160	1,005,801
14	(316) Misc. Power Plant Equipment	49,654,506	355,249
15	(317) Asset Retirement Costs for Steam Production	12,950,265	8,056,500
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	3,269,810,660	43,418,828
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		-4,951,441
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		-4,951,441
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights	39,779,881	
38	(341) Structures and Improvements	721,394,793	-268,625,289
39	(342) Fuel Holders, Products, and Accessories	236,371,033	139,541,893
40	(343) Prime Movers	2,620,461,980	317,766,973
41	(344) Generators	773,566,085	30,422,885
42	(345) Accessory Electric Equipment	321,224,647	109,385,865
43	(346) Misc. Power Plant Equipment	94,980,229	-15,370,060
44	(347) Asset Retirement Costs for Other Production	12,058,262	4,737,917
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	4,819,836,910	317,860,184
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	8,089,647,570	356,327,571

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	130,741,656	2,646,825
49	(352) Structures and Improvements	43,001,670	-2,184,416
50	(353) Station Equipment	1,380,224,422	232,938,032
51	(354) Towers and Fixtures	67,742,595	11,888,149
52	(355) Poles and Fixtures	1,283,254,537	152,354,633
53	(356) Overhead Conductors and Devices	643,175,182	88,544,073
54	(357) Underground Conduit	32,216,852	9,732,503
55	(358) Underground Conductors and Devices	78,896,152	2,129,524
56	(359) Roads and Trails	64,016,015	-14,145,009
57	(359.1) Asset Retirement Costs for Transmission Plant		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	3,723,269,081	483,904,314
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	109,023,075	2,967,588
61	(361) Structures and Improvements	31,408,245	6,159,317
62	(362) Station Equipment	1,012,037,725	158,802,526
63	(363) Storage Battery Equipment		
64	(364) Poles, Towers, and Fixtures	837,220,681	61,750,365
65	(365) Overhead Conductors and Devices	975,292,094	113,425,278
66	(366) Underground Conduit	352,365,746	14,313,823
67	(367) Underground Conductors and Devices	989,730,157	94,309,638
68	(368) Line Transformers	875,435,132	54,680,412
69	(369) Services	557,355,046	15,216,596
70	(370) Meters	219,868,109	109,145,580
71	(371) Installations on Customer Premises	15,126,654	4,438,260
72	(372) Leased Property on Customer Premises		
73	(373) Street Lighting and Signal Systems	487,671,030	59,416,692
74	(374) Asset Retirement Costs for Distribution Plant		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	6,462,533,694	694,626,075
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT		
77	(380) Land and Land Rights		
78	(381) Structures and Improvements		
79	(382) Computer Hardware		
80	(383) Computer Software		
81	(384) Communication Equipment		
82	(385) Miscellaneous Regional Transmission and Market Operation Plant		
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper		
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)		
85	6. GENERAL PLANT		
86	(389) Land and Land Rights	17,451,167	2,016,812
87	(390) Structures and Improvements	230,677,474	33,754,709
88	(391) Office Furniture and Equipment	67,050,779	12,920,530
89	(392) Transportation Equipment	65,322,031	1,426,581
90	(393) Stores Equipment	5,433,469	102,497
91	(394) Tools, Shop and Garage Equipment	50,389,324	17,695,000
92	(395) Laboratory Equipment		
93	(396) Power Operated Equipment	11,270,076	2,769,061
94	(397) Communication Equipment	64,969,006	31,618,644
95	(398) Miscellaneous Equipment	3,613,834	4,823,088
96	SUBTOTAL (Enter Total of lines 86 thru 95)	516,177,160	107,126,922
97	(399) Other Tangible Property		
98	(399.1) Asset Retirement Costs for General Plant	1,974,238	
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	518,151,398	107,126,922
100	TOTAL (Accounts 101 and 106)	19,115,637,169	1,671,060,650
101	(102) Electric Plant Purchased (See Instr. 8)		
102	(Less) (102) Electric Plant Sold (See Instr. 8)		
103	(103) Experimental Plant Unclassified		
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	19,115,637,169	1,671,060,650

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
			8,450,028	3
			342,661,166	4
			351,111,194	5
				6
				7
			3,551,805	8
15,597,935			507,803,815	9
16,142,562			1,968,090,208	10
				11
341,615			505,215,067	12
278,258		384,945	225,576,648	13
56,293			49,953,462	14
			21,006,765	15
32,416,663		384,945	3,281,197,770	16
				17
				18
				19
				20
				21
				22
				23
-4,951,441				24
-4,951,441				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
				35
				36
60,423			39,719,458	37
1,248,553			451,520,951	38
1,867,402			374,045,524	39
65,802,173			2,872,426,780	40
6,543,454			797,445,516	41
1,501,029			429,109,483	42
542,342			79,067,827	43
	-532,751		16,263,428	44
77,565,376	-532,751		5,059,598,967	45
105,030,598	-532,751	384,945	8,340,796,737	46

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				47
		-670,918	132,717,563	48
376,182		-2,116,455	38,324,617	49
-3,595,152		-110,477,681	1,506,279,925	50
			79,630,744	51
-10,853,601		-3,268	1,446,459,503	52
-2,307,471		-18,605	734,008,121	53
		1,478	41,950,833	54
-6,771,612		10,643	87,807,931	55
			49,871,006	56
				57
-23,151,654		-113,274,806	4,117,050,243	58
				59
346		670,918	112,661,235	60
323,342		2,564,328	39,808,548	61
32,490,026		109,934,384	1,248,284,609	62
				63
5,214,984			893,756,062	64
49,242,057		-3,779	1,039,471,536	65
521,573		-11,011	366,146,985	66
5,772,543		-10,643	1,078,256,609	67
12,118,363			917,997,181	68
19,459,739			553,111,903	69
43,473		-47,775	328,922,441	70
10,442		-8,812	19,545,660	71
				72
19,816,431			527,271,291	73
				74
145,013,319		113,087,610	7,125,234,060	75
				76
				77
				78
				79
				80
				81
				82
				83
				84
				85
			19,467,979	86
10,294,411		-498,146	253,639,626	87
13,592,495		-57,406	66,321,408	88
20,337			66,728,275	89
457,192			5,078,774	90
651,101			67,433,223	91
				92
			14,039,137	93
8,070,609		357,803	88,874,844	94
322,290			8,114,632	95
33,408,435		-197,749	589,697,898	96
				97
			1,974,238	98
33,408,435		-197,749	591,672,136	99
260,300,698	-532,751		20,525,864,370	100
				101
				102
				103
260,300,698	-532,751		20,525,864,370	104

ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1					
2					
3					
4					
5					
6					
7					
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10					
11					
12					
13					
14					
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39					
40					
41					
42					
43					
44					
45					
46					
47	TOTAL				

ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2	Elec - Distribution Plant			
3	CENTRAL FLORIDA SOUTH SUBSTATION	6/2012	2023	6,421,115
4	ZEPHYRHILLS NORTH SUBSTATION - PASCO, FL	11/2015	2023	2,087,816
5	JASPER SOUTH SUBSTATION - HAMILTON COUNTY	4/2018	2020	474,490
6	BELCHER ROAD SUBSTATION	5/1996	2023	267,012
7	Elec - General Plant			
8	LYBASSEE PROPERTY - LEVY, FL	12/2007	2033	27,667,950
9	WILDWOOD TRANSMISSION MOBILE STORAGE - SUMTER, FL	12/2017	2023	1,445,507
10	Elec - Nuclear Production Plant			
11	LEVY GENERATION LAND - LEVY, FL	1/2013	2033	66,404,373
12	LEVY BARGE SLIP EASEMENT - LEVY, FL	12/2014	2033	395,833
13	Elec - Other Production Plant			
14	HIGGINS LAND - PINELLAS, FL	12/2019	2023	1,359,138
15	TURNER PEAKING COMMON - VOLUSIA, FL	6/2016	2021	824,781
16	SUWANNEE LAND - SUWANNEE, FL	12/2009	2022	701,045
17	Elec - Steam Production Plant			
18	CRYSTAL RIVER LAND - CITRUS, FL	6/2019	2027	2,522,029
19	Elec - Transmission Plant			
20	LEVY TRANSMISSION LAND - LEVY, FL	1/2013	2033	16,941,308
21	Other Property:			
22	Land and Land Rights (Continued):			
23	Elec - Transmission Plant (Continued):			
24	HIGH SPRINGS - JASPER - FLORIDA STATE LINE	3/1996	2033	2,584,486
25	PERRY - FLORIDA STATE LINE	12/1992	2033	1,808,764
26	PERRY - CROSS CITY - DUNNELLON	6/1987	2033	1,046,211
27	SUWANNEE TRANSMISSION LAND - HAMILTON, FL	11/2015	2024	978,408
28	PERRY CONTROL HOUSE - TAYLOR, FL	7/1990	2033	752,861
29				
30				
31	Other Land and Land Rights <\$250K Each (12 Items)			1,096,819
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	Total			135,779,946

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 214 Line No.: 8 Column: a

Per DEF's Stipulation and Settlement Agreement that was approved by the Florida Public Service Commission dated January 20, 2012, Order No. PSC-12-0104-FOF-EI, DEF was allowed to transfer the land investments previously included in the Nuclear Cost Recovery Clause to base rate FERC Account 105 "Plant Held for Future Use" effective 1/1/2013.

Schedule Page: 214 Line No.: 11 Column: a

Per DEF's Stipulation and Settlement Agreement that was approved by the Florida Public Service Commission dated January 20, 2012, Order No. PSC-12-0104-FOF-EI, DEF was allowed to transfer the land investments previously included in the Nuclear Cost Recovery Clause to base rate FERC Account 105 "Plant Held for Future Use" effective 1/1/2013.

Schedule Page: 214 Line No.: 12 Column: a

Per DEF's Stipulation and Settlement Agreement that was approved by the Florida Public Service Commission dated January 20, 2012, Order No. PSC-12-0104-FOF-EI, DEF was allowed to transfer the land investments previously included in the Nuclear Cost Recovery Clause to base rate FERC Account 105 "Plant Held for Future Use" effective 1/1/2013.

Schedule Page: 214 Line No.: 20 Column: a

Per DEF's Stipulation and Settlement Agreement that was approved by the Florida Public Service Commission dated January 20, 2012, Order No. PSC-12-0104-FOF-EI, DEF was allowed to transfer the land investments previously included in the Nuclear Cost Recovery Clause to base rate FERC Account 105 "Plant Held for Future Use" effective 1/1/2013.

CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	DISTRIBUTION PLANT	
2		
3	DISTRIBUTION OVERHEAD/UNDERGROUND LINE IMPROVEMENTS	21,737,484
4	DEF TARGETED OVERHEAD/UNDERGROUND CONVERSION	10,527,095
5	DEF SUBSTATION UPGRADES	8,967,017
6	SAND LAKE BANK 3 ADDITION	8,210,663
7	2017 REDUNDANCY PROTECTION PROGRAM	7,777,325
8	DEF TRENTON BATTERY ENERGY SS	6,792,222
9	DEF MICANOPY BATTERY ENERGY SS	6,715,738
10	DEF CAPE SAN BLAS BATTERY ENERGY SS	6,318,024
11	CASSELBERRY SUBSTATION_CONVERT 13KV SYSTEM	5,566,468
12	SYSTEM DUNEDIN GCX RELAYS	4,694,131
13	DEF JENNINGS BATTERY ENERGY SS	4,553,844
14	SMART GRIND DEF SEGMENTATION AND AUTOMATION	4,054,853
15	MONTVERDE TO WINTER GARDEN LINES	3,823,680
16	40TH STREET SUBSTATION - HIGH LOAD	3,688,601
17	2016 NETWORK - UNDERGROUND CABLE	3,659,016
18	DEF FEEDER CAPACITY	3,576,511
19	DEF JOHN HOPKINS MICROGRID	3,462,321
20	AMERICAN CEMENT TO BUSHNELL EAST - NEW LINES	3,067,803
21	DISTRIBUTION LIGHTING INSTALLATION	2,974,809
22	OAKHURST SUBSTATION REPLACE BANK #1 & BANK #2	2,634,470
23	DEF STRATEGIC COMMUNICATION	2,518,709
24	DISTRIBUTION RELOCATION/MODIFICATIONS	2,497,477
25	2018 DEPARTMENT OF TRANSPORTATION GATEWAY EXPRESS	2,303,719
26	TRMP WINTER SPRINGS TO SANFORD/POINSETT	2,280,347
27	DEPARTMENT OF TRANSPORTATION RELOCATION - I-4 ULTIMATE ROADWAY	2,208,771
28	NON ROUTINE MISCELLANEOUS SUBSTATION - DISTRIBUTION	2,138,467
29	GAINESVILLE SUBSTATION EXPANSION	2,131,157
30	BITHLO TO UNIVERSITY OF CENTRAL FLORIDA (FTR) 69KV REBUILD	2,072,104
31	WILLISTON - NEW STUBSTATION	2,071,503
32	NEW RIVER TO WIRE ROAD LINES	1,888,486
33	40TH STREET TO 16TH STREET (BFE-2)	1,779,052
34	MORGAN ROAD TO NEW RIVER - NEW SUBSTATION	1,768,189
35	LAKE BRYAN TO VINELAND LINES	1,708,814
36	WAKULLA SPRINGS FEEDER N332	1,615,479
37	2018 LG DENHAM C155 LINE EXTENSION	1,557,532
38	APOPKA SOUTH - T-OIL BREAKER REPLACEMENT	1,536,726
39	SG-RELIABILITY DET CONDUCTOR DEF	1,371,810
40	SMART GRID - RELIABILITY TRANSMISSION RETROFIT	1,186,310
41	EMERGENCY - OCC SWIFT CREEK 1 - BAN	1,165,901
42	BAYBORO NEW SUBSTATION	1,134,062
43	TOTAL	1,303,817,349

CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	ORANGE BLOSSOM SUB - NEW 25 MVAR 69	1,119,847
2	PROJECTS LESS THAN \$1 MILLION	32,356,712
3	TOTAL DISTRIBUTION PLANT \$193,213,249	
4		
5	GENERAL PLANT	
6		
7	DEF LAND MOBILE RADIO PROJECT 3	20,798,103
8	ESO CONTROL CENTER FACILITIES - DEF	20,332,783
9	FACILITIES SERVICES CAPITAL PROJECTS	12,745,310
10	MICROWAVE PROJECTS FLORIDA	10,382,537
11	FLORIDA LABOR ACCRUAL	5,281,176
12	GENERIC CAPITAL COST	4,645,790
13	DEF SUBSTATION STORM SURVIVABILITY	4,506,731
14	GRID/BUSINESS WAN NETWORK CORE ROUTER	3,817,420
15	DEF STRATEGIC COMMUNICATION	3,511,059
16	IT DEMAND WORK FUNDING PROJECT	4,331,231
17	FUNDING PROJECT 2020 TELECOM	2,392,900
18	FUNDING PROJECT 2019 TELECOM MICROWAVE, RADIO, TRANSPORT & POWER	2,385,904
19	TOOLS & EQUIPMENT BLANKET CONSTRUCTION	2,182,748
20	SMARTGRID DEE DISTRIBUTED MANAGEMENT SYSTEM ADMS	2,079,796
21	DEF GRIDWAN	1,814,049
22	DEF 2019-2020 MICROWAVE UPGRADES	1,805,456
23	SMART GRIND DEF SEGMENTATION AND AUTOMATION	1,230,694
24	REAL ESTATE FUNDING PROJECT	1,120,007
25	CUSTOMER CONNECT	1,011,849
26	PROJECTS LESS THAN \$1 MILLION	4,788,761
27	TOTAL GENERAL PLANT \$111,164,304	
28		
29	INTANGIBLE PLANT	
30		
31	CUSTOMER CONNECT	54,792,222
32	SMARTGRID DEE DISTRIBUTED MANAGEMENT SYSTEM ADMS	17,521,825
33	IT DEMAND WORK FUNDING PROJECT	4,809,680
34	ARCOS SYSTEM OUTAGE PROJECT	2,859,526
35	DEE ADVANCED DISTRIBUTIION PLANNING TOOL	2,460,280
36	SMART GRID DEE SECURE ACCESS AND DEVICE MAN	1,874,446
37	DEE OPTIMIZED CIRCUIT INVESTMENT PLANNING TOOL	1,041,401
38	PROJECTS LESS THAN \$1 MILLION	4,370,412
39	TOTAL INTANGIBLE PLANT \$89,729,792	
40		
41	PRODUCTION PLANT	
42		
43	TOTAL	1,303,817,349

CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	SANTA FE SOLAR	98,445,757
2	TWIN RIVERS SOLAR	75,386,740
3	DUETTE SOLAR	20,285,846
4	CRYSTAL RIVER ENVIRONMENTAL PROJECT TO COMPLY WITH 316B RULE REQUIREMENTS	10,367,870
5	UFC - LM6000 REPLACEMENT	7,730,707
6	ICP13 HOT GAS PATH INSPECTION	6,995,925
7	CHARLIE CREEK SOLAR	5,185,661
8	DECOUPLING FOR DEMOLITION	3,403,540
9	HINES ENERGY COMPLEX UNIT 1 - PB1A CT EXHAUST UPGRADE	3,122,643
10	HINES ENERGY COMPLEX UNIT 3 - PB3B CT EXHAUST UPGRADE	3,122,643
11	HINES ENERGY COMPLEX UNIT 3 - PB3A CT EXHAUST UPGRADE	3,122,643
12	HINES ENERGY COMPLEX UNIT 1 - PB1B CT EXHAUST UPGRADE	3,113,514
13	CRYSTAL RIVER ASH LANDFILL SEDIMENT	2,099,232
14	LAKE PLACID BATTERY STORAGE	1,637,793
15	HINES ENERGY COMPLEX UNIT 3 - LTSA PB3A MAJ/ROTOR REPLACEMENT	1,615,854
16	HINES ENERGY COMPLEX UNIT 3 - LTSA PB3B MAJ/ROTOR REPLACEMENT	1,615,853
17	2020 BTC4 MISC CAPITAL BLANKET	1,369,428
18	BAY TRAIL SOLAR	1,307,831
19	CRYSTAL RIVER CASCADE ROOM TRANSFER POINTS	1,111,399
20	PROJECTS LESS THAN \$1 MILLION	28,595,149
21	TOTAL PRODUCTION PLANT \$279,636,028	
22		
23	TRANSMISSION PLANT	
24		
25	NEW RIVER TO WIRE ROAD LINES	105,402,939
26	MORGAN ROAD TO NEW RIVER - NEW SUBSTATION	70,696,263
27	CRYSTAL RIVER EAST NEW POWERLINE SUB	62,292,999
28	HANCOCK ROAD - NEW SUBSTATION	44,656,574
29	AMERICAN CEMENT TO BUSHNELL EAST - NEW LINES	35,075,707
30	FORT WHITE TRANSFORMER	27,156,588
31	OSPREY PLANT TRANSMISSION LINES	21,767,516
32	BAYBORO NEW SUBSTATION	21,155,117
33	KATHLEEN TO OSPREY - NEW 230KV LINE	18,618,009
34	OAK CITY TAP TO HAVANA LINES	18,590,912
35	TWIN RIVERS SOLAR PLANT INTERCONNECTION REQUEST	16,653,994
36	MONTVERDE TO WINTER GARDEN LINES	15,264,965
37	KEYSTONE - NEW SUBSTATION	14,824,436
38	TRANSMISSION BREAKER RELIABILITY PROGRAM	13,659,561
39	CRYSTAL RIVER TO BRONSON LINES	12,514,649
40	SANTA FE SOLAR PLANT INTERCONNECTION	11,565,402
41	RIO PINAR TO ECON WINTER PARK LINES	10,669,970
42	WILLISTON - NEW SUBSTATION	9,538,026
43	TOTAL	1,303,817,349

CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	2017 REDUNDANCY PROTECTION PROGRAM	8,339,540
2	PASADENA - REMOVE 115 KV LIMITING ELEMENT	8,012,937
3	BROOKSVILLE TRANSFORMER	7,631,931
4	FORT WHITE TO PERRY 69KV 2ND CIRCUIT	6,354,968
5	BAYVIEW TO EAST CLEARWATER (HD-5)	5,063,122
6	VEGETATION MASTER PROJECT	4,471,378
7	FMPA KUA UPGRADES INTERCESSION CITY	4,449,980
8	EUSTOS TO DONA VISTA LINES	3,771,041
9	PIEDMONT TO WEKIVA LINES	2,463,575
10	LIVE OAK - NEW 69 KV 15 MVAR CAPACITOR BANK	2,095,300
11	IDYLWILD TO WACAHOTA TAP LINES	2,071,685
12	FLORIDA RELAY PROGRAM	1,918,102
13	LAKE TALQUIN TO BRICKYARD DOUBLE CIRCUIT CAPABLE STRUCTURE	1,893,862
14	2021 STORM PROTECTION PLAN STRUCTURE HARDENING WOOD POLES GROUP 1	1,877,307
15	NORTHRIDGE TO WEST DAVENPORT NEW LINES	1,820,304
16	BARTOW TO NORTHEAST - ADD 230KV CABLE	1,469,111
17	MULKAY ADDITIONAL 2020 POLE(S)	1,428,357
18	TRANSMISSION LINES (GG) FP FOR ENABLE	1,406,594
19	TRULIEVE GOAB AND 115 KV CAPACITOR	1,397,240
20	BITHLO TO LOCKWOOD - NEW LINES	1,323,751
21	40TH STREET TO 16TH STREET (BFE-2)	1,206,897
22	NORTHEAST NERCCIP TIER 1 SECURITY ENHANCEMENTS	1,136,331
23	DELAND WEST - DONA VISTA - NEW 230KV	1,074,771
24	LOOPING INVERNESS SUBSTATION IN/OUT OF DEF'S INVERNESS TO BROOKSVILLE 69 KV	1,045,243
25	PROJECTS LESS THAN \$1 MILLION	26,247,022
26	TOTAL TRANSMISSION PLANT \$630,073,976	
27		
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42		
43	TOTAL	1,303,817,349

ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	5,319,938,251	5,319,938,251		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	541,528,716	541,528,716		
4	(403.1) Depreciation Expense for Asset Retirement Costs	-406,979	-406,979		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	3,425,374	3,425,374		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):	-11,273,105	-11,273,105		
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	533,274,006	533,274,006		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	265,097,989	265,097,989		
13	Cost of Removal	144,707,992	144,707,992		
14	Salvage (Credit)	23,269,181	23,269,181		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	386,536,800	386,536,800		
16	Other Debit or Cr. Items (Describe, details in footnote):	33,817,161	33,817,161		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	5,500,492,618	5,500,492,618		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production	1,362,335,982	1,362,335,982		
21	Nuclear Production	53,319,066	53,319,066		
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production	1,175,122,585	1,175,122,585		
25	Transmission	777,508,068	777,508,068		
26	Distribution	1,984,265,658	1,984,265,658		
27	Regional Transmission and Market Operation				
28	General	147,941,259	147,941,259		
29	TOTAL (Enter Total of lines 20 thru 28)	5,500,492,618	5,500,492,618		

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 8 Column: c

ARO Depreciation Expense (108) - Offset 182	(\$11,172,363)
NorthPoint Depr (403) - Offset 908	(\$46,524)
Hurricane Michael Depr Deferral (403) - Offset 182	(\$54,218)
	<u>(\$11,273,105)</u>

Schedule Page: 219 Line No.: 12 Column: c

Intangible Retirements booked to reserve accounts 0111XXX	(\$172,721)
Cap Lease Assets with 108 Reserve Account	\$18,571
Total Variance between 219 & 204-207	<u>(\$154,150)</u>

Schedule Page: 219 Line No.: 16 Column: c

Crystal River Coal Ash COR	\$7,546,352
Meter Reserve Adjustment	\$11,244
Net Gains on disposal of property	\$55,671
Contra Write Off	\$15,503,374
Meter Retirements to Reg Asset	\$5,749,079
Nuclear ARO Retirement Adjustment	\$4,951,441
	<u>\$33,817,161</u>

INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
 (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
 (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	DE Florida Solar Solutions, LLC	2/25/2015		
2	Equity Contribution			
3	Undistributed Earnings			537,712
4	Investment Advance from Parent			8,453,710
5	Subtotal DE Florida Solar Solutions, LLC			8,991,422
6				
7	DE Florida Project Finance, LLC	1/05/2016		
8	Equity Contribution			6,471,449
9	Undistributed Earnings			
10	Investment Advance from Parent			2,597,325
11	Subtotal DE Florida Project Finance, LLC			9,068,774
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42	Total Cost of Account 123.1 \$	0	TOTAL	18,060,196

INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
-144,002		393,710		3
		8,522,856		4
-144,002		8,916,566		5
				6
				7
		6,471,449		8
				9
		1,172,291		10
		7,643,740		11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
				35
				36
				37
				38
				39
				40
				41
-144,002		16,560,306		42

MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.

2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	142,275,674	141,296,152	Electric
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	282,919,346	236,171,836	Electric
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	29,437,451	69,310,145	Generation
8	Transmission Plant (Estimated)	6,459,875	993,743	Transmission
9	Distribution Plant (Estimated)	9,735,507	1,590,092	Distribution
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			Other
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	328,552,179	308,065,816	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)	330,727	31,582	Customer Service
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)	18,289,637	14,889,786	Electric
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	489,448,217	464,283,336	

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 227 Line No.: 5 Column: b

Line 5. Assigned to - Construction:

Production	\$168,925,283
Transmission	45,030,933
Distribution	68,963,130
Total	\$282,919,346

Schedule Page: 227 Line No.: 5 Column: c

Line 5. Assigned to - Construction:

Production	\$117,100,835
Transmission	49,787,758
Distribution	69,283,243
Total	\$236,171,836

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2021	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	1,098,548.00	3,227,482	119,141.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	2,035.00	6,011		
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	1,096,513.00	3,221,471	119,141.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year	3,443.00		3,443.00	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	3,443.00			
40	Balance-End of Year			3,443.00	
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Allowances (Accounts 158.1 and 158.2) (Continued)

- 6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
- 7. Report on Lines 8-14 the names of vendors/transfersors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
- 8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
- 9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
- 10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2022		2023		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
119,141.00		119,141.00		3,216,807.00		4,672,778.00	3,227,482	1
								2
								3
				119,141.00		119,141.00		4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
						2,035.00	6,011	18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
119,141.00		119,141.00		3,335,948.00		4,789,884.00	3,221,471	29
								30
								31
								32
								33
								34
								35
								36
3,443.00		3,443.00		89,518.00		103,290.00		37
				3,443.00		3,443.00		38
								39
						3,443.00		40
3,443.00		3,443.00		92,961.00		103,290.00		41
								42
								43
								44
								45
								46

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 228 Line No.: 1 Column: b

Beginning balance includes allowances for Cross State Air Pollution Rule and the Acid Rain Program

Schedule Page: 228 Line No.: 29 Column: b

Ending balance includes allowances for Cross State Air Pollution Rule and the Acid Rain Program.

Schedule Page: 228 Line No.: 39 Column: b

Represents allowances withheld in 2020 sold at auction.

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2021	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Allowances (Accounts 158.1 and 158.2) (Continued)

- 6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
- 7. Report on Lines 8-14 the names of vendors/transfersors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
- 8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
- 9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
- 10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2022		2023		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
								13
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								34
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								36
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								38
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								43
								44
								45
								46

Name of Respondent

Duke Energy Florida, LLC

This Report Is:

(1) An Original

(2) A Resubmission

Date of Report

(Mo, Da, Yr)

04/15/2021

Year/Period of Report

End of 2020/Q4

Document Accession #: 20210419-8124

Submission Date: 04/15/2021

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Storm Extraordinary Property Loss					
2	Wholesale (FERC Letter dated					
3	1/7/2005. Docket No. AC05-12-111					
4	amortization expenses consistent					
5	with recovery in rates.)	1,568,935		0407371	65,155	1,503,780
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTAL	1,568,935			65,155	1,503,780

Name of Respondent

Duke Energy Florida, LLC

This Report Is:

(1) An Original

(2) A Resubmission

Date of Report

(Mo, Da, Yr)

04/15/2021

Year/Period of Report

End of 2020/Q4

Document Accession #: 20210419-8124

Submission Date: 04/15/2021

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49	TOTAL					

Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2	AFFECTED SYSTEM STUDY ECOPLEXUS	1,508	561.6		
3	ALACHUA SOLAR SIS	485	561.6		
4	BAY COUNTY SOLAR FAC STUDY FERC	2,273	561.6		
5	DAIRIES SOLAR	347	561.6		
6	DEF - PANAMA CITY SIS FERC	51,009	561.6		
7	DEF ARCHER SOLAR TRANSMISSION SYST	423	561.6		
8	DEF BAY COUNTY SIS FERC	50,178	561.6		
9	DEF DUETTE SOLAR	1,996	561.6		
10	DEF GULF COUNTRY SIS FERC	51,495	561.6		
11	DEF GULF COUNTY SOLAR FACILITY FER	4,383	561.6		
12	DEF LAKE PLACID BATTERY STUDY FERC	26,695	561.6		
13	DEF LAKE PLACID STORAGE FACILITY	4,690	561.6		
14	ECOPLEXUS DRIFTON PV2	22,907	561.6		
15	ECOPLEXUS JASPER PV1	49,741	561.6		
16	ECOPLEXUS OXFORD PV1	48,529	561.6		
17	FIRST SOLAR DEVELOPMENT - ARCHER S	21,262	561.6		
18	FLORIDA RENEWABLE PARTNERS - BASS	39,061	561.6		
19	FLORIDA RENEWABLE PARTNERS - GALLO	51,156	561.6		
20	FLORIDA RENEWABLE PARTNERS - LONCA	15,105	561.6		
21	Generation Studies				
22	3R SOLAR FARM FACILITY STUDY	31,346	561.7		
23	ALACHUA COUNTY FAC STUDY FERC	3,105	561.7		
24	ALACHUA SIS FERC	49,687	561.7		
25	ALACHUA SOLAR	2,590	561.7		
26	ALACHUA SOLAR FACILITY STUDY FERC	1,013	561.7		
27	ALACHUA SOLAR LLC	35,135	561.7		
28	ALIRA ENERGY - LEVY SOLAR 1	25,436	561.7		
29	APALACHICOLA SOLAR FACILITY STUDY	35,304	561.7		
30	ASTER HOLDINGS FACILITY STUDY	36,535	561.7		
31	ATWATER SOLAR FACILITY STUDY	48,790	561.7		
32	BAY COUNTY SOLAR FAC STUDY FERC	24,001	561.7		
33	BRANFORD SOLAR 1 FACILITY STUDY	24,282	561.7		
34	BRANFORD SOLAR 2 SYSTEM IMPACT STD	30,775	561.7		
35	CANOE CREEK FERC SYSTEM IMPACT	49,614	561.7		
36	CE GAINESVILLE DUKE SOLAR FERC	13,188	561.7		
37	CHAROLAIS HOLDINGS FACILITY STUDY	21,171	561.7		
38	CITY OF BARTOW	47	561.7		
39	CITY OF WAUCHULA	47	561.7		
40	CITY OF WINTER PARK	47	561.7		

Transmission Service and Generation Interconnection Study Costs (continued)

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2	FLORIDA RENEWABLE PARTNERS - SANDL	27,109	561.6		
3	INVENERGY DUETTE SOLAR	8,892	561.6		
4	JOHNSON FARMS 2 - FACILITY STUDY	44,736	561.6		
5	MICCO SOLAR FACILITY STUDY FERC	24,632	561.6		
6	MICCO SOLAR SYSTEM IMPACT STUDY	48,256	561.6		
7	PANAMA CITY SOLAR FAC STUDY FERC	4,884	561.6		
8	SABAL PALM SOLAR ENERGY CENTER	17,764	561.6		
9	SEMINOLE COLUMBIA	2,164	561.6		
10	SEMINOLE GADSDEN	908	561.6		
11	SEMINOLE GILCHRIST	1,245	561.6		
12	SEMINOLE PURCHASE FROM SOCO STUDY	1,319	561.6		
13	SOLAR FL 2018 LLC DUNNELLON FARMS	48,588	561.6		
14	SOUTHEAST SOLAR & POWER - HIGH SPR	44,536	561.6		
15	SR26 SOLAR FARM LLC	24,297	561.6		
16	ST. CLOUD EAST - HOLOPAW 230 KV LI	12,554	561.6		
17	TRANSMISSION AFFECTED SYSTEM STUDY	261,968	561.6		
18	TRANSMISSION FACILITIES STUDY FOR	14,197	561.6		
19	TRANSMISSION FACILITIES STUDY Q169	42,047	561.6		
20	TRANSMISSION STUDY - CITY OF BARTO	539	561.6		
21	Generation Studies				
22	CORONAL ENERGY - LEROY SOLAR CENTE	6,046	561.7		
23	CORONAL LEROY SOLAR	1,000	561.7		
24	CORONAL LEROY SOLAR CENTER	4,000	561.7		
25	CRYSTAL RIVER NORTH Q198	856	561.7		
26	CRYSTAL RIVER NORTH SOLAR	31,877	561.7		
27	CRYSTAL RIVER SOUTH SOLAR	10,368	561.7		
28	DEF - PANAMA CITY SIS FERC	5,990	561.7		
29	DEF CHARLIE CREEK SYSTEM IMPACT	42,558	561.7		
30	DEF GULF COUNTY SOLAR FACILITY FER	16,993	561.7		
31	DEF LAKE PLACID STORAGE FACILITY	6,965	561.7		
32	DEF LINE ST SOLAR FACILITY STUDY	30,237	561.7		
33	DEF TRANSMISSION SIS FOR CHARLIE C	451	561.7		
34	DEF TRANSMISSION SIS FOR FT. GREEN	241	561.7		
35	DEF TRANSMISSION SIS FOR LEVY	241	561.7		
36	DEF WATERMELON SOLAR	2,335	561.7		
37	DEF WINQUEPIN SOLAR SIS FERC	24,532	561.7		
38	DUNNELLON FARMS FACILITY FERC	33,781	561.7		
39	ECOPARK HAMEL FACILITIES STUDY FER	18,675	561.7		
40	ECOPARK SOLAR - SIS - FERC	53,748	561.7		

Transmission Service and Generation Interconnection Study Costs (continued)

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2	TRANSMISSION STUDY - CITY OF WINTE	539	561.6		
3	TRANSMISSION STUDY - FMPA PORTION	539	561.6		
4	TRANSMISSION STUDY - SEMINOLE SSN	139	561.6		
5	TRANSMISSION STUDY - SEMINOLE SSO	66	561.6		
6	TRANSMISSION SYSTEM IMPACT STUDY F	1,027	561.6		
7	WATERMELONG SOLAR SIS	485	561.6		
8	WINTER PARK GOING TO FMPP BA	158	561.6		
9	Accrued Reimbursements			(1,077,372)	561.61
10	TRANSMISSION STUDY - CITY OF WAUCU	541	561.6		
11					
12					
13					
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20					
21	Generation Studies				
22	ECOPLEXUS DRIFTON PV2	25,177	561.7		
23	ECOPLEXUS FT. WHITE PV1	1,974	561.7		
24	ECOPLEXUS JASPER PV1	24,976	561.7		
25	ECOPLEXUS NEWBERRY PV1	12,214	561.7		
26	ECOPLEXUS NEWBERRY PVI SIS	24,999	561.7		
27	ECOPLEXUS PERRY PV1 SOLAR	67,615	561.7		
28	EDF GINNIE SOLAR	12,190	561.7		
29	FIGURE 8 SOLAR FACILITY STUDY	28,526	561.7		
30	FIRST SOLAR COLUMBIA 2	447	561.7		
31	FIRST SOLAR COLUMBIA 3	5,692	561.7		
32	FIRST SOLAR DEVELOPMENT - MAE MEAD	45,293	561.7		
33	FIRST SOLAR DEVELOPMENT - ZOLFO SP	45,107	561.7		
34	FL RENEWABLE PARTNERS LYKES	619	561.7		
35	FLORIDA RENEWABLE PARTNERS - LONCA	1,221	561.7		
36	FLORIDA RENEWABLE PARTNERS - POINS	27,663	561.7		
37	FLORIDA RENEWABLE PARTNERS-GALLOWA	487	561.7		
38	FLRP JOHNSON FARMS 1	2,246	561.7		
39	FT. WHITE PV1	25,128	561.7		
40	GILCHRIST COUNTY SOLAR 3 SIS FERC	49,348	561.7		

Transmission Service and Generation Interconnection Study Costs (continued)

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
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21	Generation Studies				
22	GILCHRIST COUNTY SOLAR FAC FERC	4,691	561.7		
23	GILCHRIST SIS FERC	49,829	561.7		
24	GINNIE SOLAR FACILITY STUDY	28,434	561.7		
25	GWIN SOLAR FARM - FAC STUDY FERC	26,429	561.7		
26	GWINN SOLAR FARM SYSTEM IMPACT FER	71,234	561.7		
27	HARDEE DYDO SOLAR	50,061	561.7		
28	HARDEE DYDO SOLAR FACILITY STUDY	30,035	561.7		
29	HIGHLANDS SOLAR NORTH	56,991	561.7		
30	HIGHLANDS SOLAR NORTH FACILITY STD	23,362	561.7		
31	HIGHLANDS SOLAR SOUTH	58,701	561.7		
32	HIGHLANDS SOLAR SOUTH FACILITY STD	26,881	561.7		
33	INVENERGY - COTTONWOOD SOLAR	26,413	561.7		
34	INVENERGY - OSCEOLA COUNTY SOLAR 1	45,442	561.7		
35	INVENERGY - OSCEOLA COUNTY SOLAR 2	45,955	561.7		
36	INVENERGY - TERRACE TOP SOLAR	35,153	561.7		
37	INVENERGY DUETTE SOLAR	1,300	561.7		
38	INVENERGY VILLAGES SOLAR	28,295	561.7		
39	KISSIMMEE SOLAR FACILITY STUDY FER	25,977	561.7		
40	LEVY SOLAR 1 FACILITY STUDY FERC	25,288	561.7		

Transmission Service and Generation Interconnection Study Costs (continued)

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
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21	Generation Studies				
22	LEYLAND HOLDINGS FACILITY STUDY	28,351	561.7		
23	LINCOLN CLEAN ENERGY WAUKEENAH	27,667	561.7		
24	LIVE OAK SOLAR CENTER	37,275	561.7		
25	MAE MEADOWS FACILITY STUDY FERC	31,698	561.7		
26	MARSH SOLAR FACILITY STUDY FERC	46,375	561.7		
27	MCALPIN SOLAR CENTER 230	25,190	561.7		
28	MCALPIN SOLAR CENTER FACILITY STUD	33,266	561.7		
29	MICCO SOLAR FACILITY STUDY FERC	2,555	561.7		
30	MORTIMER BATES SOLAR FACILITY STUD	23,122	561.7		
31	MUNICIPAL POWER AGENCY	47	561.7		
32	NEWBERRY SOLAR FACILITY STUDY	26,498	561.7		
33	NO VALUE	1,506	561.7		
34	ORIGIS WHISTLING DUCK I FEAS STUDY	14,448	561.7		
35	ORIGIS WHISTLING DUCK II FEAS STUD	14,448	561.7		
36	OXFORD PV1 SOLAR FACILITY STUDY	32,144	561.7		
37	PANAMA CITY SOLAR FAC STUDY FERC	21,080	561.7		
38	PATCHWORK SOLAR W BATTERY FAC STUD	30,956	561.7		
39	PATTERN ENERGY CRYSTAL RIVER NORTH	58,377	561.7		
40	PATTERN ENERGY CRYSTAL RIVER SOUTH	23,410	561.7		

Transmission Service and Generation Interconnection Study Costs (continued)

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
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21	Generation Studies				
22	PERRY PV 1 SOLAR FACILITY STUDY	44,386	561.7		
23	Q202 ECHO RIVER	2,956	561.7		
24	RATTLER SOLAR DER FACILITY STUDY	39,228	561.7		
25	RED TOAD 3RS RANCH SOLAR	25,076	561.7		
26	REIMBURSMNT FOR DUKE COSTS OF MOV	1,130	561.7		
27	RSTED ONSHORE NORTH AMERICA LLC	50,119	561.7		
28	SABAL PALM SOLAR ENERGY CENTER	2,142	561.7		
29	SANIBEL SOLAR FACILITY STUDY FERC	25,890	561.7		
30	SEC TRANSMISSION STUDY FOR 1 YEAR	888	561.7		
31	SEMINOLE SSN 3.0	896	561.7		
32	SEMINOLE TRANSMISSION SIS FOR SS0	841	561.7		
33	SEMINOLE TRANSMISSION SIS FOR SSN	1,151	561.7		
34	SOLAR FL 2018 LLC DUNNELLON FARMS	150	561.7		
35	SR26 SOLAR FARM FACILITY STUDY	34,684	561.7		
36	SR26 SOLAR FARM LLC	16,110	561.7		
37	STOREY BEND SOLAR	24,060	561.7		
38	STRATA SOLAR AVOCA SOLAR	15,705	561.7		
39	STRATA SOLAR PATCHWORK SOLAR	52,192	561.7		
40	SUNCHASE LOCKHART HILLS SOLAR	6,633	561.7		

Transmission Service and Generation Interconnection Study Costs (continued)

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
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21	Generation Studies				
22	TIDE BAY SOLAR FACILITIES STDY FER	83,321	561.7		
23	TIDE BAY SOLAR SYSTEM IMPACT FERC	49,395	561.7		
24	TIDE BAY SOLAR SYSTEM IMPACT STUDY	49,742	561.7		
25	TRANS. IMPACT STUDY BAY COUNTY SOL	495	561.7		
26	TRANS. IMPACT STUDY PANAMA CITY SO	495	561.7		
27	TRANSMISSION SIS - ASTER HOLD SOLA	448	561.7		
28	TRANSMISSION SIS - CHAROLAIS SOLAR	448	561.7		
29	TRANSMISSION SIS - LEYLAND SOLAR	448	561.7		
30	TRANSMISSION SYSTEM IMPACT STUDY G	495	561.7		
31	TRILBY RANCH SOLAR FACILITY STUDY	27,271	561.7		
32	TWIN RIVERS SOLAR	1,010	561.7		
33	TWIN RIVERS SOLAR FACILITY STUDY	27,927	561.7		
34	VILLAGES SOLAR FERC FACILITY STUDY	27,367	561.7		
35	WAHOO SOLAR FACILITY STUDY FERC	35,594	561.7		
36	WHISTLING DUCK I FERC FACILITIES	5,456	561.7		
37	WHISTLING DUCK I FERC SI STUDY	50,413	561.7		
38	WHISTLING DUCK II FERC FACILITIES	2,688	561.7		
39	WHISTLING DUCK II FERC SIS	49,505	561.7		
40	WHISTLING DUCK SOLAR 1 69 KV FEASI	12,100	561.7		

Transmission Service and Generation Interconnection Study Costs (continued)

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
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21	Generation Studies				
22	WHISTLING DUCK SOLAR II -69 KV FEA	12,100	561.7		
23	ZOLFO SPRINGS FACILITY STUDY FERC	48,287	561.7		
24	Accrued Reimbursements			(3,092,055)	561.71
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OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	Income Taxes					
2	Order No. PSC-2010-0131-FOF-EI	158,931,136	26,209,515	407	21,272,048	163,868,603
3						
4	Deferred Pension Costs					
5	Docket No. 20090145-EI	474,195,958	33,699,474	926 & 407	26,339,737	481,555,695
6						
7	Asset Retirement Obligation					
8	Amortized over various periods					
9	Docket Nos. 201000461-EI & 20090145- EI	171,504,227	113,498,429	Var	273,152,229	11,850,427
10						
11	Interest Rate Hedges					
12	Amortized over various periods					
13	Docket No. 20120303-EI	44,163,001	16,992,895	427 & 244	2,396,013	58,759,883
14						
15	Fuel Recovery Clause					
16	Amortized through 2022					
17	Docket No. 20200001-EI	38,589,603	219,227,729	Var	253,409,620	4,407,712
18						
19	Capacity recovery Clause					
20	Amortized through 2021					
21	Docket No. 20200001-EI		7,276,055	182 & 557	7,276,055	
22						
23	Load Management					
24	Amortized through 2025					
25	Docket No. 20200002-EI	66,692,670	9,440,488	908	19,784,692	56,348,466
26						
27	Environmental					
28	Amortized over various periods					
29	Docket No. 20200007-EI	431,724	164,275	407	452,170	143,829
30						
31	Energy Conservation					
32	Amortized over 12 months					
33	Docket No. 20200002-EI	3,763,263	3,273,806	183	7,037,069	
34						
35	Cost of Removal					
36	Docket No. 20130208-EI	460,648,796		N/A		460,648,796
37						
38	CR3 Regulatory Asset					
39	Amortized through 2036					
40	Docket No. 20130208-EI	(42,933,304)	2,602,018	Var		-40,331,286
41						
42	Deferred Depreciation - 2010 Rate Case					
43	Docket No. 20090145-EI	17,521,839		N/A		17,521,839
44	TOTAL	1,604,278,154	442,819,468		641,956,814	1,405,140,808

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1						
2	Crystal River South Retirement					
3	Amortized through 2021					
4	Docket Nos. 20170183-EI	90,249,977	6,861,775	407 & 182	16,639,140	80,472,612
5						
6	Qualifying Facility Contract Buyout					
7	Amortized through 2034					
8	Docket No. 20170274-EQ	120,519,264		131 & 242	13,069,032	107,450,232
9						
10	Deferred Depreciation - Retail Recovery					
11	Docket No. 20170272-EI		2,460,622	403	1,129,009	1,331,613
12						
13	Storm Protection Plan (SPP) Recovery					
14	Amortized over various periods					
15	Docket No. 20200092-EI		1,112,387	N/A		1,112,387
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43						
44	TOTAL	1,604,278,154	442,819,468		641,956,814	1,405,140,808

MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	EVCS Deferral	4,539,550	3,660,804	0186036	240,060	7,960,294
2	DEF CR3 Dry Cask Storage	96,346,403		0186102		96,346,403
3	DEF DCS Contra Equity	-2,448,982		0186109		-2,448,982
4	Other	273	883,183	Various	883,712	-256
5	Cust Connect Def O&M	20,343,193	9,758,188	0186111	12,849	30,088,532
6	Misc. Wip-Fp Dist. Wids	546,709	156,139,546	0186120	153,212,620	3,473,635
7	Def Project/Acq Exp	69,315	3,985,613	0186201	1,148,963	2,905,965
8	Oth Deferred Charges-Operation	893,337	1,059,276	0186290	371,150	1,581,463
9	Deferred Rate Expenses		983,471	0186195	200,000	783,471
10	Deferred Storm Expenses	164,688,913	107,375,607	0186295	250,616,246	21,448,274
11	SECI-Lakeland Intercon Upgrade	5,258,979		0186400	710,064	4,548,915
12	Worker's Comp	11,434,130	3,481,864	0186605		14,915,994
13	Straight Line Lease Defer DR	-5,506,424	58,586,279	0186882	58,600,063	-5,520,208
14	Other Long-term Assets		2,238,999	0186984	724,523	1,514,476
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45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	296,165,396				177,597,976

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Other	888,867,472	884,610,287
3			
4			
5			
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	888,867,472	884,610,287
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	888,867,472	884,610,287

Notes

Notes

CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1				
2				
3				
4				
5				
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
Shares (e)	Amount (f)	AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
		Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
						2
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OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.
- (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Account 211 - MISCELLANEOUS PAID IN CAPITAL	
2	Donations by General Gas & Electric Corporation (Former Parent)	419,213
3	Excess of Stated Value of 3,000,000 shares of Common Stock	
4	Exchanged for 857,143 Shares of \$7.50 Par Value Common Stock and	
5	Miscellaneous Adjustments Applicable to Exchange	326,032
6	Excess of Net Worth of Assets at Date of Merger (12/31/43)	
7	Over Stated Value of Common Stock Issued Therefore	1,167,518
8	Florida Public Service 4% Series "C" Bonds with Called Premium and	
9	Interest Held by General Gas & Electric Corporation	65,210
10	Reversal of Over Accrual of Federal Income Tax Applicable to Period	
11	Prior to January 1, 1944	262,837
12	Transfer from Earned Surplus Amount Equivalent to Preferred Stock	
13	Dividends Prior to 12/31/43 Which on an Accrual Basis	
14	were Applicable to 1944	92,552
15	To Write off Unamortized Debt Discount, Premium and Expense Applicable	-979,793
16	to Bonds Refunded in Prior Years	
17	Adjustment of Original Cost of Florida Public Service Company	
18	Resulting in Examination by Federal Power Commission	-63,027
19	Adjustment in Carrying Value of Georgia Power & Light Company Common	
20	Stock Occasioned by the Subsidiary Company's Increase in	
21	Capital Surplus	33,505
22	Capital Contribution from Parent Company	1,359,992,013
23	Other Miscellaneous Adjustments	45,211
24	Payroll Taxes Associated with Stock Option Exercises	2,702,876
25	Misc PIC - Stock Options	655,780
26	Misc PIC - Performance Share Sub Plan (PSSP)	15,698,708
27	Misc PIC - Restricted Stock Units (RSU)	27,268,473
28	Conversion of Duke Energy Florida to a Limited Liability Company	354,405,315
29	Net Gain on Nuclear Fuel Sale to Affiliate	3,942,938
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	TOTAL	1,766,035,361

Name of Respondent

Duke Energy Florida, LLC

This Report Is:

(1) An Original

(2) A Resubmission

Date of Report

(Mo, Da, Yr)

04/15/2021

Year/Period of Report

End of 2020/Q4

Document Accession #: 20210419-8104

Submission Date: 04/15/2021

CAPITAL STOCK EXPENSE (Account 214)

- 1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
- 2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	n/a	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22	TOTAL	

LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	First Mortgage Bonds - 5.9%	225,000,000	3,013,280
2			571,500 D
3			
4	RCA - 6 year		4,854,834
5			
6	Fist Mortgage Bonds - 6.35%	500,000,000	6,708,137
7			660,000 D
8			
9	First Mortgage Bonds - 6.40%	1,000,000,000	13,136,457
10			4,220,000 D
11			
12	First Mortgage Bonds - 4.55%	250,000,000	2,822,687
13			142,500 D
14			
15	First Mortgage Bonds - 5.65%	350,000,000	4,691,511
16			1,459,500 D
17			
18	First Mortgage Bonds - 3.10%	300,000,000	3,467,458
19			612,000 D
20			
21	First Mortgage Bonds - 3.85%	400,000,000	4,864,188
22			1,268,000 D
23			
24	Florida Long Term Note - 6.75%	150,000,000	5,528,498
25			436,500 D
26			
27	First Mortgage Bond - 3.40%	600,000,000	7,316,807
28			3,372,000 D
29			
30	First Mortgage Bonds - 1.85%	250,000,000	1,820,114
31			285,000 D
32			
33	TOTAL	7,325,000,000	97,436,371

LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	First Mortgage Bond - 3.20%	650,000,000	
2			390,000 D
3			
4	DEF Receivables Suntrust 125M 0.957% (Floating Rate)	125,000,000	638,078
5			
6	DEF Receivables RBC 125M 1.000% (Floating Rate)	125,000,000	638,078
7			
8	First Mortgage Bond - 4.20%	400,000,000	4,824,680
9			556,000 D
10			
11	First Mortgage Bond - 3.80%	600,000,000	5,437,020
12			1,110,000 D
13			
14	Long-Term Debt Fixed - 2.5%	700,000,000	6,267,562
15			371,000 D
16			
17	Long-Term Debt - Floating Rate	200,000,000	581,880
18			
19	First Mortgage Bond - 1.75%	500,000,000	4,686,102
20	Approved by Order No. PSC-2020-0457-FOF-EI Issued 11/23/20		685,000 D
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33	TOTAL	7,325,000,000	97,436,371

LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

- 10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
- 11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
- 12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
- 13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
- 14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
- 15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
- 16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
2/1/2003	3/1/2033	2/1/2003	3/1/2033	225,000,000	13,275,000	1
						2
						3
1/30/2015	1/30/2020	1/30/2015	1/30/2020			4
						5
9/18/2007	9/15/2037	9/18/2007	9/15/2037	500,000,000	31,750,000	6
						7
						8
6/18/2008	6/15/2038	6/18/2008	6/15/2038	1,000,000,000	64,000,000	9
						10
						11
3/25/2010	4/1/2020	3/25/2010	4/1/2020		2,843,750	12
						13
						14
3/25/2010	4/1/2040	3/25/2010	4/1/2040	350,000,000	19,775,000	15
						16
						17
8/18/2011	8/15/2021	8/18/2011	8/15/2021	300,000,000	9,300,000	18
						19
						20
11/20/2012	11/15/2042	11/20/2012	11/15/2042	400,000,000	15,399,996	21
						22
						23
2/13/1998	2/1/2028	2/13/1998	2/1/2028	150,000,000	10,125,000	24
						25
						26
9/9/2016	10/1/2046	9/9/2016	10/1/2046	600,000,000	20,400,000	27
						28
						29
1/6/2017	1/15/2020	1/6/2017	1/15/2020		179,861	30
						31
						32
				6,825,000,000	275,990,189	33

LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

- 10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
- 11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
- 12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
- 13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
- 14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
- 15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
- 16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
1/6/2017	1/15/2027	1/6/2017	1/15/2027	650,000,000	20,799,996	1
						2
						3
3/13/2014	4/30/2021	3/13/2014	4/30/2021	125,000,000	1,751,608	4
						5
3/13/2014	4/30/2021	3/13/2014	4/30/2021	125,000,000	2,151,068	6
						7
6/21/2018	7/15/2048	6/21/2018	7/15/2048	400,000,000	16,800,000	8
						9
						10
6/21/2018	7/15/2028	6/21/2018	7/15/2028	600,000,000	22,800,000	11
						12
						13
11/26/2019	12/1/2029	11/26/2019	12/1/2029	700,000,000	17,499,996	14
						15
						16
11/26/2019	11/26/2021	11/26/2019	11/26/2021	200,000,000	2,277,801	17
						18
6/15/2020	6/15/2030	6/15/2020	6/15/2030	500,000,000	4,861,113	19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
				6,825,000,000	275,990,189	33

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	770,836,654
2		
3		
4	Taxable Income Not Reported on Books	
5	State Income Tax Addback	26,794,370
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	Federal and State Income Tax Deducted for Books	198,464,391
11	Other Deductions on Books Not Deducted for Tax	2,095,053,556
12		
13		
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20	Deductions on Return Not Charged Against Book Income	2,223,017,624
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	814,542,607
28	Show Computation of Tax:	
29	Provision for Federal Income Tax @ 21%	171,053,947
30	NOLs	-28,948,312
31	True-up Entries	5,590,822
32	Other Benefits	231,148
33		
34	Total Federal Income Tax Provision	147,927,605
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL TAXES					
2						
3	Income Taxes	-4,627,914		147,927,605	111,962,036	-356,669
4	FICA	2,455,211		15,837,006	4,236,584	729,226
5	Unemployment Taxes	4,462		-44,199	-2,296,064	-2,255,697
6	Highway and Fuel Taxes			9,888	9,888	
7						
8	STATE TAXES					
9						
10	Income Taxes	6,676,926		23,774,206	26,169,226	
11	Unemployment Taxes	1,838		58,162	58,469	
12	Sales and Use Taxes	-4,040,432		-625,193	23,068,093	29,176,797
13	Utility Receipts Taxes	16,310,566		110,738,213	109,874,204	-234,385
14	Regulatory Assessment	1,747,066			3,309,123	3,348,610
15						
16	OTHER TAXES					
17						
18	Property Taxes	-31,929		142,218,929	141,496,083	-690,917
19	Franchise Tax	7,589,945		112,544,845	111,730,457	187,353
20	License Tax					
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	26,085,739		552,439,462	529,618,099	29,904,318

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
						2
30,980,986		141,019,355			6,908,250	3
14,784,859		15,837,006				4
630		-44,199				5
		9,888				6
						7
						8
						9
4,281,906		22,239,255			1,534,951	10
1,531		58,162				11
1,443,079		-625,193				12
16,940,190		110,738,213				13
1,786,553						14
						15
						16
						17
		140,862,023			1,356,906	18
8,591,686		112,544,845				19
						20
						21
						22
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						40
78,811,420		542,639,355			9,800,107	41

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6	30%	86,867,569	190	58,961,448			
7							
8	TOTAL	86,867,569		58,961,448			
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
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46							
47							
48							

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
			3
			4
			5
145,829,017			6
			7
145,829,017			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
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			36
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			38
			39
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			47
			48

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Environmental Reserve - MGP	7,968,493	228,253	1,273,370	3,873,558	10,568,681
2	Cable Company Deposits (Pole att)	227,725	143		3,568	231,293
3	Franchise Settlements (Apopka, P)	766,000	232	155,000		611,000
4	PEP's Lease Incentive - AV Lease e	145,955	243	20,420		125,535
5	PEP's Lease Incentive - Furniture)	1,123,901	243	157,240		966,661
6	PEP's Lease Incentive - Other	393,313	243	55,027		338,286
7	JN Investments LLC - Five Guys	5,300	Var			5,300
8	Accounts Payable accruals	-204,000	Var			-204,000
9	Altitude Communication - Pole Attt		Var		2,000	2,000
10	Performance Guarantee Deposits		Var		1,189,648	1,189,648
11	IGCC Settlement Accrual	4,611,380	Var	1,483,172		3,128,208
12	FL Subdivision Infrastructure UG G		Var		143,190	143,190
13	Deferred Revenue	375,427	Var	376,732	1,070,585	1,069,280
14	Other	6,548	Var	11,178	16,300	11,670
15	SmartGrid	-409,553	Var		409,553	
16	LT Service Agreement - Hines	1,518,926	165,253	1,518,926	2,059,439	2,059,439
17	LT Service Agreement - Bartow	3,904,368	165,253	3,904,368	3,315,742	3,315,742
18	Deferred Revenue /Extended Payme"	-184	Var		184	
19	CATV Pole Rent		Var	4,853,044	4,853,044	
20	Citrus County LTSA Def Liab	2,713,147	Var	2,713,147	4,562,425	4,562,425
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
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32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	23,146,746		16,521,624	21,499,236	28,124,358

ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.

2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other (provide details in footnote):			
6				
7				
8	TOTAL Electric (Enter Total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other (provide details in footnote):			
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)			
16				
17	TOTAL (Acct 281) (Total of 8, 15 and 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

Name of Respondent

Duke Energy Florida, LLC

Document Accession #: 20210419-8124

This Report Is:

(1) An Original

(2) A Resubmission

Date of Report

(Mo, Da, Yr)

04/15/2021

Year/Period of Report

End of 2020/Q4

ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
					1	1	3
							4
							5
							6
							7
					1	1	8
							9
							10
							11
							12
							13
							14
							15
							16
					1	1	17
							18
					1	1	19
							20
							21

NOTES (Continued)

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization

2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	2,138,038,816	347,767,690	216,988,528
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	2,138,038,816	347,767,690	216,988,528
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	2,138,038,816	347,767,690	216,988,528
10	Classification of TOTAL			
11	Federal Income Tax	1,723,778,059	263,230,725	171,272,645
12	State Income Tax	414,260,757	84,536,965	45,715,883
13	Local Income Tax			

NOTES

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
1,554,056	196,627			182	5,183,723	2,275,359,130	2
							3
							4
1,554,056	196,627				5,183,723	2,275,359,130	5
							6
							7
							8
1,554,056	196,627				5,183,723	2,275,359,130	9
							10
1,216,817	153,957				5,388,890	1,822,187,889	11
337,239	42,670				-205,167	453,171,241	12
							13

NOTES (Continued)

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.

2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Electric Utility	928,619,776	141,928,998	271,916,139
4				
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)	928,619,776	141,928,998	271,916,139
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	928,619,776	141,928,998	271,916,139
20	Classification of TOTAL			
21	Federal Income Tax	727,100,946	111,129,650	212,908,889
22	State Income Tax	201,518,830	30,799,348	59,007,250
23	Local Income Tax			

NOTES

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
1,579					184,791	798,819,005	3
							4
							5
							6
							7
							8
1,579					184,791	798,819,005	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
1,579					184,791	798,819,005	19
							20
1,236					144,691	625,467,634	21
343					40,100	173,351,371	22
							23

NOTES (Continued)

OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Interest Rate Swap Liability					
2	Amortized over various periods					
3	Docket No. 20120303-EI	5,402,722	254	5,402,722		
4						
5	Regulatory liability Income Tax					
6	Recovered over plant lives					
7	Order No. PSC-2010-0131-FOF-EI	30,191,919	254		20,570,201	50,762,120
8						
9	Deferred Environmental Cost Recovery					
10	Amortized over various periods					
11	Docket No. 20200007-EI	17,013,231	407	10,450,907		6,562,324
12						
13	Deferred Property Gains/Losses					
14	Amortized over 5 years					
15	Order No. PSC -2010-0131-FOF-EI	786,916	421	274,686		512,230
16						
17	OPEB Regulatory Liability					
18	Amortized over the service life of the employee					
19	Order No. PSC-2010-0131-FOF-EI		Various	525,244		-525,244
20						
21	NDT - Qual - Unreal Gains					
22	Docket No. 20100461-EI	315,268,754	128	252,452,146	26,134,902	88,951,510
23						
24	ARO Reg Liab - Book Depr					
25	Docket No. 20100461-EI	2,922,343	108	37,654,139	34,731,796	
26						
27	Regulatory Liability Cost of Removal					
28	Docket No. 20130208-EI	5,707,744	108		131,107	5,838,851
29						
30	Deferred Capacity					
31	Amortized over 2021					
32	Docket No. 20200001-EI	1,096,194	182, 557	4,279,872	9,253,722	6,070,044
33						
34	Accumulated Deferred Income Taxes					
35	Amortized over various periods					
36	Order No. PSC-2017-0451-AS-EU	921,871,234	Various	59,816,692		862,054,542
37						
38	Accelerated Depreciation					
39	Amortized through 2021					
40	Order No. PSC-2017-0451-AS-EU	100,000,000	108, 407		50,000,000	150,000,000
41	TOTAL	1,400,261,057		470,623,415	264,464,109	1,194,101,751

OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1						
2	Deferred Energy Conservation					
3	Amortized over 12 months					
4	Docket No. 20200002-EI		908		2,295,780	2,295,780
5						
6	Deferred Fuel Settlements					
7	Amortized through 2022					
8	Docket No. 20200001-EI		182,254,557	99,767,007	121,346,601	21,579,594
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	1,400,261,057		470,623,415	264,464,109	1,194,101,751

ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	2,895,724,788	2,830,525,623
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	1,134,061,827	1,247,284,803
5	Large (or Ind.) (See Instr. 4)	247,131,449	254,028,018
6	(444) Public Street and Highway Lighting	1,548,904	1,713,999
7	(445) Other Sales to Public Authorities	285,459,692	317,453,004
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	4,563,926,660	4,651,005,447
11	(447) Sales for Resale	193,785,637	187,127,492
12	TOTAL Sales of Electricity	4,757,712,297	4,838,132,939
13	(Less) (449.1) Provision for Rate Refunds		2,793,306
14	TOTAL Revenues Net of Prov. for Refunds	4,757,712,297	4,835,339,633
15	Other Operating Revenues		
16	(450) Forfeited Discounts	10,564,029	22,708,668
17	(451) Miscellaneous Service Revenues	18,446,040	22,014,712
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	108,479,183	100,287,702
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	23,483,909	2,815,761
22	(456.1) Revenues from Transmission of Electricity of Others	124,726,658	105,566,817
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	285,699,819	253,393,660
27	TOTAL Electric Operating Revenues	5,043,412,116	5,088,733,293

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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
21,458,693	20,775,084	1,655,304	1,626,117	2
				3
11,521,828	12,197,918	179,666	178,036	4
3,147,394	2,963,373	1,999	2,025	5
22,864	23,632	1,494	1,499	6
3,079,434	3,227,340	25,338	25,195	7
				8
				9
39,230,213	39,187,347	1,863,801	1,832,872	10
3,019,323	3,069,994	13	13	11
42,249,536	42,257,341	1,863,814	1,832,885	12
				13
42,249,536	42,257,341	1,863,814	1,832,885	14

Line 12, column (b) includes \$ 0 of unbilled revenues.
 Line 12, column (d) includes 0 MWH relating to unbilled revenues

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 12 Column: b

Unbilled revenues are not included in line 12, but rather in line 21, and are \$20,924,930 and (1,509,815) for 2020 and 2019, with related MWHs of 240,833 and (84,047), respectively.

Schedule Page: 300 Line No.: 17 Column: b

Rates Billing and Payment	\$18,513,176
General Office Collection and Other	(\$67,136)
Total	\$18,446,040

Schedule Page: 300 Line No.: 17 Column: c

Rates Billing and Payment	\$22,803,891
General Office Collection and Other	(\$789,179.20)
Total	\$22,014,712

Schedule Page: 300 Line No.: 21 Column: b

Other Variable Revenue - Reg	\$387,060
Retail Unbilled Revenue	\$20,924,930
Municipal County Tax Collection	\$294,717
Sales and Use Tax Collection Fees	(\$293,753)
Shared Solar	\$14,940
Transmission Study Revenue	\$340,000
Generation Performance Incentive Factor	\$1,816,015
Total	\$23,483,909

Schedule Page: 300 Line No.: 21 Column: c

Other Variable Revenue - Reg	\$292,041
Retail Unbilled Revenue	(\$1,509,815)
Municipal County Tax Collection	\$273,097
Sales and Use Tax Collection Fees	\$408,405
Shared Solar	\$10,407
Transmission Study Revenue	(\$1,551,597)
Generation Performance Incentive Factor	\$4,893,223
Total	\$2,815,761

REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Description of Service (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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24					
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26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential					
2	1	15,434,288	2,124,345,071	1,187,344	12,999	0.1376
3	17	24,641	2,265,602	1,540	16,001	0.0919
4	51	607	80,324	27	22,481	0.1323
5	91	5,718,431	757,980,346	422,012	13,550	0.1326
6	201	180,202	25,595,743	30,138	5,979	0.1420
7	291	100,524	13,618,191	14,243	7,058	0.1355
8	Total Residential	21,458,693	2,923,885,277	1,655,304	12,964	0.1363
9	Commercial					
10	8	79	8,978	2	39,500	0.1136
11	17	143,983	9,859,425	6,058	23,767	0.0685
12	21	4	10,488	1	4,000	2.6220
13	22	4,471	480,303	2	2,235,500	0.1074
14	28	191,266	16,043,715	11,487	16,651	0.0839
15	30	10,479	667,060	4	2,619,750	0.0637
16	45	2,110	189,711	1	2,110,000	0.0899
17	47	4,235	337,378	3	1,411,667	0.0797
18	50	55,533	6,576,394	669	83,009	0.1184
19	52					
20	53	5,133,871	466,577,197	11,607	442,308	0.0909
21	54	654,101	55,819,422	128	5,110,164	0.0853
22	57	32,871	2,007,850	4	8,217,750	0.0611
23	60	1,562,663	219,766,394	117,904	13,254	0.1406
24	61	428	56,701	23	18,609	0.1325
25	62	10,273	1,366,632	23	446,652	0.1330
26	66	205	41,655	160	1,281	0.2032
27	69	84,814	7,419,258	295	287,505	0.0875
28	70	2,637,070	285,021,507	30,372	86,826	0.1081
29	71	3,082	319,975	26	118,538	0.1038
30	72	28,818	2,894,748	42	686,143	0.1004
31	76	201	48,337	337	596	0.2405
32	90	97	17,823	31	3,129	0.1837
33	100	7,952	992,489	236	33,695	0.1248
34	102	90	11,313	2	45,000	0.1257
35	104	2,652	220,911	1	2,652,000	0.0833
36	105	42	5,727	2	21,000	0.1364
37	107	24,098	2,034,539	2	12,049,000	0.0844
38	115			4		
39	145	10,482	795,847	2	5,241,000	0.0759
40	169	410,210	32,597,385	154	2,663,701	0.0795
41	TOTAL Billed	39,230,213	4,577,352,831	1,863,801	21,048	0.1167
42	Total Unbilled Rev.(See Instr. 6)	240,833	20,924,930	0	0	0.0869
43	TOTAL	39,471,046	4,598,277,761	1,863,801	21,178	0.1165

SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	230	254,407	14,956,384	55	4,625,582	0.0588
2	246	7,894	473,828	1	7,894,000	0.0600
3	247	59	7,210			0.1222
4	257	50,873	2,857,158	3	16,957,667	0.0562
5	615					
6	622	18,381	1,406,460	2	9,190,500	0.0765
7	829	608	63,018	1	608,000	0.1036
8	834	86,132	7,563,131	18	4,785,111	0.0878
9	835	63,863	4,994,327	2	31,931,500	0.0782
10	851	23,431	1,844,665	2	11,715,500	0.0787
11	Total Commercial	11,521,828	1,146,355,343	179,666	64,129	0.0995
12	Industrial					
13	17	2,584	176,332	62	41,677	0.0682
14	20	1,429	144,632	1	1,429,000	0.1012
15	21	22,124	2,057,984	1	22,124,000	0.0930
16	22	504	125,727	2	252,000	0.2495
17	23	18,552	1,290,166	1	18,552,000	0.0695
18	24	1,112	107,810	1	1,112,000	0.0970
19	25	56,863	4,401,718	1	56,863,000	0.0774
20	30	238	19,306	1	238,000	0.0811
21	46	111,510	7,554,067	17	6,559,412	0.0677
22	47	172	16,451	1	172,000	0.0956
23	50	7,448	876,014	20	372,400	0.1176
24	52	774	91,876	2	387,000	0.1187
25	53	588,705	53,091,151	327	1,800,321	0.0902
26	54	252,673	20,345,961	27	9,358,259	0.0805
27	55	92,772	4,295,256	4	23,193,000	0.0463
28	57	359,132	22,518,626	25	14,365,280	0.0627
29	59	195	23,873	1	195,000	0.1224
30	60	59,404	7,695,041	789	75,290	0.1295
31	62	6,090	735,419	2	3,045,000	0.1208
32	66	7	1,065	2	3,500	0.1521
33	70	177,805	19,484,173	639	278,255	0.1096
34	72	21,862	2,116,955	15	1,457,467	0.0968
35	85	45,092	3,372,144	1	45,092,000	0.0748
36	95		3,619	3		
37	96		2,473	2		
38	100	529	68,655	3	176,333	0.1298
39	107	51	7,273	1	51,000	0.1426
40	115			2		
41	TOTAL Billed	39,230,213	4,577,352,831	1,863,801	21,048	0.1167
42	Total Unbilled Rev.(See Instr. 6)	240,833	20,924,930	0	0	0.0869
43	TOTAL	39,471,046	4,598,277,761	1,863,801	21,178	0.1165

SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	123	37,985	2,362,744	1	37,985,000	0.0622
2	156	323,904	15,139,775	3	107,968,000	0.0467
3	169	1,447	126,311	1	1,447,000	0.0873
4	230	60,343	3,488,025	6	10,057,167	0.0578
5	246	34,685	2,110,473	3	11,561,667	0.0608
6	247	2,521	188,385	1	2,521,000	0.0747
7	255	487,927	22,406,295	4	121,981,750	0.0459
8	257	341,440	18,321,258	19	17,970,526	0.0537
9	296		2,309	1		
10	615					
11	620	3,747	292,072	2	1,873,500	0.0779
12	627	1,775	142,008	1	1,775,000	0.0800
13	834	1,932	187,826	2	966,000	0.0972
14	835	22,061	1,793,300	2	11,030,500	0.0813
15	Total Industrial	3,147,394	217,184,548	1,999	1,574,484	0.0690
16	Street and Highway Lighting					
17	16	2,305	165,578	231	9,978	0.0718
18	17	18,537	1,240,210	1,242	14,925	0.0669
19	28	10	1,100	2	5,000	0.1100
20	60	163	22,851	9	18,111	0.1402
21	116	1,849	126,184	10	184,900	0.0682
22	Total Street and Highway Lighting	22,864	1,555,923	1,494	15,304	0.0681
23	Other Public Authorities					
24	16	20,909	1,429,229	850	24,599	0.0684
25	17	130,487	8,711,584	3,760	34,704	0.0668
26	21	23,154	1,917,281	2	11,577,000	0.0828
27	22	603	341,713	2	301,500	0.5667
28	26	3,284	205,874	1	3,284,000	0.0627
29	27	9,135	1,034,809	2,001	4,565	0.1133
30	28	2,651	290,710	567	4,675	0.1097
31	44	1,186	87,874	1	1,186,000	0.0741
32	46	18,841	1,338,208	8	2,355,125	0.0710
33	47	7,625	579,941	8	953,125	0.0761
34	50	55,281	6,075,105	358	154,416	0.1099
35	53	919,315	88,475,302	1,913	480,562	0.0962
36	54	498,289	40,757,247	61	8,168,672	0.0818
37	57	19,922	1,208,845	3	6,640,667	0.0607
38	60	328,353	44,238,315	12,935	25,385	0.1347
39	61	98	13,017	2	49,000	0.1328
40	62	1,549	235,985	15	103,267	0.1523
41	TOTAL Billed	39,230,213	4,577,352,831	1,863,801	21,048	0.1167
42	Total Unbilled Rev.(See Instr. 6)	240,833	20,924,930	0	0	0.0869
43	TOTAL	39,471,046	4,598,277,761	1,863,801	21,178	0.1165

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	66	184	46,756	232	793	0.2541
2	67	2,083	200,274	395	5,273	0.0961
3	69	3,072	256,489	1	3,072,000	0.0835
4	70	443,635	49,317,668	1,920	231,060	0.1112
5	72	23,855	2,645,920	15	1,590,333	0.1109
6	76	301	35,482	132	2,280	0.1179
7	83	400,242	27,477,988	1	400,242,000	0.0687
8	85	15,551	1,033,330	2	7,775,500	0.0664
9	90	73	12,053	14	5,214	0.1651
10	100	1,888	227,444	28	67,429	0.1205
11	115			3		
12	116	1,963	134,439	81	24,235	0.0685
13	145	58,561	4,144,805	4	14,640,250	0.0708
14	169	19,763	1,681,520	8	2,470,375	0.0851
15	171	8,013	716,433	5	1,602,600	0.0894
16	230	6,200	339,257	2	3,100,000	0.0547
17	247	5,899	550,379	3	1,966,333	0.0933
18	257	41,620	2,114,051	3	13,873,333	0.0508
19	615					
20	834	5,849	496,413	2	2,924,500	0.0849
21	Total Other Public Authorities	3,079,434	288,371,740	25,338	121,534	0.0936
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	39,230,213	4,577,352,831	1,863,801	21,048	0.1167
42	Total Unbilled Rev.(See Instr. 6)	240,833	20,924,930	0	0	0.0869
43	TOTAL	39,471,046	4,598,277,761	1,863,801	21,178	0.1165

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
FOOTNOTE DATA			

Schedule Page: 304 Line No.: 8 Column: c

Revenue includes \$51,946,614 of Asset Securitization Charge revenues that Duke Energy Florida bills on behalf of Duke Energy Florida Project Finance, LLC, which aren't included in the revenues of the utility.

Schedule Page: 304.1 Line No.: 11 Column: c

Revenue includes \$21,746,935 of Asset Securitization Charge revenues that Duke Energy Florida bills on behalf of Duke Energy Florida Project Finance, LLC, which aren't included in the revenues of the utility.

Schedule Page: 304.2 Line No.: 15 Column: c

Revenue includes \$5,191,420 of Asset Securitization Charge revenues that Duke Energy Florida bills on behalf of Duke Energy Florida Project Finance, LLC, which aren't included in the revenues of the utility.

Schedule Page: 304.2 Line No.: 22 Column: c

Revenue includes \$7,022 of Asset Securitization Charge revenues that Duke Energy Florida bills on behalf of Duke Energy Florida Project Finance, LLC, which aren't included in the revenues of the utility.

Schedule Page: 304.3 Line No.: 21 Column: c

Revenue includes \$5,599,960 of Asset Securitization Charge revenues that Duke Energy Florida bills on behalf of Duke Energy Florida Project Finance, LLC, which aren't included in the revenues of the utility.

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	CITY OF CHATTAHOOCHEE, FL	RQ	126			
2	CITY OF CHATTAHOOCHEE, FL	RQ	126	5	5	4
3	CITY OF HOMESTEAD	RQ	9			
4	CITY OF HOMESTEAD	RQ	9			
5	CITY OF MOUNT DORA, FL	RQ	219			
6	CITY OF MOUNT DORA, FL	RQ	219	19	19	19
7	CITY OF WILLISTON, FL	RQ	220			
8	CITY OF WILLISTON, FL	RQ	220	7	7	7
9	REEDY CREEK IMPROVEMENT DISTRICT	RQ	9			
10	REEDY CREEK IMPROVEMENT DISTRICT	RQ	9	106	116	97
11	SEMINOLE ELECTRIC COOPERATIVE, INC.	RQ	194			
12	SEMINOLE ELECTRIC COOPERATIVE, INC.	RQ	194	544	319	242
13	SEMINOLE ELECTRIC COOPERATIVE, INC.	RQ	213			
14	SEMINOLE ELECTRIC COOPERATIVE, INC.	RQ	213	500	500	479
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	SOUTHEASTERN POWER	RQ	65			
2	SOUTHEASTERN POWER	RQ	65	14	14	4
3	TALQUIN/TRI COUNTY	RQ	1			
4	TALQUIN/TRI COUNTY	RQ	1	0	0	0
5	TAMPA ELECTRIC COMPANY	RQ	9			
6	TAMPA ELECTRIC COMPANY	RQ	9		342	296
7	Sale for Resale:					
8	EDF TRADING NORTH AMERICA	OS	10			
9	EXELON GENERATION COMPANY	OS	9			
10	FLORIDA MUNICIPAL POWER AGENCY	OS	9			
11	FLORIDA POWER AND LIGHT	OS	9,151			
12	ORLANDO UTILITES COMMISSION	OS	86			
13	PENNSYLVANIA NEW JERSEY MARYLAND	OS	24			
14	INTERCONNECTION, LLC	OS				
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	REEDY CREEK IMPROVEMENT DISTRICT	OS	9			
2	SOUTHERN COMPANY SERVICES	OS	9			
3	TALLAHASSEE (CITY OF)	OS	9,22			
4	TAMPA ELECTRIC COMPANY	SF	9,10			
5	THE ENERGY AUTHORITY	SF	4			
6	COVANTA	OS				
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
		-9,769		-9,769	1
28,799	383,487	865,536		1,249,023	2
		-5,821		-5,821	3
					4
		-31,408		-31,408	5
94,616	1,511,718	2,849,885		4,361,603	6
		-12,865		-12,865	7
36,798	567,977	1,109,888		1,677,865	8
					9
421,130	9,547,500	8,789,898		18,337,398	10
		880		880	11
101,908	33,984,000	3,590,324		37,574,324	12
					13
941,179	69,265,000	16,621,259		85,886,259	14
2,886,789	115,706,410	73,796,738	2,904	189,506,052	
132,534	0	4,279,585	0	4,279,585	
3,019,323	115,706,410	78,076,323	2,904	193,785,637	

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
-191	36,123	-39,408		-3,285	1
34,522	409,331	1,190,720		1,600,051	2
					3
151	1,274	4,518	2,904	8,696	4
					5
1,227,877		38,873,101		38,873,101	6
					7
150		2,832		2,832	8
500		9,038		9,038	9
2,015		70,534		70,534	10
3,675		99,517		99,517	11
28,905		1,078,933		1,078,933	12
		59		59	13
					14
2,886,789	115,706,410	73,796,738	2,904	189,506,052	
132,534	0	4,279,585	0	4,279,585	
3,019,323	115,706,410	78,076,323	2,904	193,785,637	

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
40,885		733,543		733,543	1
6,337		198,499		198,499	2
7,520		322,000		322,000	3
13,280		956,391		956,391	4
29,267		577,988		577,988	5
		230,251		230,251	6
					7
					8
					9
					10
					11
					12
					13
					14
2,886,789	115,706,410	73,796,738	2,904	189,506,052	
132,534	0	4,279,585	0	4,279,585	
3,019,323	115,706,410	78,076,323	2,904	193,785,637	

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	6,116,493	7,988,814
5	(501) Fuel	232,930,049	273,573,163
6	(502) Steam Expenses	3,994,481	8,564,015
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses	67,478	1,330
10	(506) Miscellaneous Steam Power Expenses	5,535,323	9,136,057
11	(507) Rents		
12	(509) Allowances	6,011	10,169
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	248,649,835	299,273,548
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	5,271,665	6,242,715
16	(511) Maintenance of Structures	22,188,450	21,413,521
17	(512) Maintenance of Boiler Plant	11,394,108	14,462,464
18	(513) Maintenance of Electric Plant	6,405,093	5,652,232
19	(514) Maintenance of Miscellaneous Steam Plant	5,398,978	5,947,622
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	50,658,294	53,718,554
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	299,308,129	352,992,102
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses	-3,347,534	-6,054
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)	-3,347,534	-6,054
34	Maintenance		
35	(528) Maintenance Supervision and Engineering	2,750	
36	(529) Maintenance of Structures		382
37	(530) Maintenance of Reactor Plant Equipment		386
38	(531) Maintenance of Electric Plant		382
39	(532) Maintenance of Miscellaneous Nuclear Plant		5,688
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)	2,750	6,838
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)	-3,344,784	784
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	11,689,052	10,925,108
63	(547) Fuel	860,892,640	962,728,418
64	(548) Generation Expenses	3,293,606	3,863,454
65	(549) Miscellaneous Other Power Generation Expenses	18,373,686	13,762,344
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)	894,248,984	991,279,324
68	Maintenance		
69	(551) Maintenance Supervision and Engineering	8,285,145	8,535,816
70	(552) Maintenance of Structures	5,814,331	3,289,259
71	(553) Maintenance of Generating and Electric Plant	20,956,999	27,145,466
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	38,218,006	46,735,887
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	73,274,481	85,706,428
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	967,523,465	1,076,985,752
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	596,039,865	619,883,576
77	(556) System Control and Load Dispatching	2,164,255	1,954,978
78	(557) Other Expenses	-415,186	79,414
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	597,788,934	621,917,968
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	1,861,275,744	2,051,896,606
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	52,734	131,019
84			
85	(561.1) Load Dispatch-Reliability	5,217,642	4,945,059
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	3,292,527	3,079,866
87	(561.3) Load Dispatch-Transmission Service and Scheduling	1,284,904	1,155,166
88	(561.4) Scheduling, System Control and Dispatch Services		
89	(561.5) Reliability, Planning and Standards Development	215,329	314,683
90	(561.6) Transmission Service Studies		265,536
91	(561.7) Generation Interconnection Studies		3,599,125
92	(561.8) Reliability, Planning and Standards Development Services		
93	(562) Station Expenses	1,115,424	2,059,398
94	(563) Overhead Lines Expenses	887,019	1,407,991
95	(564) Underground Lines Expenses		
96	(565) Transmission of Electricity by Others	7,035,405	7,683,529
97	(566) Miscellaneous Transmission Expenses	5,027,010	4,572,766
98	(567) Rents	4,839	64,086
99	TOTAL Operation (Enter Total of lines 83 thru 98)	24,132,833	29,278,224
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	18,151	23,142
102	(569) Maintenance of Structures	782,881	155,216
103	(569.1) Maintenance of Computer Hardware		
104	(569.2) Maintenance of Computer Software	1,791,665	1,876,036
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	4,963,698	5,012,335
108	(571) Maintenance of Overhead Lines	6,397,450	12,345,055
109	(572) Maintenance of Underground Lines		20,684
110	(573) Maintenance of Miscellaneous Transmission Plant	-105,029	2,075,908
111	TOTAL Maintenance (Total of lines 101 thru 110)	13,848,816	21,508,376
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	37,981,649	50,786,600

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)		
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)		
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	1,331,000	1,825,568
135	(581) Load Dispatching	5,493,465	5,431,776
136	(582) Station Expenses	279,634	331,743
137	(583) Overhead Line Expenses	5,641,379	6,486,016
138	(584) Underground Line Expenses	3,296,221	2,689,936
139	(585) Street Lighting and Signal System Expenses		1,664
140	(586) Meter Expenses	7,976,435	9,197,727
141	(587) Customer Installations Expenses	3,329,465	3,101,583
142	(588) Miscellaneous Expenses	22,733,419	31,032,596
143	(589) Rents	410,483	678,198
144	TOTAL Operation (Enter Total of lines 134 thru 143)	50,491,501	60,776,807
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	918,236	1,025,632
147	(591) Maintenance of Structures		
148	(592) Maintenance of Station Equipment	2,129,081	2,198,185
149	(593) Maintenance of Overhead Lines	74,089,126	80,585,810
150	(594) Maintenance of Underground Lines	7,805,170	7,837,148
151	(595) Maintenance of Line Transformers	2,234,430	2,171,849
152	(596) Maintenance of Street Lighting and Signal Systems	8,301,383	8,669,074
153	(597) Maintenance of Meters	1,721,169	1,647,719
154	(598) Maintenance of Miscellaneous Distribution Plant	949,926	397,074
155	TOTAL Maintenance (Total of lines 146 thru 154)	98,148,521	104,532,491
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	148,640,022	165,309,298
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision	324,414	489,819
160	(902) Meter Reading Expenses	4,961,380	4,054,566
161	(903) Customer Records and Collection Expenses	46,357,825	43,847,393
162	(904) Uncollectible Accounts	18,779,151	11,340,417
163	(905) Miscellaneous Customer Accounts Expenses	28,185	308,230
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	70,450,955	60,040,425

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses	115,380,899	96,896,500
169	(909) Informational and Instructional Expenses	1,106,917	2,024,011
170	(910) Miscellaneous Customer Service and Informational Expenses	1,022,754	1,805,055
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	117,510,570	100,725,566
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		180
175	(912) Demonstrating and Selling Expenses	9,804,174	8,904,504
176	(913) Advertising Expenses	78,610	150,320
177	(916) Miscellaneous Sales Expenses	217,868	72,506
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	10,100,652	9,127,510
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	57,295,546	80,941,811
182	(921) Office Supplies and Expenses	44,889,570	43,311,237
183	(Less) (922) Administrative Expenses Transferred-Credit		-2,480
184	(923) Outside Services Employed	33,059,929	27,418,005
185	(924) Property Insurance	323,582,362	174,542,643
186	(925) Injuries and Damages	7,914,617	10,771,748
187	(926) Employee Pensions and Benefits	21,243,687	42,058,759
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	4,834,912	4,750,528
190	(929) (Less) Duplicate Charges-Cr.	1,761,700	1,962,824
191	(930.1) General Advertising Expenses	1,659,875	872,576
192	(930.2) Miscellaneous General Expenses	-13,812,316	-12,680,534
193	(931) Rents	23,871,732	21,611,996
194	TOTAL Operation (Enter Total of lines 181 thru 193)	502,778,214	391,638,425
195	Maintenance		
196	(935) Maintenance of General Plant	54,202	544,834
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	502,832,416	392,183,259
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	2,748,792,008	2,830,069,264

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Purchased Power:					
2	Citrus World	OS	COG - Note 1			
3	Lake County	OS	COG - Note 1			
4	Lee County	OS	COG - Note 1			
5	Metro-Dade County	OS	COG - Note 1			
6	Orange Cogen	OS	COG - Note 1			
7	Orlando Cogen Limited	OS	COG - Note 1			
8	Pasco County Resource Recovery	OS	COG - Note 1			
9	PCS Phoshate	OS	COG - Note 1			
10	Pinellas County Resource Recovery	OS	COG - Note 1			
11	Polk Power Partners LP	OS	COG - Note 1			
12	Shady Hill Power Company	OS	6			
13	Vandolah Power Company	OS	67			
14	Southern Company Services	OS	111			
	Total					

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

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Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Southeastern Power Administration	OS	65			
2	Carolina Power and Light	OS	Note 1			
3	Duke Electric Transmission	OS	Note 1			
4	EDF Trading North America, LLC	OS	10			
5	Exelon Generation Company, LLC	OS	8,10			
6	Florida Power & Light Company	OS	102			
7	Jacksonville Electric Authority	OS	91			
8	Macquarie Energy LLC	OS				
9	Morgan Stanley Capital Group Inc.	OS	177			
10	Orlando Utilities Commission	OS	85			
11	PJM Settlements	OS	24			
12	Rainbow Energy Marketing Corporation	OS				
13	Seminole Electric Cooperative, Inc.	OS				
14	Southern Company Services, Inc.	OS				
	Total					

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**PURCHASED POWER (Account 555)
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

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IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Tallahassee (City of)	OS	122			
2	Tampa Electric Company	OS	80			
3	The Energy Authority	OS	71			
4	City of Chattahoochee	EX				
5	City of Homestead	EX				
6	City of Mount Dora	EX				
7	City of Wauchula	EX				
8	City of Winter Park	EX				
9	Florida Municipal Power Agency	EX				
10	Florida Power and Light EMT	EX				
11	Macquarie Energy LLC	EX				
12	Quincy	EX				
13	Reedy Creek Improvement Distri	EX				
14	Seminole Electric Coop Inc.	EX				
	Total					

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
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LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Tampa Electric Company	EX				
2	The City of Bartow	EX				
3	The City of Williston	EX				
4	The Energy Authority	EX				
5	Inadvertent Interchange (Net)	OS	NA			
6	Net Metering Customer True Up	AD				
7						
8						
9						
10						
11						
12						
13						
14						
	Total					

PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
							1
278				4,650		4,650	2
3,580				62,013		62,013	3
947				13,533		13,533	4
14,366				159,339		159,339	5
411,217			70,646,032	15,372,550		86,018,582	6
948,172			71,080,259	49,347,884		120,428,143	7
192,363			25,772,880	3,303,430		29,076,310	8
770				14,551		14,551	9
441,211			61,350,660	7,792,758		69,143,418	10
409,400			97,040,614	8,894,609		105,935,223	11
208,819			26,896,860	10,539,907		37,436,767	12
567,393			39,849,482	27,659,074		67,508,556	13
1,012,801			49,685,693	27,601,537		77,287,230	14
4,366,580			442,190,842	153,849,023		596,039,865	

PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
37,616				1,032,038		1,032,038	1
				3,423		3,423	2
				-178		-178	3
468				15,444		15,444	4
16,316				490,121		490,121	5
34,980				1,192,224		1,192,224	6
				7,154		7,154	7
5,853				211,861		211,861	8
4,570				130,850		130,850	9
3,442				95,408		95,408	10
				769		769	11
236				6,608		6,608	12
				1,640		1,640	13
42,015				1,358,940		1,358,940	14
4,366,580			442,190,842	153,849,023		596,039,865	

PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
3,125			-131,085	36,285		-94,800	1
6,000			-553	164,985		164,432	2
115				1,215		1,215	3
				54		54	4
				180		180	5
				228		228	6
				-10,185		-10,185	7
				-121,936		-121,936	8
				-3,395		-3,395	9
				11		11	10
				133		133	11
				-67,753		-67,753	12
				171,293		171,293	13
				-1,759,470		-1,759,470	14
4,366,580			442,190,842	153,849,023		596,039,865	

PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
				45		45	1
				-150		-150	2
				86		86	3
				107		107	4
527							5
				125,153		125,153	6
							7
							8
							9
							10
							11
							12
							13
							14
4,366,580			442,190,842	153,849,023		596,039,865	

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 2 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 3 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 4 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 5 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 6 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 7 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 8 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 9 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 10 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326 Line No.: 11 Column: c

This is a QF Cogeneration Facility.

Schedule Page: 326.1 Line No.: 2 Column: c

Carolina Power and Light is an affiliate of Duke Energy Corporation.

Schedule Page: 326.1 Line No.: 3 Column: c

Duke Electric Transmission is an affiliate of Duke Energy Corporation.

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
 (Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
 2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
 3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
 4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	City of Bartow	Various	Various	FNO
2	City of Bartow	Various	Various	OS
3	City of Bartow	Various	Various	AD
4	Florida Municipal Power Auth	Various	Various	FNO
5	Florida Municipal Power Auth	Various	Various	OS
6	Florida Municipal Power Auth	Various	Various	NF
7	Florida Municipal Power Auth	Various	Various	AD
8	City of Quincy	Various	Various	FNO
9	City of Quincy	Various	Various	OS
10	City of Quincy	Various	Various	AD
11	Florida Power & Light Co.	Various	Various	NF
12	Florida Power & Light Co.	Various	Various	AD
13	City of Homestead	Various	Various	OS
14	City of Homestead	Various	Various	AD
15	City of Lakeland	Various	Various	AD
16	City of Mt. Dora	Various	Various	FNO
17	City of Mt. Dora	Various	Various	OS
18	City of Mt. Dora	Various	Various	AD
19	Utilities Comm of New Smyrna Beach	Various	Various	AD
20	Orlando Utilities Comm	Various	Various	AD
21	Reedy Creek Improvement Dist.	Various	Various	NF
22	Reedy Creek Improvement Dist.	Various	Various	FNO
23	Reedy Creek Improvement Dist.	Various	Various	OS
24	Reedy Creek Improvement Dist.	Various	Various	AD
25	Seminole Electric Cooperative Inc.	Various	Various	SFP
26	Seminole Electric Cooperative Inc.	Various	Various	NF
27	Seminole Electric Cooperative Inc.	Various	Various	FNO
28	Seminole Electric Cooperative Inc.	Various	Various	OS
29	Seminole Electric Cooperative Inc.	Various	Various	AD
30	City of Tallahassee	Various	Various	NF
31	City of Tallahassee	Various	Various	AD
32	Tampa Electric Company	Various	Various	NF
33	Tampa Electric Company	Various	Various	SFP
34	Tampa Electric Company	Various	Various	AD
	TOTAL			

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
 (Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
 2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
 3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c).
 4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	The Energy Authority	Various	Various	LFP
2	The Energy Authority	Various	Various	SFP
3	The Energy Authority	Various	Various	NF
4	The Energy Authority	Various	Various	OS
5	The Energy Authority	Various	Various	AD
6	Macquarie Energy LLC	Various	Various	SFP
7	Macquarie Energy LLC	Various	Various	NF
8	City of Chattahoochee	Various	Various	FNO
9	City of Chattahoochee	Various	Various	OS
10	City of Chattahoochee	Various	Various	AD
11	City of Wauchula	Various	Various	FNO
12	City of Wauchula	Various	Various	OS
13	City of Wauchula	Various	Various	AD
14	City of Williston	Various	Various	FNO
15	City of Williston	Various	Various	OS
16	City of Williston	Various	Various	AD
17	City of Winter Park	Various	Various	FNO
18	City of Winter Park	Various	Various	OS
19	City of Winter Park	Various	Various	AD
20	DEF Tax Accrual	Various	Various	AD
21	Southeastern Power Admin	Various	Various	OS
22	The Energy Authority - CXL	Various	Various	NF
23	Reedy Creek - CXL	Various	Various	NF
24	Florida Municipal Power - CXL	Various	Various	NF
25	Florida Power & Light - CXL	Various	Various	NF
26	ORUTIL	Various	Various	NF
27	Tampa Electric Company - CXL	Various	Various	NF
28	Southern Company - CXL	Various	Various	NF
29	Exelon Generation Company LLC - CXL	Various	Various	NF
30	EDF Trading - CXL	Various	Various	NF
31	City of Tallahassee CXL	Various	Various	NF
32	P2P	Various	Various	
33				
34				
	TOTAL			

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.

6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.

7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.

8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
T6/136	Various	Various		296,855	292,707	1
T6/136	Various	Various				2
	Various	Various				3
T6/148	Various	Various		2,067,394	2,037,637	4
T6/148	Various	Various				5
	Various	Various				6
	Various	Various				7
T6/137	Various	Various		130,418	128,596	8
T6/137	Various	Various				9
	Various	Various				10
T6/7C	Various	Various				11
	Various	Various				12
	Various	Various				13
	Various	Various				14
	Various	Various				15
T6/133	Various	Various		94,616	93,294	16
	Various	Various				17
	Various	Various				18
	Various	Various				19
	Various	Various				20
	Various	Various				21
T6/147	Various	Various		862,134	850,091	22
	Various	Various				23
	Various	Various				24
T6/24	Various	Various				25
T6/24	Various	Various				26
T6/143	Various	Various		11,783,178	11,618,051	27
	Various	Various				28
	Various	Various				29
	Various	Various				30
	Various	Various				31
T6/160C	Various	Various				32
	Various	Various				33
	Various	Various				34
			4	16,045,519	15,809,539	

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
 (Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.

6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.

7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.

8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
T6/140	Various	Various	4			1
	Various	Various				2
T6/68C	Various	Various				3
	Various	Various				4
	Various	Various				5
	Various	Various				6
	Various	Various				7
	Various	Various		39,094	38,548	8
	Various	Various				9
	Various	Various				10
T6/150	Various	Various		65,424	64,510	11
	Various	Various				12
	Various	Various				13
T6/125	Various	Various		36,837	35,954	14
	Various	Various				15
	Various	Various				16
T6/124	Various	Various		367,971	362,831	17
	Various	Various				18
	Various	Various				19
	Various	Various				20
	Various	Various		218,251	203,973	21
	Various	Various				22
	Various	Various				23
	Various	Various				24
	Various	Various				25
	Various	Various				26
	Various	Various				27
	Various	Various				28
	Various	Various				29
	Various	Various				30
	Various	Various				31
	Various	Various		83,347	83,347	32
						33
						34
			4	16,045,519	15,809,539	

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
1,797,667		186,223	1,983,890	1
		22,740	22,740	2
		199,400	199,400	3
13,117,960		1,363,077	14,481,037	4
		249,419	249,419	5
		391	391	6
		1,452,037	1,452,037	7
537,226		120,394	657,620	8
		9,900	9,900	9
		64,132	64,132	10
		121	121	11
		99	99	12
		54	54	13
		142,492	142,492	14
		45	45	15
646,457		149,012	795,469	16
		6,900	6,900	17
		71,775	71,775	18
		-8,774	-8,774	19
		6	6	20
		81,307	81,307	21
4,270,867		977,484	5,248,351	22
		37,980	37,980	23
		669,037	669,037	24
		38,078	38,078	25
		16,142	16,142	26
78,467,002		10,894,638	89,361,640	27
		820,977	820,977	28
		8,119,205	8,119,205	29
		1,334	1,334	30
		13,708	13,708	31
		60,975	60,975	32
		92,954	92,954	33
		573	573	34
97,074,446	0	27,652,212	124,726,658	

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
 (Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
135,948		14,069	150,017	1
		25,675	25,675	2
		26,491	26,491	3
		75,564	75,564	4
		16,410	16,410	5
		13,761	13,761	6
		303,549	303,549	7
147,789		33,417	181,206	8
		3,840	3,840	9
		16,929	16,929	10
384,318		88,506	472,824	11
		5,340	5,340	12
		45,450	45,450	13
237,424		54,311	291,735	14
		3,300	3,300	15
		26,978	26,978	16
2,204,738		331,070	2,535,808	17
		8,400	8,400	18
		261,185	261,185	19
-4,872,950			-4,872,950	20
		334,858	334,858	21
		5,864	5,864	22
		4,122	4,122	23
		1,386	1,386	24
		70,776	70,776	25
		30,747	30,747	26
		-109,918	-109,918	27
		49,454	49,454	28
		3,422	3,422	29
		1,218	1,218	30
		52,203	52,203	31
				32
				33
				34
97,074,446	0	27,652,212	124,726,658	

TRANSMISSION OF ELECTRICITY BY ISO/RTOs

1. Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
3. In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or “true-ups” for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
4. In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
5. In column (d) report the revenue amounts as shown on bills or vouchers.
6. Report in column (e) the total revenues distributed to the entity listed in column (a).

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
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35					
36					
37					
38					
39					
40	TOTAL				

TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	TAMPA ELECTRIC COMPANY	NF			7,035,405			7,035,405
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL				7,035,405			7,035,405

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	648,672
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	6,697
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	24,999
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	
6	Dues to Various Organizations	436,172
7	Director's Fees and Expenses	762,709
8	Employees Moving Expenses	114,478
9	Employee Expenses	11,942,296
10	Miscellaneous Expenses	-495,485
11	Service Company Allocations	-27,252,854
12		
13		
14		
15		
16		
17		
18		
19		
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21		
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45		
46	TOTAL	-13,812,316

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
 (Except amortization of acquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).

2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.

3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.

Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.

For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.

4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			31,459,143		31,459,143
2	Steam Production Plant	72,092,032				72,092,032
3	Nuclear Production Plant		-406,979			-406,979
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	145,263,321				145,263,321
7	Transmission Plant	88,502,065				88,502,065
8	Distribution Plant	194,580,632				194,580,632
9	Regional Transmission and Market Operation					
10	General Plant	41,154,855		381		41,155,236
11	Common Plant-Electric					
12	TOTAL	541,592,905	-406,979	31,459,524		572,645,450

B. Basis for Amortization Charges

Limited term electric depreciable plant base is \$ \$103,538,146, which is the cost of capitalized software and franchise agreements. This includes amortized assets which have been fully amortized but not yet retired. Intangible plant is amortized over 5 and 10 years.

Franchise Agreements:
 The amortization period coincides with the term stated in each respective agreement between DEF and the grantor of the franchise. The term is authorized in an Ordinance approved by each grantor. The Ordinance No. and the terms are below:
 City of Longwood, Ordinance 03-1666 30 Year Term
 City of Maitland, Ordinance 1117 30 Year Term
 City of Edgewood, Ordinance 2005-003 30 Year Term
 City of Casselberry, Ordinance 03-1086 30 Year Term
 City of Apopka, Ordinance 1628 30 Year Term
 Town of Belleair, Ordinance 437 30 Year Term

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13							
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Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 336 Line No.: 12 Column: a

This section is not being completed for 2020 since it is only required every 5 years unless there is a new depreciation study.

REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	FERC Fee for Fiscal Year 2020	1,484,245		1,484,245	
2	Regulatory Assessment Fee owed to the FPSC	3,350,667		3,350,667	
3					
4					
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44					
45					
46	TOTAL	4,834,912		4,834,912	

REGULATORY COMMISSION EXPENSES (Continued)

- 3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
- 4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
- 5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
	0928000	1,484,245					1
	0928000	3,350,667					2
							3
							4
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							6
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		4,834,912					46

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).

2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

(1) Generation

a. hydroelectric

i. Recreation fish and wildlife

ii Other hydroelectric

b. Fossil-fuel steam

c. Internal combustion or gas turbine

d. Nuclear

e. Unconventional generation

f. Siting and heat rejection

(2) Transmission

a. Overhead

b. Underground

(3) Distribution

(4) Regional Transmission and Market Operation

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$50,000.)

(7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:

(1) Research Support to the electrical Research Council or the Electric Power Research Institute

Line No.	Classification (a)	Description (b)
1	A. Electric R, D&D Performed Internally:	
2		
3	(3) Distribution	Research & Development Administration Costs
4		
5	(7) TOTAL ELECTRIC R, D&D PERFORMED INTERNALLY	
6		
7	B. Electric R, D&D Performed Externally:	
8		
9	(1) Electric Power Research Institute	Electric Power Research Institute Membership
10		Other (Less than \$50K each)
11		
12		
13		
14		
15	TOTAL ELECTRIC R, D&D PERFORMED EXTERNALLY	
16		
17		
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

- (2) Research Support to Edison Electric Institute
 - (3) Research Support to Nuclear Power Groups
 - (4) Research Support to Others (Classify)
 - (5) Total Cost Incurred
3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.
4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)
5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.
6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."
7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
					2
6,697		930.7	6,697		3
					4
6,697			6,697		5
					6
					7
					8
	1,352,525	Various	1,352,525		9
	32,186	Various	32,186		10
					11
					12
					13
					14
	1,384,711		1,384,711		15
					16
					17
					18
					19
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	250,782,145	1,800,905	252,583,050
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	169,238,325	11,934,543	181,172,868
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	169,238,325	11,934,543	181,172,868
72	Plant Removal (By Utility Departments)			
73	Electric Plant	24,450,656		24,450,656
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	24,450,656		24,450,656
77	Other Accounts (Specify, provide details in footnote):			
78	Stores Expense Undistributed	13,735,448	-13,735,448	
79	Clearing Accounts		-3	-3
80	Misc Deferred Debits	1,788,756		1,788,756
81	All Other Accounts	7,930,072		7,930,072
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	23,454,273	-13,735,448	9,718,825
96	TOTAL SALARIES AND WAGES	467,925,399		467,925,399

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

Schedule Page: 354 Line No.: 81 Column: b

All other accounts include \$7,193,367 related to nonutility operations and \$736,705 related to civic and political activities

Name of Respondent Duke Energy Florida, LLC Document Accession #: 20210419-8104	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report End of <u>2020/Q4</u>
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COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

DEF has no common Utility Plant & Expenses to report for the year ending 2020.

AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)	347	(262)	773	769
3	Net Sales (Account 447)		49	54	60
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
7					
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43					
44					
45					
46	TOTAL	347	(213)	827	829

PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

		Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch				35,947	MW	3,492,228
2	Reactive Supply and Voltage				28,486	MW	5,708,863
3	Regulation and Frequency Response				30,439	MW	4,636,059
4	Energy Imbalance			667,224			2,457,974
5	Operating Reserve - Spinning				2,181	MW	119,902
6	Operating Reserve - Supplement				2,181	MW	323,796
7	Other						
8	Total (Lines 1 thru 7)			667,224	99,234		16,738,822

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on Column (b) by month the transmission system's peak load.
- (3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
- (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	10,999	22	8	7,795	3,164	4	36		
2	February	8,570	13	17	5,958	2,572	4	36		
3	March	9,929	30	18	7,177	2,712	4	36		
4	Total for Quarter 1				20,930	8,448	12	108		
5	April	10,078	13	17	7,370	2,668	4	36		
6	May	10,931	22	17	7,811	3,080	4	36		
7	June	12,133	25	17	8,748	3,345	4	36		
8	Total for Quarter 2				23,929	9,093	12	108		
9	July	11,713	14	17	8,477	3,196	4	36		
10	August	11,975	25	17	8,608	3,327	4	36		
11	September	11,988	3	17	8,625	3,323	4	36		
12	Total for Quarter 3				25,710	9,846	12	108		
13	October	10,711	7	16	7,814	2,857	4	36		
14	November	8,582	15	16	6,205	2,337	4	36		
15	December	9,848	27	9	6,663	3,145	4	36		
16	Total for Quarter 4				20,682	8,339	12	108		
17	Total Year to Date/Year				91,251	35,726	48	432		

MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on Column (b) by month the transmission system's peak load.
- (3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
- (4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).
- (5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Imports into ISO/RTO (e)	Exports from ISO/RTO (f)	Through and Out Service (g)	Network Service Usage (h)	Point-to-Point Service Usage (i)	Total Usage (j)
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year									

ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	39,230,213
3	Steam	5,531,160	23	Requirements Sales for Resale (See instruction 4, page 311.)	2,886,789
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	132,534
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	109,876
7	Other	34,822,741	27	Total Energy Losses	2,597,049
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	44,956,461
9	Net Generation (Enter Total of lines 3 through 8)	40,353,901			
10	Purchases	4,366,580			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received	16,045,519			
17	Delivered	15,809,539			
18	Net Transmission for Other (Line 16 minus line 17)	235,980			
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	44,956,461			

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MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	3,091,457	4,455	8,408	22	800
30	February	2,889,057	4,431	6,313	13	1700
31	March	3,397,523	3,970	8,091	30	1800
32	April	3,262,049	5,730	8,147	13	1700
33	May	3,777,450	2,375	8,593	22	1700
34	June	4,309,379	9,565	9,649	25	1700
35	July	4,708,698	20,904	9,395	14	1700
36	August	4,762,540	32,675	9,625	25	1700
37	September	4,235,405	17,570	9,535	3	1700
38	October	4,026,434	14,319	8,470	7	1600
39	November	3,178,409	9,760	6,944	15	1600
40	December	3,318,060	6,780	7,552	27	900
41	TOTAL	44,956,461	132,534			

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: <i>Anclote</i> (b)	Plant Name: <i>Crystal River North</i> (c)	
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Steam	Steam	
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	conventional	
3	Year Originally Constructed	1974	1982	
4	Year Last Unit was Installed	1978	1984	
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	1112.00	1478.00	
6	Net Peak Demand on Plant - MW (60 minutes)	1048	1520	
7	Plant Hours Connected to Load	8760	7277	
8	Net Continuous Plant Capability (Megawatts)	0	0	
9	When Not Limited by Condenser Water	1035	1442	
10	When Limited by Condenser Water	1013	1422	
11	Average Number of Employees	44	138	
12	Net Generation, Exclusive of Plant Use - KWh	2243889000	3287271000	
13	Cost of Plant: Land and Land Rights	1909092	1642586	
14	Structures and Improvements	44604808	463183523	
15	Equipment Costs	428914864	2313954707	
16	Asset Retirement Costs	1048789	0	
17	Total Cost	476477553	2778780816	
18	Cost per KW of Installed Capacity (line 17/5) Including	428.4870	1880.0953	
19	Production Expenses: Oper, Supv, & Engr	2291901	1367081	
20	Fuel	96967633	134402451	
21	Coolants and Water (Nuclear Plants Only)	0	0	
22	Steam Expenses	34131	1644791	
23	Steam From Other Sources	0	0	
24	Steam Transferred (Cr)	0	0	
25	Electric Expenses	0	65027	
26	Misc Steam (or Nuclear) Power Expenses	3415889	5114588	
27	Rents	0	0	
28	Allowances	35	10130	
29	Maintenance Supervision and Engineering	1397339	3565401	
30	Maintenance of Structures	4904104	15135207	
31	Maintenance of Boiler (or reactor) Plant	766478	10372003	
32	Maintenance of Electric Plant	2635746	3581353	
33	Maintenance of Misc Steam (or Nuclear) Plant	1119636	3755446	
34	Total Production Expenses	113532892	179013478	
35	Expenses per Net KWh	0.0506	0.0545	
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	GAS	OIL	COAL
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	MCF	BBL	TONS
38	Quantity (Units) of Fuel Burned	25624371	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1026287	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	3.784	0.000	0.000
41	Average Cost of Fuel per Unit Burned	3.784	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	3.687	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.043	0.000	0.000
44	Average BTU per KWh Net Generation	11719.818	0.000	0.000

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: <i>Osprey</i> (b)	Plant Name: <i>Tiger Bay</i> (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	combined cycle	combined cycle
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	conventional	conventional
3	Year Originally Constructed	2004	1997
4	Year Last Unit was Installed	2004	1997
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	644.00	278.00
6	Net Peak Demand on Plant - MW (60 minutes)	597	224
7	Plant Hours Connected to Load	6369	3706
8	Net Continuous Plant Capability (Megawatts)	0	0
9	When Not Limited by Condenser Water	600	231
10	When Limited by Condenser Water	583	200
11	Average Number of Employees	30	1
12	Net Generation, Exclusive of Plant Use - KWh	2369656000	765436000
13	Cost of Plant: Land and Land Rights	906395	0
14	Structures and Improvements	70905219	11375341
15	Equipment Costs	319417559	80803713
16	Asset Retirement Costs	0	0
17	Total Cost	391229173	92179054
18	Cost per KW of Installed Capacity (line 17/5) Including	607.4987	331.5793
19	Production Expenses: Oper, Supv, & Engr	1538337	954432
20	Fuel	53371541	19212143
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	0	0
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	0	0
26	Misc Steam (or Nuclear) Power Expenses	1438521	374844
27	Rents	0	0
28	Allowances	20	8
29	Maintenance Supervision and Engineering	83672	36437
30	Maintenance of Structures	349587	162593
31	Maintenance of Boiler (or reactor) Plant	0	0
32	Maintenance of Electric Plant	2478719	2359104
33	Maintenance of Misc Steam (or Nuclear) Plant	5298232	666321
34	Total Production Expenses	64558629	23765882
35	Expenses per Net KWh	0.0272	0.0310
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	GAS	GAS
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	MCF	MCF
38	Quantity (Units) of Fuel Burned	17041673	5912977
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1022166	1023712
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	3.132	3.249
41	Average Cost of Fuel per Unit Burned	3.132	3.249
42	Average Cost of Fuel Burned per Million BTU	3.064	3.174
43	Average Cost of Fuel Burned per KWh Net Gen	0.023	0.025
44	Average BTU per KWh Net Generation	7351.034	7908.157

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: <i>Debary</i> (b)	Plant Name: <i>Intercession City</i> (c)				
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	combustion turbine	combustion turbine				
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	conventional	conventional				
3	Year Originally Constructed	1975	1974				
4	Year Last Unit was Installed	1992	2000				
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	748.00	1197.00				
6	Net Peak Demand on Plant - MW (60 minutes)	450	898				
7	Plant Hours Connected to Load	1135	1616				
8	Net Continuous Plant Capability (Megawatts)	0	0				
9	When Not Limited by Condenser Water	707	1198				
10	When Limited by Condenser Water	559	951				
11	Average Number of Employees	12	25				
12	Net Generation, Exclusive of Plant Use - KWh	138127000	318955210				
13	Cost of Plant: Land and Land Rights	2055281	746305				
14	Structures and Improvements	10646254	17399953				
15	Equipment Costs	157167837	291768165				
16	Asset Retirement Costs	0	0				
17	Total Cost	169869372	309914423				
18	Cost per KW of Installed Capacity (line 17/5) Including	227.0981	258.9093				
19	Production Expenses: Oper, Supv, & Engr	740955	2561063				
20	Fuel	8943588	15153566				
21	Coolants and Water (Nuclear Plants Only)	0	0				
22	Steam Expenses	0	0				
23	Steam From Other Sources	0	0				
24	Steam Transferred (Cr)	0	0				
25	Electric Expenses	0	0				
26	Misc Steam (or Nuclear) Power Expenses	891736	1229313				
27	Rents	0	0				
28	Allowances	4	0				
29	Maintenance Supervision and Engineering	361835	1384330				
30	Maintenance of Structures	565947	396944				
31	Maintenance of Boiler (or reactor) Plant	0	0				
32	Maintenance of Electric Plant	474545	1230943				
33	Maintenance of Misc Steam (or Nuclear) Plant	1924774	1541374				
34	Total Production Expenses	13903384	23497533				
35	Expenses per Net KWh	0.1007	0.0737				
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	GAS	OIL		GAS	OIL	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	MCF	BBL		MCF	BBL	
38	Quantity (Units) of Fuel Burned	1736549	22052	0	4038824	31580	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1028187	5768502	0	1026590	5801235	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	3.700	0.000	0.000	2.980	0.000	0.000
41	Average Cost of Fuel per Unit Burned	3.700	114.189	0.000	2.980	98.734	0.000
42	Average Cost of Fuel Burned per Million BTU	3.599	19.795	0.000	2.903	17.020	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.050	0.274	0.000	0.039	0.231	0.000
44	Average BTU per KWh Net Generation	13847.434	13847.378	0.000	13573.708	13573.710	0.000

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>Bartow</i> (d)			Plant Name: <i>Citrus County</i> (e)			Plant Name: <i>Hines</i> (f)			Line No.
	combined cycle			combined cycle			combined cycle		1
	conventional			conventional			conventional		2
	2009			2018			1999		3
	2009			2018			2007		4
	1254.00			1971.00			2263.00		5
	1197			1889			2132		6
	8593			8261			8760		7
	0			0			0		8
	1308			1884			2184		9
	1169			1610			2054		10
	60			50			58		11
	6821682000			11660453000			11640345000		12
	1811514			20344325			11396422		13
	90943184			108613106			104884246		14
	643303082			1289315613			1140837467		15
	0			0			0		16
	736057780			1418273044			1257118135		17
	586.9679			719.5703			555.5096		18
	2641746			6276616			8137987		19
	156081601			301389689			271275135		20
	0			0			0		21
	34788			0			0		22
	0			0			0		23
	0			0			0		24
	0			0			0		25
	2799271			3130257			4175826		26
	0			0			0		27
	56			0			107		28
	2105932			2418005			334245		29
	1254374			1169207			1392081		30
	0			0			0		31
	2277234			1796233			9407918		32
	8504634			5355013			10313401		33
	175699636			321535020			305036700		34
	0.0258			0.0276			0.0262		35
GAS			GAS			OIL	GAS		36
MCF			MCF			BBL	MCF		37
50683085	0	0	77406966	0	0	3144	83183446	0	38
1022091	0	0	1029239	0	0	5777990	1023260	0	39
3.080	0.000	0.000	3.894	0.000	0.000	0.000	3.258	0.000	40
3.080	0.000	0.000	3.894	0.000	0.000	79.147	3.258	0.000	41
3.013	0.000	0.000	3.783	0.000	0.000	13.698	3.184	0.000	42
0.023	0.000	0.000	0.026	0.000	0.000	0.100	0.023	0.000	43
7593.837	0.000	0.000	6832.520	0.000	0.000	7314.117	7313.912	0.000	44

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>Avon Park</i> (d)			Plant Name: <i>Bartow Ct</i> (e)			Plant Name: <i>Bayboro</i> (f)			Line No.
combustion turbine			combustion turbine			combustion turbine			1
conventional			conventional			conventional			2
1968			1972			1973			3
1968			1972			1973			4
67.00			222.00			227.00			5
53			185			181			6
109			437			58			7
0			0			0			8
50			223			238			9
48			168			171			10
0			0			0			11
610300			19842000			3655350			12
0			0			1597635			13
22686			2438638			1948809			14
0			37603978			25632511			15
0			0			0			16
22686			40042616			29178955			17
0.3386			180.3721			128.5417			18
81785			0			178228			19
171079			1674858			1359161			20
0			0			0			21
0			0			0			22
0			0			0			23
0			0			0			24
0			0			0			25
56391			0			196388			26
0			0			0			27
0			0			0			28
9069			0			25808			29
40386			0			32538			30
0			0			0			31
34152			0			87163			32
48540			0			276752			33
441402			1674858			2156038			34
0.7233			0.0844			0.5898			35
GAS	OIL		GAS	OIL		OIL			36
MCF	BBL		MCF	BBL		BBL			37
737	1616	0	256009	6881	0	9725	0	0	38
1027137	5816213	0	1025569	5711960	0	5711979	0	0	39
3.548	104.248	0.000	3.746	0.000	0.000	0.000	0.000	0.000	40
3.548	104.248	0.000	3.746	104.045	0.000	139.759	0.000	0.000	41
3.454	17.924	0.000	3.652	18.215	0.000	24.468	0.000	0.000	42
0.057	0.298	0.000	0.056	0.277	0.000	0.372	0.000	0.000	43
16644.679	16640.700	0.000	15213.154	15212.999	0.000	15198.085	0.000	0.000	44

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>Suwannee</i> (d)	Plant Name: <i>Univ of Florida</i> (e)	Plant Name: (f)	Line No.						
combustion turbine	combined cycle		1						
conventional	conventional		2						
1980	1994		3						
1980	1994		4						
184.00	54.00	0.00	5						
154	224	0	6						
953	7481	0	7						
0	0	0	8						
203	43	0	9						
149	43	0	10						
15	9	0	11						
58898000	318964700	0	12						
22059	0	0	13						
4581586	6785836	0	14						
46587658	46043308	0	15						
0	0	0	16						
51191303	52829144	0	17						
278.2136	978.3175	0	18						
172015	1801104	0	19						
3319310	11019190	0	20						
0	0	0	21						
0	0	0	22						
0	0	0	23						
0	0	0	24						
0	0	0	25						
328864	440801	0	26						
0	0	0	27						
-4	4	0	28						
245900	532343	0	29						
90207	135043	0	30						
0	0	0	31						
122742	51271	0	32						
1078675	1841405	0	33						
5357709	15821161	0	34						
0.0910	0.0496	0.0000	35						
GAS	OIL		GAS						36
MCF	BBL		MCF						37
808743	2691	0	3199145	0	0	0	0	0	38
1026570	5817168	0	1027036	0	0	0	0	0	39
3.798	0.000	0.000	3.436	0.000	0.000	0.000	0.000	0.000	40
3.798	91.968	0.000	3.436	0.000	0.000	0.000	0.000	0.000	41
3.700	15.810	0.000	3.345	0.000	0.000	0.000	0.000	0.000	42
0.053	0.227	0.000	0.034	0.000	0.000	0.000	0.000	0.000	43
14362.027	14362.390	0.000	10300.929	0.000	0.000	0.000	0.000	0.000	44

HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: (b)	FERC Licensed Project No. 0 Plant Name: (c)
1	Kind of Plant (Run-of-River or Storage)		
2	Plant Construction type (Conventional or Outdoor)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total installed cap (Gen name plate Rating in MW)	0.00	0.00
6	Net Peak Demand on Plant-Megawatts (60 minutes)	0	0
7	Plant Hours Connect to Load	0	0
8	Net Plant Capability (in megawatts)		
9	(a) Under Most Favorable Oper Conditions	0	0
10	(b) Under the Most Adverse Oper Conditions	0	0
11	Average Number of Employees	0	0
12	Net Generation, Exclusive of Plant Use - Kwh	0	0
13	Cost of Plant		
14	Land and Land Rights	0	0
15	Structures and Improvements	0	0
16	Reservoirs, Dams, and Waterways	0	0
17	Equipment Costs	0	0
18	Roads, Railroads, and Bridges	0	0
19	Asset Retirement Costs	0	0
20	TOTAL cost (Total of 14 thru 19)	0	0
21	Cost per KW of Installed Capacity (line 20 / 5)	0.0000	0.0000
22	Production Expenses		
23	Operation Supervision and Engineering	0	0
24	Water for Power	0	0
25	Hydraulic Expenses	0	0
26	Electric Expenses	0	0
27	Misc Hydraulic Power Generation Expenses	0	0
28	Rents	0	0
29	Maintenance Supervision and Engineering	0	0
30	Maintenance of Structures	0	0
31	Maintenance of Reservoirs, Dams, and Waterways	0	0
32	Maintenance of Electric Plant	0	0
33	Maintenance of Misc Hydraulic Plant	0	0
34	Total Production Expenses (total 23 thru 33)	0	0
35	Expenses per net KWh	0.0000	0.0000

HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."
6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.

FERC Licensed Project No. 0 Plant Name: (d)	FERC Licensed Project No. 0 Plant Name: (e)	FERC Licensed Project No. 0 Plant Name: (f)	Line No.
			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
			8
0	0	0	9
0	0	0	10
0	0	0	11
0	0	0	12
			13
0	0	0	14
0	0	0	15
0	0	0	16
0	0	0	17
0	0	0	18
0	0	0	19
0	0	0	20
0.0000	0.0000	0.0000	21
			22
0	0	0	23
0	0	0	24
0	0	0	25
0	0	0	26
0	0	0	27
0	0	0	28
0	0	0	29
0	0	0	30
0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35

PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)

1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.
3. If net peak demand for 60 minutes is not available, give the which is available, specifying period.
4. If a group of employees attends more than one generating plant, report on line 8 the approximate average number of employees assignable to each plant.
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

Line No.	Item (a)	FERC Licensed Project No. Plant Name: (b)
1	Type of Plant Construction (Conventional or Outdoor)	
2	Year Originally Constructed	
3	Year Last Unit was Installed	
4	Total installed cap (Gen name plate Rating in MW)	
5	Net Peak Demand on Plant-Megawatts (60 minutes)	
6	Plant Hours Connect to Load While Generating	
7	Net Plant Capability (in megawatts)	
8	Average Number of Employees	
9	Generation, Exclusive of Plant Use - Kwh	
10	Energy Used for Pumping	
11	Net Output for Load (line 9 - line 10) - Kwh	
12	Cost of Plant	
13	Land and Land Rights	
14	Structures and Improvements	
15	Reservoirs, Dams, and Waterways	
16	Water Wheels, Turbines, and Generators	
17	Accessory Electric Equipment	
18	Miscellaneous Powerplant Equipment	
19	Roads, Railroads, and Bridges	
20	Asset Retirement Costs	
21	Total cost (total 13 thru 20)	
22	Cost per KW of installed cap (line 21 / 4)	
23	Production Expenses	
24	Operation Supervision and Engineering	
25	Water for Power	
26	Pumped Storage Expenses	
27	Electric Expenses	
28	Misc Pumped Storage Power generation Expenses	
29	Rents	
30	Maintenance Supervision and Engineering	
31	Maintenance of Structures	
32	Maintenance of Reservoirs, Dams, and Waterways	
33	Maintenance of Electric Plant	
34	Maintenance of Misc Pumped Storage Plant	
35	Production Exp Before Pumping Exp (24 thru 34)	
36	Pumping Expenses	
37	Total Production Exp (total 35 and 36)	
38	Expenses per KWh (line 37 / 9)	

PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)

6. Pumping energy (Line 10) is that energy measured as input to the plant for pumping purposes.

7. Include on Line 36 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed leave Lines 36, 37 and 38 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other resources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier contract number, and date of contract.

FERC Licensed Project No. Plant Name: (c)	FERC Licensed Project No. Plant Name: (d)	FERC Licensed Project No. Plant Name: (e)	Line No.
			1
			2
			3
			4
			5
			6
			7
			8
			9
			10
			11
			12
			13
			14
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			19
			20
			21
			22
			23
			24
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			32
			33
			34
			35
			36
			37
			38

GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
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41						
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45						
46						

GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents (per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
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						41
						42
						43
						44
						45
						46

TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	500KV LINES							
2	CENTRAL FLORIDA	KATHLEEN	500.00	500.00	ST	44.22		1
3	CRYSTAL RIVER SUB	BROOKRIDGE	500.00	500.00	ST	34.47		1
4					SP	0.62		
5	BROOKRIDGE	LAKE TARPON	500.00	500.00	ST	37.63		1
6	CRYSTAL RIVER	CENTRAL FLORIDA	500.00	500.00	ST	51.51		1
7					SP	0.19		
8	Tot. 500KV Lines							
9								
10	230 KV LINES							
11	BARTOW PLANT	NORTHEAST #3	230.00	230.00	HPOF	3.91		1
12	BARTOW PLANT	NORTHEAST #5	230.00	230.00	HPOF	3.98		1
13	BARTOW PLANT	NORTHEAST #6	230.00	230.00	XLPE	3.86		1
14	CENTRAL FLORIDA	BUSHNELL EAST	230.00	230.00	SP	8.61		1
15	AVON PARK	FORT MEADE	230.00	230.00	ST	4.30		1
16					CP	2.01		
17					WH	20.15		
18					WP	0.94		
19					SP		1.22	
20	AVON PARK	FISHEATING CREEK	230.00	230.00	SP	9.06		1
21					CP	17.05		
22					WH	3.29		
23	ANCLOTE PLANT	LARGO	230.00	230.00	SH	15.29		1
24					SP	8.54		
25	ANCLOTE PLANT	EAST CLEARWATER	230.00	230.00	SH		15.30	1
26	ANCLOTE PLANT	SEVEN SPRINGS	230.00	230.00	SP	7.71		1
27	ALTAMONTE	WOODSMERE	230.00	230.00	WP	0.09		1
28					ST		0.56	
29					WH	10.98		
30					SP	1.09		
31	BARCOLA	CITY OF LAKELAND TIE	230.00	230.00	WH	18.68		1
32	BARTOW PLANT	NORTHEAST #1	230.00	230.00	SP	1.53		1
33	BARTOW PLANT	NORTHEAST #7	230.00	230.00	XLPE	3.83		1
34	BARTOW PLANT	NORTHEAST #8	230.00	230.00	XLPE	3.89		1
35	BARTOW PLANT	NORTHEAST #9		230.00				
36					TOTAL	4,462.11	734.38	124

TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	BARCOLA	PEBBLEDALE	230.00	230.00	CP	3.86		1
2	BROOKRIDGE	BROOKRIDGE	230.00	230.00	WP	0.21		1
3	CRYSTAL RIVER	CURLEW	230.00	230.00	ST	77.82	76.61	2
4					CP	0.34		1
5	CRYSTAL RIVER	CENTRAL FLORIDA	230.00	230.00	ST	50.85	37.26	2
6	CRYSTAL RIVER	FT. WHITE	230.00	230.00	WH	73.45		1
7	CENTRAL FLORIDA	SILVER SPRINGS	230.00	230.00	ST	27.28		2
8					CP	0.33		1
9	CENTRAL FLORIDA	SORRENTO	230.00	230.00	CP	14.64		1
10					SP	14.95		
11	CENTRAL FLORIDA	WINDERMERE	230.00	230.00	ST	45.46	43.62	2
12	CRAWFORDVILLE	PERRY	230.00	230.00	ST	11.72		1
13					CP	2.05	1.35	1
14					WH	40.61		
15	CRAWFORDVILLE	PORT ST. JOE	230.00	230.00	WH	58.78		1
16					SP	2.65		
17					SH	0.65		
18	CRYSTAL RIVER EAST	SEVEN SPRINGS	230.00	230.00	ST		2.90	1
19	DEBARY	ALTAMONTE	230.00	230.00	SP	3.40	8.66	1
20					WP	0.06		1
21					WH	3.23		
22					ST	0.49	3.23	
23					CP	0.05	0.30	
24	DEBARY	DELAND WEST	230.00	230.00	WH	7.15		1
25					WP	1.94		
26					CP	1.13		
27	DEBARY	NORTH LONGWOOD	230.00	230.00	WH	1.32		1
28					CH		2.49	
29					ST	3.36		
30					CP	0.42		
31					SP	9.21		
32	DEARMAN	SILVER SPRINGS NORTH	230.00	230.00	CP	4.27		1
33					ST		1.21	
34	DEBARY	WINTER SPRINGS	230.00	230.00	WH	3.23		1
35					SP	16.98		
36					TOTAL	4,462.11	734.38	124

TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1					ST	0.58		
2	FORT WHITE	SILVER SPRINGS	230.00	230.00	CP	2.26		1
3					CH	62.34		
4					CH	12.26		
5	40TH ST	PASADENA FSP	230.00	230.00	CP	0.19		1
6					SP	4.02		
7	FORT MEADE	VANDOLAH	230.00	230.00	WH	16.03		1
8					CP	6.15		
9					CP	1.79		
10	FORT MEADE	WEST LAKE WALES	230.00	230.00	SP	19.90		1
11								
12	HINES ENERGY	FORT MEADE	230.00	230.00	SP	6.41		1
13	HINES ENERGY	BARCOLA	230.00	230.00	SP	3.09		1
14	HINES ENERGY	BARCOLA (2ND CIRCUIT)	230.00	230.00	SP		3.09	1
15	HINES ENERGY	TIGER BAY	230.00	230.00	SP	0.60	3.51	
16	HINES PLANT	HINES	230.00	230.00	SP	0.97		
17	HINES	WEST LAKE WALES	230.00	230.00	SP	20.57		1
18	OLD SUB NORTH	NEW SUB NORTH	230.00	230.00	SP	0.22		1
19	INTERCESSION CITY	LAKE BRYAN	230.00	230.00	SP	7.84	2.31	1
20	KATHLEEN	WEST LAKELAND	230.00	230.00	WH	14.50		1
21					CP	1.31		
22	KATHLEEN	ZEPHYRHILLS NORTH	230.00	230.00	WH	0.83		1
23					CP	8.70		
24					WP	1.35		
25	LARGO	PASADENA	230.00	230.00	ST	0.16	1.21	1
26					SP	13.46		
27	LAKE TARPON	CURLEW	230.00	230.00	ST	4.32		1
28	LAKE TARPON	HIGGINS	230.00	230.00	CP	2.57		1
29					SP	2.22		
30	LAKE TARPON	LARGO	230.00	230.00	SP	14.49		1
31					CP	2.90		
32	LAKE TARPON	SEVEN SPRINGS	230.00	230.00	ST	2.90	8.90	1
33	LAKE TARPON	TECO EXIST	230.00	230.00	ST	0.68		1
34					SP	0.81		
35	NORTHEAST	CURLEW	230.00	230.00	ST	16.95	12.78	2
36					TOTAL	4,462.11	734.38	124

TRANSMISSION LINE STATISTICS

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6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	NORTHEAST	40TH ST.	230.00	230.00	SP	8.41		
2	NORTH LONGWOOD	PIEDMONT	230.00	230.00	SP	4.46	2.74	1
3					WH	3.15		
4	NORTH LONGWOOD	FP&L CO TIE (SANFORD)	230.00	230.00	SP	6.10		1
5					SP	0.71		
6	NORTH LONGWOOD	RIO PINAR	230.00	230.00	SP	1.62	2.88	1
7					CP	0.17		
8					AT	10.91		
9	NEWBERRY	WILCOX	230.00	230.00	SP	19.33		1
10	NORTHEAST PINELLAS	RESOURCE RECOVERY FL	230.00	230.00	CP	1.90		1
11	PIEDMONT	SORRENTO	230.00	230.00	SP	3.18		1
12					CP	7.15		
13					WH	4.80		
14	PIEDMONT	WOODSMERE	230.00	230.00	WH	6.72		1
15	PORT ST. JOE	GULF POWER	230.00	230.00	ST	1.58		1
16					SP	32.58		
17	RIO PINAR	OUC TIE	230.00	230.00	CP	2.96		1
18								
19								
20	SILVER SPRINGS	DELAND WEST	230.00	230.00	SL	39.93		1
21					ST		4.73	1
22					SH	0.92		
23					SP	1.57		
24	SUWANNEE RIVER PLANT	FORT WHITE	230.00	230.00	WH	39.01	0.90	1
25	SKY LAKE	OUC TIE	230.00	230.00	CP	2.40		1
26					WP	2.22		
27	SUWANNEE	PERRY	230.00	230.00	ST	28.68		1
28	SUWANNEE PEAKERS	SUWANNEE	230.00	230.00	SP	0.51		1
29	SUWANNEE	GEORGIA GPC TIE	230.00	230.00	ST	18.45		1
30	TIGER BAY	FORT MEADE 2	230.00	230.00	SP	0.60	1.43	1
31	ULMERTON	LARGO	230.00	230.00	ST	5.05		1
32	VANDOLAH	SEMINOLE	230.00	230.00	SP	0.03		1
33	VANDOLAH	WHIDDEN	230.00	230.00	SP	14.40		1
34	WINDERMERE	INTERCESSION CITY	230.00	230.00	SP	11.23	8.67	1
35	WINDERMERE	WOODSMERE	230.00	230.00	WH	4.68		1
36					TOTAL	4,462.11	734.38	124

TRANSMISSION LINE STATISTICS

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6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1					ST	1.82		
2	WEST LAKE WALES	FP&L TIE	230.00	230.00	AT	40.31		1
3					SH	18.17		1
4	WEST LAKE WALES	TECO TIE	230.00	230.00	AT	2.29		1
5	WINDERMERE	OUC TIE	230.00	230.00	WH	1.31		1
6	INTERCESSION CITY	GIFFORD	230.00	230.00	SP	12.35		4
7	HOLOPAW	RELIANT ENERGY 1	230.00	230.00	SP	0.03		1
8	HOLOPAW	RELIANT ENERGY 2	230.00	230.00	SP	0.05		1
9	RIO PINAR	OUC (STANTON) 2nd	230.00	230.00	CP	2.72		1
10	KATHLEEN	KATHLEEN	230.00	230.00	CP	0.14		1
11	LAKE BRYAN	WINDERMERE	230.00	230.00	SP	9.76		2
12	STANTON PLANT (OUC)	BITHLO TIE	230.00	230.00	SP	5.42		1
13	NORTHEAST	NORTHEAST (SUBST BUS)	230.00	230.00	SP	0.16		1
14	NORTHEAST	32nd (DISSTON)	230.00	230.00	SP	2.71	3.12	1
15	DUNDEE	WEST LK WALES (DWL1)	230.00	230.00	SP	9.79		1
16	HINES	WEST LK WALES CIR 2	230.00	230.00	SP	0.76	20.26	1
17	AVALON	GIFFORD	230.00	230.00	SP	7.20		1
18	INTERCESSION CITY	DUNDEE (ICD1)	230.00	230.00	SP	20.29		1
19	KATHLEEN	ZEPHYRHILLS NORTH #2	230.00	230.00	CP	12.78		1
20	DUNDEE	WEST LK WALES (DWL2)	230.00	230.00	SP	0.63	9.10	1
21	INTERCESSION CITY	DUNDEE 2nd CIR (ICD2)	230.00	230.00	SP	2.72	18.44	1
22	SANFORD (FP&L)	BITHLO	230.00	230.00	CP	0.01		1
23	HOLDER	HOLDER STRING BUS	230.00	230.00	CP	0.07		1
24	AVON PARK	FORT MEADE #2	230.00	230.00	SP	0.05	3.14	1
25					ST	18.52	7.29	1
26	CENTRAL FLORIDA	CENTRAL FLORIDA	230.00	230.00	SP	0.28		1
27	HUDSON	SHADEY HILLS	230.00	230.00	CH	0.18		1
28	BITHLO	FP&L POINSETT	230.00	230.00	SP	0.01		1
29	TIGER BAY	GENERAL PEAT	230.00	230.00	SP	0.20		1
30					CP	0.10		1
31	TIGER BAY	GENERAL PEAT #2	230.00	230.00	SP	0.18		1
32					CP	0.10		1
33	VANDOLAH	FP&L CHARLOTTE	230.00	230.00	SP	0.03		1
34	VANDOLAH	VANDOLAH	230.00	230.00	SP	0.09		1
35	VANDOLAH	SEMINOLE #2	230.00	230.00	SP	0.03		1
36					TOTAL	4,462.11	734.38	124

TRANSMISSION LINE STATISTICS

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	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	WOODSMERE	OUC TIE	230.00	230.00	ST		0.92	2
2	Tot. 230KV Lines							
3								
4	OTHER TRANS. LINES	69KV				2,125.41	219.80	
5	OTHER TRANS. LINES	115KV				827.34	204.45	
6								
7	Expenses (columns M & N)							
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
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32								
33								
34								
35								
36					TOTAL	4,462.11	734.38	124

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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
								1
2156 KCM ACSR								2
2335 KCM ACSR								3
1590 KCM ACSR								4
2335 KCM ACSR								5
2335 KCM ACSR								6
1590 KCM ACSR								7
	2,304,818	57,607,481	59,912,299					8
								9
								10
2500 KCM CU								11
2500 KCM CU								12
5000 KCMIL CU								13
1622 ACSS/TW								14
1081 KCM ACSR								15
954 KCM ACSR								16
954 KCM ACSR								17
954 KCM ACSR								18
954 KCM ACSR								19
1590 KCM ACSR								20
1590 KCM ACSR								21
1590 KCM ACSR								22
1590 KCM ACSR								23
1590 KCM ACSR								24
1590 KCM ACSR								25
2335 KCM ACAR								26
1590 KCM ACSR								27
1590 KCM ACSR								28
1590 KCM ACSR								29
1590 KCM ACSR								30
1590 KCM ACSR								31
1590 ACSR								32
5000 KCMIL CU								33
5000 KCMIL CU								34
								35
	103,888,459	2,434,569,402	2,538,457,861					36

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
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9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1622 KCM								1
1590 KCM ACSR								2
1590 KCM ACSR								3
1590 KCM ACSR								4
1590 KCM ACSR								5
954 KCM ACSR								6
1590 KCM ACSR								7
1590 KCM ACSR								8
1590 KCM ACSR								9
1590 KCM ACSR								10
1590 KCM ACSR								11
954 KCM ACSR								12
954 KCM ACSR								13
954 KCM ACSR								14
954 KCM ACSR								15
954 KCM ACSR								16
954 KCM ACSR								17
1590 KCM ACSR								18
1590 KCM ACSR								19
1590 KCM ACSR								20
1590 KCM ACSR								21
1590 KCM ACSR								22
1590/1431 KCM								23
1590 KCM ACSR								24
1590 KCM ACSR								25
1590 KCM ACSR								26
954 KCM ACSR								27
954 KCM ACSR								28
1590 KCM ACSR								29
1431 KCM ACSR								30
1590 KCM ACSR								31
954 KCM ACSR								32
954 KCM ACSR								33
1590 KCM ACSR								34
1590 KCM ACSR								35
	103,888,459	2,434,569,402	2,538,457,861					36

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1590 KCM ACSR								1
2627 KCM								2
795 KCM ACSR								3
954 KCM ACSR								4
1590 KCM ACSR								5
1590 KCM ACSR								6
954 KCM ACSR								7
2627KCMACSS/TW								8
954 KCM ACSR								9
2627 KCM								10
								11
954 KCM ACSR								12
954 KCM ACSR								13
954 KCM ACSR								14
954 KCM ACSR								15
954 KCM ACSR								16
1622 ACSS/TW								17
2335 KCM ACAR								18
1622 ACSS TW								19
1590 KCM ACSR								20
1590 KCM ACSR								21
1590 KCM ACSR								22
1590 KCM ACSR								23
1590 KCM ACSR								24
1590 KCM ACSR								25
1590 KCM ACSR								26
1590 KCM ACSR								27
1590 KCM ACSR								28
1590 KCM ACSR								29
1590 KCM ACSR								30
1590 KCM ACSR								31
1590 KCM ACSR								32
1590 KCM ACSR								33
1590 KCM ACSR								34
1590 KCM ACSR								35
	103,888,459	2,434,569,402	2,538,457,861					36

TRANSMISSION LINE STATISTICS (Continued)

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9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1590 KCA ACSR								1
2627								2
954 KCM ACSR								3
2627 KCM								4
1026 KCM								5
1590 KCM ACSR								6
954 KCM ACSR								7
954 KCM ACSR								8
1590 KCM ACSR								9
954 KCM ACSR								10
1590 KCM ACSR								11
1590 KCM ACSR								12
1590 KCM ACSR								13
954 KCM ACSR								14
795 KCM ACSR								15
954 KCM ACSSTW								16
1622 KCM ACSS								17
								18
								19
1590 KCM ACSR								20
1590 KCM ACSR								21
1590 KCM ACSR								22
1590 KCM ACSR								23
336KCM ACSR								24
954 KCM ACSR								25
954 KCM ACSR								26
795 KCM ACSR								27
795 KCM ACSR								28
954 KCM ACSR								29
954 KCM ACSR								30
1590 KCM ACSR								31
954 ACSS TW								32
1622 ACSS TW								33
1622KCM ACSS								34
1590 KCM ACSR								35
	103,888,459	2,434,569,402	2,538,457,861					36

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)

8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.

9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.

10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1590 KCM ACSR								1
954 KCM ACSR								2
795 KCM ACSS/TW								3
954 KCM ACSR								4
954 KCM ACSR								5
2627 ACCS/TW								6
954 KCM ACSR								7
954 KCM ACSR								8
1272ACSS/TW								9
2627 ACSS/TW								10
1622 ACSS/TW								11
1622 ACSS/TW								12
1590 ACSR								13
954 KCM ACSR								14
2627 ACSS/TW								15
1622 ACCS/TW								16
2627 ACSS/TW								17
2627 ACSS/TW/HS								18
1622 ACSS/TW								19
2627 ACSS/TW								20
2627 ACSS/TW								21
954 KCM ACSR								22
2627 ACSS/TW								23
2627 KCM								24
1622 KCM								25
2627 KCM								26
795 KCM ACSS/TW								27
1431 ACSR/AW								28
954 KCM ACSR								29
954 KCM ACSR								30
954 KCM ACSR								31
954 KCM ACSR								32
954 KCM ACSS/TW								33
954 KCM ACSS/TW								34
954 KCM ACSS/TW								35
	103,888,459	2,434,569,402	2,538,457,861					36

TRANSMISSION LINE STATISTICS (Continued)

- 7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
- 8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
- 9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
- 10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
954KCM ACSR								1
	44,275,273	925,221,707	969,496,980					2
								3
	46,192,568	1,002,870,019	1,049,062,587					4
	11,115,800	448,870,195	459,985,995					5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
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								32
								33
								34
								35
	103,888,459	2,434,569,402	2,538,457,861					36

TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	AVON PARK	NUCOR	6.95	SP	10.00	1	1
2	DELTONA	ORANGE CITY	0.01	CP	1.00	1	1
3	DRIFTON	WAUKEENAH	0.05	CP	2.00	2	2
4	AVON PARK	FORT MEADE	3.62	CP	10.00	1	1
5	PARKER BRANCH	MOSAIC CKT #1	0.02	CP	1.00	1	1
6	PARKER BRANCH	MOSAIC CKT #2	0.02	CP	1.00	1	1
7	FEDERAL	FEDERAL SECO	0.85	CP	1.00	1	1
8	COLUMBIA	COLUMBIA SOLAR	0.05	CP	1.00	1	1
9	CENTRAL FLORIDA	SOUTHERN OAKS	3.05	CP	8.00	1	1
10	SOUTHERN OAKS	FEDERAL (SEC)	3.05	CP	8.00	1	1
11	SOUTHERN OAKS	MAGNOLIA CKT #1	0.05	CP	1.00	1	1
12	SOUTHERN OAKS	MAGNOLIA CKT #1	0.06	CP	1.00	1	1
13	CAMP LAKE	LEESBURG	0.02	CP	1.00	1	1
14	FT WHITE	HIGH SPRINGS	0.34	CP	3.00	1	1
15	BROOKSVILLE	CENTRAL FLORIDA	0.02	CP	1.00	1	1
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
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34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44	TOTAL		18.16		50.00	16	16

TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST					Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
795	ACSR	Vertical	230		11,786,028	6,030,119	2,233	17,818,380	1
1272	ACSS/TW	Vertical	115		1,136,560			1,136,560	2
4/0	ACSR	Vertical	115						3
795	ACSR	Vertical	115		6,158,070	377,079	16,440	6,551,589	4
795	ACSR	Vertical	115						5
795	ACSR	Vertical	115						6
795	AAC	VerticalL	115		157,615	193,410		351,025	7
795	ACSR	Vertical	115			1,957,595	168,417	2,126,012	8
1272	ACSS/TW	Vertical	69		3,498		1,266	4,764	9
1272	ACSS/TW	Vertical	69		16,374		7,838	24,212	10
1272	ACSS/TW	Vertical	69						11
1272	ACSS/TW	Vertical	69						12
795	ACSR	Vertical	69		185,186	93,683	5	278,874	13
1272	ACSS/TW	Vertical	69						14
1272	ACSS/TW	Vertical	69						15
									16
									17
									18
									19
									20
									21
									22
									23
									24
									25
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									34
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									38
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									41
									42
									43
					19,443,331	8,651,886	196,199	28,291,416	44

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	THIRTY SECOND STREET 115KV COASTAL FLORIDA	DIST - UNATTENDED	115.00	13.00	
2	FORTIETH STREET 230KV COASTAL FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
3	FORTIETH STREET 230KV COASTAL FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
4	FIFTY-FIRST STREET 230KV COASTAL FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
5	FIFTY-FIRST STREET 230KV COASTAL FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
6	ALDERMAN - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
7	ANCLOTE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
8	BAYBORO - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.09	
9	BAYVIEW - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
10	BAYWAY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
11	BELLEAIR - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
12	BROOKER CREEK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
13	BROOKSVILLE ROCK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	2.40	
14	BROOKSVILLE ROCK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.16	
15	CAMPS SECTION 7 MINE-SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.00	
16	CENTER HILL 69KV NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.00	
17	CENTRAL PLAZA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
18	CLEARWATER - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
19	CROSS BAYOU - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
20	CROSSROADS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.09	
21	CURLEW - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
22	DENHAM - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
23	DISSTON - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
24	DISSTON - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
25	DISSTON - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
26	DUNEDIN - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
27	EAST CLEARWATER - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	69.00	
28	EAST CLEARWATER - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
29	EAST CLEARWATER - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
30	EAST CLEARWATER - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
31	ELFERS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
32	FLORAL CITY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
33	FLORA-MAR - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
34	FLORIDA ROCK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.00	
35	FLORIDA ROCK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	2.00	
36	G.E. PINELLAS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
37	GATEWAY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
38	GIFFORD 230KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
39	GIFFORD 230KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
40	HAMMOCK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	4.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	HAMMOCK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.16	
2	HERNANDO AIRPORT - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	12.47	
3	HIGHLANDS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
4	KENNETH CITY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
5	LAND-O-LAKES - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
6	LARGO - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
7	LARGO - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
8	MAXIMO - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
9	NEW PORT RICHEY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
10	NORTHEAST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
11	NORTHEAST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.09	
12	OAKHURST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
13	OLDSMAR 115KV COASTAL FLORIDA REGION	DIST - UNATTENDED	115.00		
14	PALM HARBOR - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
15	PALM HARBOR - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
16	PASADENA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
17	PASADENA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
18	PILSBURY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
19	PINELLAS WELL FIELD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.00	
20	PORT RICHEY WEST 115KV COASTAL FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
21	SAFETY HARBOR - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.09	
22	SEMINOLE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
23	SEMINOLE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.09	
24	SEVEN SPRINGS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
25	SEVEN SPRINGS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
26	SIXTEENTH ST. - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
27	STARKEY ROAD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
28	TARPON SPRINGS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	69.00	
29	TARPON SPRINGS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
30	TAYLOR AVE. - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
31	TRI-CITY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
32	TRILBY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.09	
33	UCF -CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
34	UCF -NORTH - CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
35	ULMERTON WEST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
36	VINOY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.09	
37	WALSINGHAM - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
38	ZEPHYRHILLS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
39	ZEPHYRHILLS NORTH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
40	ZEPHYRHILLS NORTH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	ZEPHYRHILLS NORTH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
2	ALACHUA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
3	APALACHICOLA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
4	ARCHER - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
5	ARCHER - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
6	BEACON HILL - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
7	BEVILLES CORNER - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
8	CARRABELLE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
9	CARRABELLE BEACH - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	12.00	
10	CROSS CITY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	12.47	
11	DONA VISTA 230 KV - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
12	EAST POINT - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
13	FOLEY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
14	FORT WHITE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
15	FORT WHITE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	69.00	
16	FORT WHITE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
17	G.E. ALACHUA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
18	GAINESVILLE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	25.00	
19	GEORGIA PACIFIC - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
20	HIGH SPRINGS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
21	HULL ROAD - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
22	INDIAN PASS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
23	JASPER SOUTH NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	69.00	
24	JASPER SOUTH NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
25	JENNINGS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
26	LURAVILLE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	12.00	
27	MADISON - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
28	MONTICELLO - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
29	MONASTERY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
30	NEWBERRY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
31	NEWBERRY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
32	O'BRIEN - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
33	OCCIDENTAL #1 - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	4.00	
34	OCCIDENTAL #1 - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	7.20	
35	OCCIDENTAL #2 - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	4.16	
36	OCCIDENTAL #3 - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	4.16	
37	OCCIDENTAL SWIFT CREEK #1 115KV NORTHERN	DIST - UNATTENDED	115.00	4.00	
38	OCCIDENTAL SWIFT CREEK #1 115KV NORTHERN	DIST - UNATTENDED	115.00	25.00	
39	OCCIDENTAL SWIFT CREEK #1 115KV NORTHERN	DIST - UNATTENDED	115.00	4.00	
40	OCCIDENTAL SWIFT CREEK#2-NORTHERN FLORIDA	DIST - UNATTENDED	115.00	25.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	OCCIDENTAL SWIFT CREEK#2-NORTHERN FLORIDA	DIST - UNATTENDED	115.00	13.00	
2	OCHLOCKONEE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
3	PERRY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
4	PERRY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
5	PERRY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
6	PERRY NORTH - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
7	PORT ST JOE INDUSTRIAL 69KV NORTHERN FLORIDA	DIST - UNATTENDED	69.00	13.00	
8	PORT ST. JOE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
9	PORT ST. JOE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
10	RIVER JUNCTION - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
11	SOPCHOPPY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
12	ST. GEORGE ISLAND - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
13	SUTTERS CREEK - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
14	SUWANNEE DISTRIBUTION NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
15	TRENTON - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
16	UNIVERSITY OF FLORIDA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	22.90	
17	WHITE SPRINGS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
18	WILLISTON - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
19	ADAMS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
20	ALAFAYA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
21	ALTAMONTE SPRINGS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
22	APOPKA SOUTH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
23	BAY RIDGE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
24	BELLEVIEW - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
25	BEVERLY HILLS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
26	CASSADAGA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
27	CASSELBERRY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
28	CIRCLE SQUARE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
29	CITRUS HILL - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
30	CLARCONA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
31	CLERMONT 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
32	COLEMAN - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
33	CRYSTAL RIVER NORTH - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
34	CRYSTAL RIVER SOUTH - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
35	DELAND - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
36	PINE RIDGE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
37	DELAND EAST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
38	DELTONA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	69.00	
39	DELTONA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
40	DELTONA EAST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	DOUGLAS AVENUE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
2	DUNNELLON TOWN - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
3	EAGLENEST - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
4	EATONVILLE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
5	ECON - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
6	EUSTIS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
7	EUSTIS SOUTH - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
8	FERN PARK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
9	FLORIDA GAS TRANSMISSION - NORTHERN FLORIDA	DIST - UNATTENDED	230.00	13.00	
10	GROVELAND - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
11	HOLDER - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
12	HOLDER - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
13	HOLDER - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
14	HOMOSSASSA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
15	HOWEY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
16	INGLIS MINING - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	25.00	
17	INGLIS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	69.00	
18	INGLIS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
19	INVERNESS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	69.00	7.00
20	INVERNESS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
21	KELLER ROAD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
22	KELLY PARK - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
23	LADY LAKE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
24	LAKE ALOMA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
25	LAKE EMMA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
26	LAKE HELEN - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
27	LAKE WEIR - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
28	LAND O LAKES 69KV COASTAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
29	LEBANON - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	12.00	
30	LIBSON - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
31	LOCKHART - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
32	LOCKWOOD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
33	LONGWOOD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
34	MAITLAND 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
35	MARICAMP - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
36	MARTIN - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
37	MCINTOSH - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
38	MINNEOLA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
39	MONTVERDE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
40	MOUNT DORA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	MYRTLE LAKE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
2	NORTH LONGWOOD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
3	NORTH LONGWOOD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
4	OCOEE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
5	OKAHUMPKA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
6	ORANGE BLOSSOM - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
7	ORANGE CITY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	115.00	
8	ORANGE CITY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
9	OVIEDO - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
10	PIEDMONT - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
11	PIEDMONT - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
12	RAINBOW SPRINGS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
13	REDDICK - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
14	SANTOS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
15	SILVER SPRINGS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
16	SILVER SPRINGS - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
17	SILVER SPRINGS SHORES - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
18	ST MARKS WEST - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
19	TROPIC TERRACE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
20	TURNER PLANT - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
21	TURNER PLANT - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	69.00	
22	TURNER PLANT - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
23	TWIN COUNTY RANCH - NORTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
24	UMATILLA - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
25	WEIRSDALE - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
26	WEKIVA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
27	WEST CHAPMAN - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
28	WILDWOOD CITY - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
29	WINTER GARDEN - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
30	WINTER GARDEN CITRUS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	12.47	
31	WINTER PARK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
32	WINTER PARK EAST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
33	WINTER PARK EAST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
34	WINTER SPRINGS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
35	WINTER SPRINGS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
36	WOODSMERE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
37	WOODSMERE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
38	ZELLWOOD - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
39	ZUBER - NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
40	ARBUCKLE CREEK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	AVON PARK NORTH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
2	BABSON PARK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
3	BARNUM CITY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
4	BAY HILL 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
5	BITHLO - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
6	BITHLO - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
7	BOGGY MARSH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
8	BONNET CREEK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
9	CABBAGE ISLAND - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
10	CANOE CREEK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
11	CELEBRATION - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
12	CENTRAL PARK 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
13	CHAMPIONS GATE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
14	CITRUSVILLE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
15	COLONIAL - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
16	CONWAY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
17	COUNTRY OAKS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
18	CROOKED LAKE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
19	CROWN POINT - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
20	CURRY FORD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
21	CYPRESSWOOD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
22	DAVENPORT - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
23	DELEON SPRINGS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	13.00	
24	DESOTO CITY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
25	DINNER LAKE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
26	DUNDEE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
27	DUNDEE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
28	EAST LAKE WALES - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
29	EAST ORANGE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
30	FISHEATING CREEK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
31	FISHEATING CREEK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
32	FLORIDA GAS TRANSMISSION EAST 69KV CENTRAL	DIST - UNATTENDED	69.00	13.00	
33	FORT MEADE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
34	FORT MEADE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
35	FOUR CORNERS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
36	FROSTPROOF - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
37	HAINES CITY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
38	HEMPLE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
39	HOLOPAW - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	25.00	
40	HORSE CREEK #2 - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	HUNTERS CREEK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
2	INTERNATIONAL DRIVE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	13.00	
3	ISLEWORTH 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
4	LAKE BRYAN - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
5	LAKE BRYAN - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
6	LAKE LUNTZ - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
7	LAKE MARION - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
8	LAKE OF THE HILLS - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
9	LAKE PLACID - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
10	LAKE PLACID NORTH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
11	LAKE WALES - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
12	LAKE WILSON - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
13	LAKESWOOD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
14	LEISURE LAKES - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
15	LITTLE PAYNE CREEK#1 - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	25.00	
16	MAGNOLIA RANCH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
17	MARLEY ROAD 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
18	MEADOW WOODS EAST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
19	MEADOWS WOODS SOUTH - SOUTHERN FLORIDA	DIST - UNATTENDED	230.00	69.00	
20	MEADOWS WOODS SOUTH - SOUTHERN FLORIDA	DIST - UNATTENDED	69.00	13.00	
21	MIDWAY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
22	MULBERRY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.00	
23	NARCOOSEE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
24	NORALYN #1 - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
25	ODESSA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
26	ORANGWOOD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
27	PARKWAY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
28	PEMBROKE 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
29	PINECASTLE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
30	PLYMOUTH SOUTH 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
31	POINCIANA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
32	POINCIANA NORTH - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
33	REEDY LAKE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
34	RIO PINAR - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
35	RIO PINAR - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
36	SAND LAKE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
37	SAND MOUNTAIN - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
38	SEBRING EAST - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
39	SHINGLE CREEK - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
40	SOUTH BARTOW - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	

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2. Substations which serve only one industrial or street railway customer should not be listed below.
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4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	SOUTH FORT MEADE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	4.00	
2	SOUTH FORT MEADE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	115.00	24.00	
3	SOUTHERN OAKS NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
4	SUNFLOWER - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
5	SUN'N LAKES - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
6	TAFT - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
7	TAUNTON RD - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
8	TAVARES EAST 69KV NORTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
9	VINELAND - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
10	WAUCHULA - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
11	WEST DAVENPORT - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
12	WESTRIDGE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
13	WEWAHOOTEE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	13.00	4.00	
14	WEWAHOOTEE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.09	
15	WHIDDEN CREEK #1 - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	4.00	
16	WINDERMERE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	230.00	69.00	
17	WINDERMERE - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
18	WORLD GATEWAY - SOUTHERN FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
19	NORTHRIDGE 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
20	TAFT INDUSTRIAL 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	4.00	
21	WOLF LAKE 69KV CENTRAL FLORIDA REGION	DIST - UNATTENDED	69.00	13.00	
22	TOTAL DISTRIBUTION		35203.00	7458.27	7.00
23					
24	BROOKRIDGE - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	500.00	230.00	14.00
25	BROOKRIDGE - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	115.00	
26	BROOKSVILLE 115KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	115.00	13.00	
27	BROOKSVILLE 115KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
28	BUSHNELL EAST 69KV NORTHERN FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
29	CRAWFORDVILLE - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
30	CRAWFORDVILLE - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
31	GRIFFIN 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	230.00	115.00	
32	HUDSON - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	115.00	
33	HUDSON - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	13.00	7.20
34	LAKE TARPON 500KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	500.00	230.00	
35	LAKE TARPON 500KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	500.00	230.00	14.00
36	NEW RIVER - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
37	BRONSON - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
38	DRIFTON - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
39	GINNIE - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
40	GUMBAY - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	HAVANA - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
2	IDYLWILD - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	138.00	69.00	
3	QUINCY - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
4	SKY LAKE - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
5	SKY LAKE - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
6	SPRING LAKE 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
7	SPRING LAKE 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
8	SUWANNEE TRANSMISSION 230KV NORTHERN FLORIDA	TRANS - UNATTENDED	230.00	115.00	
9	TALLAHASSEE - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
10	TANGERINE 115KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	115.00	13.00	
11	WILCOX - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
12	LIBERTY - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
13	ANDERSEN - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
14	BARBERVILLE - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
15	BARBERVILLE - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
16	CAMP LAKE - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
17	CENTRAL FLORIDA - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	500.00	230.00	
18	CENTRAL FLORIDA - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
19	CENTRAL FLORIDA - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
20	CLERMONT EAST - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
21	CRYSTAL RIVER EAST - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	116.00	
22	DALLAS - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
23	DALLAS - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
24	DELAND WEST - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
25	DELAND WEST - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
26	HAINES CREEK - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
27	LECANTO - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	115.00	
28	MARTIN WEST - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
29	ROSS PRAIRIE - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
30	ROSS PRAIRIE - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
31	SORRENTO - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
32	AVON PARK PLANT 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
33	AVON PARK PLANT 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
34	AVALON 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
35	AVALON 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
36	BARCOLA - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
37	DRY PRAIRIE CENTRAL FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
38	HAINES CITY EAST - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
39	HIGGINS PLANT 230KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	230.00	115.00	
40	HIGGINS PLANT 230KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	115.00	14.00	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	INGLIS 115 KV - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
2	INGLIS 115 KV - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
3	INTERCESSION CITY - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	13.00	0.48	
4	INTERCESSION CITY - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	13.00	4.16	
5	INTERCESSION CITY - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
6	INTERCESSION CITY - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	13.00	
7	INTERCESSION CITY - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
8	KATHLEEN - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	500.00	230.00	14.00
9	MANLEY ROAD 115KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	115.00		
10	NORTH BARTOW - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
11	PARKER BRANCH CENTRAL FLORIDA REGION	TRANS - UNATTENDED	115.00	69.00	
12	SOUTH POLK - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	115.00	
13	WAUKEENAH - NORTHERN FLORIDA REGION	TRANS - UNATTENDED	115.00	13.00	
14	ST MARKS EAST NORTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
15	CITRUS CENTER 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
16	LOUGHMAN 69KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
17	ULMERTON 230KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	230.00	115.00	
18	ULMERTON 230KV COASTAL FLORIDA REGION	TRANS - UNATTENDED	115.00	13.00	
19	WELCH ROAD 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	230.00	13.00	
20	WEST LAKE WALES 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
21	WEST LAKE WALES 230KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	69.00	13.00	
22	LAKE BRANCH 115KV CENTRAL FLORIDA REGION	TRANS - UNATTENDED	115.00	24.00	
23	VANDOLAH - SOUTHERN FLORIDA REGION	TRANS - UNATTENDED	230.00	69.00	
24	TOTAL TRANSMISSION		14946.00	5317.64	49.20
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
48	2					1
60	2					2
250	1					3
80	2					4
300	1					5
90	3					6
100	2					7
80	2					8
100	2					9
40	1					10
80	2					11
74	2					12
11	3	1				13
9	3	1				14
21	2					15
6	3	1				16
60	2					17
120	4					18
150	3					19
80	2					20
110	3					21
90	3					22
300	1					23
80	2					24
300	1					25
60	3					26
200	1					27
200	1					28
250	1					29
150	3					30
100	2					31
13	3					32
100	2					33
5	3	1				34
5	3	1				35
40	2					36
90	3					37
336	1					38
34	1					39
20	1					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
11	1					1
30	1					2
80	2					3
60	2					4
60	2					5
896	3					6
100	2					7
150	3					8
60	2					9
600	2					10
100	2					11
90	3					12
15	4	1				13
250	1					14
60	2					15
300	1					16
80	2					17
100	2					18
8	1					19
101	3					20
80	2					21
250	1					22
100	2					23
90	3					24
750	3					25
90	2					26
80	2					27
150	1					28
100	2					29
80	2					30
60	2					31
9	3	1				32
100	2					33
90	3					34
80	2					35
100	2					36
100	2					37
80	2	1				38
336	1					39
67	2					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
336	1					1
10	3					2
13	3	1				3
336	1					4
36	4	1				5
60	2					6
20	1					7
13	3	1				8
12	3	1				9
67	2					10
672	2					11
14	3	1				12
40	2					13
112	1					14
224	1					15
14	3	1				16
20	1					17
30	1					18
13	3	1				19
23	4	1				20
19	2					21
17	4					22
100	1					23
60	2					24
6	3	1				25
11	3	1				26
40	2					27
40	2					28
30	1					29
112	1					30
14	3	1				31
5	3	1				32
50	1					33
50	1					34
40	2					35
13	1					36
40	2					37
28	1					38
45	2					39
25	1					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
30	1					1
29	4	1				2
250	2					3
300	1					4
40	2					5
20	1					6
30	1					7
336	2					8
30	1					9
21	3	1				10
9	1					11
20	1					12
21	2					13
60	2	1				14
12	3	1				15
90	3					16
21	4	1				17
21	2					18
20	1					19
60	2					20
100	2					21
101	3					22
56	2					23
100	2					24
60	2					25
60	2					26
110	3					27
60	2					28
50	2					29
90	3					30
67	2					31
29	2					32
49	4	1				33
9	3	1				34
100	2					35
30	1					36
90	3					37
75	1					38
130	3					39
60	2					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
60	2					1
40	2					2
21	2					3
90	3					4
100	2					5
60	2					6
63	2					7
30	1					8
50	1					9
40	2					10
250	1					11
550	2					12
40	2					13
20	1					14
13	3	1				15
10	3					16
100	1					17
9	1					18
300	1	2				19
60	2					20
60	2					21
30	1					22
40	2					23
50	2					24
100	2					25
55	2					26
34	2					27
112	2					28
13	3	1				29
40	2					30
100	2					31
60	2					32
70	3					33
101	3					34
40	2					35
20	1					36
22	2					37
50	2					38
100	2					39
40	2					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
100	2					1
250	1					2
100	2					3
90	3					4
56	2					5
60	2					6
600	2					7
60	2					8
90	3					9
150	1					10
60	2					11
21	2					12
29	2					13
60	2					14
250	1					15
20	1					16
40	2					17
60	2					18
40	2					19
72	2					20
172	2					21
189	2					22
40	2					23
40	2					24
21	2					25
60	2					26
60	2					27
34	2					28
100	2					29
10	3	1				30
60	2					31
550	2					32
100	2					33
250	1					34
90	3					35
616	1					36
56	2					37
22	2					38
50	2					39
9	1					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
40	2					1
20	1					2
60	2					3
101	3					4
100	2					5
30	1					6
100	2					7
60	2					8
60	2					9
30	1					10
60	2					11
101	3					12
70	2					13
20	1					14
30	1					15
40	2					16
40	2					17
34	1					18
30	1					19
100	2					20
40	2					21
20	1					22
30	1					23
21	2					24
98	2					25
34	1					26
250	1					27
40	2					28
120	3	1				29
150	1					30
11	1					31
60	2					32
200	1					33
10	1					34
90	3					35
50	2					36
80	2					37
110	3					38
28	6					39
9	1					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
110	3					1
100	2					2
101	3					3
500	2					4
90	3					5
100	2					6
45	2					7
20	1					8
40	2					9
20	2					10
60	2					11
40	2					12
55	2					13
11	1					14
13	1					15
60	2					16
34	1					17
88	2					18
300	1					19
90	3					20
30	1					21
5	3	1				22
90	3					23
9	3	1				24
60	2					25
100	2					26
20	1					27
2	3	1				28
67	4					29
60	2					30
100	2					31
30	1					32
40	2					33
560	2					34
112	2					35
101	2					36
9	3					37
20	1					38
100	2					39
11	1					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
45	2					1
24	1					2
67	2					3
100	2					4
60	2					5
90	2	2				6
20	1					7
30	1					8
150	3					9
21	2					10
60	2					11
70	2					12
9	3	1				13
13	3	1				14
12	1					15
250	1					16
40	2					17
50	1					18
50	1					19
22	1					20
30	1					21
30814	677	40				22
						23
750	3					24
560	2					25
67	2					26
280	2					27
34	1					28
112	1					29
36	4	1				30
250	1					31
750	3					32
250	2					33
1119	3	1				34
750	3					35
250	1					36
150	1					37
175	2					38
250	1					39
75	1					40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
75	1					1
168	1	1				2
200	1					3
300	1					4
90	3					5
101	3					6
672	2					7
600	2					8
200	2					9
34	1					10
300	1					11
150	1					12
132	2					13
150	1					14
40	2					15
672	2					16
746	6	2				17
616	2	2				18
2	2					19
250	1					20
250	1					21
250	1					22
300	1					23
200	1					24
200	1					25
250	1					26
300	1					27
200	1					28
550	2					29
20	1					30
250	1					31
616	2					32
125	3					33
280	1					34
34	1					35
150	1					36
672	2					37
300	1					38
280	1	1				39
181	2	1				40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
224	1					1
11	1					2
19	14					3
7	7					4
337	4					5
1120	8					6
560	2					7
1120	3	2				8
19	3					9
150	1					10
112	1					11
300	2					12
11	1					13
300	1					14
672	2					15
30	1					16
616	2					17
112	2					18
112	2					19
280	1					20
34	1					21
80	2					22
400	2					23
23390	160	11				24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40

TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	Non-power Goods or Services Provided by Affiliated			
2	Services provided by Duke Energy Business Service	Duke Energy Business Services, LLC	Various	518,345,583
3				
4	Customer & Market services	Duke Energy Carolinas, LLC	Various	32,177,516
5	Generation services	Duke Energy Carolinas, LLC	Various	5,119,315
6	Other goods and services	Duke Energy Carolinas, LLC	Various	82,986,058
7	Transmission and Distribution services	Duke Energy Carolinas, LLC	Various	23,608,420
8				
9	Customer & Market services	Duke Energy Progress, LLC	Various	1,880,332
10	Generation services	Duke Energy Progress, LLC	Various	1,650,483
11	Other goods and services	Duke Energy Progress, LLC	Various	2,098,849
12	Transmission and Distribution services	Duke Energy Progress, LLC	Various	2,458,010
13				
14	Customer & Market services	Duke Energy Indiana, Inc.	Various	113,784
15	Generation services	Duke Energy Indiana, Inc.	Various	154,646
16	Other goods and services	Duke Energy Indiana, Inc.	Various	189,647
17	Transmission and Distribution services	Duke Energy Indiana, Inc.	Various	242,041
18				
19				
20	Non-power Goods or Services Provided for Affiliate			
21	Services provided to DE Business Services, LLC	Duke Energy Business Services LLC	Various	3,511,807
22				
23	Customer & Market services	Duke Energy Carolinas, LLC	Various	1,747,882
24	Generation services	Duke Energy Carolinas, LLC	Various	860,414
25	Other goods and services	Duke Energy Carolinas, LLC	Various	99,832
26	Transmission and Distribution services	Duke Energy Carolinas, LLC	Various	2,942,616
27				
28	Customer & Market services	Duke Energy Progress, LLC	Various	1,511,033
29	Generation services	Duke Energy Progress, LLC	Various	339,874
30	Other goods and services	Duke Energy Progress, LLC	Various	70,494
31	Transmission and Distribution services	Duke Energy Progress, LLC	Various	2,751,240
32				
33	Customer & Market services	Duke Energy Indiana, Inc.	Various	306,893
34	Generation services	Duke Energy Indiana, Inc.	Various	404,921
35	Other goods and services	Duke Energy Indiana, Inc.	Various	155,979
36	Transmission and Distribution services	Duke Energy Indiana, Inc.	Various	609,555
37				
38	Customer & Market services	Duke Energy Kentucky, Inc.	Various	111,508
39	Generation services	Duke Energy Kentucky, Inc.	Various	40,198
40	Other goods and services	Duke Energy Kentucky, Inc.	Various	94,766
41	Transmission and Distribution services	Duke Energy Kentucky, Inc.	Various	41,452
42				
1	Non-power Goods or Services Provided by Affiliated			
2	Customer & Market services	Duke Energy Ohio, Inc.	Various	16,721

TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
3	Gas Distribution Services	Duke Energy Ohio, Inc.	Various	2,919
4	Other goods and services	Duke Energy Ohio, Inc.	Various	
5	Transmission and Distribution services	Duke Energy Ohio, Inc.	Various	505,106
6				
7	Other goods and services	Duke Energy Commercial Enterprises	Various	502,502
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Non-power Goods or Services Provided for Affiliate			
21	Customer & Market services	Duke Energy Ohio, Inc.	Various	251,215
22	Generation services	Duke Energy Ohio, Inc.	Various	100,782
23	Other goods and services	Duke Energy Ohio, Inc.	Various	37,308
24	Transmission and Distribution services	Duke Energy Ohio, Inc.	Various	278,972
25				
26	Other goods and services	Cinergy Solutions	Various	4,980,301
27				
28	Other goods and services	Duke Energy Florida Project Finance	Various	757,979
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				

Name of Respondent Duke Energy Florida, LLC	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2021	Year/Period of Report 2020/Q4
FOOTNOTE DATA			

Schedule Page: 429 Line No.: 2 Column: a

When an employee of the Service Company performs services for a Client Company, costs will be directly assigned or distributed or allocated. For allocated services, the allocation method will be on a basis reasonably related to the service performed. The Service Company Utility Service Agreement prescribes 23 Service Company functions and approximately 20 allocation methods.

Functions and Allocation Methods:**Information Systems**

- Number of Central Processing Unit Seconds Ratio/Millions of Instructions per Second
- Number of Personal Computer Workstations Ratio
- Number of Information Systems Servers Ratio
- Number of Employees Ratio

Meters

- Number of Customers Ratio

Transportation

- Number of Employees Ratio
- Three Factor Formula

Electric System Maintenance

- Circuit Miles of Electric Transmission Lines Ratio
- Circuit Miles of Electric Distribution Lines Ratio

Marketing and Customer Relations and Grid Solutions

- Number of Customers Ratio

Electric Transmission & Distribution Engineering & Construction

- Electric Transmission Plant's Construction - Expenditures Ratio
- Electric Distribution Plant's Construction - Expenditures Ratio

Power Engineering & Construction

- Electric Production Plant's Construction - Expenditures Ratio

Human Resources

- Number of Employees Ratio

Supply Chain

- Procurement Spending Ratio
- Inventory Ratio

Facilities

- Square Footage Ratio

Accounting

- Three Factor Formula
- Generating Unit MW Capability Ratio

Power Planning and Operations

- Electric Peak Load Ratio
- Weighted Avg of the Circuit Miles of Electric Distribution Lines Ratio and the Electric Peak Load Ratio
- Sales Ratio
- Weighted Avg of the Circuit Miles of Electric Transmission Lines Ratio and the Electric Peak Load Ratio
- Generating Unit MW Capability Ratio

Public Affairs

- Three Factor Formula
- Weighted Avg of Number of Customers Ratio and Number of Employees Ratio

Legal

- Three Factor Formula

Rates

- Sales Ratio

Finance

- Three Factor Formula

Rights of Way

- Circuit Miles of Electric Transmission Lines Ratio

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Duke Energy Florida, LLC	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/15/2021	2020/Q4
FOOTNOTE DATA			

- Circuit Miles of Electric Distribution Lines Ratio
- Electric Peak Load Ratio

Internal Auditing

- Three Factor Formula

Environmental, Health and Safety

- Three Factor Formula
- Sales Ratio

Fuels

- Sales Ratio

Investor Relations

- Three Factor Formula

Planning

- Three Factor Formula

Executive

- Three Factor Formula

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“Diversification Report”

Pages 451 through 463

Year 2020



Affiliation of Officers and Directors

Company: Duke Energy Florida, LLC

For the Year Ended December 31, 2020

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization, Firm or Partnership	
		Affiliation or Connection	Name and Address
Anderson, Melissa H.	Executive Vice President and Chief Human Resources Officer	Executive Vice President and Chief Human Resources Officer	DE1 Holdings, LLC
		Executive Vice President and Chief Human Resources Officer	Duke Energy Americas, LLC
		Executive Vice President and Chief Human Resources Officer	Duke Energy Business Services LLC
		Executive Vice President and Chief Human Resources Officer	Duke Energy Carolinas, LLC
		Director	Duke Energy Commercial Enterprises, Inc.
		Executive Vice President and Chief Human Resources Officer	Duke Energy Commercial Enterprises, Inc.
		Executive Vice President and Chief Human Resources Officer	Duke Energy Corporate Services, Inc.
		Executive Vice President and Chief Human Resources Officer	Duke Energy Corporation
		Executive Vice President and Chief Human Resources Officer	Duke Energy Florida, LLC
		Executive Vice President and Chief Human Resources Officer	Duke Energy Fuel Cell Holdings, LLC
		Executive Vice President and Chief Human Resources Officer	Duke Energy Fuel Cell, LLC
		Executive Vice President and Chief Human Resources Officer	Duke Energy Indiana, LLC
		Executive Vice President and Chief Human Resources Officer	Duke Energy Kentucky, Inc.
		Executive Vice President and Chief Human Resources Officer	Duke Energy Ohio, Inc.
		Executive Vice President and Chief Human Resources Officer	Duke Energy One Services, LLC
		Executive Vice President and Chief Human Resources Officer	Duke Energy One, Inc.
Executive Vice President and Chief Human Resources Officer	Duke Energy Progress, LLC		
Executive Vice President and Chief Human Resources Officer	Energy Pipelines International Company		
Executive Vice President and Chief Human Resources Officer	Federal Way Powerhouse LLC		

Anderson, Melissa H.	Executive Vice President and Chief Human Resources Officer	Executive Vice President and Chief Human Resources Officer	Piedmont Natural Gas Company, Inc.
		Executive Vice President and Chief Human Resources Officer	Potter Road Powerhouse LLC
		Executive Vice President and Chief Human Resources Officer	Progress Energy, Inc.
		Executive Vice President and Chief Human Resources Officer	Project Oxygen Holdings I, LLC
		Executive Vice President and Chief Human Resources Officer	Project Oxygen Holdings, LLC
		Executive Vice President and Chief Human Resources Officer	Wateree Power Company
		Member	Society for Human Resource Management
		Board Vice-Chair	Center for Energy Workforce Development
		Board of Directors	HR Policy Associates
		Board of Directors	Vulcan Materials

Butler, Keith G.	Senior Vice President and Chief Security Officer	Director	Bison Insurance Company Limited
		President	Bison Insurance Company Limited
		Director	Cinergy Global Holdings, Inc.
		Chief Risk Officer	Cinergy Global Resources, Inc.
		Senior Vice President, Global Risk Management and Insurance	Cinergy Global Resources, Inc.
		Chief Risk Officer	DEGS O&M, LLC
		Senior Vice President, Global Risk Management and Insurance	DEGS O&M, LLC
		Chief Risk Officer	Duke Energy Americas, LLC
		Chief Risk Officer	Duke Energy Beckjord Storage LLC
		Senior Vice President, Global Risk Management and Insurance	Duke Energy Beckjord Storage LLC
		Senior Vice President and Chief Security Officer	Duke Energy Business Services LLC
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Business Services LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Business Services LLC
		Senior Vice President and Chief Security Officer	Duke Energy Carolinas, LLC
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Carolinas, LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Carolinas, LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy China Corp.
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Commercial Enterprises, Inc.
		Chief Risk Officer	Duke Energy Commercial Enterprises, Inc.
		Senior Vice President, Global Risk Management and Insurance	Duke Energy Commercial Enterprises, Inc.
Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Corporate Services, Inc.		
Senior Vice President and Chief Security Officer	Duke Energy Corporation		
Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Corporation		
Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Corporation		
Senior Vice President and Chief Security Officer	Duke Energy Florida, LLC		

Butler, Keith G.	Senior Vice President and Chief Security Officer	Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Florida, LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Florida, LLC
		Senior Vice President and Chief Security Officer	Duke Energy Indiana, LLC
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Indiana, LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Indiana, LLC
		Senior Vice President and Chief Security Officer	Duke Energy Kentucky, Inc.
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Kentucky, Inc.
		Chief Risk Officer	Duke Energy Kentucky, Inc.
		Senior Vice President, Global Risk Management and Insurance	Duke Energy Kentucky, Inc.
		Senior Vice President and Chief Security Officer	Duke Energy Ohio, Inc.
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Ohio, Inc.
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Ohio, Inc.
		Senior Vice President and Chief Security Officer	Duke Energy Progress, LLC
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Duke Energy Progress, LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Progress, LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Registration Services, Inc.
		Acting Chief Ethics and Compliance Officer	Duke Energy Renewable Services, LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Renewables Solar Holdings, Inc.
		Chief Risk Officer	Duke Energy Renewables, Inc.
		Senior Vice President, Global Risk Management and Insurance	Duke Energy Renewables, Inc.
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Duke Energy Services, Inc.
		Chief Risk Officer	Duke Energy Transmission Holding Company, LLC

Butler, Keith G.	Senior Vice President and Chief Security Officer	Senior Vice President, Global Risk Management and Insurance	Duke Energy Transmission Holding Company, LLC
		Chief Risk Officer	Duke Energy Vermillion II, LLC
		Senior Vice President, Global Risk Management and Insurance	Duke Energy Vermillion II, LLC
		Chief Risk Officer	Duke Technologies, Inc.
		Senior Vice President, Global Risk Management and Insurance	Duke Technologies, Inc.
		Chief Risk Officer	Duke-Reliant Resources, Inc.
		Senior Vice President, Global Risk Management and Insurance	Duke-Reliant Resources, Inc.
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Energy Pipelines International Company
		Acting Chief Ethics and Compliance Officer	Frontier Windpower II, LLC
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	KO Transmission Company
		Chief Risk Officer	KO Transmission Company
		Senior Vice President, Global Risk Management and Insurance	KO Transmission Company
		Chief Risk Officer	Miami Power Corporation
		Senior Vice President, Global Risk Management and Insurance	Miami Power Corporation
		Director	NorthSouth Insurance Company Limited
		President	NorthSouth Insurance Company Limited
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	PanEnergy Corp.
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	Piedmont Natural Gas Company, Inc.
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Piedmont Natural Gas Company, Inc.
		Chief Risk Officer	South Construction Company, Inc.
		Senior Vice President, Global Risk Management and Insurance	South Construction Company, Inc.
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	TE Notrees, LLC
		Chief Risk Officer	TE Notrees, LLC
		Senior Vice President, Global Risk Management and Insurance	TE Notrees, LLC
		Senior Vice President, Global Risk Management and Insurance, Chief Risk Officer and Acting Chief Ethics and Compliance Officer	TE Ocotillo, LLC
		Chief Risk Officer	TE Ocotillo, LLC
		Senior Vice President, Global Risk Management and Insurance	TE Ocotillo, LLC
		Senior Vice President, Global Risk Management and Insurance and Chief Risk Officer	Wateree Power Company
		Board of Directors	MeckEd

Butler, Keith G.	Senior Vice President and Chief Security Officer	Board	Community Culinary School of Charlotte
		Member Finance Council	St. Peter's Catholic Church, Charlotte
		Finance Committee	Connestee Falls Property Owners' Association

Esamann, Douglas F	Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas	Director	Cinergy Corp.
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Duke Energy Business Services LLC
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Duke Energy Carolinas, LLC
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Duke Energy Corporation
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Duke Energy Florida, LLC
		Director	Duke Energy Florida, LLC
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Duke Energy Indiana, LLC
		Director	Duke Energy Indiana, LLC
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Duke Energy Kentucky, Inc.
		Director	Duke Energy Kentucky, Inc.
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Duke Energy Ohio, Inc.
		Director	Duke Energy Ohio, Inc.
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Duke Energy Progress, LLC
		Director	Duke Energy Progress, LLC
		President	Duke Energy SAM, LLC
		Director	Duke Energy Services Canada ULC
		Director	Duke SustainRNG Holding Corp.
		Director	Eastover Land Company
		President	Eastover Land Company
		Director	Eastover Mining Company
		President	Eastover Mining Company

Esamann, Douglas F	Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas	President	eTransEnergy, LLC
		Director	Florida Progress Funding Corporation
		Director	Florida Progress, LLC
		Chief Executive Officer	KO Transmission Company
		Director	KO Transmission Company
		Chief Executive Officer	Miami Power Corporation
		Director	Miami Power Corporation
		President	Piedmont ACP Company, LLC
		President	Piedmont Constitution Pipeline Company, LLC
		President	Piedmont ENCNG Company, LLC
		President	Piedmont Energy Company
		Sole Director	Piedmont Energy Company
		President	Piedmont Energy Partners, Inc.
		Director	Piedmont Energy Partners, Inc.
		President	Piedmont Hardy Storage Company, LLC
		President	Piedmont Interstate Pipeline Company
		Sole Director	Piedmont Interstate Pipeline Company
		President	Piedmont Intrastate Pipeline Company
		Sole Director	Piedmont Intrastate Pipeline Company
		Director	Piedmont Natural Gas Company, Inc.
		Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business	Piedmont Natural Gas Company, Inc.
		Director	Progress Capital Holdings, Inc.
		Director	South Construction Company, Inc.
		Trustee	The Duke Energy Foundation
		Chief Executive Officer	Tri-State Improvement Company
		Director	Tri-State Improvement Company
		Director, Internal Affairs Committee Chair, Executive Committee	Discovery Place Carolinas

Esamann, Douglas F	Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas	Director, Compensation Committee Chair, Executive Committee	Electric Power Research Institute
		Director, Chair	Energy Systems Network

Feldmeier, Melissa B.	Vice President and Chief Ethics and Compliance Officer	Vice President and Chief Ethics and Compliance Officer	Duke Energy Business Services LLC
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Carolinas, LLC
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Commercial Enterprises, Inc.
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Corporation
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Florida, LLC
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Indiana, LLC
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Kentucky, Inc.
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Ohio, Inc.
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Progress, LLC
		Vice President and Chief Ethics and Compliance Officer	Duke Energy Renewable Services, LLC
		Vice President and Chief Ethics and Compliance Officer	Frontier Windpower II, LLC
		Vice President and Chief Ethics and Compliance Officer	KO Transmission Company
		Vice President and Chief Ethics and Compliance Officer	Piedmont Natural Gas Company, Inc.
		Vice President and Chief Ethics and Compliance Officer	TE Notrees, LLC
		Vice President and Chief Ethics and Compliance Officer	TE Ocotillo, LLC
		Board of Directors	Pro Bono Partnership of Ohio (PBPO)

Fountain, David B.	Senior Vice President, Legal, Chief Ethics and Compliance Officer and Corporate Secretary	Senior Vice President, Legal, Chief Ethics and Compliance Officer and Secretary	Duke Energy Business Services LLC
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Secretary	Duke Energy Carolinas, LLC
		Senior Vice President, Legal, Chief Ethics and Compliance Officer	Duke Energy Commercial Enterprises, Inc.
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Corporate Secretary	Duke Energy Corporation
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Secretary	Duke Energy Florida, LLC
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Secretary	Duke Energy Indiana, LLC
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Corporate Secretary	Duke Energy Kentucky, Inc.
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Corporate Secretary	Duke Energy Ohio, Inc.
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Secretary	Duke Energy Progress, LLC
		Senior Vice President, Legal, Chief Ethics and Compliance Officer	Duke Energy Renewable Services, LLC
		Chief Ethics and Compliance Officer	Duke Energy Renewable Services, LLC
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Secretary	Frontier Windpower II, LLC
		Corporate Secretary	KO Transmission Company
		Senior Vice President, Legal, Chief Ethics and Compliance Officer and Corporate Secretary	Piedmont Natural Gas Company, Inc.
		Chief Ethics and Compliance Officer	TE Notrees, LLC
		Chief Ethics and Compliance Officer	TE Ocotillo, LLC

Ghartey-Tagoe, Kodwo	Executive Vice President, Chief Legal Officer and Corporate Secretary	Director	Carofund, Inc.
		Executive Vice President and Chief Legal Officer	Duke Energy Americas, LLC
		Chief Legal Officer	Duke Energy Beckjord Storage LLC
		Executive Vice President, Chief Legal Officer and Secretary	Duke Energy Business Services LLC
		Executive Vice President and Chief Legal Officer	Duke Energy Business Services LLC
		Executive Vice President, Chief Legal Officer and Secretary	Duke Energy Carolinas, LLC
		Executive Vice President and Chief Legal Officer	Duke Energy Carolinas, LLC
		Director	Duke Energy Corporate Services, Inc.
		President	Duke Energy Corporate Services, Inc.
		Executive Vice President, Chief Legal Officer and Corporate Secretary	Duke Energy Corporation
		Executive Vice President and Chief Legal Officer	Duke Energy Corporation
		Executive Vice President, Chief Legal Officer and Secretary	Duke Energy Florida, LLC
		Executive Vice President and Chief Legal Officer	Duke Energy Florida, LLC
		Director	Duke Energy Florida, LLC
		Executive Vice President, Chief Legal Officer and Secretary	Duke Energy Indiana, LLC
		Executive Vice President and Chief Legal Officer	Duke Energy Indiana, LLC
		Executive Vice President, Chief Legal Officer and Corporate Secretary	Duke Energy Kentucky, Inc.
		Executive Vice President and Chief Legal Officer	Duke Energy Kentucky, Inc.
		Executive Vice President, Chief Legal Officer and Corporate Secretary	Duke Energy Ohio, Inc.
		Executive Vice President and Chief Legal Officer	Duke Energy Ohio, Inc.
		Executive Vice President, Chief Legal Officer and Secretary	Duke Energy Progress, LLC
		Executive Vice President and Chief Legal Officer	Duke Energy Progress, LLC
		Director	Duke Energy Progress, LLC
		Chief Legal Officer	Duke Energy Transmission Holding Company, LLC
		Chief Legal Officer	Duke Ventures Real Estate, LLC
		Director	Duke Ventures Real Estate, LLC
		Corporate Secretary	KO Transmission Company
		Executive Vice President, Chief Legal Officer and Corporate Secretary	Piedmont Natural Gas Company, Inc.
		Executive Vice President and Chief Legal Officer	Piedmont Natural Gas Company, Inc.
		Director	Progress Capital Holdings, Inc.
		Director	Progress Energy, Inc.
		Executive Vice President and Chief Legal Officer	Progress Energy, Inc.
		Executive Vice President and Chief Legal Officer	Wateree Power Company

Ghartey-Tagoe, Kodwo	Executive Vice President, Chief Legal Officer and Corporate Secretary	Member	Charlotte Center City
		Member	Clemson University President's Advisory Board
		Board of Visitors	Duke University Law School
		Member	Page Dominion, LLC
		Advisory Board Member	Progress for Education, Inc.
		Member	TreesCharlotte

Good, Lynn J.	Chair, President and Chief Executive Officer	Director	Caldwell Power Company
		Director	Capitan Corporation
		Director	Carofund, Inc.
		Director	Catamount Energy Corporation
		Director	Catamount Rumford Corporation
		Director	Catamount Sweetwater Corporation
		Director	Catawba Mfg. & Electric Power Co.
		Director	CEC UK1 Holding Corp.
		Director	CEC UK2 Holding Corp.
		Chief Executive Officer	Cinergy Corp.
		Director	Cinergy Corp.
		Director	Cinergy Global Holdings, Inc.
		Director	Cinergy Global Power, Inc.
		Director	Cinergy Global Resources, Inc.
		Director	Cinergy Solutions - Utility, Inc.
		Director	Claiborne Energy Services, Inc.
		Manager	DE1 Holdings, LLC
		Director	Dixilyn-Field Drilling Company
		Manager	Duke Energy Americas, LLC
		Chief Executive Officer	Duke Energy Business Services LLC
		Chief Executive Officer	Duke Energy Carolinas, LLC
		Director	Duke Energy Carolinas, LLC
		Director	Duke Energy China Corp.
		Director	Duke Energy Commercial Enterprises, Inc.
		Director	Duke Energy Corporate Services, Inc.
		Chair	Duke Energy Corporation
		Chair, President and Chief Executive Officer	Duke Energy Corporation
		Chairman, President and Chief Executive Officer	Duke Energy Corporation
		Chairman of the Board	Duke Energy Corporation
		Director	Duke Energy Corporation
		Chief Executive Officer	Duke Energy Florida, LLC
		Director	Duke Energy Florida, LLC
		Director	Duke Energy Generation Services, Inc.
		Chief Executive Officer	Duke Energy Indiana, LLC
		Chief Executive Officer	Duke Energy Kentucky, Inc.
		Director	Duke Energy Kentucky, Inc.
		Chief Executive Officer	Duke Energy Ohio, Inc.
		Director	Duke Energy Ohio, Inc.
		Director	Duke Energy One, Inc.
		Chief Executive Officer	Duke Energy Progress, LLC
		Director	Duke Energy Progress, LLC
		Director	Duke Energy Renewables Solar Holdings, Inc.
		Director	Duke Energy Renewables, Inc.
		Director	Duke Energy Services, Inc.
		Director	Duke Project Services, Inc.
		Director	Duke Technologies, Inc.
		Member of the Board of Managers	Duke Ventures Real Estate, LLC
		Manager	Duke Ventures, LLC
		Director	Duke-Reliant Resources, Inc.
		Director	Eastover Land Company
		Director	Eastover Mining Company
		Director	Energy Pipelines International Company
		Director	Equinox Vermont Corporation
		Manager	Federal Way Powerhouse LLC
		Director	Florida Progress Funding Corporation

Good, Lynn J.	Chair, President and Chief Executive Officer	President	Florida Progress, LLC
		Director	Florida Progress, LLC
		Director	Greenville Gas and Electric Light and Power Company
		Director	KO Transmission Company
		Director	PanEnergy Corp.
		Chief Executive Officer	Piedmont Natural Gas Company, Inc.
		Director	Piedmont Natural Gas Company, Inc.
		Director	PIH Tax Credit Fund III, Inc.
		Director	PIH Tax Credit Fund IV, Inc.
		Director	PIH Tax Credit Fund V, Inc.
		Director	PIH, Inc.
		Manager	Potter Road Powerhouse LLC
		Director	Progress Capital Holdings, Inc.
		Director	Progress Energy EnviroTree, Inc.
		Chief Executive Officer	Progress Energy, Inc.
		Director	Progress Energy, Inc.
		Director	Progress Synfuel Holdings, Inc.
		Director	Southern Power Company
		Director	Strategic Resource Solutions Corp., A North Carolina Enterprise Corporation
		Director	Tri-State Improvement Company
		Director	Wateree Power Company
		Director	Western Carolina Power Company
		Advisory Committee Chair	Bechtler Museum of Modern Art
		Board of Directors	Business Roundtable
		Board of Directors	Edison Electric Institute
		Board of Directors	Foundation for the Carolinas
		Board of Directors	Institute of Nuclear Power Operations
		Board of Directors	myFutureNC
		Governing Board Member	World Association of Nuclear Operations - Atlanta Centre, Inc.
		Board of Directors	The Boeing Company

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Financial Officer and Controller	2018 ESA Project Company, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	226HC 8me LLC
		Chief Financial Officer and Controller	Bethel Price Solar, LLC
		Chief Financial Officer and Controller	Black Mountain Solar, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Blue Rose Wind Holdings, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Blue Rose Wind, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Broad River Solar, LLC
		Chief Accounting Officer and Controller	Caldwell Power Company
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Capitan Corporation
		Chief Financial Officer and Controller	Caprock Solar 1 LLC
		Chief Financial Officer and Controller	Caprock Solar 2 LLC
		Chief Financial Officer and Controller	Caprock Solar Holdings 1, LLC
		Chief Financial Officer and Controller	Caprock Solar Holdings 2, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Carofund, Inc.
		Senior Vice President, Chief Accounting Officer, Tax and Controller	CaroHome, LLC
		Chief Financial Officer and Controller	Carolina Solar Power, LLC
		Chief Financial Officer and Controller	Catamount Energy Corporation
		Chief Financial Officer and Controller	Catamount Rumford Corporation
		Chief Financial Officer and Controller	Catamount Sweetwater 1 LLC
		Chief Financial Officer and Controller	Catamount Sweetwater 2 LLC
		Chief Financial Officer and Controller	Catamount Sweetwater 3 LLC
		Chief Financial Officer and Controller	Catamount Sweetwater 4-5 LLC
		Chief Financial Officer and Controller	Catamount Sweetwater 6 LLC
		Chief Financial Officer and Controller	Catamount Sweetwater Corporation
		Chief Financial Officer and Controller	Catamount Sweetwater Holdings LLC
		Chief Accounting Officer and Controller	Catawba Mfg. & Electric Power Co.
		Chief Financial Officer and Controller	CEC UK1 Holding Corp.

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Financial Officer and Controller	CEC UK2 Holding Corp.
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Century Group Real Estate Holdings, LLC
		Chief Financial Officer and Controller	Cinergy Climate Change Investments, LLC
		Vice President, Chief Accounting Officer and Controller	Cinergy Corp.
		Chief Accounting Officer and Controller	Cinergy Global Power, Inc.
		Chief Accounting Officer and Controller	Cinergy Global Resources, Inc.
		Chief Financial Officer and Controller	Cinergy Solutions - Utility, Inc.
		Chief Accounting Officer and Controller	Claiborne Energy Services, Inc.
		Chief Financial Officer and Controller	Clear Skies Solar Holdings, LLC
		Chief Financial Officer and Controller	Clear Skies Solar, LLC
		Chief Financial Officer and Controller	Colonial Eagle Solar, LLC
		Chief Financial Officer and Controller	Conetoe II Solar, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	CPRE 1 Holdings, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	CPRE 1, LLC
		Chief Financial Officer and Controller	Creswell Alligood Solar, LLC
		Chief Financial Officer and Controller	CS Murphy Point, LLC
		Chief Accounting Officer	DATC Holdings Path 15, LLC
		Chief Accounting Officer	DATC Path 15 Transmission, LLC
		Chief Accounting Officer	DATC Path 15, LLC
		Chief Accounting Officer	DATC SLTP, LLC
		Chief Accounting Officer and Controller	DE Nuclear Engineering, Inc.
		Chief Financial Officer and Controller	DE1 Holdings, LLC
		Chief Financial Officer and Controller	DEGS O&M, LLC
		Controller	DEGS of Narrows, LLC
		Chief Financial Officer and Controller	DEGS Wind Supply II, LLC
		Chief Financial Officer and Controller	DEGS Wind Supply, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	DER CPRE 1, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	DER Holstein Holdings, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	DER Holstein TX Holdings, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	DER Holstein, LLC

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Senior Vice President, Chief Accounting Officer, Tax and Controller	DER Rambler Solar, LLC
		Chief Accounting Officer and Controller	DEMI Management, Inc.
		Director	DEMI Management, Inc.
		Chief Financial Officer and Controller	Dixilyn-Field Drilling Company
		Chief Financial Officer and Controller	Dogwood Solar, LLC
		Director	DTMSI Management Ltd.
		Vice President, Chief Financial Officer, Chief Accounting Officer and Controller	DTMSI Management Ltd.
		Chief Accounting Officer and Controller	Duke Energy ACP, LLC
		Chief Financial Officer and Controller	Duke Energy Americas, LLC
		Chief Financial Officer and Controller	Duke Energy Beckjord Storage LLC
		Chief Financial Officer and Controller	Duke Energy Beckjord, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Breeze Holdings, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Business Services LLC
		Chief Financial Officer and Controller	Duke Energy Carolinas Plant Operations, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Carolinas, LLC
		Chief Accounting Officer and Controller	Duke Energy China Corp.
		Chief Financial Officer and Controller	Duke Energy Clean Energy Resources, LLC
		Chief Accounting Officer and Controller	Duke Energy Commercial Enterprises, Inc.
		Chief Accounting Officer and Controller	Duke Energy Corporate Services, Inc.
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Corporation
		Manager	Duke Energy Florida Project Finance, LLC
		Chief Accounting Officer and Controller	Duke Energy Florida Solar Solutions, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Florida, LLC
		Chief Financial Officer and Controller	Duke Energy Fuel Cell Holdings, LLC
		Chief Financial Officer and Controller	Duke Energy Fuel Cell, LLC
		Vice President, Chief Accounting Officer and Controller	Duke Energy Generation Services, Inc.
		Senior Vice President, Chief Financial Officer, Tax and Controller	Duke Energy Golden Vista, LLC
		Controller	Duke Energy Group Holdings, LLC
		Controller	Duke Energy Group, LLC

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Indiana, LLC
		Controller	Duke Energy Industrial Sales, LLC
		Controller	Duke Energy International, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Kentucky, Inc.
		Controller	Duke Energy Luxembourg II, LLC
		Chief Accounting Officer and Controller	Duke Energy Merchants, LLC
		Chief Financial Officer and Controller	Duke Energy Mesteno, LLC
		Chief Accounting Officer and Controller	Duke Energy North America, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Ohio, Inc.
		Chief Financial Officer and Controller	Duke Energy One Services, LLC
		Chief Financial Officer and Controller	Duke Energy One, Inc.
		Chief Accounting Officer and Controller	Duke Energy Pipeline Holding Company, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Progress, LLC
		Chief Accounting Officer and Controller	Duke Energy Registration Services, Inc.
		Chief Financial Officer and Controller	Duke Energy Renewable Services, LLC
		Chief Financial Officer and Controller	Duke Energy Renewables Commercial, LLC
		Chief Accounting Officer and Controller	Duke Energy Renewables Holding Company, LLC
		Chief Financial Officer and Controller	Duke Energy Renewables NC Solar, LLC
		Chief Accounting Officer and Controller	Duke Energy Renewables Solar Holdings, Inc.
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Renewables Solar I, LLC
		Chief Financial Officer and Controller	Duke Energy Renewables Solar, LLC
		Chief Financial Officer and Controller	Duke Energy Renewables Storage, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Renewables Wind I, LLC
		Chief Financial Officer and Controller	Duke Energy Renewables Wind, LLC
		Chief Accounting Officer and Controller	Duke Energy Renewables, Inc.
		Chief Accounting Officer and Controller	Duke Energy Royal, LLC
		Chief Accounting Officer and Controller	Duke Energy Sabal Trail, LLC
		Chief Financial Officer and Controller	Duke Energy SAM, LLC
		Vice President, Chief Financial Officer, Chief Accounting Officer and Controller	Duke Energy Services Canada ULC

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Accounting Officer and Controller	Duke Energy Services, Inc.
		Chief Financial Officer and Controller	Duke Energy Shoreham Holdings, LLC
		Chief Financial Officer and Controller	Duke Energy Shoreham, LLC
		Chief Financial Officer and Controller	Duke Energy Skyhigh 2, LLC
		Chief Financial Officer and Controller	Duke Energy Skyhigh, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Duke Energy Sun Holdings, LLC
		Chief Financial Officer and Controller	Duke Energy Supply Company, LLC
		Chief Financial Officer and Controller	Duke Energy Transmission Holding Company, LLC
		Chief Accounting Officer and Controller	Duke Energy Vermillion II, LLC
		Chief Financial Officer and Controller	Duke Investments, LLC
		Chief Accounting Officer and Controller	Duke Project Services, Inc.
		Chief Financial Officer and Controller	Duke Supply Network, LLC
		Chief Accounting Officer and Controller	Duke SustainRNG Holding Corp.
		Chief Accounting Officer and Controller	Duke SustainRNG LLC
		Chief Accounting Officer and Controller	Duke Technologies, Inc.
		Chief Financial Officer and Controller	Duke Ventures II, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Duke Ventures Real Estate, LLC
		Chief Accounting Officer and Controller	Duke Ventures, LLC
		Chief Accounting Officer	Duke-American Transmission Company, LLC
		Chief Financial Officer and Controller	Duke-Reliant Resources, Inc.
		Chief Financial Officer and Controller	East Blackland Holdings LLC
		Chief Financial Officer and Controller	East Blackland Solar Project 1 LLC
		Chief Accounting Officer and Controller	Eastover Land Company
		Chief Accounting Officer and Controller	Eastover Mining Company
		Chief Financial Officer and Controller	Emerald State Solar Holdings, LLC
		Chief Financial Officer and Controller	Emerald State Solar, LLC
		Chief Financial Officer and Controller	Energy Pipelines International Company
		Chief Financial Officer and Controller	Equinox Vermont Corporation
		Chief Accounting Officer and Controller	eTransEnergy, LLC
		Chief Financial Officer and Controller	Everetts Wildcat Solar, LLC

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Financial Officer and Controller	Federal Way Powerhouse LLC
		Controller	Florida Progress Funding Corporation
		Controller	Florida Progress, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Franklin Solar LLC
		Chief Financial Officer and Controller	Fresh Air Energy X, LLC
		Chief Financial Officer and Controller	Frontier Windpower II, LLC
		Chief Financial Officer and Controller	Frontier Windpower, LLC
		Chief Financial Officer and Controller	Garysburg Solar LLC
		Chief Financial Officer and Controller	Gaston Solar LLC
		Chief Financial Officer and Controller	Gato Montes Solar, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Golden Vista Energy Holdings, LLC
		Chief Financial Officer and Controller	Green Frontier Windpower Holdings, LLC
		Chief Financial Officer and Controller	Green Frontier Windpower, LLC
		Chief Accounting Officer and Controller	Greenville Gas and Electric Light and Power Company
		Chief Financial Officer and Controller	Happy Jack Windpower, LLC
		Chief Financial Officer and Controller	High Noon Solar Holdings, LLC
		Chief Financial Officer and Controller	High Noon Solar, LLC
		Chief Financial Officer and Controller	Highlander Solar 1, LLC
		Chief Financial Officer and Controller	Highlander Solar 2, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Holstein Solar Holdings, LLC
		Chief Financial Officer and Controller	HXOap Solar One, LLC
		Chief Financial Officer and Controller	Ironwood-Cimarron Windpower Holdings, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Jackpot Holdings, LLC
		Controller	Kentucky May Coal Company, LLC
		Chief Financial Officer and Controller	Kit Carson Windpower II Holdings, LLC
		Chief Financial Officer and Controller	Kit Carson Windpower II, LLC
		Chief Financial Officer and Controller	Kit Carson Windpower, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	KO Transmission Company
		Chief Accounting Officer and Controller	KO Transmission Company

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Financial Officer and Controller	Lapetus Energy Project, LLC
		Chief Financial Officer and Controller	Laurel Hill Wind Energy, LLC
		Chief Financial Officer and Controller	Ledyard Windpower, LLC
		Chief Financial Officer and Controller	Long Farm 46 Solar, LLC
		Chief Financial Officer and Controller	Longboat Solar, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower IA Holdings, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower IA, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower IB Holdings, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower IB, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower III Holdings, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower III, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower IV Holdings, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower IV, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower V Holdings, LLC
		Chief Financial Officer and Controller	Los Vientos Windpower V, LLC
		Chief Financial Officer and Controller	Martins Creek Solar NC, LLC
		Chief Financial Officer and Controller	Maryneal Windpower, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	MCP, LLC
		Chief Financial Officer and Controller	Mesteno Energy Holdings, LLC
		Chief Financial Officer and Controller	Mesteno Windpower, LLC
		Chief Accounting Officer and Controller	Miami Power Corporation
		Chief Financial Officer and Controller	Murphy Farm Power, LLC
		Chief Financial Officer and Controller	Nemaha Windpower, LLC
		Chief Financial Officer and Controller	North Allegheny Wind, LLC
		Chief Financial Officer and Controller	North Carolina Renewable Properties, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	North Rosamond Solar, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Palmer Solar LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	PanEnergy Corp.
		Chief Accounting Officer	Path 15 Funding KBT, LLC

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Accounting Officer	Path 15 Funding TV, LLC
		Chief Accounting Officer	Path 15 Funding, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Piedmont Natural Gas Company, Inc.
		Controller	PIH Tax Credit Fund III, Inc.
		Controller	PIH Tax Credit Fund IV, Inc.
		Controller	PIH Tax Credit Fund V, Inc.
		Controller	PIH, Inc.
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Pisgah Ridge Solar, LLC
		Chief Financial Officer and Controller	Pleasant Grove Solar, LLC
		Chief Financial Officer and Controller	Potter Road Powerhouse LLC
		Chief Accounting Officer and Controller	Progress Capital Holdings, Inc.
		Controller	Progress Energy EnviroTree, Inc.
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Progress Energy, Inc.
		Controller	Progress Fuels, LLC
		Controller	Progress Synfuel Holdings, Inc.
		Chief Accounting Officer and Controller	Progress Telecommunications Corporation
		Chief Financial Officer and Controller	Project Oxygen Holdings I, LLC
		Chief Financial Officer and Controller	Project Oxygen Holdings, LLC
		Chief Financial Officer and Controller	Pumpjack Solar I, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Rambler Solar Holdings, LLC
		Chief Financial Officer and Controller	RE Ajo 1 LLC
		Chief Financial Officer and Controller	RE AZ Holdings LLC
		Chief Financial Officer and Controller	RE Bagdad Solar 1 LLC
		Chief Financial Officer and Controller	RE Gattaca Holdings LLC
		Chief Financial Officer and Controller	RE Haast Holdings LLC
		Chief Financial Officer and Controller	RE Inverness Holdings LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	RE Rambler LLC
		Chief Financial Officer and Controller	RE SFCity1 GP, LLC
		Chief Financial Officer and Controller	RE SFCity1 Holdco LLC
		Chief Accounting Officer and Controller	REC Solar Commercial Corporation
		Chief Financial Officer and Controller	Rio Bravo Solar I, LLC
		Chief Financial Officer and Controller	Rio Bravo Solar II, LLC

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Financial Officer and Controller	River Road Solar, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Rosamond Renewables, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Rosamond Solar AQ LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Rosamond Solar Holdings, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Rosamond Solar Portfolio, LLC
		Chief Financial Officer and Controller	RP-Orlando, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Sandy River Timber, LLC
		Chief Financial Officer and Controller	Santa Fe Solar, LLC
		Chief Financial Officer and Controller	Seaboard Solar LLC
		Chief Financial Officer and Controller	Seville Solar Holding Company, LLC
		Chief Financial Officer and Controller	Seville Solar One LLC
		Chief Financial Officer and Controller	Seville Solar Two, LLC
		Chief Financial Officer and Controller	Shirley Wind, LLC
		Chief Financial Officer and Controller	Shoreham Energy Holdings, LLC
		Chief Financial Officer and Controller	Shoreham Solar Commons LLC
		Chief Financial Officer and Controller	Silver Sage Windpower, LLC
		Chief Financial Officer and Controller	Skyhigh Sun 2, LLC
		Chief Financial Officer and Controller	Skyhigh Sun, LLC
		Chief Financial Officer and Controller	Solar Star North Carolina I, LLC
		Chief Financial Officer and Controller	Solar Star North Carolina II, LLC
		Chief Financial Officer and Controller	SolNCPower10, L.L.C.
		Chief Financial Officer and Controller	SolNCPower5, LLC
		Chief Financial Officer and Controller	SolNCPower6, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	South Construction Company, Inc.
		Chief Accounting Officer and Controller	South Dixon Solar, LLC
		Chief Financial Officer and Controller	Southbound Solar, LLC
		Chief Accounting Officer and Controller	Southern Power Company
		Senior Vice President, Chief Financial Officer, Tax and Controller	Speedway Solar NC, LLC

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Financial Officer and Controller	Stenner Creek Solar LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Stony Knoll Solar, LLC
		Controller	Strategic Resource Solutions Corp., A North Carolina Enterprise Corporation
		Chief Financial Officer and Controller	Sweetwater Development LLC
		Chief Financial Officer and Controller	Sweetwater Wind Power L.L.C.
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Symphony Breeze, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Symphony Sun, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Symphony Wind Holdings, LLC
		Chief Financial Officer and Controller	Tallbear Seville LLC
		Chief Financial Officer and Controller	Tarboro Solar LLC
		Chief Financial Officer and Controller	Taylorsville Solar, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	TBP Properties, LLC
		Chief Financial Officer and Controller	TE Notrees, LLC
		Chief Financial Officer and Controller	TE Ocotillo, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	TES Anchor Solar 23 LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	TES Rowtier Solar 23 LLC
		Chief Financial Officer and Controller	Texoma Wind Holdings, LLC
		Chief Financial Officer and Controller	Texoma Wind, LLC
		Chief Financial Officer and Controller	Three Buttes Windpower, LLC
		Chief Financial Officer and Controller	Top of the World Wind Energy Holdings LLC
		Chief Financial Officer and Controller	Top of the World Wind Energy LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	TRES Timber, LLC
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Tri-State Improvement Company
		Chief Financial Officer and Controller	TX Solar I LLC
		Chief Financial Officer and Controller	Victory Solar LLC
		Chief Financial Officer and Controller	Washington Airport Solar, LLC

Jacobs, Dwight L.	Senior Vice President, Chief Accounting Officer, Tax and Controller	Chief Financial Officer and Controller	Washington Millfield Solar, LLC
		Chief Financial Officer and Controller	Washington White Post Solar, LLC
		Chief Financial Officer and Controller	Wateree Power Company
		Chief Financial Officer and Controller	West Texas Angelos Holdings LLC
		Chief Financial Officer and Controller	Westbound Solar 2, LLC
		Chief Financial Officer and Controller	Westbound Solar 3, LLC
		Chief Financial Officer and Controller	Westbound Solar, LLC
		Chief Accounting Officer and Controller	Western Carolina Power Company
		Senior Vice President, Chief Accounting Officer, Tax and Controller	Western Vista Solar Holdings, LLC
		Senior Vice President, Chief Financial Officer, Tax and Controller	Western Vista Solar, LLC
		Chief Financial Officer and Controller	Wild Jack Solar Holdings LLC
		Chief Financial Officer and Controller	Wild Jack Solar LLC
		Chief Financial Officer and Controller	Wildwood Solar I, LLC
		Chief Financial Officer and Controller	Wildwood Solar II, LLC
		Chief Financial Officer and Controller	Wind Star Holdings, LLC
		Chief Financial Officer and Controller	Wind Star Renewables, LLC
		Chief Financial Officer and Controller	Windsor Cooper Hill Solar, LLC
		Chief Financial Officer and Controller	Winton Solar LLC
		Chief Financial Officer and Controller	Woodland Solar LLC
		Chief Accounting Officer	Zephyr Power Transmission LLC
		Board	Communities in Schools
		Board of Visitors	UNC Children's Hospital

Jamil, Dhiaa M.	Executive Vice President and Chief Operating Officer	Director	Cinergy Corp.
		Director	Claiborne Energy Services, Inc.
		President	Claiborne Energy Services, Inc.
		Executive Vice President and Chief Operating Officer	Duke Energy Business Services LLC
		Executive Vice President and Chief Operating Officer	Duke Energy Carolinas, LLC
		Director	Duke Energy Carolinas, LLC
		Executive Vice President and Chief Operating Officer	Duke Energy Corporation
		Executive Vice President and Chief Operating Officer	Duke Energy Florida, LLC
		Director	Duke Energy Florida, LLC
		Director	Duke Energy Generation Services, Inc.
		Executive Vice President and Chief Operating Officer	Duke Energy Indiana, LLC
		Executive Vice President and Chief Operating Officer	Duke Energy Kentucky, Inc.
		Director	Duke Energy Kentucky, Inc.
		Executive Vice President and Chief Operating Officer	Duke Energy Ohio, Inc.
		Director	Duke Energy Ohio, Inc.
		Executive Vice President and Chief Operating Officer	Duke Energy Progress, LLC
		Director	Duke Energy Progress, LLC
		Director	Florida Progress, LLC
		Executive Vice President and Chief Operating Officer	Piedmont Natural Gas Company, Inc.
		Director	Piedmont Natural Gas Company, Inc.
		Trustee	The Duke Energy Foundation
		Trustee	Duke Energy Foundation
		Board Member	National Academy for Nuclear Training
		Board Member	National Academy of Nuclear Training
		Board Member	Nuclear Energy Institute
		Board Member	Nuclear Electric Insurance Limited (NEIL)
		Advisory Board Chairman	UNC - Charlotte, Energy Production Infrastructure Center

Janson, Julia S.	Executive Vice President, External Affairs and President, Carolinas Region	Director	Caldwell Power Company
		President	Caldwell Power Company
		Director	Catawba Mfg. & Electric Power Co.
		President	Catawba Mfg. & Electric Power Co.
		Director	Cinergy Corp.
		Executive Vice President, External Affairs and President, Carolinas Region	Duke Energy Business Services LLC
		Director	Duke Energy Carolinas, LLC
		Executive Vice President, External Affairs and President, Carolinas Region	Duke Energy Carolinas, LLC
		Executive Vice President, External Affairs and President, Carolinas Region	Duke Energy Corporation
		Executive Vice President, External Affairs and President, Carolinas Region	Duke Energy Florida, LLC
		Director	Duke Energy Florida, LLC
		Executive Vice President, External Affairs and President, Carolinas Region	Duke Energy Indiana, LLC
		Executive Vice President, External Affairs and President, Carolinas Region	Duke Energy Kentucky, Inc.
		Executive Vice President, External Affairs and President, Carolinas Region	Duke Energy Ohio, Inc.
		Executive Vice President, External Affairs and President, Carolinas Region	Duke Energy Progress, LLC
		Director	Duke Energy Progress, LLC
		Director	Florida Progress, LLC
		Director	Greenville Gas and Electric Light and Power Company
		President	Greenville Gas and Electric Light and Power Company
		Executive Vice President, External Affairs and President, Carolinas Region	Piedmont Natural Gas Company, Inc.
		Director	Progress Energy EnviroTree, Inc.

Janson, Julia S.	Executive Vice President, External Affairs and President, Carolinas Region	President	Progress Energy EnviroTree, Inc.
		Director	Southern Power Company
		President	Southern Power Company
		Trustee	The Duke Energy Foundation
		Director	Wateree Power Company
		Director	Western Carolina Power Company
		President	Western Carolina Power Company
		Board of Directors and Executive Committee	Charlotte Regional Business Alliance
		Executive Committee	RNC Host Committee

Newlin, Karl W.	Senior Vice President, Corporate Development and Treasurer	Treasurer	2018 ESA Project Company, LLC
		Treasurer	226HC 8me LLC
		Vice President	Atlantic Coast Pipeline, LLC
		Treasurer	Bethel Price Solar, LLC
		Treasurer	Black Mountain Solar, LLC
		Treasurer	Blue Rose Wind Holdings, LLC
		Treasurer	Blue Rose Wind, LLC
		Treasurer	Broad River Solar, LLC
		Treasurer	Caldwell Power Company
		Treasurer	Capitan Corporation
		Treasurer	Caprock Solar 1 LLC
		Treasurer	Caprock Solar 2 LLC
		Treasurer	Caprock Solar Holdings 1, LLC
		Treasurer	Caprock Solar Holdings 2, LLC
		Treasurer	Carofund, Inc.
		Treasurer	CaroHome, LLC
		Treasurer	Carolina Solar Power, LLC
		Treasurer	Catamount Energy Corporation
		Treasurer	Catamount Rumford Corporation
		Treasurer	Catamount Sweetwater 1 LLC
		Treasurer	Catamount Sweetwater 2 LLC
		Treasurer	Catamount Sweetwater 3 LLC
		Treasurer	Catamount Sweetwater 4-5 LLC
		Treasurer	Catamount Sweetwater 6 LLC
		Treasurer	Catamount Sweetwater Corporation
		Treasurer	Catamount Sweetwater Holdings LLC
		Treasurer	Catawba Mfg. & Electric Power Co.
		Treasurer	CEC UK1 Holding Corp.
		Treasurer	CEC UK2 Holding Corp.
		Treasurer	Century Group Real Estate Holdings, LLC
		Treasurer	Cinergy Climate Change Investments, LLC
		Treasurer	Cinergy Corp.
		Director	Cinergy Global (Cayman) Holdings, Inc.
		Treasurer and Vice President	Cinergy Global (Cayman) Holdings, Inc.
		Treasurer	Cinergy Global Power, Inc.
		Treasurer	Cinergy Global Resources, Inc.
		Director	Cinergy Global Tsavo Power
		Treasurer and Vice President	Cinergy Global Tsavo Power
		Member of the Board of Managers	Cinergy Receivables Company LLC
		President, Chief Financial Officer and Treasurer	Cinergy Receivables Company LLC
		Treasurer	Cinergy Solutions - Utility, Inc.
		Treasurer	Claiborne Energy Services, Inc.
		Treasurer	Clear Skies Solar Holdings, LLC
		Treasurer	Clear Skies Solar, LLC
		Treasurer	Colonial Eagle Solar, LLC
		Treasurer	Conetoe II Solar, LLC
		Treasurer	CPRE 1 Holdings, LLC
		Treasurer	CPRE 1, LLC
		Treasurer	Creswell Alligood Solar, LLC
		Treasurer	CS Murphy Point, LLC
		Treasurer	DATC Holdings Path 15, LLC
		Treasurer	DATC Path 15 Transmission, LLC
		Treasurer	DATC Path 15, LLC
		Treasurer	DATC SLTP, LLC

Newlin, Karl W.	Senior Vice President, Corporate Development and Treasurer	Director	DE Nuclear Engineering, Inc.
		Treasurer	DE Nuclear Engineering, Inc.
		Treasurer	DE1 Holdings, LLC
		Treasurer	DEGS O&M, LLC
		Treasurer	DEGS of Narrows, LLC
		Treasurer	DEGS Wind Supply II, LLC
		Treasurer	DEGS Wind Supply, LLC
		Treasurer	DER CPRE 1, LLC
		Treasurer	DER Holstein Holdings, LLC
		Treasurer	DER Holstein TX Holdings, LLC
		Treasurer	DER Holstein, LLC
		Treasurer	DER Rambler Solar, LLC
		Treasurer	DETM Management, Inc.
		Director	Dixilyn-Field Drilling Company
		President	Dixilyn-Field Drilling Company
		Treasurer	Dixilyn-Field Drilling Company
		Treasurer	Dogwood Solar, LLC
		President and Treasurer	DTMSI Management Ltd.
		Treasurer	Duke Energy ACP, LLC
		Manager	Duke Energy Americas, LLC
		Treasurer	Duke Energy Americas, LLC
		Treasurer	Duke Energy Beckjord Storage LLC
		Treasurer	Duke Energy Beckjord, LLC
		Treasurer	Duke Energy Breeze Holdings, LLC
		Senior Vice President, Corporate Development and Treasurer	Duke Energy Business Services LLC
		Manager	Duke Energy Carolinas Plant Operations, LLC
		Treasurer	Duke Energy Carolinas Plant Operations, LLC
		Senior Vice President, Corporate Development and Treasurer	Duke Energy Carolinas, LLC
		Director	Duke Energy China Corp.
		Treasurer	Duke Energy China Corp.
		Treasurer	Duke Energy Clean Energy Resources, LLC
		Treasurer	Duke Energy Commercial Enterprises, Inc.
		Treasurer	Duke Energy Corporate Services, Inc.
		Senior Vice President, Corporate Development and Treasurer	Duke Energy Corporation
		Manager	Duke Energy Florida Project Finance, LLC
		President, Chief Financial Officer and Treasurer	Duke Energy Florida Project Finance, LLC
		Director	Duke Energy Florida Receivables LLC
		President, Treasurer and Chief Financial Officer	Duke Energy Florida Receivables LLC
		Treasurer	Duke Energy Florida Solar Solutions, LLC
		Senior Vice President, Corporate Development and Treasurer	Duke Energy Florida, LLC
		Treasurer	Duke Energy Fuel Cell Holdings, LLC
		Treasurer	Duke Energy Fuel Cell, LLC
		Treasurer	Duke Energy Generation Services, Inc.
		Treasurer	Duke Energy Golden Vista, LLC
		Treasurer	Duke Energy Group Holdings, LLC
		Treasurer	Duke Energy Group, LLC

Newlin, Karl W.	Senior Vice President, Corporate Development and Treasurer	Senior Vice President, Corporate Development and Treasurer	Duke Energy Indiana, LLC
		Treasurer	Duke Energy Industrial Sales, LLC
		Treasurer	Duke Energy International, LLC
		Senior Vice President, Corporate Development and Treasurer	Duke Energy Kentucky, Inc.
		President and Treasurer	Duke Energy Luxembourg II, LLC
		President and Treasurer	Duke Energy Merchants, LLC
		Treasurer	Duke Energy Mesteno, LLC
		President and Treasurer	Duke Energy North America, LLC
		Manager	Duke Energy North America, LLC
		Senior Vice President, Corporate Development and Treasurer	Duke Energy Ohio, Inc.
		Treasurer	Duke Energy One Services, LLC
		Treasurer	Duke Energy One, Inc.
		Treasurer	Duke Energy Pipeline Holding Company, LLC
		Director	Duke Energy Progress Receivables LLC
		President, Treasurer and Chief Financial Officer	Duke Energy Progress Receivables LLC
		Senior Vice President, Corporate Development and Treasurer	Duke Energy Progress, LLC
		Director	Duke Energy Receivables Finance Company, LLC
		President, Treasurer and Chief Financial Officer	Duke Energy Receivables Finance Company, LLC
		Treasurer	Duke Energy Registration Services, Inc.
		Director	Duke Energy Registration Services, Inc.
		Treasurer	Duke Energy Renewable Services, LLC
		Treasurer	Duke Energy Renewables Commercial, LLC
		Treasurer	Duke Energy Renewables Holding Company, LLC
		Treasurer	Duke Energy Renewables NC Solar, LLC
		Treasurer	Duke Energy Renewables Solar Holdings, Inc.
		Treasurer	Duke Energy Renewables Solar I, LLC
		Treasurer	Duke Energy Renewables Solar, LLC
		Treasurer	Duke Energy Renewables Storage, LLC
		Treasurer	Duke Energy Renewables Wind I, LLC
		Treasurer	Duke Energy Renewables Wind, LLC
		Treasurer	Duke Energy Renewables, Inc.
		Treasurer	Duke Energy Royal, LLC
		Treasurer	Duke Energy Sabal Trail, LLC
		Treasurer	Duke Energy SAM, LLC
		Treasurer	Duke Energy Services Canada ULC
		Director	Duke Energy Services, Inc.
		President	Duke Energy Services, Inc.
		Treasurer	Duke Energy Services, Inc.
		Treasurer	Duke Energy Shoreham Holdings, LLC
		Treasurer	Duke Energy Shoreham, LLC
		Treasurer	Duke Energy Skyhigh 2, LLC
		Treasurer	Duke Energy Skyhigh, LLC
		Treasurer	Duke Energy Sun Holdings, LLC
		Treasurer	Duke Energy Supply Company, LLC
		Treasurer	Duke Energy Transmission Holding Company, LLC

Newlin, Karl W.	Senior Vice President, Corporate Development and Treasurer		
		Treasurer	Duke Energy Vermillion II, LLC
		Treasurer	Duke Investments, LLC
		Director	Duke Project Services, Inc.
		Treasurer	Duke Project Services, Inc.
		Treasurer	Duke Supply Network, LLC
		Treasurer	Duke SustainRNG Holding Corp.
		Treasurer	Duke SustainRNG LLC
		Treasurer	Duke Technologies, Inc.
		Treasurer	Duke Ventures II, LLC
		Treasurer	Duke Ventures Real Estate, LLC
		Manager	Duke Ventures, LLC
		Treasurer	Duke Ventures, LLC
		Treasurer	Duke-American Transmission Company, LLC
		Treasurer	Duke-Reliant Resources, Inc.
		Treasurer	East Blackland Holdings LLC
		Treasurer	East Blackland Solar Project 1 LLC
		Treasurer	Eastover Land Company
		Treasurer	Eastover Mining Company
		Treasurer	Emerald State Solar Holdings, LLC
		Treasurer	Emerald State Solar, LLC
		Director	Energy Pipelines International Company
		Treasurer	Energy Pipelines International Company
		Treasurer	Equinox Vermont Corporation
		Treasurer	eTransEnergy, LLC
		Treasurer	Everetts Wildcat Solar, LLC
		Treasurer	Federal Way Powerhouse LLC
		Treasurer	Florida Progress Funding Corporation
		Treasurer	Florida Progress, LLC
		Treasurer	Franklin Solar LLC
		Treasurer	Fresh Air Energy X, LLC
		Treasurer	Frontier Windpower II, LLC
		Treasurer	Frontier Windpower, LLC
		Treasurer	Garysburg Solar LLC
		Treasurer	Gaston Solar LLC
		Treasurer	Gato Montes Solar, LLC
		Treasurer	Golden Vista Energy Holdings, LLC
		Treasurer	Green Frontier Windpower Holdings, LLC
		Treasurer	Green Frontier Windpower, LLC
		Treasurer	Greenville Gas and Electric Light and Power Company
		Treasurer	Happy Jack Windpower, LLC
		Treasurer	High Noon Solar Holdings, LLC
		Treasurer	High Noon Solar, LLC
		Treasurer	Highlander Solar 1, LLC
		Treasurer	Highlander Solar 2, LLC
		Treasurer	Holstein Solar Holdings, LLC
		Treasurer	HXOap Solar One, LLC
		Treasurer	Ironwood-Cimarron Windpower Holdings, LLC
		Treasurer	Jackpot Holdings, LLC
		Treasurer	Kentucky May Coal Company, LLC
		Treasurer	Kit Carson Windpower II Holdings, LLC
		Treasurer	Kit Carson Windpower II, LLC
		Treasurer	Kit Carson Windpower, LLC
		Treasurer	KO Transmission Company
		Treasurer	Lapetus Energy Project, LLC

Newlin, Karl W.	Senior Vice President, Corporate Development and Treasurer	Treasurer	Laurel Hill Wind Energy, LLC
		Treasurer	Ledyard Windpower, LLC
		Treasurer	Long Farm 46 Solar, LLC
		Treasurer	Longboat Solar, LLC
		Treasurer	Los Vientos Windpower IA Holdings, LLC
		Treasurer	Los Vientos Windpower IA, LLC
		Treasurer	Los Vientos Windpower IB Holdings, LLC
		Treasurer	Los Vientos Windpower IB, LLC
		Treasurer	Los Vientos Windpower III Holdings, LLC
		Treasurer	Los Vientos Windpower III, LLC
		Treasurer	Los Vientos Windpower IV Holdings, LLC
		Treasurer	Los Vientos Windpower IV, LLC
		Treasurer	Los Vientos Windpower V Holdings, LLC
		Treasurer	Los Vientos Windpower V, LLC
		Treasurer	Martins Creek Solar NC, LLC
		Treasurer	Maryneal Windpower, LLC
		Treasurer	MCP, LLC
		Treasurer	Mesteno Energy Holdings, LLC
		Treasurer	Mesteno Windpower, LLC
		Treasurer	Miami Power Corporation
		Treasurer	Murphy Farm Power, LLC
		Treasurer	Nemaha Windpower, LLC
		Treasurer	North Allegheny Wind, LLC
		Treasurer	North Carolina Renewable Properties, LLC
		Treasurer	North Rosamond Solar, LLC
		Treasurer	Palmer Solar LLC
		Director	PanEnergy Corp.
		President and Treasurer	PanEnergy Corp.
		Treasurer	Path 15 Funding KBT, LLC
		Treasurer	Path 15 Funding TV, LLC
		Treasurer	Path 15 Funding, LLC
		Treasurer	Piedmont ACP Company, LLC
		Treasurer	Piedmont Constitution Pipeline Company, LLC
		Treasurer	Piedmont ENCNG Company, LLC
		Treasurer	Piedmont Energy Company
		Treasurer	Piedmont Energy Partners, Inc.
		Treasurer	Piedmont Hardy Storage Company, LLC
		Treasurer	Piedmont Interstate Pipeline Company
		Treasurer	Piedmont Intrastate Pipeline Company
		Senior Vice President, Corporate Development and Treasurer	Piedmont Natural Gas Company, Inc.
		Treasurer	Pisgah Ridge Solar, LLC
		Treasurer	Pleasant Grove Solar, LLC
		Treasurer	Potter Road Powerhouse LLC
		Treasurer	Progress Capital Holdings, Inc.
		Treasurer	Progress Energy EnviroTree, Inc.
		Treasurer	Progress Energy, Inc.
		Treasurer	Progress Fuels, LLC
		Treasurer	Progress Telecommunications Corporation

Newlin, Karl W.	Senior Vice President, Corporate Development and Treasurer	Treasurer	Project Oxygen Holdings I, LLC
		Treasurer	Project Oxygen Holdings, LLC
		Treasurer	Pumpjack Solar I, LLC
		Treasurer	Rambler Solar Holdings, LLC
		Treasurer	RE Ajo 1 LLC
		Treasurer	RE AZ Holdings LLC
		Treasurer	RE Bagdad Solar 1 LLC
		Treasurer	RE Gattaca Holdings LLC
		Treasurer	RE Haast Holdings LLC
		Treasurer	RE Inverness Holdings LLC
		Treasurer	RE Rambler LLC
		Treasurer	RE SFCity1 GP, LLC
		Treasurer	RE SFCity1 Holdco LLC
		Treasurer	REC Solar Commercial Corporation
		Treasurer	Rio Bravo Solar I, LLC
		Treasurer	Rio Bravo Solar II, LLC
		Treasurer	River Road Solar, LLC
		Treasurer	Rosamond Renewables, LLC
		Treasurer	Rosamond Solar AQ LLC
		Treasurer	Rosamond Solar Holdings, LLC
		Treasurer	Rosamond Solar Portfolio, LLC
		Treasurer	RP-Orlando, LLC
		Treasurer	Sandy River Timber, LLC
		Treasurer	Santa Fe Solar, LLC
		Treasurer	Seaboard Solar LLC
		Treasurer	Seville Solar Holding Company, LLC
		Treasurer	Seville Solar One LLC
		Treasurer	Seville Solar Two, LLC
		Treasurer	Shirley Wind, LLC
		Treasurer	Shoreham Energy Holdings, LLC
		Treasurer	Shoreham Solar Commons LLC
		Treasurer	Silver Sage Windpower, LLC
		Treasurer	Skyhigh Sun 2, LLC
		Treasurer	Skyhigh Sun, LLC
		Treasurer	Solar Star North Carolina I, LLC
		Treasurer	Solar Star North Carolina II, LLC
		Treasurer	SolNCPower10, L.L.C.
		Treasurer	SolNCPower5, LLC
		Treasurer	SolNCPower6, LLC
		Treasurer	South Construction Company, Inc.
		Treasurer	South Dixon Solar, LLC
		Treasurer	Southbound Solar, LLC
		Treasurer	Southern Power Company
		Treasurer	Speedway Solar NC, LLC
		Treasurer	Stenner Creek Solar LLC
		Treasurer	Stony Knoll Solar, LLC
		Vice President and Treasurer	Strategic Resource Solutions Corp., A North Carolina Enterprise Corporation
		Treasurer	Sweetwater Development LLC
		Treasurer	Sweetwater Wind Power L.L.C.
		Treasurer	Symphony Breeze, LLC
		Treasurer	Symphony Sun, LLC
		Treasurer	Symphony Wind Holdings, LLC
		Treasurer	Tallbear Seville LLC
		Treasurer	Tarboro Solar LLC
		Treasurer	Taylorsville Solar, LLC
		Treasurer	TBP Properties, LLC

Newlin, Karl W.	Senior Vice President, Corporate Development and Treasurer	Treasurer	TE Notrees, LLC
		Treasurer	TE Ocotillo, LLC
		Treasurer	TES Anchor Solar 23 LLC
		Treasurer	TES Rowtier Solar 23 LLC
		Treasurer	Texoma Wind Holdings, LLC
		Treasurer	Texoma Wind, LLC
		Treasurer	Three Buttes Windpower, LLC
		Treasurer	Top of the World Wind Energy Holdings LLC
		Treasurer	Top of the World Wind Energy LLC
		Treasurer	TRES Timber, LLC
		Treasurer	Tri-State Improvement Company
		Treasurer	TX Solar I LLC
		Treasurer	Victory Solar LLC
		Treasurer	Washington Airport Solar, LLC
		Treasurer	Washington Millfield Solar, LLC
		Treasurer	Washington White Post Solar, LLC
		Treasurer	Wateree Power Company
		Treasurer	West Texas Angelos Holdings LLC
		Treasurer	Westbound Solar 2, LLC
		Treasurer	Westbound Solar 3, LLC
		Treasurer	Westbound Solar, LLC
		Treasurer	Western Carolina Power Company
		Treasurer	Western Vista Solar Holdings, LLC
		Treasurer	Western Vista Solar, LLC
		Treasurer	Wild Jack Solar Holdings LLC
		Treasurer	Wild Jack Solar LLC
		Treasurer	Wildwood Solar I, LLC
		Treasurer	Wildwood Solar II, LLC
		Treasurer	Wind Star Holdings, LLC
		Treasurer	Wind Star Renewables, LLC
		Treasurer	Windsor Cooper Hill Solar, LLC
		Treasurer	Winton Solar LLC
		Treasurer	Woodland Solar LLC
		Treasurer	Zephyr Power Transmission LLC
		Board of Trustee	Mint Museum

Reising, Ronald R.	Senior Vice President, Chief Transformation and Administrative Officer	Senior Vice President and Chief Human Resources Officer	Duke Energy Business Services LLC
		Senior Vice President, Operations Support	Duke Energy Business Services LLC
		Senior Vice President and Chief Human Resources Officer	Duke Energy Carolinas, LLC
		Senior Vice President, Operations Support	Duke Energy Carolinas, LLC
		Director	Duke Energy Commercial Enterprises, Inc.
		Senior Vice President and Chief Human Resources Officer	Duke Energy Commercial Enterprises, Inc.
		Senior Vice President and Chief Human Resources Officer	Duke Energy Corporate Services, Inc.
		Senior Vice President and Chief Human Resources Officer	Duke Energy Corporation
		Senior Vice President, Operations Support	Duke Energy Corporation
		Senior Vice President and Chief Human Resources Officer	Duke Energy Florida, LLC
		Senior Vice President, Operations Support	Duke Energy Florida, LLC
		Senior Vice President and Chief Human Resources Officer	Duke Energy Indiana, LLC
		Senior Vice President, Operations Support	Duke Energy Indiana, LLC
		Senior Vice President and Chief Human Resources Officer	Duke Energy Kentucky, Inc.
		Senior Vice President, Operations Support	Duke Energy Kentucky, Inc.
		Senior Vice President and Chief Human Resources Officer	Duke Energy Ohio, Inc.
		Senior Vice President, Operations Support	Duke Energy Ohio, Inc.
		Senior Vice President and Chief Human Resources Officer	Duke Energy Progress, LLC
		Senior Vice President, Operations Support	Duke Energy Progress, LLC
		Senior Vice President and Chief Human Resources Officer	Energy Pipelines International Company
		Senior Vice President and Chief Human Resources Officer	Piedmont Natural Gas Company, Inc.
		Senior Vice President and Chief Human Resources Officer	Wateree Power Company
		Board of Directors	Center for Energy Workforce Development (CEWD)

Savoy, Brian D.	Senior Vice President, Chief Transformation and Administrative Officer	Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Beckjord Storage LLC
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Business Services LLC
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Carolinas, LLC
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Corporation
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Florida, LLC
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Indiana, LLC
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Kentucky, Inc.
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Ohio, Inc.
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Progress, LLC
		Senior Vice President, Chief Transformation and Administrative Officer	Duke Energy Transmission Holding Company, LLC
		Director, Board of Trustees	Queens University

Sideris, Harry K.	Senior Vice President, Customer Experience and Services	Senior Vice President, Customer Experience and Services	Duke Energy Business Services LLC
		Senior Vice President, Customer Experience and Services	Duke Energy Carolinas, LLC
		Senior Vice President, Customer Experience and Services	Duke Energy Corporation
		Senior Vice President, Customer Experience and Services	Duke Energy Florida, LLC
		Senior Vice President, Customer Experience and Services	Duke Energy Indiana, LLC
		Senior Vice President, Customer Experience and Services	Duke Energy Kentucky, Inc.
		Senior Vice President, Customer Experience and Services	Duke Energy Ohio, Inc.
		Senior Vice President, Customer Experience and Services	Duke Energy Progress, LLC

Stempien, Catherine S.	President, Florida	MEMBER	CTE Petrochemicals Company
		President, Florida	Duke Energy Business Services LLC
		President	Duke Energy Florida Solar Solutions, LLC
Weintraub, Alexander J.	Senior Vice President, Natural Gas Business	Senior Vice President, Natural Gas Business	Duke Energy Business Services LLC
		Senior Vice President, Natural Gas Business	Duke Energy Kentucky, Inc.
		Senior Vice President, Natural Gas Business	Duke Energy Ohio, Inc.
		Senior Vice President, Natural Gas Business	Piedmont Natural Gas Company, Inc.
		Board of Directors	American Gas Association (AGA)
		Board of Directors	Southern Gas Association (SGA)
		Board of Directors	Interstate Natural Gas Association of America (INGAA)
		Board of Directors	Charlotte Speech & Hearing Center
		Board of Directors	Envision Charlotte
		Board of Directors	Charlotte Regional Business Alliance
		Board of Directors	TerraGo Tech

Young, Steven K.	Executive Vice President and Chief Financial Officer	Director	Caldwell Power Company
		Director	Capitan Corporation
		Director	Carofund, Inc.
		Director	Catamount Energy Corporation
		Director	Catamount Rumford Corporation
		Director	Catamount Sweetwater Corporation
		Director	Catawba Mfg. & Electric Power Co.
		Director	CEC UK1 Holding Corp.
		Director	CEC UK2 Holding Corp.
		Member of the Board of Managers	Cinergy Climate Change Investments, LLC
		President	Cinergy Corp.
		Chief Financial Officer	Cinergy Corp.
		President	Cinergy Global Power, Inc.
		Director	Cinergy Global Power, Inc.
		President	Cinergy Global Resources, Inc.
		Director	Cinergy Global Resources, Inc.
		Director	Cinergy Solutions - Utility, Inc.
		Director	Claiborne Energy Services, Inc.
		Manager	DE1 Holdings, LLC
		Director	DEMI Management, Inc.
		Director	Dixilyn-Field Drilling Company
		Director	DTMSI Management Ltd.
		Manager	Duke Energy Americas, LLC
		Executive Vice President and Chief Financial Officer	Duke Energy Business Services LLC
		Executive Vice President and Chief Financial Officer	Duke Energy Carolinas, LLC
		Director	Duke Energy China Corp.
		Director	Duke Energy Corporate Services, Inc.
		Executive Vice President and Chief Financial Officer	Duke Energy Corporation
		Executive Vice President and Chief Financial Officer	Duke Energy Florida, LLC
		Executive Vice President and Chief Financial Officer	Duke Energy Indiana, LLC
		Chief Financial Officer	Duke Energy Kentucky, Inc.

Young, Steven K.	Executive Vice President and Chief Financial Officer	Executive Vice President	Duke Energy Kentucky, Inc.
		Executive Vice President and Chief Financial Officer	Duke Energy Ohio, Inc.
		Director	Duke Energy One, Inc.
		Executive Vice President and Chief Financial Officer	Duke Energy Progress, LLC
		Director	Duke Energy Registration Services, Inc.
		Director	Duke Energy Renewables Solar Holdings, Inc.
		Director	Duke Energy Renewables, Inc.
		Director	Duke Energy Services, Inc.
		Director	Duke Technologies, Inc.
		Member of the Board of Managers	Duke Ventures Real Estate, LLC
		Manager	Duke Ventures, LLC
		Director	Duke-Reliant Resources, Inc.
		Director	Energy Pipelines International Company
		Director	Equinox Vermont Corporation
		Manager	Federal Way Powerhouse LLC
		President	Florida Progress Funding Corporation
		Director	Florida Progress Funding Corporation
		Director	Florida Progress, LLC
		Director	Greenville Gas and Electric Light and Power Company
		President	Kentucky May Coal Company, LLC
		Director	KO Transmission Company
		Director	PanEnergy Corp.
		Executive Vice President and Chief Financial Officer	Piedmont Natural Gas Company, Inc.
		Director	PIH Tax Credit Fund III, Inc.
		Director	PIH Tax Credit Fund IV, Inc.
		Director	PIH Tax Credit Fund V, Inc.
		Director	PIH, Inc.
		Manager	Potter Road Powerhouse LLC
		Chief Executive Officer and President	Progress Capital Holdings, Inc.
		Director	Progress Capital Holdings, Inc.
		Director	Progress Energy EnviroTree, Inc.

Young, Steven K.	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer	Progress Energy, Inc.
		President	Progress Fuels, LLC
		Director	Progress Synfuel Holdings, Inc.
		President	Progress Synfuel Holdings, Inc.
		Director	Southern Power Company
		Director	Strategic Resource Solutions Corp., A North Carolina Enterprise Corporation
		Trustee	The Duke Energy Foundation
		Director	Tri-State Improvement Company
		Director	Wateree Power Company
		Director	Western Carolina Power Company
		Member	American Institute of Certified Public Accountants
		Member	Institute of Managerial Accountants
		Member	National Association of Accountants
		Member, CFO Committee	Edison Electric Institute

Business Contracts with Officers, Directors and Affiliates

Company: Duke Energy Florida, LLC

For the Year Ended December 31, 2020

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation-related to position with respondent) between the respondent and each officer and director listed in Part 1 of the Executive Summary. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

Note: * Business agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years.

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service
<p>No such contracts, agreements or other business arrangements to report.</p>			
<p>Note: The above listing excludes contributions and industry association dues. See pages 455 through 458 for affiliate transactions.</p>			

**Reconciliation of Gross Operating Revenues
Annual Report versus Regulatory Assessment Fee Return**

Company: Duke Energy Florida, LLC

For the Year Ended December 31, 2020

For the current year, reconcile the gross operating revenues as reported on Page 300 of this report with the gross operating revenues as reported on the utility's regulatory assessment fee return. Explain and justify any differences between the reported gross operating revenues in column (h).

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Line No.	Description	Gross Operating Revenues per Page 300	Interstate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Gross Operating Revenues per RAF Return	Interstate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Difference (d) - (g)
1	Total Sales to Ultimate Customers (440-446, 448)	4,563,926,660	73,700,540	4,490,226,120	4,563,929,660	73,700,540	4,490,229,120	(3,000)
2	Sales for Resale (447)	193,785,637	193,785,637	-	193,782,637	193,782,637	-	-
3	Total Sales of Electricity	4,757,712,297	267,486,177	4,490,226,120	4,757,712,297	267,483,177	4,490,229,120	(3,000)
4	Provision for Rate Refunds (449.1)	-	-	-	-	-	-	-
5	Total Net Sales of Electricity	4,757,712,297	267,486,177	4,490,226,120	4,757,712,297	267,483,177	4,490,229,120	(3,000)
6	Total Other Operating Revenues (450-456)	285,699,819	124,726,658	160,973,161	285,677,295	124,726,658	160,950,636	22,525
7	Other (Specify)							
8								
9								
10	Total Gross Operating Revenues	5,043,412,116	392,212,835	4,651,199,281	5,043,389,592	392,209,836	4,651,179,756	19,525

[1][2]

[2]

[1]

Notes:

[1] Colum (h) differences between the Annual Report and the RAF return will be fully researched and applied in accordance with published guidance.

[2] The (3,000) difference in Total Sales to Ultimate Customers is offset in the Sales for Resale adjustments.

**Analysis of Diversification Activity
Changes in Corporate Structure**

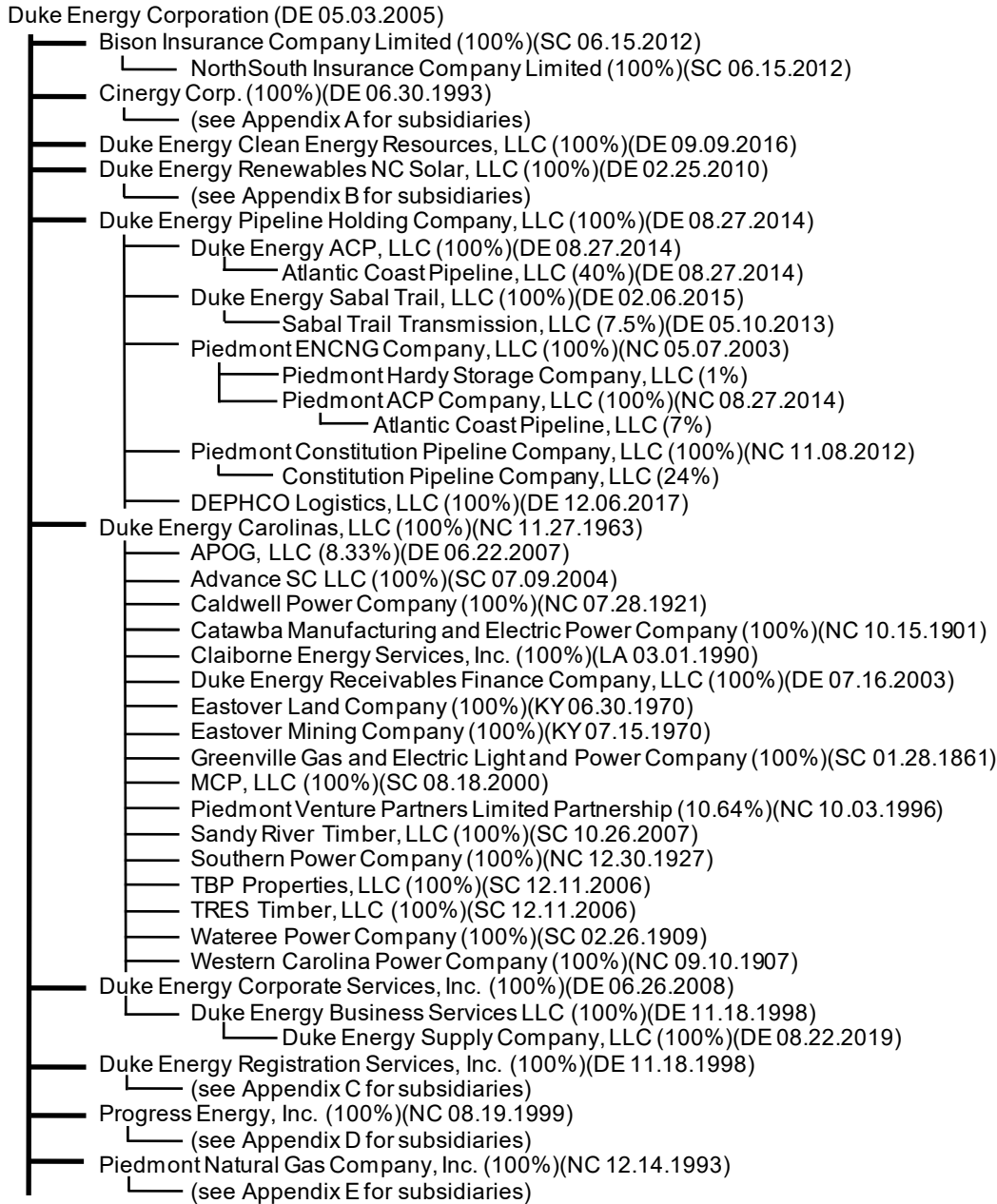
Company: Duke Energy Florida, LLC

For the Year Ended December 31, 2020

Provide any changes in corporate structure including partnerships, minority interest, and joint ventures and an updated organizational chart, including all affiliates.

Effective Date (a)	Description of Change (b)
	See Attached 2020 Quarterly Corporate Structure Reports

**DUKE ENERGY CORPORATION
CORPORATE STRUCTURE
AS OF MARCH 31, 2020**



Duke Energy Corporation

- └─ Cinergy Corp. (100%)

Cinergy Corp. (100%)(DE 06.30.1993)

- └─ Cinergy Global Resources, Inc. (100%)(DE 05.15.1998)
 - └─ (see Appendix F for subsidiaries)
- └─ Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)
 - └─ Duke Energy Commercial Enterprises, Inc. (100%)(IN 10.08.1992)
 - └─ (see Appendix G for subsidiaries)
 - └─ Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)
 - └─ (see Appendix H for subsidiaries)
 - └─ Duke-Reliant Resources, Inc. (100%)(DE 01.14.1998)
 - └─ Los Vientos Windpower III Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower IV Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower V Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)
 - └─ Symphony Breeze, LLC (51%)(DE 03.14.2019)
 - └─ (see Appendix A (continued) for subsidiaries)
- └─ Cinergy Receivables Company, LLC (100%)(DE 01.10.2002)
- └─ Duke Energy Indiana, LLC (100%)(IN 09.06.1941)
 - └─ South Construction Company, Inc. (100%)(IN 05.31.1934)
- └─ Duke Energy Ohio, Inc. (100%)(OH 04.03.1837)
 - └─ Duke Energy Beckjord, LLC (100%)(DE 05.31.2012)
 - └─ Duke Energy Kentucky, Inc. (100%)(KY 03.20.1901)
 - └─ KO Transmission Company (100%)(KY 04.11.1994)
 - └─ Miami Power Corporation (100%)(IN 03.25.1930)
 - └─ Ohio Valley Electric Corporation (9%)(OH 10.01.1952)
 - └─ Tri-State Improvement Company (100%)(OH 01.14.1964)
- └─ Duke Energy SAM, LLC (100%)(DE 05.31.2012)
 - └─ Duke Energy Vermillion II, LLC (100%)(DE 10.14.2010)
- └─ Duke Energy Transmission Holding Company, LLC (100%)(DE 07.16.2008)
 - └─ Duke Energy Beckjord Storage LLC (100%)(DE 09.04.2013)
 - └─ Duke-American Transmission Company, LLC (50%)(DE 04.11.2011)
 - └─ (see Appendix L for subsidiaries)
 - └─ Pioneer Transmission, LLC (50%)(IN 07.31.2008)
- └─ Duke Technologies, Inc. (100%)(DE 07.26.2000)
 - └─ Duke Energy One, Inc. (100%)(DE 09.05.2000)
 - └─ Cinergy Solutions – Utility, Inc. (100%)(DE 09.27.2004)
 - └─ DE1 Holdings, LLC (100%)(DE 10.10.2018)
 - └─ Tangent Energy Solutions, Inc. (45%)(DE 02.13.2009)
 - └─ Federal Way Powerhouse LLC (100%)(DE 10.26.2017)
 - └─ Potter Road Powerhouse LLC (100%)(DE 01.27.2017)
 - └─ Marzahl Powerhouse NJ LLC (100%)(DE 06.23.2016)
 - └─ Duke Energy One Services, LLC (100%)(DE 09.19.2019)
 - └─ Duke Energy Fuel Cell Holdings, LLC (100%)(DE 06.07.2019)
 - └─ Duke Energy Fuel Cell, LLC (100%)(DE 06.07.2019)
 - └─ Project Oxygen Holdings I, LLC (100%)(DE 06.28.2019)
 - └─ Project Oxygen Holdings, LLC (Class B Interests 100%)(DE 06.07.2019)
 - └─ 2018 ESA Project Company, LLC (100%)(DE 11.17.2016)
 - └─ Duke Investments, LLC (100%)(DE 07.25.2000)
 - └─ Open Energy Solutions Inc. (24%)(DE 12.07.2016)
 - └─ Duke Supply Network, LLC (100%)(DE 08.10.2000)
- └─ Progress Fuels, LLC (100%)(DE 07.27.2017)
 - └─ Kentucky May Coal Company, LLC (100%)(VA 11.27.1978)
 - └─ Progress Synfuel Holdings, Inc. (100%)(DE 12.07.1999)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Breeze Holdings, LLC (100%)
 - └─ Symphony Breeze, LLC (51%)

Cinergy Corp. (100%)(DE 06.30.1993)

- └─ Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)
 - └─ Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)
 - └─ Symphony Breeze, LLC (51%)(DE 03.14.2019)
 - └─ Clear Skies Solar Holdings, LLC (100%)(DE 11.15.2012)
 - └─ Clear Skies Solar, LLC (100%)(DE 11.15.2012)
 - └─ Black Mountain Solar, LLC (100%)(AZ 05.04.2011)
 - └─ CS Murphy Point, LLC (100%)(NC 01.12.2010)
 - └─ Martins Creek Solar NC, LLC (100%)(NC 04.08.2010)
 - └─ Murphy Farm Power, LLC (100%)(NC 01.27.2010)
 - └─ North Carolina Renewable Properties, LLC (100%)(NC 06.03.2010)
 - └─ RP-Orlando, LLC (100%)(DE 03.05.2010)
 - └─ Solar Star North Carolina I, LLC (100%)(DE 11.07.2008)
 - └─ Solar Star North Carolina II, LLC (100%)(DE 12.16.2009)
 - └─ Taylorsville Solar, LLC (100%)(DE 04.29.2010)
 - └─ Washington Millfield Solar, LLC (100%)(DE 05.23.2013)
 - └─ Texoma Wind Holdings, LLC (100%)(DE 10.11.2016)
 - └─ Texoma Wind, LLC (100%)(DE 10.11.2016)
 - └─ Frontier Windpower, LLC (100%)(DE 08.21.2015)
 - └─ Los Vientos Windpower III, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower IV, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower V, LLC (100%)(DE 07.24.2013)
 - └─ Duke Energy Renewables Solar I, LLC (100%)(DE 03.15.2019)
 - └─ Gato Montes Solar, LLC (100%)(DE 12.09.2011)
 - └─ RE AZ Holdings LLC (100%)(DE 10.11.2010)
 - └─ RE Ajo 1 LLC (100%)(DE 10.05.2009)
 - └─ RE Bagdad Solar 1 LLC (100%)(DE 08.13.2009)
 - └─ TX Solar I LLC (100%)(DE 05.27.2009)
 - └─ RE SFCity1 Holdco, LLC (100%)(DE 06.23.2010) acquired on 08.12.2013
 - └─ RE SFCity1 GP, LLC (100%)(DE 05.14.2009) acquired on 08.12.2013
 - └─ RE SFCity1, LP (99% owned by RE SFCity1 Holdco, LLC; 1% owned by RE SFCity1 GP, LLC) (DE 05.14.2009)
 - └─ Duke Energy Shoreham Holdings, LLC (100%)(DE 07.02.2018)
 - └─ Duke Energy Shoreham, LLC (100%)(DE 09.14.2017)
 - └─ Shoreham Energy Holdings, LLC (Class B Interests 100%)(DE 09.15.2017)
 - └─ Shoreham Solar Commons LLC (100%)(DE 04.23.2015)
 - └─ Duke Energy Renewables Wind I, LLC (100%)(DE 03.15.2019)
 - └─ Ironwood-Cimarron Windpower Holdings, LLC (100%)(DE 12.08.2010)
 - └─ DS Cornerstone, LLC (50%)(DE 04.05.2012)
 - └─ Summit Wind Energy Mesquite Creek, LLC (100%)(DE 08.01.2013)
 - └─ Mesquite Creek Wind LLC (100%)(DE 09.12.2008)
 - └─ Free State Windpower, LLC (100%)(DE 02.01.2012)
 - └─ Ironwood Windpower, LLC (100%)(DE 12.08.2010)
 - └─ Cimarron Windpower II, LLC (100%)(DE 03.07.2011)
 - └─ Green Frontier Windpower Holdings, LLC (100%)(DE 02.22.2010)
 - └─ Green Frontier Windpower, LLC (100%)(DE 05.13.2010)
 - └─ Three Buttes Windpower, LLC (100%)(DE 08.26.2008)
 - └─ Silver Sage Windpower, LLC (100%)(DE 04.16.2007)
 - └─ Happy Jack Windpower, LLC (100%)(DE 10.27.2006)
 - └─ Kit Carson Windpower, LLC (100%)(DE 06.23.2009)
 - └─ Los Vientos Windpower IA Holdings, LLC (100%)(DE 01.27.2011)
 - └─ Los Vientos Windpower IA, LLC (100%)(DE 01.27.2011)

Duke Energy Corporation

Information contained in the GEMS database takes precedence over information disclosed in this document.

Balance of ownership for entities <100% owned by a Duke entity can be referenced in GEMS. Page 454 (Page 4 of 73)

654506

— Cinergy Corp. (100%)

Cinergy Corp. (100%)(DE 06.30.1993)

└─ Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)

└─ Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)

└─ Symphony Breeze, LLC (51%)(DE 03.14.2019)

└─ Duke Energy Renewables Wind I, LLC (100%)(DE 03.15.2019)

└─ Los Vientos Windpower IB Holdings, LLC (100%)(DE 08.02.2012)

└─ Los Vientos Windpower IB, LLC (100%)(DE 07.11.2011)

└─ Notrees Windpower, LP (99%)(DE 09.30.2005)

└─ Ocotillo Windpower, LP (99%)(DE 12.22.2004)

└─ TE Notrees, LLC (100%)(DE 09.30.2005)

└─ Notrees Windpower, LP (1%)(DE 09.30.2005)

└─ TE Ocotillo, LLC (100%)(DE 12.21.2004)

└─ Ocotillo Windpower, LP (1%)(DE 12.22.2004)

└─ North Allegheny Wind, LLC (100%)(DE 05.31.2006)

└─ Wind Star Holdings, LLC (100%)(DE 04.15.2014)

└─ Wind Star Renewables, LLC (100%)(DE 04.15.2014)

└─ Highlander Solar 1, LLC (100%)(DE 09.03.2010)

└─ Highlander Solar 2, LLC (100%)(DE 09.03.2010)

└─ Laurel Hill Wind Energy, LLC (100%)(PA 12.14.2004)

└─ Shirley Wind, LLC (100%)(WI 10.20.2006)

└─ Top of the World Wind Energy Holdings LLC (100%)(DE 11.15.2010)

└─ Top of the World Wind Energy LLC (100%)(DE 03.13.2008)

Duke Energy Corporation

- └─ Duke Energy Renewables NC Solar, LLC (100%)

Duke Energy Renewables NC Solar, LLC (100%)(DE 02.25.2010)

- └─ Emerald State Solar Holdings, LLC (100%)(DE 04.18.2016)
 - └─ Emerald State Solar, LLC (100%)(DE 04.18.2016)
 - └─ Bethel Price Solar, LLC (100%)(DE 10.11.2013)
 - └─ Colonial Eagle Solar, LLC (100%)(DE 05.20.2014)
 - └─ Conetoe II Solar, LLC (100%)(NC 04.28.2014)
 - └─ Creswell Alligood Solar, LLC (100%)(DE 08.27.2014)
 - └─ Dogwood Solar, LLC (100%)(DE 09.12.2012)
 - └─ Everetts Wildcat Solar, LLC (100%)(DE 09.25.2014)
 - └─ Fresh Air Energy X, LLC (100%)(NC 04.03.2014)
 - └─ Garysburg Solar LLC (100%)(DE 09.24.2013)
 - └─ Gaston Solar LLC (100%)(10.08.2013)
 - └─ HXOap Solar One, LLC (100%)(NC 04.30.2013)
 - └─ Long Farm 46 Solar, LLC (100%)(NC 09.22.2014)
 - └─ Seaboard Solar LLC (100%)(DE 11.12.2013)
 - └─ SolNCPower5, LLC (100%)(NC 10.17.2013)
 - └─ SolNCPower6, LLC (100%)(NC 10.17.2013)
 - └─ SolNCPower10, L.L.C. (100%)(NC 08.01.2014)
 - └─ Tarboro Solar LLC (100%)(DE 08.26.2013)
 - └─ Washington White Post Solar, LLC (100%)(DE 09.10.2012)
 - └─ Windsor Cooper Hill Solar, LLC (100%)(DE 10.11.2013)
 - └─ Winton Solar LLC (100%)(DE 09.23.2013)
 - └─ Woodland Solar LLC (100%)(DE 09.19.2013)
 - └─ River Road Solar, LLC (100%)(NC 05.21.2014)

Duke Energy Corporation

- └─ Duke Energy Registration Services, Inc. (100%)

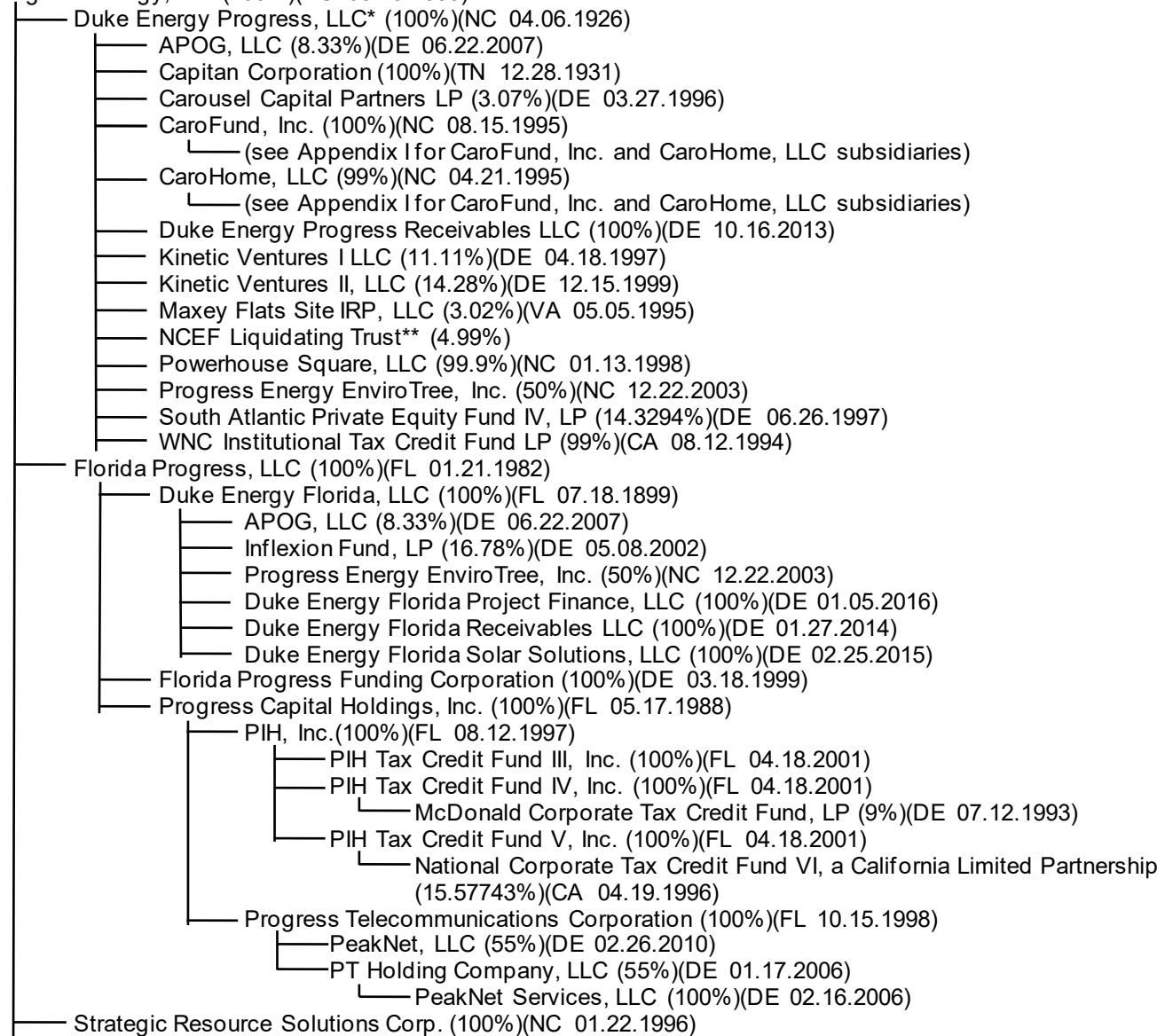
Duke Energy Registration Services, Inc. (100%)(DE 11.18.1998)

- └─ PanEnergy Corp. (100%)(DE 01.26.1981)
 - └─ Duke Energy Services, Inc. (100%)(DE 06.08.1959)
 - └─ DETMI Management, Inc. (100%)(CO 06.21.1994)
 - └─ Duke Ventures Real Estate, LLC (100%)(DE 06.09.2009)
 - └─ Century Group Real Estate Holdings, LLC (100%)(SC 02.06.2013)
 - └─ DTMSI Management Ltd. (100%)(British Columbia 12.18.2009)
 - └─ Duke Energy Services Canada ULC (31%)(British Columbia 09.17.2009)
 - └─ Duke Ventures, LLC (100%)(NV 12.19.2000)
 - └─ Dixilyn-Field Drilling Company (100%)(DE 01.31.1977)
 - └─ Dixilyn-Field (Nigeria) Limited (100%)(Nigeria 11.14.1977)
 - └─ Duke Energy Services Canada ULC (69%)(British Columbia 09.17.2009)
 - └─ Eastman Whipstock do Brasil Ltda (100%)(Brazil 05.21.1979)
 - └─ Energy Pipelines International Company (100%)(DE 04.28.1975)
 - └─ Duke Energy China Corp. (100%)(DE 08.13.1976)
- └─ Duke Energy Americas, LLC (100%)(DE 07.02.2004)
 - └─ Duke Energy International, LLC (100%)(DE 09.18.1997)
 - └─ (see Appendix M for subsidiaries)
 - └─ Duke Energy Merchants, LLC (100%)(DE 04.23.1999)
 - └─ Duke Energy North America, LLC (100%)(DE 09.18.1997)
- └─ Duke Energy Carolinas Plant Operations, LLC (100%)(DE 05.29.2001)
 - └─ DE Nuclear Engineering, Inc. (100%)(NC 03.17.1969)
- └─ Duke Energy Royal, LLC (100%)(DE 03.13.2002)
- └─ Duke Project Services, Inc. (100%)(NC 07.01.1966)
 - └─ D/FD Operating Services LLC (50.0001%)(DE 03.07.1996)
 - └─ Duke/Fluor Daniel (50.0001%)(NC 09.01.1997)
 - └─ D/FD Holdings, LLC (100%)(DE 12.15.2005)
 - └─ Duke/Fluor Daniel El Salvador S.A. de C.V. (50%)(El Salvador)
 - └─ Duke/Fluor Daniel International (50.0001%)(NV 09.01.1994)
 - └─ Duke/Fluor Daniel Caribbean, S.E. (99%)(Puerto Rico 12.06.1996)
 - └─ Duke/Fluor Daniel International Services (50.0001%)(NV 09.01.1994)
 - └─ Duke/Fluor Daniel Caribbean, S.E. (0.50%)(Puerto Rico 12.06.1996)
 - └─ Duke/Fluor Daniel International Services (Trinidad) Ltd. (100%)(Trinidad and Tobago 12.03.1998)

Duke Energy Corporation

- └─ Progress Energy, Inc. (100%)

Progress Energy, Inc. (100%)(NC 08.19.1999)



* Duke Energy Progress, LLC (formerly known as Carolina Power & Light Company) is also the beneficial owner of several entities that were generally acquired through bankruptcy proceedings. These entities are not shown separately due to its minor ownership interest (generally <1%).

As of December 31, 2009, it is believed CP&L owns a beneficial interest in the following entities:

Air Nail Unsecured Creditors Liquid Trust, Creditors Reserve Trust, Heiling-Meyers Liquidating Trust, Estate of Jillian Entertainment, HA2003 Liquidating Trust, CFC Trust, Fleming Post Confirmation Trust, Bombay Liquidation Trust, USOP Liquidating LLC, ZB Company Liquidation Trust and ANC Liquidating Trust.

** NCEF Liquidating Trust, a business trust, holds the assets of The North Carolina Enterprise Fund Limited Partnership, now dissolved.

Duke Energy Corporation

- └─ Piedmont Natural Gas Company, Inc. (100%)

Piedmont Natural Gas Company, Inc. (100%)(reincorporated in NC 02.25.1994)

- └─ Piedmont Energy Partners, Inc. (100%)(NC 01.30.1996)
 - └─ Piedmont Energy Company (100%)(NC 01.11.1994)
 - └─ Piedmont Interstate Pipeline Company (100%)(NC 09.08.1992)
 - └─ Pine Needle LNG Company, LLC (45%)
 - └─ Piedmont Intrastate Pipeline Company (100%)(NC 04.04.1994)
 - └─ Cardinal Pipeline Company, LLC (21.49%)
- └─ Piedmont Hardy Storage Company, LLC (99%)(NC 07.22.2004)
 - └─ Hardy Storage Company, LLC (50%)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Cinergy Global Resources, Inc. (100%)

Cinergy Global Resources, Inc. (100%)(DE 05.15.1998)

- └─ Cinergy Global Power, Inc. (100%)(DE 09.04.1997)
 - └─ CGP Global Greece Holdings, SA (99.99%)(Greece 08.10.2001)
 - └─ Cinergy Global (Cayman) Holdings, Inc. (100%)(Cayman Islands 09.04.1997)
 - └─ Cinergy Global Tsavo Power (100%)(Cayman Islands 09.04.1997)
 - └─ IPS-Cinergy Power Limited (48.2%)(Kenya 04.28.1999)
 - └─ Tsavo Power Company Limited (49.9%)(Kenya 01.22.1998)
 - └─ Cinergy Global Holdings, Inc. (100%)(DE 12.18.1998)
 - └─ CGP Global Greece Holdings, SA (.01%)(Greece 08.10.2001)
 - └─ Cinergy Global Power Africa (Proprietary) Limited (100%)(South Africa 08.03.1999)

Duke Energy Corporation

└─ Cinergy Corp. (100%)

└─ Duke Energy Renewables Holding Company, LLC (100%)

└─ Duke Energy Commercial Enterprises, Inc. (100%)

Duke Energy Commercial Enterprises, Inc. (100%)(IN 10.08.1992)

└─ CinCap V, LLC (10%)(DE 07.21.1998)

└─ Cinergy Climate Change Investments, LLC (100%)(DE 06.09.2003)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)

Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)

- └─ Duke Energy Renewables Commercial, LLC (100%)(DE 12.16.2014)
 - └─ Stenner Creek Solar LLC (100%)(DE 01.17.2017)
 - └─ Duke Energy Skyhigh, LLC (100%)(DE 07.30.2018)
 - └─ Skyhigh Sun, LLC (Class B Interests 100%)(DE 07.30.2018)
 - └─ Westbound Solar, LLC (100%)(DE 09.11.2018)
 - └─ TES Anchor Solar 23, LLC (100%)(DE 01.25.2019)
 - └─ Duke Energy Skyhigh 2, LLC (100%)(DE 01.10.2020)
 - └─ Skyhigh Sun 2, LLC (100%)(DE 01.15.2020)
 - └─ Southbound Solar, LLC (100%)(DE 04.12.2018)
 - └─ Westbound Solar 2, LLC (100%)(DE 10.24.2019)
 - └─ TES Rowtier Solar 23 LLC (100%)(DE 09.18.2018)
- └─ Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010)
 - └─ Caprock Solar 2 LLC (100%)(DE 10.31.2014)
 - └─ Caprock Solar Holdings 2, LLC (100%)(DE 04.30.2015)
 - └─ West Texas Angelos Holdings LLC (100%)(DE 06.08.2012)
 - └─ Carolina Solar Power, LLC (100%)(DE 02.13.2018)
 - └─ Broad River Solar, LLC (100%)(DE 02.15.2019)
 - └─ Stony Knoll Solar, LLC (100%)(DE 02.19.2019)
 - └─ Speedway Solar NC, LLC (100%)(DE 04.15.2019)
 - └─ Franklin Solar LLC (100%)(ID 06.26.2017)
 - └─ Jackpot Holdings, LLC (100%)(ID 03.18.2019)
- └─ Duke Energy Renewables Wind, LLC (100%)(DE 05.23.2007)
 - └─ Nemaha Windpower, LLC (f/k/a Amshore Osage, LLC) (100%) (DE 03.14.2017)
 - └─ Catamount Energy Corporation (100%)(VT 06.23.1992)
 - └─ (see Appendix K for subsidiaries)
 - └─ DEGS Wind Supply, LLC (100%)(DE, 12.11.2007)
 - └─ DEGS Wind Supply II, LLC (100%)(DE 08.26.2008)
 - └─ Kit Carson Windpower II Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Kit Carson Windpower II, LLC (100%)(DE 07.24.2013)
 - └─ Ledyard Windpower, LLC (100%)(TX 11.02.2017)
- └─ Duke Energy Generation Services, Inc. (DE 06.02.2000)
 - └─ (see Appendix J for subsidiaries)
- └─ Duke Energy Renewable Services, LLC (100%)(DE 10.22.2012)
- └─ REC Solar Commercial Corporation (100%)(DE 11.26.2013)
- └─ Duke Ventures II, LLC (100%)(DE 09.01.2000)
 - └─ Spruce Finance, Inc. (7.70%)(DE 12.16.2015)
 - └─ Encycle Corporation (15.05%)(Ontario)
 - └─ PHX Management Holdings, LLC (70%)(DE 10.15.2015)
 - └─ Phoenix Energy Technologies, Inc. (7.7%)(DE 12.20.2008)
- └─ Symphony Wind Holdings, LLC (100%)(DE 05.22.2019)
 - └─ Duke Energy Mesteno, LLC (100%)(DE 03.28.2019)
 - └─ Mesteno Energy Holdings, LLC (100%)(DE 03.28.2019)
 - └─ Mesteno Windpower, LLC (100%)(DE 06.07.2018)
 - └─ Frontier Windpower II, LLC (100%)(DE 11.18.2015)
 - └─ Maryneal Windpower, LLC (f/k/a Sweetwater Wind 6 LLC)(100%)(DE 04.29.2004)
- └─ Duke Energy Renewables Storage, LLC (100%)(DE 12.05.2019)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)

Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)

- └─ Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019)
 - └─ Duke Energy Golden Vista, LLC (100%)(DE 08.01.2019)
 - └─ Golden Vista Energy Holdings, LLC (Class B Interests 100%)(DE 08.01.2019)
 - └─ Lapetus Energy Project, LLC (100%)(DE 03.21.2017)
 - └─ Palmer Solar LLC (100%)(DE 03.21.2017)
 - └─ Rosamond Renewables, LLC (100%)(DE 11.21.2017)
 - └─ Rosamond Solar Portfolio, LLC (100%)(DE 11.21.2017)
 - └─ Rosamond Solar AQ LLC (100%)(DE02.22.2018)
 - └─ Rosamond Solar Holdings, LLC (Class B Interests 100%)(DE 11.21.2017)
 - └─ North Rosamond Solar, LLC (100%)(DE 09.30.2009)
 - └─ DER Holstein Holdings, LLC (100%)(DE 04.24.2019)
 - └─ DER Holstein TX Holdings, LLC (100%)(DE 04.24.2019)
 - └─ DER Holstein, LLC (100%)(DE 04.24.2019)
 - └─ Holstein Solar Holdings, LLC (100%)(DE 04.24.2019)
 - └─ 226HC 8me LLC (100%)(DE 07.25.2016)
 - └─ DER Rambler Solar, LLC (100%)(DE 12.13.2019)
 - └─ Rambler Solar Holdings, LLC (Class B Interests 100%)(DE 12.13.2019)
 - └─ RE Rambler LLC (100%)(DE 05.19.2017)
- └─ Duke Energy Sun Holdings, LLC (100%)(DE 03.15.2019)
 - └─ Symphony Sun, LLC (67%)(DE 03.15.2019)
 - └─ Washington Airport Solar, LLC (100%)(DE 10.16.2013)
 - └─ Wild Jack Solar Holdings LLC (100%)(DE 10.06.2015)
 - └─ Wild Jack Solar LLC (100%)(DE 10.06.2015)
 - └─ Pumpjack Solar I, LLC (100%)(DE 02.09.2012)
 - └─ Wildwood Solar I, LLC (100%)(DE 02.09.2012)
 - └─ High Noon Solar Holdings, LLC (100%)(DE 05.04.2017)
 - └─ High Noon Solar, LLC (100%)(DE 05.04.2017)
 - └─ Caprock Solar 1 LLC (100%)(DE 10.31.2014)
 - └─ Caprock Solar Holdings 1, LLC (100%)(DE 04.30.2015)
 - └─ Longboat Solar, LLC (100%)(DE 06.05.2014)
 - └─ Rio Bravo Solar I, LLC (100%)(DE 03.22.2012)
 - └─ Rio Bravo Solar II, LLC (100%)(DE 04.05.2013)
 - └─ Seville Solar Holding Company, LLC (100%)(DE 05.06.2014)
 - └─ Seville Solar One LLC (100%)(DE 05.06.2014)
 - └─ Tallbear Seville LLC (49%)(CA 11.29.2012)
 - └─ Seville Solar Two, LLC (100%)(DE 05.06.2014)
 - └─ Victory Solar LLC (100%)(DE 09.15.2015)
 - └─ Wildwood Solar II, LLC (100%)(DE 03.22.2012)

Duke Energy Corporation

- └─ Progress Energy, Inc. (100%)
 - └─ Duke Energy Progress, LLC (100%)
 - └─ CaroFund, Inc.
 - └─ CaroHome, LLC
-

Duke Energy Progress, LLC (100%)(NC 04.06.1926)

- └─ CaroFund, Inc. (100%)(NC 08.15.1995)
 - └─ CaroHome, LLC (1%)(NC 04.21.1995)
 - └─ Historic Property Management LLC (100%)(NC 12.09.1999)
- └─ CaroHome, LLC (99%)(NC 04.21.1995)
 - └─ Grove Arcade Restoration LLC (99.99%)(NC 11.29.1999)
 - └─ Baker House Apartments LLC (99.99%)(NC 01.26.1998)
 - └─ HGA Development LLC (99.99%)(NC 12.09.1999)
 - └─ Cedar Tree Properties LP (24.9849%)(WA 07.05.1994)
 - └─ First Partners Corporate LP II (15.84%)(MA 11.26.1996)
 - └─ Wilrik Hotel Apartments LLC (99.99%)(NC 03.14.1997)
 - └─ PRAIRIE, LLC (99.99%)(NC 10.29.1998)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)
 - └─ Duke Energy Generation Services, Inc. (100%)
-

Duke Energy Generation Services, Inc. (100%)(DE 06.02.2000)

- └─ DEGS O&M, LLC (100%)(DE 08.30.2004)
- └─ DEGS of Narrows, LLC (100%)(DE 03.17.2003)
- └─ Duke Energy Industrial Sales, LLC (100%)(DE 06.06.2006)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)
 - └─ Duke Energy Renewables Wind, LLC (100%)
 - └─ Catamount Energy Corporation

Catamount Energy Corporation (100%)(VT 06.23.1992) [DEGS Wind Vermont, Inc. (VT, 06.20.2008)]

- └─ Equinox Vermont Corporation (100%)(VT 05.01.1990)
 - └─ Catamount Rumford Corporation (100%)(VT 04.11.1989)
 - └─ Ryegate Associates (33.1126%)(UT 04.30.1990)
- └─ Catamount Sweetwater Corporation (100%)(VT 06.17.2003)
 - └─ Sweetwater Development LLC (100%)(TX 11.05.2002)
 - └─ Sweetwater Wind Power L.L.C. (100%)(TX 11.05.2002)
- └─ Catamount Sweetwater Holdings LLC (100%)(VT 06.20.2005)
 - └─ Catamount Sweetwater 1 LLC (100%)(VT 12.12.2003)
 - └─ Catamount Sweetwater 2 LLC (100%)(VT 05.05.2004)
 - └─ Catamount Sweetwater 3 LLC (100%)(VT 06.03.2004)
- └─ Catamount Sweetwater 4-5 LLC (100%)(VT 03.08.2005)
 - └─ Sweetwater 4-5 Holdings LLC (18.72%)(DE 04.18.2007)
 - └─ Sweetwater Wind 4 LLC (100%)(DE 04.29.2004)
 - └─ Sweetwater Wind 5 LLC (100%)(DE 04.29.2004)
- └─ Catamount Sweetwater 6 LLC (100%)(VT 09.07.2005)
- └─ CEC UK1 Holding Corp. (100%)(VT 09.11.2002)
- └─ CEC UK2 Holding Corp. (100%)(VT 09.11.2002)

Duke Energy Corporation
 └─ Cinergy Corp. (100%)
 └─ Duke Energy Transmission Holding Company, LLC
 └─ Duke-American Transmission Company, LLC

Duke-American Transmission Company, LLC (50%)(DE 04.11.2011)
 └─ Zephyr Power Transmission LLC (100%)(DE 12.05.2008)
 └─ DATC Midwest Holdings, LLC (100%)(DE 04.11.2012)
 └─ DATC Path 15 Transmission, LLC (100%)(DE 08.09.2006)
 └─ Path 15 Funding, LLC (100%)(DE 12.27.2002)
 └─ Path 15 Funding TV, LLC (100%)(DE 11.16.2004)
 └─ Path 15 Funding KBT, LLC (100%)(DE 09.21.2006)
 └─ DATC Holdings Path 15, LLC (47.326% owned by DATC Path 15 Transmission, LLC;
 22.574% owned by Path 15 Funding KBT, LLC and 30.099% owned by Path 15 Funding,
 LLC)(DE 10.16.2002)
 └─ DATC Path 15, LLC (100%)(DE 10.16.2002)
 └─ DATC SLTP, LLC (100%)(DE 03.11.2019)

Duke Energy Corporation

- └─ Duke Energy Registration Services, Inc. (100%)
 - └─ Duke Energy Americas, LLC (100%)
 - └─ Duke Energy International, LLC (100%)

Duke Energy International, LLC (100%)(DE 09.18.1997)

- └─ Duke Energy Group Holdings, LLC (100%)(DE 04.29.2005)
 - └─ Duke Energy Group, LLC (100%)(DE 12.22.1987)
 - └─ Duke Energy Brazil Holdings I, C.V. (90%)(Netherlands)
 - └─ Duke Energy International Uruguay Investments, S.R.L. (100%)(Uruguay)
 - └─ Duke Energy Luxembourg II, LLC (100%)(DE 12.18.2017)
 - └─ Duke Energy Brazil Holdings I, C.V. (10%)(Netherlands)
 - └─ Duke Energy Arabian Limited (100%)(Gibraltar)
 - └─ CTE Petrochemicals Company (35%)(Cayman)
 - └─ National Methanol Company (50%)(Saudi Arabia)
 - └─ CSCC Holdings Limited Partnership (100%)(British Columbia)

Changes to Corporate Structure – First Quarter 2020

Entities Removed

- On January 31, 2020, Santa Fe Solar, LLC (100%)(DE 01.25.2019) merged into Duke Energy Florida, LLC (100%)(FL 07.18.1899).

Entities Added

- On January 10, 2020, Duke Energy Renewables Commercial, LLC (100%)(DE 12.16.2014) formed Duke Energy Skyhigh 2, LLC (100%)(DE 01.10.2020).
- On January 15, 2020, Duke Energy Skyhigh 2, LLC (100%)(DE 01.10.2020) formed Skyhigh Sun 2, LLC (100%)(DE 01.15.2020).
- On February 13, 2020, Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010) acquired Franklin Solar LLC (100%)(ID 06.26.2017).
- On February 13, 2020, Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010) acquired Jackpot Holdings, LLC (100%)(ID 03.18.2019).

Entity Type Changes

- None.

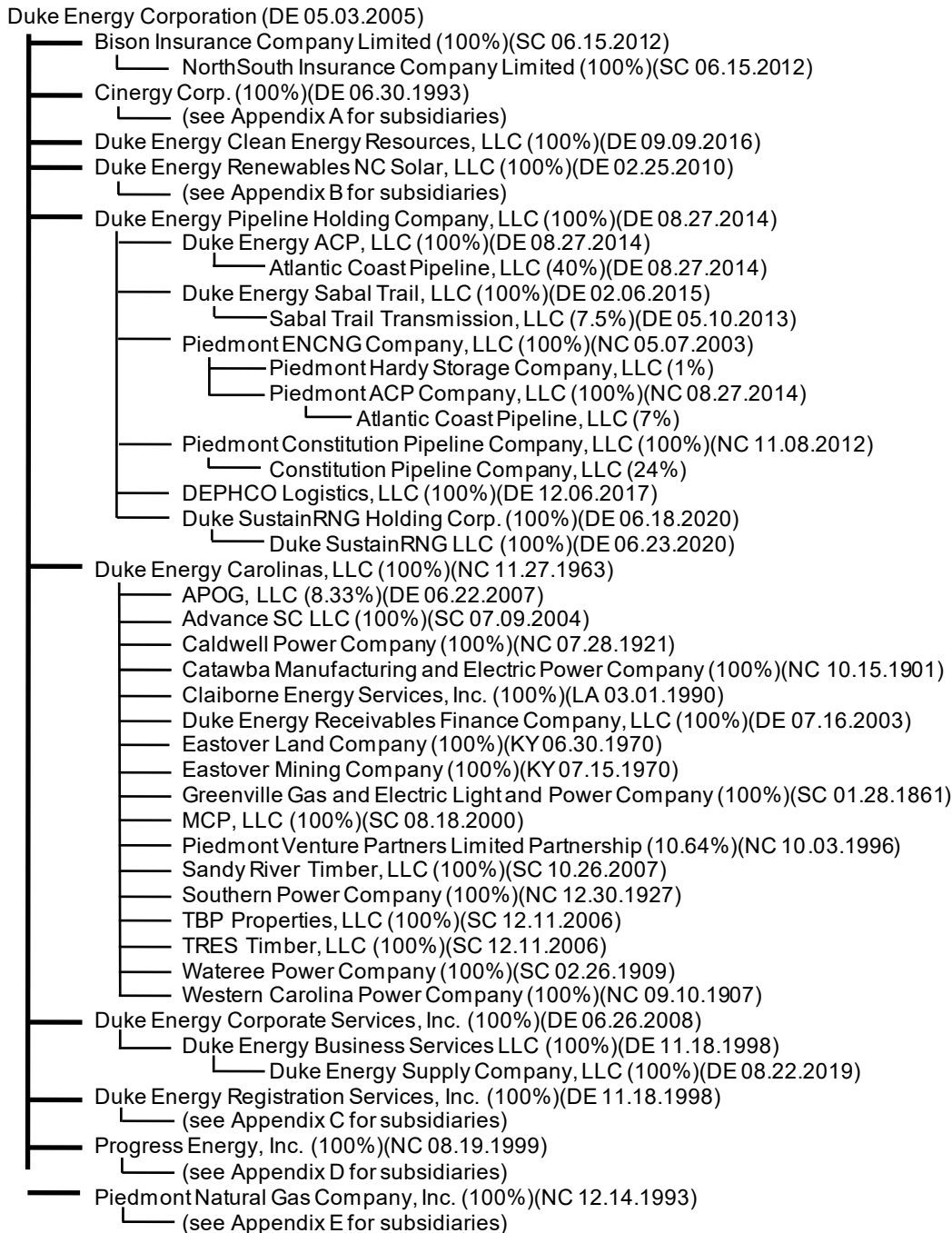
Entities Restructured

- On January 2, 2020, REC Solar Commercial Corporation (100%)(DE 11.26.2013) contributed all of its interests in TES Rowtier Solar 23 LLC (100%)(DE 09.18.2018) to Westbound Solar 2, LLC (100%)(DE 10.24.2019).
- On March 6, 2020, DER Rambler Solar, LLC (100%)(DE 12.13.2019) issued 100% of the Class A interests in Rambler Solar Holdings, LLC (100%)(DE 12.13.2019) to Wells Fargo Central Pacific Holdings, Inc. DER Rambler Solar, LLC retained 100% of the Class B interests.
- On March 6, 2020, Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010) contributed all of its interests in RE Rambler LLC (100%)(DE 05.19.2017) to Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019), which then contributed those interests to DER Rambler Solar, LLC (100%)(DE 12.13.2019), which then contributed those interests to Rambler Solar Holdings, LLC (Class B Interests 100%)(DE 12.13.2019).

Name Changes

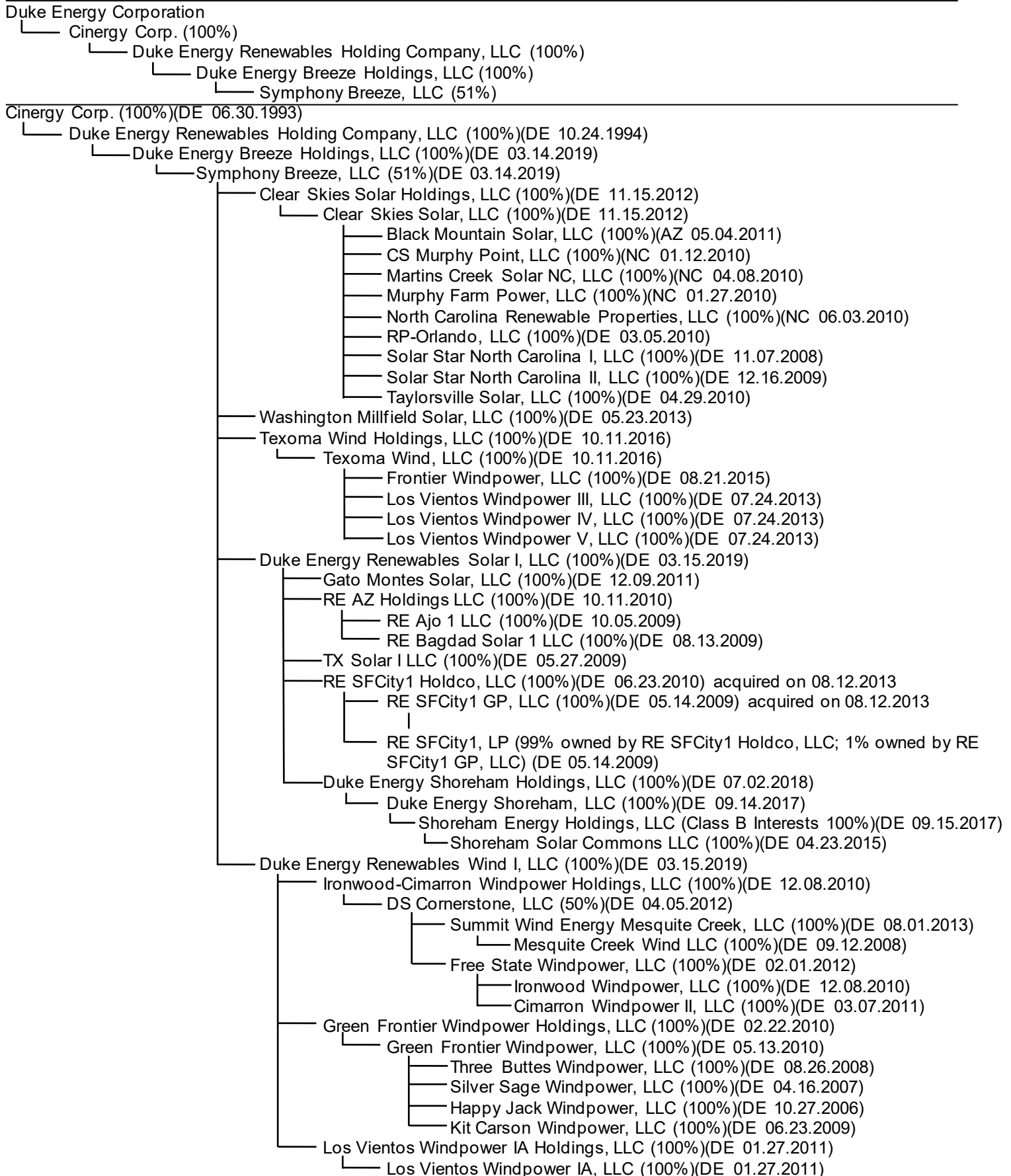
- None.

**DUKE ENERGY CORPORATION
CORPORATE STRUCTURE
AS OF JUNE 30, 2020**



Duke Energy Corporation

- └─ Cinergy Corp. (100%)
-
- Cinergy Corp. (100%)(DE 06.30.1993)
 - └─ Cinergy Global Resources, Inc. (100%)(DE 05.15.1998)
 - └─ (see Appendix F for subsidiaries)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)
 - └─ Duke Energy Commercial Enterprises, Inc. (100%)(IN 10.08.1992)
 - └─ (see Appendix G for subsidiaries)
 - └─ Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)
 - └─ (see Appendix H for subsidiaries)
 - └─ Duke-Reliant Resources, Inc. (100%)(DE 01.14.1998)
 - └─ Los Vientos Windpower III Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower IV Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower V Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)
 - └─ Symphony Breeze, LLC (51%)(DE 03.14.2019)
 - └─ (see Appendix A (continued) for subsidiaries)
 - └─ Cinergy Receivables Company, LLC (100%)(DE 01.10.2002)
 - └─ Duke Energy Indiana, LLC (100%)(IN 09.06.1941)
 - └─ South Construction Company, Inc. (100%)(IN 05.31.1934)
 - └─ Duke Energy Ohio, Inc. (100%)(OH 04.03.1837)
 - └─ Duke Energy Beckjord, LLC (100%)(DE 05.31.2012)
 - └─ Duke Energy Kentucky, Inc. (100%)(KY 03.20.1901)
 - └─ KO Transmission Company (100%)(KY 04.11.1994)
 - └─ Miami Power Corporation (100%)(IN 03.25.1930)
 - └─ Ohio Valley Electric Corporation (9%)(OH 10.01.1952)
 - └─ Tri-State Improvement Company (100%)(OH 01.14.1964)
 - └─ Duke Energy SAM, LLC (100%)(DE 05.31.2012)
 - └─ Duke Energy Vermillion II, LLC (100%)(DE 10.14.2010)
 - └─ Duke Energy Transmission Holding Company, LLC (100%)(DE 07.16.2008)
 - └─ Duke Energy Beckjord Storage LLC (100%)(DE 09.04.2013)
 - └─ Duke-American Transmission Company, LLC (50%)(DE 04.11.2011)
 - └─ (see Appendix L for subsidiaries)
 - └─ Pioneer Transmission, LLC (50%)(IN 07.31.2008)
 - └─ Duke Technologies, Inc. (100%)(DE 07.26.2000)
 - └─ Duke Energy One, Inc. (100%)(DE 09.05.2000)
 - └─ Cinergy Solutions – Utility, Inc. (100%)(DE 09.27.2004)
 - └─ DE1 Holdings, LLC (100%)(DE 10.10.2018)
 - └─ Tangent Energy Solutions, Inc. (45%)(DE 02.13.2009)
 - └─ Federal Way Powerhouse LLC (100%)(DE 10.26.2017)
 - └─ Potter Road Powerhouse LLC (100%)(DE 01.27.2017)
 - └─ Marzahl Powerhouse NJ LLC (100%)(DE 06.23.2016)
 - └─ Duke Energy One Services, LLC (100%)(DE 09.19.2019)
 - └─ Duke Energy Fuel Cell Holdings, LLC (100%)(DE 06.07.2019)
 - └─ Duke Energy Fuel Cell, LLC (100%)(DE 06.07.2019)
 - └─ Project Oxygen Holdings I, LLC (100%)(DE 06.28.2019)
 - └─ Project Oxygen Holdings, LLC (Class B Interests 100%)(DE 06.07.2019)
 - └─ 2018 ESA Project Company, LLC (100%)(DE 11.17.2016)
 - └─ Duke Investments, LLC (100%)(DE 07.25.2000)
 - └─ Open Energy Solutions Inc. (24%)(DE 12.07.2016)
 - └─ Zero Mass Water, Inc. (.33130%)(DE 10.21.2014)
 - └─ Duke Supply Network, LLC (100%)(DE 08.10.2000)
 - └─ Progress Fuels, LLC (100%)(DE 07.27.2017)
 - └─ Kentucky May Coal Company, LLC (100%)(VA 11.27.1978)
 - └─ Progress Synfuel Holdings, Inc. (100%)(DE 12.07.1999)



Duke Energy Corporation

└─ Cinergy Corp. (100%)

Cinergy Corp. (100%)(DE 06.30.1993)

└─ Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)

└─ Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)

└─ Symphony Breeze, LLC (51%)(DE 03.14.2019)

└─ Duke Energy Renewables Wind I, LLC (100%)(DE 03.15.2019)

└─ Los Vientos Windpower IB Holdings, LLC (100%)(DE 08.02.2012)

└─ Los Vientos Windpower IB, LLC (100%)(DE 07.11.2011)

└─ Notrees Windpower, LP (99%)(DE 09.30.2005)

└─ Ocotillo Windpower, LP (99%)(DE 12.22.2004)

└─ TE Notrees, LLC (100%)(DE 09.30.2005)

└─ Notrees Windpower, LP (1%)(DE 09.30.2005)

└─ TE Ocotillo, LLC (100%)(DE 12.21.2004)

└─ Ocotillo Windpower, LP (1%)(DE 12.22.2004)

└─ North Allegheny Wind, LLC (100%)(DE 05.31.2006)

└─ Wind Star Holdings, LLC (100%)(DE 04.15.2014)

└─ Wind Star Renewables, LLC (100%)(DE 04.15.2014)

└─ Highlander Solar 1, LLC (100%)(DE 09.03.2010)

└─ Highlander Solar 2, LLC (100%)(DE 09.03.2010)

└─ Laurel Hill Wind Energy, LLC (100%)(PA 12.14.2004)

└─ Shirley Wind, LLC (100%)(WI 10.20.2006)

└─ Top of the World Wind Energy Holdings LLC (100%)(DE 11.15.2010)

└─ Top of the World Wind Energy LLC (100%)(DE 03.13.2008)

Duke Energy Corporation

- └─ Duke Energy Renewables NC Solar, LLC (100%)

Duke Energy Renewables NC Solar, LLC (100%)(DE 02.25.2010)

- └─ Emerald State Solar Holdings, LLC (100%)(DE 04.18.2016)
 - └─ Emerald State Solar, LLC (100%)(DE 04.18.2016)
 - └─ Bethel Price Solar, LLC (100%)(DE 10.11.2013)
 - └─ Colonial Eagle Solar, LLC (100%)(DE 05.20.2014)
 - └─ Conetoe II Solar, LLC (100%)(NC 04.28.2014)
 - └─ Creswell Alligood Solar, LLC (100%)(DE 08.27.2014)
 - └─ Dogwood Solar, LLC (100%)(DE 09.12.2012)
 - └─ Everetts Wildcat Solar, LLC (100%)(DE 09.25.2014)
 - └─ Fresh Air Energy X, LLC (100%)(NC 04.03.2014)
 - └─ Garysburg Solar LLC (100%)(DE 09.24.2013)
 - └─ Gaston Solar LLC (100%)(10.08.2013)
 - └─ HXOap Solar One, LLC (100%)(NC 04.30.2013)
 - └─ Long Farm 46 Solar, LLC (100%)(NC 09.22.2014)
 - └─ Seaboard Solar LLC (100%)(DE 11.12.2013)
 - └─ SolNCPower5, LLC (100%)(NC 10.17.2013)
 - └─ SolNCPower6, LLC (100%)(NC 10.17.2013)
 - └─ SolNCPower10, L.L.C. (100%)(NC 08.01.2014)
 - └─ Tarboro Solar LLC (100%)(DE 08.26.2013)
 - └─ Washington White Post Solar, LLC (100%)(DE 09.10.2012)
 - └─ Windsor Cooper Hill Solar, LLC (100%)(DE 10.11.2013)
 - └─ Winton Solar LLC (100%)(DE 09.23.2013)
 - └─ Woodland Solar LLC (100%)(DE 09.19.2013)
 - └─ River Road Solar, LLC (100%)(NC 05.21.2014)

Duke Energy Corporation

- └─ Duke Energy Registration Services, Inc. (100%)

Duke Energy Registration Services, Inc. (100%)(DE 11.18.1998)

- └─ PanEnergy Corp. (100%)(DE 01.26.1981)
 - └─ Duke Energy Services, Inc. (100%)(DE 06.08.1959)
 - └─ DETMI Management, Inc. (100%)(CO 06.21.1994)
 - └─ Duke Ventures Real Estate, LLC (100%)(DE 06.09.2009)
 - └─ Century Group Real Estate Holdings, LLC (100%)(SC 02.06.2013)
 - └─ DTMSI Management Ltd. (100%)(British Columbia 12.18.2009)
 - └─ Duke Energy Services Canada ULC (31%)(British Columbia 09.17.2009)
 - └─ Duke Ventures, LLC (100%)(NV 12.19.2000)
 - └─ Dixilyn-Field Drilling Company (100%)(DE 01.31.1977)
 - └─ Dixilyn-Field (Nigeria) Limited (100%)(Nigeria 11.14.1977)
 - └─ Duke Energy Services Canada ULC (69%)(British Columbia 09.17.2009)
 - └─ Eastman Whipstock do Brasil Ltda (100%)(Brazil 05.21.1979)
 - └─ Energy Pipelines International Company (100%)(DE 04.28.1975)
 - └─ Duke Energy China Corp. (100%)(DE 08.13.1976)
- └─ Duke Energy Americas, LLC (100%)(DE 07.02.2004)
 - └─ Duke Energy International, LLC (100%)(DE 09.18.1997)
 - └─ (see Appendix M for subsidiaries)
 - └─ Duke Energy Merchants, LLC (100%)(DE 04.23.1999)
 - └─ Duke Energy North America, LLC (100%)(DE 09.18.1997)
- └─ Duke Energy Carolinas Plant Operations, LLC (100%)(DE 05.29.2001)
 - └─ DE Nuclear Engineering, Inc. (100%)(NC 03.17.1969)
- └─ Duke Energy Royal, LLC (100%)(DE 03.13.2002)
- └─ Duke Project Services, Inc. (100%)(NC 07.01.1966)
 - └─ D/FD Operating Services LLC (50.0001%)(DE 03.07.1996)
 - └─ Duke/Fluor Daniel (50.0001%)(NC 09.01.1997)
 - └─ D/FD Holdings, LLC (100%)(DE 12.15.2005)
 - └─ Duke/Fluor Daniel El Salvador S.A. de C.V. (50%)(El Salvador)
 - └─ Duke/Fluor Daniel International (50.0001%)(NV 09.01.1994)
 - └─ Duke/Fluor Daniel Caribbean, S.E. (99%)(Puerto Rico 12.06.1996)
 - └─ Duke/Fluor Daniel International Services (50.0001%)(NV 09.01.1994)
 - └─ Duke/Fluor Daniel Caribbean, S.E. (0.50%)(Puerto Rico 12.06.1996)
 - └─ Duke/Fluor Daniel International Services (Trinidad) Ltd. (100%)(Trinidad and Tobago 12.03.1998)

Duke Energy Corporation
 └─ Progress Energy, Inc. (100%)

Progress Energy, Inc. (100%)(NC 08.19.1999)

- └─ Duke Energy Progress, LLC* (100%)(NC 04.06.1926)
 - └─ APOG, LLC (8.33%)(DE 06.22.2007)
 - └─ Capitan Corporation (100%)(TN 12.28.1931)
 - └─ Carousel Capital Partners LP (3.07%)(DE 03.27.1996)
 - └─ CaroFund, Inc. (100%)(NC 08.15.1995)
 - └─ (see Appendix I for CaroFund, Inc. and CaroHome, LLC subsidiaries)
 - └─ CaroHome, LLC (99%)(NC 04.21.1995)
 - └─ (see Appendix I for CaroFund, Inc. and CaroHome, LLC subsidiaries)
 - └─ Duke Energy Progress Receivables LLC (100%)(DE 10.16.2013)
 - └─ Kinetic Ventures I LLC (11.11%)(DE 04.18.1997)
 - └─ Kinetic Ventures II, LLC (14.28%)(DE 12.15.1999)
 - └─ Maxey Flats Site IRP, LLC (3.02%)(VA 05.05.1995)
 - └─ NCEF Liquidating Trust** (4.99%)
 - └─ Powerhouse Square, LLC (99.9%)(NC 01.13.1998)
 - └─ Progress Energy EnviroTree, Inc. (50%)(NC 12.22.2003)
 - └─ South Atlantic Private Equity Fund IV, LP (14.3294%)(DE 06.26.1997)
 - └─ WNC Institutional Tax Credit Fund LP (99%)(CA 08.12.1994)
- └─ Florida Progress, LLC (100%)(FL 01.21.1982)
 - └─ Duke Energy Florida, LLC (100%)(FL 07.18.1899)
 - └─ APOG, LLC (8.33%)(DE 06.22.2007)
 - └─ Inflexion Fund, LP (16.78%)(DE 05.08.2002)
 - └─ Progress Energy EnviroTree, Inc. (50%)(NC 12.22.2003)
 - └─ Duke Energy Florida Project Finance, LLC (100%)(DE 01.05.2016)
 - └─ Duke Energy Florida Receivables LLC (100%)(DE 01.27.2014)
 - └─ Duke Energy Florida Solar Solutions, LLC (100%)(DE 02.25.2015)
 - └─ Florida Progress Funding Corporation (100%)(DE 03.18.1999)
 - └─ Progress Capital Holdings, Inc. (100%)(FL 05.17.1988)
 - └─ PIH, Inc.(100%)(FL 08.12.1997)
 - └─ PIH Tax Credit Fund III, Inc. (100%)(FL 04.18.2001)
 - └─ PIH Tax Credit Fund IV, Inc. (100%)(FL 04.18.2001)
 - └─ McDonald Corporate Tax Credit Fund, LP (9%)(DE 07.12.1993)
 - └─ PIH Tax Credit Fund V, Inc. (100%)(FL 04.18.2001)
 - └─ National Corporate Tax Credit Fund VI, a California Limited Partnership (15.57743%)(CA 04.19.1996)
 - └─ Progress Telecommunications Corporation (100%)(FL 10.15.1998)
 - └─ PeakNet, LLC (55%)(DE 02.26.2010)
 - └─ PT Holding Company, LLC (55%)(DE 01.17.2006)
 - └─ PeakNet Services, LLC (100%)(DE 02.16.2006)
- └─ Strategic Resource Solutions Corp. (100%)(NC 01.22.1996)

* Duke Energy Progress, LLC (formerly known as Carolina Power & Light Company) is also the beneficial owner of several entities that were generally acquired through bankruptcy proceedings. These entities are not shown separately due to its minor ownership interest (generally <1%).

As of December 31, 2009, it is believed CP&L owns a beneficial interest in the following entities:
 Air Nail Unsecured Creditors Liquid Trust, Creditors Reserve Trust, Heiling-Meyers Liquidating Trust, Estate of Jillian Entertainment, HA2003 Liquidating Trust, CFC Trust, Fleming Post Confirmation Trust, Bombay Liquidation Trust, USOP Liquidating LLC, ZB Company Liquidation Trust and ANC Liquidating Trust.

** NCEF Liquidating Trust, a business trust, holds the assets of The North Carolina Enterprise Fund Limited Partnership, now dissolved.

Duke Energy Corporation

- └─ Piedmont Natural Gas Company, Inc. (100%)

Piedmont Natural Gas Company, Inc. (100%)(reincorporated in NC 02.25.1994)

- └─ Piedmont Energy Partners, Inc. (100%)(NC 01.30.1996)
 - └─ Piedmont Energy Company (100%)(NC 01.11.1994)
 - └─ Piedmont Interstate Pipeline Company (100%)(NC 09.08.1992)
 - └─ Pine Needle LNG Company, LLC (45%)
 - └─ Piedmont Intrastate Pipeline Company (100%)(NC 04.04.1994)
 - └─ Cardinal Pipeline Company, LLC (21.49%)
- └─ Piedmont Hardy Storage Company, LLC (99%)(NC 07.22.2004)
 - └─ Hardy Storage Company, LLC (50%)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Cinergy Global Resources, Inc. (100%)
-

Cinergy Global Resources, Inc. (100%)(DE 05.15.1998)

- └─ Cinergy Global Power, Inc. (100%)(DE 09.04.1997)
 - └─ CGP Global Greece Holdings, SA (99.99%)(Greece 08.10.2001)
 - └─ Cinergy Global (Cayman) Holdings, Inc. (100%)(Cayman Islands 09.04.1997)
 - └─ Cinergy Global Tsavo Power (100%)(Cayman Islands 09.04.1997)
 - └─ IPS-Cinergy Power Limited (48.2%)(Kenya 04.28.1999)
 - └─ Tsavo Power Company Limited (49.9%)(Kenya 01.22.1998)
 - └─ Cinergy Global Holdings, Inc. (100%)(DE 12.18.1998)
 - └─ CGP Global Greece Holdings, SA (.01%)(Greece 08.10.2001)
 - └─ Cinergy Global Power Africa (Proprietary) Limited (100%)(South Africa 08.03.1999)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Commercial Enterprises, Inc. (100%)
-

Duke Energy Commercial Enterprises, Inc. (100%)(IN 10.08.1992)

- └─ CinCap V, LLC (10%)(DE 07.21.1998)
- └─ Cinergy Climate Change Investments, LLC (100%)(DE 06.09.2003)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)

Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)

- └─ Duke Energy Renewables Commercial, LLC (100%)(DE 12.16.2014)
 - └─ Stenner Creek Solar LLC (100%)(DE 01.17.2017)
 - └─ Duke Energy Skyhigh, LLC (100%)(DE 07.30.2018)
 - └─ Skyhigh Sun, LLC (Class B Interests 100%)(DE 07.30.2018)
 - └─ Westbound Solar, LLC (100%)(DE 09.11.2018)
 - └─ TES Anchor Solar 23, LLC (100%)(DE 01.25.2019)
 - └─ Duke Energy Skyhigh 2, LLC (100%)(DE 01.10.2020)
 - └─ Skyhigh Sun 2, LLC (100%)(DE 01.15.2020)
 - └─ Southbound Solar, LLC (100%)(DE 04.12.2018)
 - └─ Westbound Solar 2, LLC (100%)(DE 10.24.2019)
 - └─ TES Rowtier Solar 23 LLC (100%)(DE 09.18.2018)
- └─ Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010)
 - └─ Caprock Solar 2 LLC (100%)(DE 10.31.2014)
 - └─ Caprock Solar Holdings 2, LLC (100%)(DE 04.30.2015)
 - └─ West Texas Angelos Holdings LLC (100%)(DE 06.08.2012)
 - └─ Carolina Solar Power, LLC (100%)(DE 02.13.2018)
 - └─ Broad River Solar, LLC (100%)(DE 02.15.2019)
 - └─ Stony Knoll Solar, LLC (100%)(DE 02.19.2019)
 - └─ Speedway Solar NC, LLC (100%)(DE 04.15.2019)
 - └─ Franklin Solar LLC (100%)(ID 06.26.2017)
 - └─ Jackpot Holdings, LLC (100%)(ID 03.18.2019)
 - └─ Pisgah Ridge Solar, LLC (100%)(DE 04.15.2020)
- └─ Duke Energy Renewables Wind, LLC (100%)(DE 05.23.2007)
 - └─ Nemaha Windpower, LLC (f/k/a Amshore Osage, LLC) (100%) (DE 03.14.2017)
 - └─ Catamount Energy Corporation (100%)(VT 06.23.1992)
 - └─ (see Appendix K for subsidiaries)
 - └─ DEGS Wind Supply, LLC (100%)(DE, 12.11.2007)
 - └─ DEGS Wind Supply II, LLC (100%)(DE 08.26.2008)
 - └─ Kit Carson Windpower II Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Kit Carson Windpower II, LLC (100%)(DE 07.24.2013)
 - └─ Ledyard Windpower, LLC (100%)(TX 11.02.2017)
- └─ Duke Energy Generation Services, Inc. (DE 06.02.2000)
 - └─ (see Appendix J for subsidiaries)
- └─ Duke Energy Renewable Services, LLC (100%)(DE 10.22.2012)
- └─ REC Solar Commercial Corporation (100%)(DE 11.26.2013)
- └─ Duke Ventures II, LLC (100%)(DE 09.01.2000)
 - └─ Spruce Finance, Inc. (7.70%)(DE 12.16.2015)
 - └─ Encycle Corporation (15.05%)(Ontario)
 - └─ PHX Management Holdings, LLC (70%)(DE 10.15.2015)
 - └─ Phoenix Energy Technologies, Inc. (7.7%)(DE 12.20.2008)
- └─ Symphony Wind Holdings, LLC (100%)(DE 05.22.2019)
 - └─ Duke Energy Mesteno, LLC (100%)(DE 03.28.2019)
 - └─ Mesteno Energy Holdings, LLC (100%)(DE 03.28.2019)
 - └─ Mesteno Windpower, LLC (100%)(DE 06.07.2018)
 - └─ Frontier Windpower II, LLC (100%)(DE 11.18.2015)
 - └─ Maryneal Windpower, LLC (f/k/a Sweetwater Wind 6 LLC)(100%)(DE 04.29.2004)
 - └─ Blue Rose Wind, LLC (100%)(DE 05.11.2020)
 - └─ Blue Rose Wind Holdings, LLC (100%)(DE 05.11.2020)
- └─ Duke Energy Renewables Storage, LLC (100%)(DE 12.05.2019)

Duke Energy Corporation
 └─ Cinergy Corp. (100%)
 └─ Duke Energy Renewables Holding Company, LLC (100%)
 └─ Duke Energy Renewables, Inc. (100%)

Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)

└─ Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019)
 └─ Rosamond Renewables, LLC (100%)(DE 11.21.2017)
 └─ Rosamond Solar Portfolio, LLC (100%)(DE 11.21.2017)
 └─ Rosamond Solar AQ LLC (100%)(DE02.22.2018)
 └─ Rosamond Solar Holdings, LLC (Class B Interests 100%)(DE 11.21.2017)
 └─ North Rosamond Solar, LLC (100%)(DE 09.30.2009)
 └─ DER Holstein Holdings, LLC (100%)(DE 04.24.2019)
 └─ DER Holstein TX Holdings, LLC (100%)(DE 04.24.2019)
 └─ DER Holstein, LLC (100%)(DE 04.24.2019)
 └─ Holstein Solar Holdings, LLC (Class B Interests 100%)(DE 04.24.2019)
 └─ 226HC 8me LLC (100%)(DE 07.25.2016)
 └─ Western Vista Solar, LLC (100%)(DE 04.14.2020)
 └─ Western Vista Solar Holdings, LLC (100%)(DE 04.14.2020)
 └─ DER Rambler Solar, LLC (100%)(DE 12.13.2019)
 └─ Rambler Solar Holdings, LLC (Class B Interests 100%)(DE 12.13.2019)
 └─ RE Rambler LLC (100%)(DE 05.19.2017)
 └─ Duke Energy Golden Vista, LLC (100%)(DE 08.01.2019)
 └─ Golden Vista Energy Holdings, LLC (Class B Interests 100%)(DE 08.01.2019)
 └─ Lapetus Energy Project, LLC (100%)(DE 03.21.2017)
 └─ Palmer Solar LLC (100%)(DE 03.21.2017)
 └─ Duke Energy Sun Holdings, LLC (100%)(DE 03.15.2019)
 └─ Symphony Sun, LLC (67%)(DE 03.15.2019)
 └─ Washington Airport Solar, LLC (100%)(DE 10.16.2013)
 └─ Wild Jack Solar Holdings LLC (100%)(DE 10.06.2015)
 └─ Wild Jack Solar LLC (100%)(DE 10.06.2015)
 └─ Pumpjack Solar I, LLC (100%)(DE 02.09.2012)
 └─ Wildwood Solar I, LLC (100%)(DE 02.09.2012)
 └─ High Noon Solar Holdings, LLC (100%)(DE 05.04.2017)
 └─ High Noon Solar, LLC (100%)(DE 05.04.2017)
 └─ Caprock Solar 1 LLC (100%)(DE 10.31.2014)
 └─ Caprock Solar Holdings 1, LLC (100%)(DE 04.30.2015)
 └─ Longboat Solar, LLC (100%)(DE 06.05.2014)
 └─ Rio Bravo Solar I, LLC (100%)(DE 03.22.2012)
 └─ Rio Bravo Solar II, LLC (100%)(DE 04.05.2013)
 └─ Seville Solar Holding Company, LLC (100%)(DE 05.06.2014)
 └─ Seville Solar One LLC (100%)(DE 05.06.2014)
 └─ Tallbear Seville LLC (49%)(CA 11.29.2012)
 └─ Seville Solar Two, LLC (100%)(DE 05.06.2014)
 └─ Victory Solar LLC (100%)(DE 09.15.2015)
 └─ Wildwood Solar II, LLC (100%)(DE 03.22.2012)

Duke Energy Corporation

- └─ Progress Energy, Inc. (100%)
 - └─ Duke Energy Progress, LLC (100%)
 - └─ CaroFund, Inc.
 - └─ CaroHome, LLC
-

Duke Energy Progress, LLC (100%)(NC 04.06.1926)

- └─ CaroFund, Inc. (100%)(NC 08.15.1995)
 - └─ CaroHome, LLC (1%)(NC 04.21.1995)
 - └─ Historic Property Management LLC (100%)(NC 12.09.1999)
- └─ CaroHome, LLC (99%)(NC 04.21.1995)
 - └─ Grove Arcade Restoration LLC (99.99%)(NC 11.29.1999)
 - └─ Baker House Apartments LLC (99.99%)(NC 01.26.1998)
 - └─ HGA Development LLC (99.99%)(NC 12.09.1999)
 - └─ Cedar Tree Properties LP (24.9849%)(WA 07.05.1994)
 - └─ First Partners Corporate LP II (15.84%)(MA 11.26.1996)
 - └─ Wilrik Hotel Apartments LLC (99.99%)(NC 03.14.1997)
 - └─ PRAIRIE, LLC (99.99%)(NC 10.29.1998)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)
 - └─ Duke Energy Generation Services, Inc. (100%)
-

Duke Energy Generation Services, Inc. (100%)(DE 06.02.2000)

- └─ DEGS O&M, LLC (100%)(DE 08.30.2004)
- └─ DEGS of Narrows, LLC (100%)(DE 03.17.2003)
- └─ Duke Energy Industrial Sales, LLC (100%)(DE 06.06.2006)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)
 - └─ Duke Energy Renewables Wind, LLC (100%)
 - └─ Catamount Energy Corporation

Catamount Energy Corporation (100%)(VT 06.23.1992) [DEGS Wind Vermont, Inc. (VT, 06.20.2008)]

- └─ Equinox Vermont Corporation (100%)(VT 05.01.1990)
 - └─ Catamount Rumford Corporation (100%)(VT 04.11.1989)
 - └─ Ryegate Associates (33.1126%)(UT 04.30.1990)
- └─ Catamount Sweetwater Corporation (100%)(VT 06.17.2003)
 - └─ Sweetwater Development LLC (100%)(TX 11.05.2002)
 - └─ Sweetwater Wind Power L.L.C. (100%)(TX 11.05.2002)
- └─ Catamount Sweetwater Holdings LLC (100%)(VT 06.20.2005)
 - └─ Catamount Sweetwater 1 LLC (100%)(VT 12.12.2003)
 - └─ Catamount Sweetwater 2 LLC (100%)(VT 05.05.2004)
 - └─ Catamount Sweetwater 3 LLC (100%)(VT 06.03.2004)
- └─ Catamount Sweetwater 4-5 LLC (100%)(VT 03.08.2005)
 - └─ Sweetwater 4-5 Holdings LLC (18.72%)(DE 04.18.2007)
 - └─ Sweetwater Wind 4 LLC (100%)(DE 04.29.2004)
 - └─ Sweetwater Wind 5 LLC (100%)(DE 04.29.2004)
- └─ Catamount Sweetwater 6 LLC (100%)(VT 09.07.2005)
- └─ CEC UK1 Holding Corp. (100%)(VT 09.11.2002)
- └─ CEC UK2 Holding Corp. (100%)(VT 09.11.2002)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Transmission Holding Company, LLC
 - └─ Duke-American Transmission Company, LLC

Duke-American Transmission Company, LLC (50%)(DE 04.11.2011)

- └─ Zephyr Power Transmission LLC (100%)(DE 12.05.2008)
- └─ DATC Midwest Holdings, LLC (100%)(DE 04.11.2012)
- └─ DATC Path 15 Transmission, LLC (100%)(DE 08.09.2006)
 - └─ Path 15 Funding, LLC (100%)(DE 12.27.2002)
 - └─ Path 15 Funding TV, LLC (100%)(DE 11.16.2004)
 - └─ Path 15 Funding KBT, LLC (100%)(DE 09.21.2006)
 - └─ DATC Holdings Path 15, LLC (47.326% owned by DATC Path 15 Transmission, LLC; 22.574% owned by Path 15 Funding KBT, LLC and 30.099% owned by Path 15 Funding, LLC)(DE 10.16.2002)
 - └─ DATC Path 15, LLC (100%)(DE 10.16.2002)
- └─ DATC SLTP, LLC (100%)(DE 03.11.2019)

Duke Energy Corporation

- └─ Duke Energy Registration Services, Inc. (100%)
 - └─ Duke Energy Americas, LLC (100%)
 - └─ Duke Energy International, LLC (100%)
-

Duke Energy International, LLC (100%)(DE 09.18.1997)

- └─ Duke Energy Group Holdings, LLC (100%)(DE 04.29.2005)
 - └─ Duke Energy Group, LLC (100%)(DE 12.22.1987)
 - └─ Duke Energy Brazil Holdings I, C.V. (90%)(Netherlands)
 - └─ Duke Energy International Uruguay Investments, S.R.L. (100%)(Uruguay)
 - └─ Duke Energy Luxembourg II, LLC (100%)(DE 12.18.2017)
 - └─ Duke Energy Brazil Holdings I, C.V. (10%)(Netherlands)
 - └─ Duke Energy Arabian Limited (100%)(Gibraltar)
 - └─ CTE Petrochemicals Company (35%)(Cayman)
 - └─ National Methanol Company (50%)(Saudi Arabia)
 - └─ CSCC Holdings Limited Partnership (100%)(British Columbia)

Changes to Corporate Structure – Second Quarter 2020

Entities Removed

- None.

Entities Added

- On April 14, 2020, Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019) formed Western Vista Solar, LLC (100%)(DE 04.14.2020).
- On April 14, 2020, Western Vista Solar, LLC (100%)(DE 04.14.2020) formed Western Vista Solar Holdings, LLC (100%)(DE 04.14.2020).
- On April 15, 2020, Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010) formed Pisgah Ridge Solar, LLC (100%)(DE 04.15.2020).
- On May 8, 2020, Duke Investments, LLC (100%)(DE 07.25.2000) acquired Zero Mass Water, Inc. (.33130%)(DE 10.21.2014).
- On May 11, 2020, Symphony Wind Holdings, LLC (100%)(DE 05.22.2019) formed Blue Rose Wind, LLC (100%)(DE 05.11.2020).
- On May 11, 2020, Blue Rose Wind, LLC (100%)(DE 05.11.2020) formed Blue Rose Wind Holdings, LLC (100%)(DE 05.11.2020).
- On June 18, 2020, Duke Energy Pipeline Holding Company, LLC (100%)(DE 08.27.2014) formed Duke SustainRNG Holding Corp. (100%)(DE 06.18.2020).
- On June 23, 2020, Duke SustainRNG Holding Corp. (100%)(DE 06.18.2020) formed Duke SustainRNG LLC (100%)(DE 06.23.2020).

Entity Type Changes

- None.

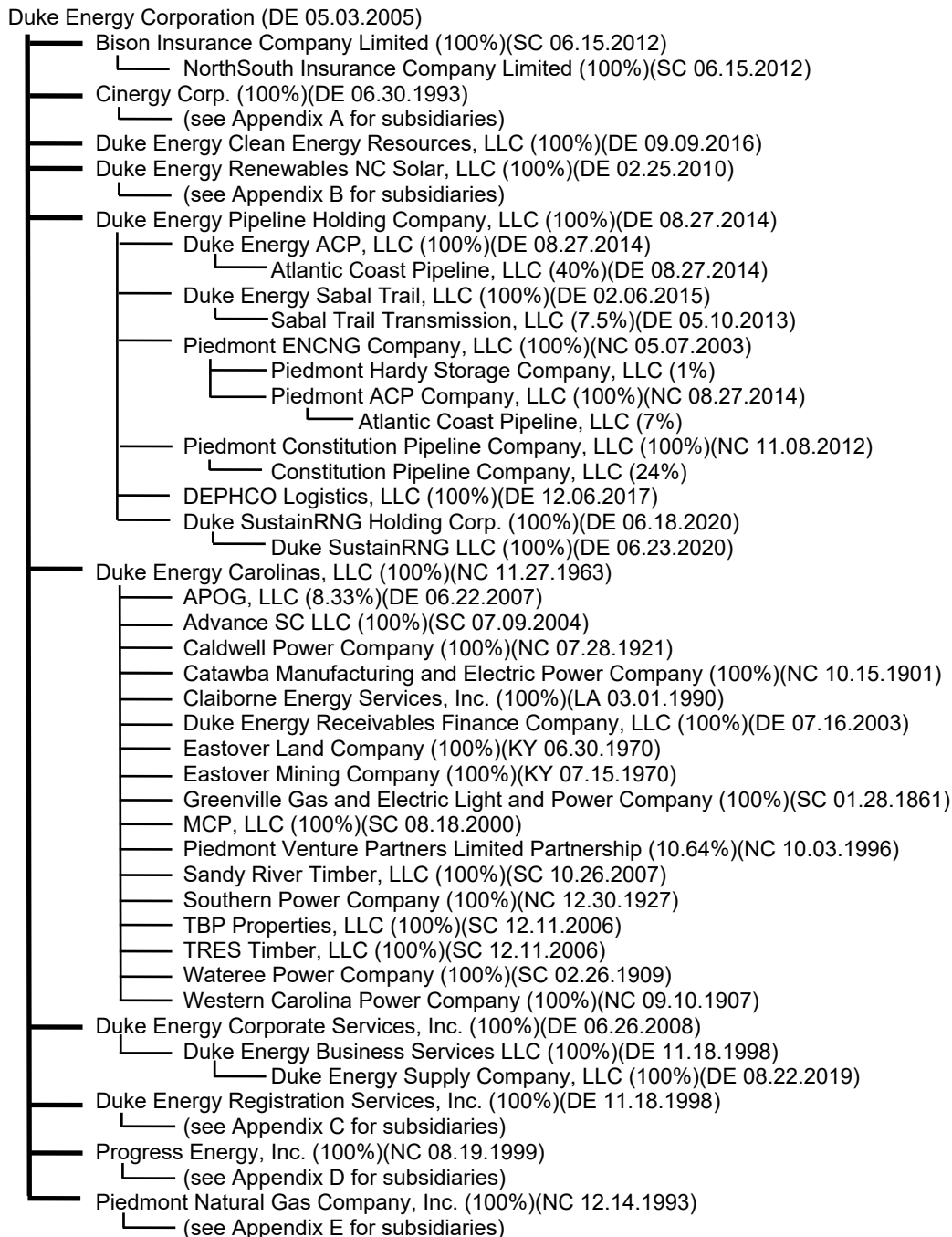
Entities Restructured

- On April 20, 2020, Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019) contributed all of its interests in DER Rambler Solar, LLC (100%)(DE 12.13.2019) and its subsidiaries, to Western Vista Solar, LLC (100%)(DE 04.14.2020), which then contributed those interests to Western Vista Solar Holdings, LLC (100%)(DE 04.14.2020).
- On April 20, 2020, Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019) contributed all of its interests in Duke Energy Golden Vista, LLC (100%)(DE 08.01.2019) and its subsidiaries, to Western Vista Solar, LLC (100%)(DE 04.14.2020), which then contributed those interests to Western Vista Solar Holdings, LLC (100%)(DE 04.14.2020).

Name Changes

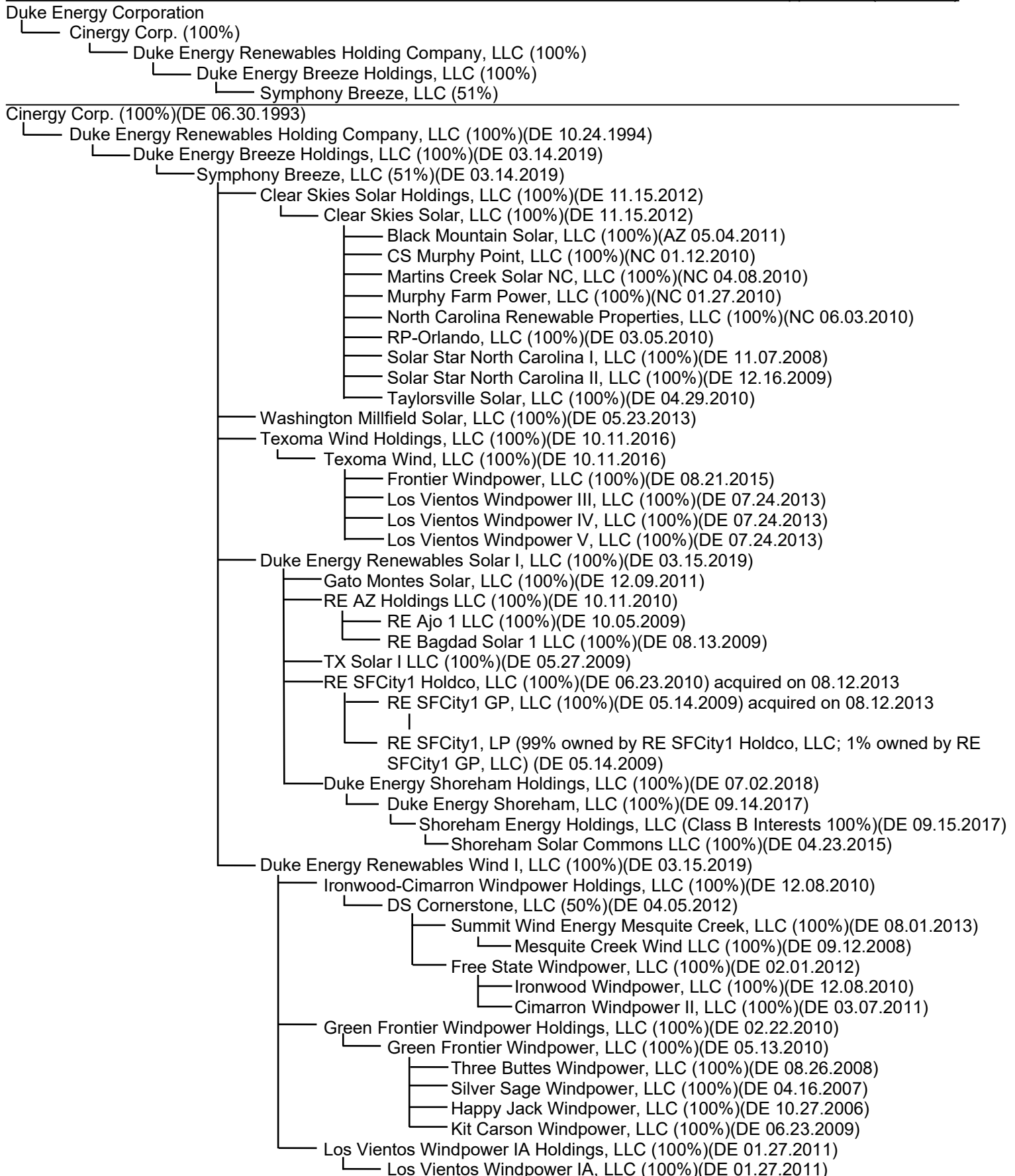
- None.

**DUKE ENERGY CORPORATION
CORPORATE STRUCTURE
AS OF SEPTEMBER 30, 2020**



Duke Energy Corporation

- └─ Cinergy Corp. (100%)
-
- Cinergy Corp. (100%)(DE 06.30.1993)
 - └─ Cinergy Global Resources, Inc. (100%)(DE 05.15.1998)
 - └─ (see Appendix F for subsidiaries)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)
 - └─ Duke Energy Commercial Enterprises, Inc. (100%)(IN 10.08.1992)
 - └─ (see Appendix G for subsidiaries)
 - └─ Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)
 - └─ (see Appendix H for subsidiaries)
 - └─ Duke-Reliant Resources, Inc. (100%)(DE 01.14.1998)
 - └─ Los Vientos Windpower III Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower IV Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower V Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)
 - └─ Symphony Breeze, LLC (51%)(DE 03.14.2019)
 - └─ (see Appendix A (continued) for subsidiaries)
 - └─ Cinergy Receivables Company, LLC (100%)(DE 01.10.2002)
 - └─ Duke Energy Indiana, LLC (100%)(IN 09.06.1941)
 - └─ South Construction Company, Inc. (100%)(IN 05.31.1934)
 - └─ Duke Energy Ohio, Inc. (100%)(OH 04.03.1837)
 - └─ Duke Energy Beckjord, LLC (100%)(DE 05.31.2012)
 - └─ Duke Energy Kentucky, Inc. (100%)(KY 03.20.1901)
 - └─ KO Transmission Company (100%)(KY 04.11.1994)
 - └─ Miami Power Corporation (100%)(IN 03.25.1930)
 - └─ Ohio Valley Electric Corporation (9%)(OH 10.01.1952)
 - └─ Tri-State Improvement Company (100%)(OH 01.14.1964)
 - └─ Duke Energy SAM, LLC (100%)(DE 05.31.2012)
 - └─ Duke Energy Vermillion II, LLC (100%)(DE 10.14.2010)
 - └─ Duke Energy Transmission Holding Company, LLC (100%)(DE 07.16.2008)
 - └─ Duke Energy Beckjord Storage LLC (100%)(DE 09.04.2013)
 - └─ Duke-American Transmission Company, LLC (50%)(DE 04.11.2011)
 - └─ (see Appendix L for subsidiaries)
 - └─ Pioneer Transmission, LLC (50%)(IN 07.31.2008)
 - └─ Duke Technologies, Inc. (100%)(DE 07.26.2000)
 - └─ Duke Energy One, Inc. (100%)(DE 09.05.2000)
 - └─ Cinergy Solutions – Utility, Inc. (100%)(DE 09.27.2004)
 - └─ DE1 Holdings, LLC (100%)(DE 10.10.2018)
 - └─ Tangent Energy Solutions, Inc. (45%)(DE 02.13.2009)
 - └─ Federal Way Powerhouse LLC (100%)(DE 10.26.2017)
 - └─ Potter Road Powerhouse LLC (100%)(DE 01.27.2017)
 - └─ Marzahl Powerhouse NJ LLC (100%)(DE 06.23.2016)
 - └─ Duke Energy One Services, LLC (100%)(DE 09.19.2019)
 - └─ Duke Energy Fuel Cell Holdings, LLC (100%)(DE 06.07.2019)
 - └─ Duke Energy Fuel Cell, LLC (100%)(DE 06.07.2019)
 - └─ Project Oxygen Holdings I, LLC (100%)(DE 06.28.2019)
 - └─ Project Oxygen Holdings, LLC (Class B Interests 100%)(DE 06.07.2019)
 - └─ 2018 ESA Project Company, LLC (100%)(DE 11.17.2016)
 - └─ Duke Investments, LLC (100%)(DE 07.25.2000)
 - └─ Open Energy Solutions Inc. (24%)(DE 12.07.2016)
 - └─ Zero Mass Water, Inc. (.33130%)(DE 10.21.2014)
 - └─ Duke Supply Network, LLC (100%)(DE 08.10.2000)
 - └─ eTransEnergy, LLC (100%)(DE 09.29.2020)
 - └─ Progress Fuels, LLC (100%)(DE 07.27.2017)
 - └─ Kentucky May Coal Company, LLC (100%)(VA 11.27.1978)
 - └─ Progress Synfuel Holdings, Inc. (100%)(DE 12.07.1999)



Duke Energy Corporation
 └── Cjenergy Corp. (100%)
 └── Duke Energy Renewables Holding Company, LLC (100%)
 └── Duke Energy Breeze Holdings, LLC (100%)
 └── Symphony Breeze, LLC (51%)

Cinergy Corp. (100%)(DE 06.30.1993)
 └── Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)
 └── Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)
 └── Symphony Breeze, LLC (51%)(DE 03.14.2019)
 └── Duke Energy Renewables Wind I, LLC (100%)(DE 03.15.2019)
 ├── Los Vientos Windpower IB Holdings, LLC (100%)(DE 08.02.2012)
 └── Los Vientos Windpower IB, LLC (100%)(DE 07.11.2011)
 ├── Notrees Windpower, LP (99%)(DE 09.30.2005)
 ├── Ocotillo Windpower, LP (99%)(DE 12.22.2004)
 ├── TE Notrees, LLC (100%)(DE 09.30.2005)
 └── Notrees Windpower, LP (1%)(DE 09.30.2005)
 ├── TE Ocotillo, LLC (100%)(DE 12.21.2004)
 └── Ocotillo Windpower, LP (1%)(DE 12.22.2004)
 ├── North Allegheny Wind, LLC (100%)(DE 05.31.2006)
 ├── Wind Star Holdings, LLC (100%)(DE 04.15.2014)
 └── Wind Star Renewables, LLC (100%)(DE 04.15.2014)
 ├── Highlander Solar 1, LLC (100%)(DE 09.03.2010)
 ├── Highlander Solar 2, LLC (100%)(DE 09.03.2010)
 ├── Laurel Hill Wind Energy, LLC (100%)(PA 12.14.2004)
 └── Shirley Wind, LLC (100%)(WI 10.20.2006)
 └── Top of the World Wind Energy Holdings LLC (100%)(DE 11.15.2010)
 └── Top of the World Wind Energy LLC (100%)(DE 03.13.2008)

Duke Energy Corporation

- └─ Duke Energy Renewables NC Solar, LLC (100%)

Duke Energy Renewables NC Solar, LLC (100%)(DE 02.25.2010)

- └─ Emerald State Solar Holdings, LLC (100%)(DE 04.18.2016)
 - └─ Emerald State Solar, LLC (100%)(DE 04.18.2016)
 - └─ Bethel Price Solar, LLC (100%)(DE 10.11.2013)
 - └─ Colonial Eagle Solar, LLC (100%)(DE 05.20.2014)
 - └─ Conetoe II Solar, LLC (100%)(NC 04.28.2014)
 - └─ Creswell Alligood Solar, LLC (100%)(DE 08.27.2014)
 - └─ Dogwood Solar, LLC (100%)(DE 09.12.2012)
 - └─ Everetts Wildcat Solar, LLC (100%)(DE 09.25.2014)
 - └─ Fresh Air Energy X, LLC (100%)(NC 04.03.2014)
 - └─ Garysburg Solar LLC (100%)(DE 09.24.2013)
 - └─ Gaston Solar LLC (100%)(10.08.2013)
 - └─ HXOap Solar One, LLC (100%)(NC 04.30.2013)
 - └─ Long Farm 46 Solar, LLC (100%)(NC 09.22.2014)
 - └─ Seaboard Solar LLC (100%)(DE 11.12.2013)
 - └─ SolNCPower5, LLC (100%)(NC 10.17.2013)
 - └─ SolNCPower6, LLC (100%)(NC 10.17.2013)
 - └─ SolNCPower10, L.L.C. (100%)(NC 08.01.2014)
 - └─ Tarboro Solar LLC (100%)(DE 08.26.2013)
 - └─ Washington White Post Solar, LLC (100%)(DE 09.10.2012)
 - └─ Windsor Cooper Hill Solar, LLC (100%)(DE 10.11.2013)
 - └─ Winton Solar LLC (100%)(DE 09.23.2013)
 - └─ Woodland Solar LLC (100%)(DE 09.19.2013)
 - └─ River Road Solar, LLC (100%)(NC 05.21.2014)

Duke Energy Corporation

- └─ Duke Energy Registration Services, Inc. (100%)

Duke Energy Registration Services, Inc. (100%)(DE 11.18.1998)

- └─ PanEnergy Corp. (100%)(DE 01.26.1981)
 - └─ Duke Energy Services, Inc. (100%)(DE 06.08.1959)
 - └─ DETMI Management, Inc. (100%)(CO 06.21.1994)
 - └─ Duke Ventures Real Estate, LLC (100%)(DE 06.09.2009)
 - └─ Century Group Real Estate Holdings, LLC (100%)(SC 02.06.2013)
 - └─ DTMSI Management Ltd. (100%)(British Columbia 12.18.2009)
 - └─ Duke Energy Services Canada ULC (31%)(British Columbia 09.17.2009)
 - └─ Duke Ventures, LLC (100%)(NV 12.19.2000)
 - └─ Dixilyn-Field Drilling Company (100%)(DE 01.31.1977)
 - └─ Dixilyn-Field (Nigeria) Limited (100%)(Nigeria 11.14.1977)
 - └─ Duke Energy Services Canada ULC (69%)(British Columbia 09.17.2009)
 - └─ Eastman Whipstock do Brasil Ltda (100%)(Brazil 05.21.1979)
 - └─ Energy Pipelines International Company (100%)(DE 04.28.1975)
 - └─ Duke Energy China Corp. (100%)(DE 08.13.1976)
- └─ Duke Energy Americas, LLC (100%)(DE 07.02.2004)
 - └─ Duke Energy International, LLC (100%)(DE 09.18.1997)
 - └─ (see Appendix M for subsidiaries)
 - └─ Duke Energy Merchants, LLC (100%)(DE 04.23.1999)
 - └─ Duke Energy North America, LLC (100%)(DE 09.18.1997)
- └─ Duke Energy Carolinas Plant Operations, LLC (100%)(DE 05.29.2001)
 - └─ DE Nuclear Engineering, Inc. (100%)(NC 03.17.1969)
- └─ Duke Energy Royal, LLC (100%)(DE 03.13.2002)
- └─ Duke Project Services, Inc. (100%)(NC 07.01.1966)
 - └─ D/FD Operating Services LLC (50.0001%)(DE 03.07.1996)
 - └─ Duke/Fluor Daniel (50.0001%)(NC 09.01.1997)
 - └─ D/FD Holdings, LLC (100%)(DE 12.15.2005)
 - └─ Duke/Fluor Daniel El Salvador S.A. de C.V. (50%)(El Salvador)
 - └─ Duke/Fluor Daniel International (50.0001%)(NV 09.01.1994)
 - └─ Duke/Fluor Daniel Caribbean, S.E. (99%)(Puerto Rico 12.06.1996)
 - └─ Duke/Fluor Daniel International Services (50.0001%)(NV 09.01.1994)
 - └─ Duke/Fluor Daniel Caribbean, S.E. (0.50%)(Puerto Rico 12.06.1996)
 - └─ Duke/Fluor Daniel International Services (Trinidad) Ltd. (100%)(Trinidad and Tobago 12.03.1998)

Duke Energy Corporation

- └─ Progress Energy, Inc. (100%)

Progress Energy, Inc. (100%)(NC 08.19.1999)

- └─ Duke Energy Progress, LLC* (100%)(NC 04.06.1926)
 - └─ APOG, LLC (8.33%)(DE 06.22.2007)
 - └─ Capitan Corporation (100%)(TN 12.28.1931)
 - └─ Carousel Capital Partners LP (3.07%)(DE 03.27.1996)
 - └─ CaroFund, Inc. (100%)(NC 08.15.1995)
 - └─ (see Appendix I for CaroFund, Inc. and CaroHome, LLC subsidiaries)
 - └─ CaroHome, LLC (99%)(NC 04.21.1995)
 - └─ (see Appendix I for CaroFund, Inc. and CaroHome, LLC subsidiaries)
 - └─ Duke Energy Progress Receivables LLC (100%)(DE 10.16.2013)
 - └─ Kinetic Ventures I LLC (11.11%)(DE 04.18.1997)
 - └─ Kinetic Ventures II, LLC (14.28%)(DE 12.15.1999)
 - └─ Maxey Flats Site IRP, LLC (3.02%)(VA 05.05.1995)
 - └─ NCEF Liquidating Trust** (4.99%)
 - └─ Powerhouse Square, LLC (99.9%)(NC 01.13.1998)
 - └─ Progress Energy EnviroTree, Inc. (50%)(NC 12.22.2003)
 - └─ South Atlantic Private Equity Fund IV, LP (14.3294%)(DE 06.26.1997)
 - └─ WNC Institutional Tax Credit Fund LP (99%)(CA 08.12.1994)
- └─ Florida Progress, LLC (100%)(FL 01.21.1982)
 - └─ Duke Energy Florida, LLC (100%)(FL 07.18.1899)
 - └─ APOG, LLC (8.33%)(DE 06.22.2007)
 - └─ Inflexion Fund, LP (16.78%)(DE 05.08.2002)
 - └─ Progress Energy EnviroTree, Inc. (50%)(NC 12.22.2003)
 - └─ Duke Energy Florida Project Finance, LLC (100%)(DE 01.05.2016)
 - └─ Duke Energy Florida Receivables LLC (100%)(DE 01.27.2014)
 - └─ Duke Energy Florida Solar Solutions, LLC (100%)(DE 02.25.2015)
 - └─ Florida Progress Funding Corporation (100%)(DE 03.18.1999)
 - └─ Progress Capital Holdings, Inc. (100%)(FL 05.17.1988)
 - └─ PIH, Inc.(100%)(FL 08.12.1997)
 - └─ PIH Tax Credit Fund III, Inc. (100%)(FL 04.18.2001)
 - └─ PIH Tax Credit Fund IV, Inc. (100%)(FL 04.18.2001)
 - └─ McDonald Corporate Tax Credit Fund, LP (9%)(DE 07.12.1993)
 - └─ PIH Tax Credit Fund V, Inc. (100%)(FL 04.18.2001)
 - └─ National Corporate Tax Credit Fund VI, a California Limited Partnership (15.57743%)(CA 04.19.1996)
 - └─ Progress Telecommunications Corporation (100%)(FL 10.15.1998)
 - └─ PeakNet, LLC (55%)(DE 02.26.2010)
 - └─ PT Holding Company, LLC (55%)(DE 01.17.2006)
 - └─ PeakNet Services, LLC (100%)(DE 02.16.2006)
- └─ Strategic Resource Solutions Corp. (100%)(NC 01.22.1996)

* Duke Energy Progress, LLC (formerly known as Carolina Power & Light Company) is also the beneficial owner of several entities that were generally acquired through bankruptcy proceedings. These entities are not shown separately due to its minor ownership interest (generally <1%).

As of December 31, 2009, it is believed CP&L owns a beneficial interest in the following entities:

Air Nail Unsecured Creditors Liquid Trust, Creditors Reserve Trust, Heiling-Meyers Liquidating Trust, Estate of Jillian Entertainment, HA2003 Liquidating Trust, CFC Trust, Fleming Post Confirmation Trust, Bombay Liquidation Trust, USOP Liquidating LLC, ZB Company Liquidation Trust and ANC Liquidating Trust.

** NCEF Liquidating Trust, a business trust, holds the assets of The North Carolina Enterprise Fund Limited Partnership, now dissolved.

Duke Energy Corporation

- └─ Piedmont Natural Gas Company, Inc. (100%)

Piedmont Natural Gas Company, Inc. (100%)(reincorporated in NC 02.25.1994)

- └─ Piedmont Energy Partners, Inc. (100%)(NC 01.30.1996)
 - └─ Piedmont Energy Company (100%)(NC 01.11.1994)
 - └─ Piedmont Interstate Pipeline Company (100%)(NC 09.08.1992)
 - └─ Pine Needle LNG Company, LLC (45%)
 - └─ Piedmont Intrastate Pipeline Company (100%)(NC 04.04.1994)
 - └─ Cardinal Pipeline Company, LLC (21.49%)
- └─ Piedmont Hardy Storage Company, LLC (99%)(NC 07.22.2004)
 - └─ Hardy Storage Company, LLC (50%)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Cinergy Global Resources, Inc. (100%)

Cinergy Global Resources, Inc. (100%)(DE 05.15.1998)

- └─ Cinergy Global Power, Inc. (100%)(DE 09.04.1997)
 - └─ CGP Global Greece Holdings, SA (99.99%)(Greece 08.10.2001)
 - └─ Cinergy Global (Cayman) Holdings, Inc. (100%)(Cayman Islands 09.04.1997)
 - └─ Cinergy Global Tsavo Power (100%)(Cayman Islands 09.04.1997)
 - └─ IPS-Cinergy Power Limited (48.2%)(Kenya 04.28.1999)
 - └─ Tsavo Power Company Limited (49.9%)(Kenya 01.22.1998)
 - └─ Cinergy Global Holdings, Inc. (100%)(DE 12.18.1998)
 - └─ CGP Global Greece Holdings, SA (.01%)(Greece 08.10.2001)
 - └─ Cinergy Global Power Africa (Proprietary) Limited (100%)(South Africa 08.03.1999)

Duke Energy Corporation

└─ Cinergy Corp. (100%)

└─ Duke Energy Renewables Holding Company, LLC (100%)

└─ Duke Energy Commercial Enterprises, Inc. (100%)

Duke Energy Commercial Enterprises, Inc. (100%)(IN 10.08.1992)

└─ CinCap V, LLC (10%)(DE 07.21.1998)

└─ Cinergy Climate Change Investments, LLC (100%)(DE 06.09.2003)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)

Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)

- └─ Duke Energy Renewables Commercial, LLC (100%)(DE 12.16.2014)
 - └─ Stenner Creek Solar LLC (100%)(DE 01.17.2017)
 - └─ Duke Energy Skyhigh, LLC (100%)(DE 07.30.2018)
 - └─ Skyhigh Sun, LLC (Class B Interests 100%)(DE 07.30.2018)
 - └─ Westbound Solar, LLC (100%)(DE 09.11.2018)
 - └─ TES Anchor Solar 23, LLC (100%)(DE 01.25.2019)
 - └─ Duke Energy Skyhigh 2, LLC (100%)(DE 01.10.2020)
 - └─ Skyhigh Sun 2, LLC (100%)(DE 01.15.2020)
 - └─ Southbound Solar, LLC (100%)(DE 04.12.2018)
 - └─ Westbound Solar 2, LLC (100%)(DE 10.24.2019)
 - └─ TES Rowtier Solar 23 LLC (100%)(DE 09.18.2018)
- └─ Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010)
 - └─ Caprock Solar 2 LLC (100%)(DE 10.31.2014)
 - └─ Caprock Solar Holdings 2, LLC (100%)(DE 04.30.2015)
 - └─ West Texas Angelos Holdings LLC (100%)(DE 06.08.2012)
 - └─ Carolina Solar Power, LLC (100%)(DE 02.13.2018)
 - └─ Broad River Solar, LLC (100%)(DE 02.15.2019)
 - └─ Stony Knoll Solar, LLC (100%)(DE 02.19.2019)
 - └─ Speedway Solar NC, LLC (100%)(DE 04.15.2019)
 - └─ Franklin Solar LLC (100%)(ID 06.26.2017)
 - └─ Jackpot Holdings, LLC (100%)(ID 03.18.2019)
 - └─ Pisgah Ridge Solar, LLC (100%)(DE 04.15.2020)
- └─ Duke Energy Renewables Wind, LLC (100%)(DE 05.23.2007)
 - └─ Nemaha Windpower, LLC (f/k/a Amshore Osage, LLC) (100%) (DE 03.14.2017)
 - └─ Catamount Energy Corporation (100%)(VT 06.23.1992)
 - └─ (see Appendix K for subsidiaries)
 - └─ DEGS Wind Supply, LLC (100%)(DE, 12.11.2007)
 - └─ DEGS Wind Supply II, LLC (100%)(DE 08.26.2008)
 - └─ Kit Carson Windpower II Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Kit Carson Windpower II, LLC (100%)(DE 07.24.2013)
 - └─ Ledyard Windpower, LLC (100%)(TX 11.02.2017)
- └─ Duke Energy Generation Services, Inc. (DE 06.02.2000)
 - └─ (see Appendix J for subsidiaries)
- └─ Duke Energy Renewable Services, LLC (100%)(DE 10.22.2012)
- └─ REC Solar Commercial Corporation (100%)(DE 11.26.2013)
- └─ Duke Ventures II, LLC (100%)(DE 09.01.2000)
 - └─ Spruce Finance, Inc. (7.70%)(DE 12.16.2015)
 - └─ Encycle Corporation (15.05%)(Ontario)
 - └─ PHX Management Holdings, LLC (70%)(DE 10.15.2015)
 - └─ Phoenix Energy Technologies, Inc. (7.7%)(DE 12.20.2008)
- └─ Symphony Wind Holdings, LLC (100%)(DE 05.22.2019)
 - └─ Duke Energy Mesteno, LLC (100%)(DE 03.28.2019)
 - └─ Mesteno Energy Holdings, LLC (100%)(DE 03.28.2019)
 - └─ Mesteno Windpower, LLC (100%)(DE 06.07.2018)
 - └─ Frontier Windpower II, LLC (100%)(DE 11.18.2015)
 - └─ Maryneal Windpower, LLC (f/k/a Sweetwater Wind 6 LLC)(100%)(DE 04.29.2004)
 - └─ Blue Rose Wind, LLC (100%)(DE 05.11.2020)
 - └─ Blue Rose Wind Holdings, LLC (100%)(DE 05.11.2020)
- └─ Duke Energy Renewables Storage, LLC (100%)(DE 12.05.2019)

Duke Energy Corporation
 └─ Cinergy Corp. (100%)
 └─ Duke Energy Renewables Holding Company, LLC (100%)
 └─ Duke Energy Renewables, Inc. (100%)

Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)

└─ Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019)
 └─ Rosamond Renewables, LLC (100%)(DE 11.21.2017)
 └─ Rosamond Solar Portfolio, LLC (100%)(DE 11.21.2017)
 └─ Rosamond Solar AQ LLC (100%)(DE02.22.2018)
 └─ Rosamond Solar Holdings, LLC (Class B Interests 100%)(DE 11.21.2017)
 └─ North Rosamond Solar, LLC (100%)(DE 09.30.2009)
 └─ DER Holstein Holdings, LLC (100%)(DE 04.24.2019)
 └─ DER Holstein TX Holdings, LLC (100%)(DE 04.24.2019)
 └─ DER Holstein, LLC (100%)(DE 04.24.2019)
 └─ Holstein Solar Holdings, LLC (Class B Interests 100%)(DE 04.24.2019)
 └─ 226HC 8me LLC (100%)(DE 07.25.2016)
 └─ Western Vista Solar, LLC (100%)(DE 04.14.2020)
 └─ Western Vista Solar Holdings, LLC (100%)(DE 04.14.2020)
 └─ DER Rambler Solar, LLC (100%)(DE 12.13.2019)
 └─ Rambler Solar Holdings, LLC (Class B Interests 100%)(DE 12.13.2019)
 └─ RE Rambler LLC (100%)(DE 05.19.2017)
 └─ Duke Energy Golden Vista, LLC (100%)(DE 08.01.2019)
 └─ Golden Vista Energy Holdings, LLC (Class B Interests 100%)(DE 08.01.2019)
 └─ Lapetus Energy Project, LLC (100%)(DE 03.21.2017)
 └─ Palmer Solar LLC (100%)(DE 03.21.2017)
 └─ Duke Energy Sun Holdings, LLC (100%)(DE 03.15.2019)
 └─ Symphony Sun, LLC (67%)(DE 03.15.2019)
 └─ Washington Airport Solar, LLC (100%)(DE 10.16.2013)
 └─ Wild Jack Solar Holdings LLC (100%)(DE 10.06.2015)
 └─ Wild Jack Solar LLC (100%)(DE 10.06.2015)
 └─ Pumpjack Solar I, LLC (100%)(DE 02.09.2012)
 └─ Wildwood Solar I, LLC (100%)(DE 02.09.2012)
 └─ High Noon Solar Holdings, LLC (100%)(DE 05.04.2017)
 └─ High Noon Solar, LLC (100%)(DE 05.04.2017)
 └─ Caprock Solar 1 LLC (100%)(DE 10.31.2014)
 └─ Caprock Solar Holdings 1, LLC (100%)(DE 04.30.2015)
 └─ Longboat Solar, LLC (100%)(DE 06.05.2014)
 └─ Rio Bravo Solar I, LLC (100%)(DE 03.22.2012)
 └─ Rio Bravo Solar II, LLC (100%)(DE 04.05.2013)
 └─ Seville Solar Holding Company, LLC (100%)(DE 05.06.2014)
 └─ Seville Solar One LLC (100%)(DE 05.06.2014)
 └─ Tallbear Seville LLC (49%)(CA 11.29.2012)
 └─ Seville Solar Two, LLC (100%)(DE 05.06.2014)
 └─ Victory Solar LLC (100%)(DE 09.15.2015)
 └─ Wildwood Solar II, LLC (100%)(DE 03.22.2012)

Duke Energy Corporation

- └─ Progress Energy, Inc. (100%)
 - └─ Duke Energy Progress, LLC (100%)
 - └─ CaroFund, Inc.
 - └─ CaroHome, LLC
-

Duke Energy Progress, LLC (100%)(NC 04.06.1926)

- └─ CaroFund, Inc. (100%)(NC 08.15.1995)
 - └─ CaroHome, LLC (1%)(NC 04.21.1995)
 - └─ Historic Property Management LLC (100%)(NC 12.09.1999)
- └─ CaroHome, LLC (99%)(NC 04.21.1995)
 - └─ Grove Arcade Restoration LLC (99.99%)(NC 11.29.1999)
 - └─ Baker House Apartments LLC (99.99%)(NC 01.26.1998)
 - └─ HGA Development LLC (99.99%)(NC 12.09.1999)
 - └─ Cedar Tree Properties LP (24.9849%)(WA 07.05.1994)
 - └─ First Partners Corporate LP II (15.84%)(MA 11.26.1996)
 - └─ Wilrik Hotel Apartments LLC (99.99%)(NC 03.14.1997)
 - └─ PRAIRIE, LLC (99.99%)(NC 10.29.1998)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)
 - └─ Duke Energy Generation Services, Inc. (100%)

Duke Energy Generation Services, Inc. (100%)(DE 06.02.2000)

- └─ DEGS O&M, LLC (100%)(DE 08.30.2004)
- └─ DEGS of Narrows, LLC (100%)(DE 03.17.2003)
- └─ Duke Energy Industrial Sales, LLC (100%)(DE 06.06.2006)

Duke Energy Corporation
 └─ Cinergy Corp. (100%)
 └─ Duke Energy Renewables Holding Company, LLC (100%)
 └─ Duke Energy Renewables, Inc. (100%)
 └─ Duke Energy Renewables Wind, LLC (100%)
 └─ Catamount Energy Corporation

Catamount Energy Corporation (100%)(VT 06.23.1992) [DEGS Wind Vermont, Inc. (VT, 06.20.2008)]

- └─ Equinox Vermont Corporation (100%)(VT 05.01.1990)
 - └─ Catamount Rumford Corporation (100%)(VT 04.11.1989)
- └─ Catamount Sweetwater Corporation (100%)(VT 06.17.2003)
 - └─ Sweetwater Development LLC (100%)(TX 11.05.2002)
 - └─ Sweetwater Wind Power L.L.C. (100%)(TX 11.05.2002)
- └─ Catamount Sweetwater Holdings LLC (100%)(VT 06.20.2005)
 - └─ Catamount Sweetwater 1 LLC (100%)(VT 12.12.2003)
 - └─ Catamount Sweetwater 2 LLC (100%)(VT 05.05.2004)
 - └─ Catamount Sweetwater 3 LLC (100%)(VT 06.03.2004)
- └─ Catamount Sweetwater 4-5 LLC (100%)(VT 03.08.2005)
 - └─ Sweetwater 4-5 Holdings LLC (18.72%)(DE 04.18.2007)
 - └─ Sweetwater Wind 4 LLC (100%)(DE 04.29.2004)
 - └─ Sweetwater Wind 5 LLC (100%)(DE 04.29.2004)
- └─ Catamount Sweetwater 6 LLC (100%)(VT 09.07.2005)
- └─ CEC UK1 Holding Corp. (100%)(VT 09.11.2002)
- └─ CEC UK2 Holding Corp. (100%)(VT 09.11.2002)

Duke Energy Corporation
└─ Cinergy Corp. (100%)
 └─ Duke Energy Transmission Holding Company, LLC
 └─ Duke-American Transmission Company, LLC

Duke-American Transmission Company, LLC (50%)(DE 04.11.2011)
└─ Zephyr Power Transmission LLC (100%)(DE 12.05.2008)
└─ DATC Midwest Holdings, LLC (100%)(DE 04.11.2012)
└─ DATC Path 15 Transmission, LLC (100%)(DE 08.09.2006)
 └─ Path 15 Funding, LLC (100%)(DE 12.27.2002)
 └─ Path 15 Funding TV, LLC (100%)(DE 11.16.2004)
 └─ Path 15 Funding KBT, LLC (100%)(DE 09.21.2006)
 └─ DATC Holdings Path 15, LLC (47.326% owned by DATC Path 15 Transmission, LLC;
 22.574% owned by Path 15 Funding KBT, LLC and 30.099% owned by Path 15 Funding,
 LLC)(DE 10.16.2002)
 └─ DATC Path 15, LLC (100%)(DE 10.16.2002)
└─ DATC SLTP, LLC (100%)(DE 03.11.2019)

Duke Energy Corporation

- └─ Duke Energy Registration Services, Inc. (100%)
 - └─ Duke Energy Americas, LLC (100%)
 - └─ Duke Energy International, LLC (100%)
-

Duke Energy International, LLC (100%)(DE 09.18.1997)

- └─ Duke Energy Group Holdings, LLC (100%)(DE 04.29.2005)
 - └─ Duke Energy Group, LLC (100%)(DE 12.22.1987)
 - └─ Duke Energy Brazil Holdings I, C.V. (90%)(Netherlands)
 - └─ Duke Energy International Uruguay Investments, S.R.L. (100%)(Uruguay)
 - └─ Duke Energy Luxembourg II, LLC (100%)(DE 12.18.2017)
 - └─ Duke Energy Brazil Holdings I, C.V. (10%)(Netherlands)
 - └─ Duke Energy Arabian Limited (100%)(Gibraltar)
 - └─ CTE Petrochemicals Company (35%)(Cayman)
 - └─ National Methanol Company (50%)(Saudi Arabia)
 - └─ CSCC Holdings Limited Partnership (100%)(British Columbia)

Changes to Corporate Structure – Third Quarter 2020

Entities Removed

- On August 12, 2020, Ryegate Associates (33.1126%)(UT 04.30.1990) was sold to Stored Solar Ryegate 2, LLC.

Entities Added

- On September 29, 2020, Duke Technologies, Inc. (100%)(DE 07.26.2000) formed eTransEnergy, LLC (100%)(DE 09.29.2020).

Entity Type Changes

- None.

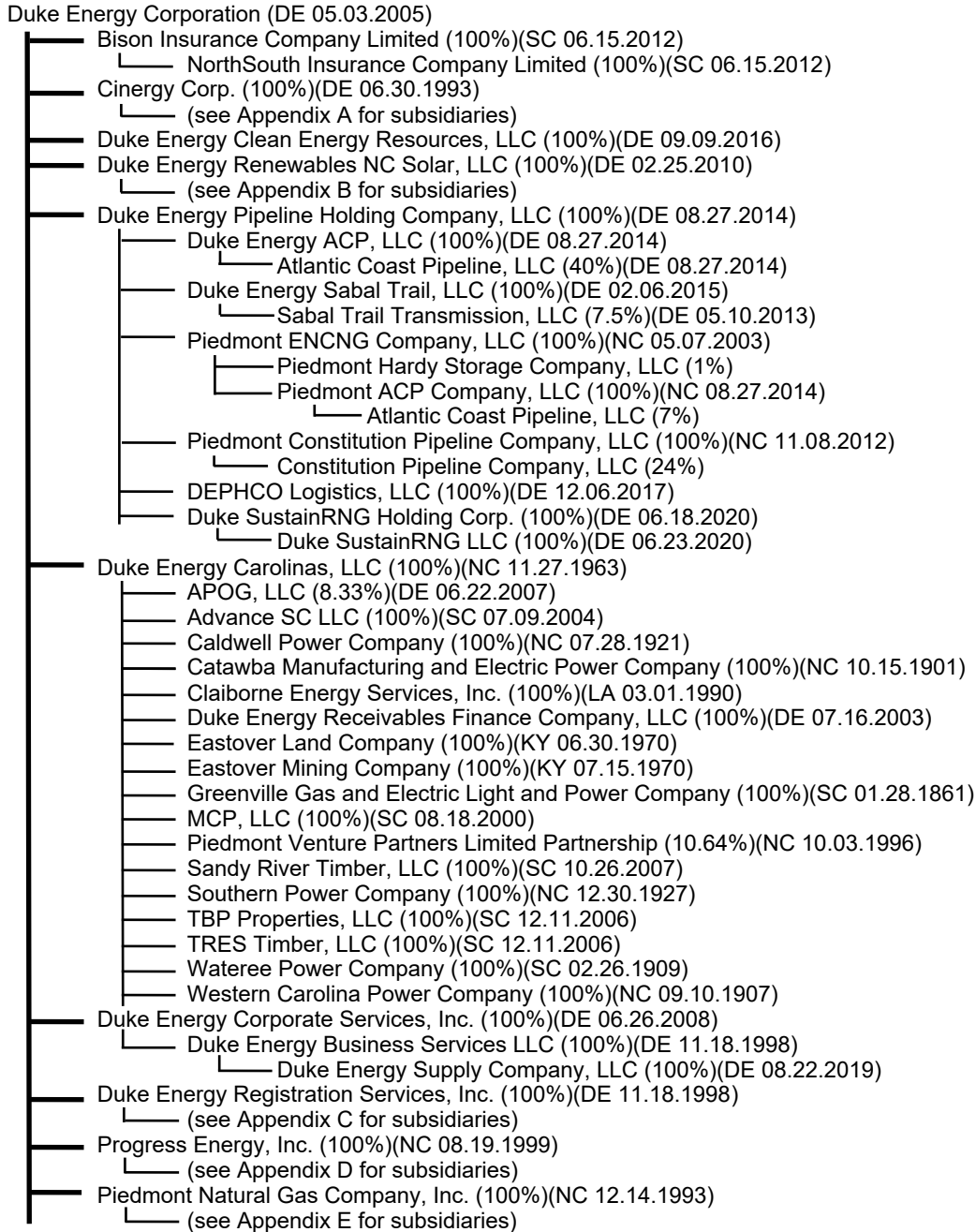
Entities Restructured

- None.

Name Changes

- None.

**DUKE ENERGY CORPORATION
CORPORATE STRUCTURE
AS OF DECEMBER 31, 2020**



Duke Energy Corporation

- └─ Cinergy Corp. (100%)
-
- Cinergy Corp. (100%)(DE 06.30.1993)
 - └─ Cinergy Global Resources, Inc. (100%)(DE 05.15.1998)
 - └─ (see Appendix F for subsidiaries)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)
 - └─ Duke Energy Commercial Enterprises, Inc. (100%)(IN 10.08.1992)
 - └─ (see Appendix G for subsidiaries)
 - └─ Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)
 - └─ (see Appendix H for subsidiaries)
 - └─ Duke-Reliant Resources, Inc. (100%)(DE 01.14.1998)
 - └─ Los Vientos Windpower III Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower IV Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower V Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)
 - └─ Symphony Breeze, LLC (51%)(DE 03.14.2019)
 - └─ (see Appendix A (continued) for subsidiaries)
 - └─ Cinergy Receivables Company, LLC (100%)(DE 01.10.2002)
 - └─ Duke Energy Indiana, LLC (100%)(IN 09.06.1941)
 - └─ South Construction Company, Inc. (100%)(IN 05.31.1934)
 - └─ Duke Energy Ohio, Inc. (100%)(OH 04.03.1837)
 - └─ Duke Energy Beckjord, LLC (100%)(DE 05.31.2012)
 - └─ Duke Energy Kentucky, Inc. (100%)(KY 03.20.1901)
 - └─ KO Transmission Company (100%)(KY 04.11.1994)
 - └─ Miami Power Corporation (100%)(IN 03.25.1930)
 - └─ Ohio Valley Electric Corporation (9%)(OH 10.01.1952)
 - └─ Tri-State Improvement Company (100%)(OH 01.14.1964)
 - └─ Duke Energy SAM, LLC (100%)(DE 05.31.2012)
 - └─ Duke Energy Vermillion II, LLC (100%)(DE 10.14.2010)
 - └─ Duke Energy Transmission Holding Company, LLC (100%)(DE 07.16.2008)
 - └─ Duke Energy Beckjord Storage LLC (100%)(DE 09.04.2013)
 - └─ Duke-American Transmission Company, LLC (50%)(DE 04.11.2011)
 - └─ (see Appendix L for subsidiaries)
 - └─ Pioneer Transmission, LLC (50%)(IN 07.31.2008)
 - └─ Duke Technologies, Inc. (100%)(DE 07.26.2000)
 - └─ Duke Energy One, Inc. (100%)(DE 09.05.2000)
 - └─ Cinergy Solutions – Utility, Inc. (100%)(DE 09.27.2004)
 - └─ DE1 Holdings, LLC (100%)(DE 10.10.2018)
 - └─ Tangent Energy Solutions, Inc. (45%)(DE 02.13.2009)
 - └─ Federal Way Powerhouse LLC (100%)(DE 10.26.2017)
 - └─ Potter Road Powerhouse LLC (100%)(DE 01.27.2017)
 - └─ Marzahl Powerhouse NJ LLC (100%)(DE 06.23.2016)
 - └─ Duke Energy One Services, LLC (100%)(DE 09.19.2019)
 - └─ Duke Energy Fuel Cell Holdings, LLC (100%)(DE 06.07.2019)
 - └─ Duke Energy Fuel Cell, LLC (100%)(DE 06.07.2019)
 - └─ Project Oxygen Holdings I, LLC (100%)(DE 06.28.2019)
 - └─ Project Oxygen Holdings, LLC (Class B Interests 100%)(DE 06.07.2019)
 - └─ 2018 ESA Project Company, LLC (100%)(DE 11.17.2016)
 - └─ Duke Investments, LLC (100%)(DE 07.25.2000)
 - └─ Open Energy Solutions Inc. (24%)(DE 12.07.2016)
 - └─ Source Global, PBC (.33130%)(DE 10.21.2014)
 - └─ Duke Supply Network, LLC (100%)(DE 08.10.2000)
 - └─ eTransEnergy, LLC (100%)(DE 09.29.2020)
 - └─ Progress Fuels, LLC (100%)(DE 07.27.2017)
 - └─ Kentucky May Coal Company, LLC (100%)(VA 11.27.1978)
 - └─ Progress Synfuel Holdings, Inc. (100%)(DE 12.07.1999)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Breeze Holdings, LLC (100%)
 - └─ Symphony Breeze, LLC (51%)

Cinergy Corp. (100%)(DE 06.30.1993)

- └─ Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)
 - └─ Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)
 - └─ Symphony Breeze, LLC (51%)(DE 03.14.2019)
 - └─ Clear Skies Solar Holdings, LLC (100%)(DE 11.15.2012)
 - └─ Clear Skies Solar, LLC (100%)(DE 11.15.2012)
 - └─ Black Mountain Solar, LLC (100%)(AZ 05.04.2011)
 - └─ CS Murphy Point, LLC (100%)(NC 01.12.2010)
 - └─ Martins Creek Solar NC, LLC (100%)(NC 04.08.2010)
 - └─ Murphy Farm Power, LLC (100%)(NC 01.27.2010)
 - └─ North Carolina Renewable Properties, LLC (100%)(NC 06.03.2010)
 - └─ RP-Orlando, LLC (100%)(DE 03.05.2010)
 - └─ Solar Star North Carolina I, LLC (100%)(DE 11.07.2008)
 - └─ Solar Star North Carolina II, LLC (100%)(DE 12.16.2009)
 - └─ Taylorsville Solar, LLC (100%)(DE 04.29.2010)
 - └─ Washington Millfield Solar, LLC (100%)(DE 05.23.2013)
 - └─ Texoma Wind Holdings, LLC (100%)(DE 10.11.2016)
 - └─ Texoma Wind, LLC (100%)(DE 10.11.2016)
 - └─ Frontier Windpower, LLC (100%)(DE 08.21.2015)
 - └─ Los Vientos Windpower III, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower IV, LLC (100%)(DE 07.24.2013)
 - └─ Los Vientos Windpower V, LLC (100%)(DE 07.24.2013)
 - └─ Duke Energy Renewables Solar I, LLC (100%)(DE 03.15.2019)
 - └─ Gato Montes Solar, LLC (100%)(DE 12.09.2011)
 - └─ RE AZ Holdings LLC (100%)(DE 10.11.2010)
 - └─ RE Ajo 1 LLC (100%)(DE 10.05.2009)
 - └─ RE Bagdad Solar 1 LLC (100%)(DE 08.13.2009)
 - └─ TX Solar I LLC (100%)(DE 05.27.2009)
 - └─ RE SFCity1 Holdco, LLC (100%)(DE 06.23.2010) acquired on 08.12.2013
 - └─ RE SFCity1 GP, LLC (100%)(DE 05.14.2009) acquired on 08.12.2013
 - └─ RE SFCity1, LP (99% owned by RE SFCity1 Holdco, LLC; 1% owned by RE SFCity1 GP, LLC) (DE 05.14.2009)
 - └─ Duke Energy Shoreham Holdings, LLC (100%)(DE 07.02.2018)
 - └─ Duke Energy Shoreham, LLC (100%)(DE 09.14.2017)
 - └─ Shoreham Energy Holdings, LLC (Class B Interests 100%)(DE 09.15.2017)
 - └─ Shoreham Solar Commons LLC (100%)(DE 04.23.2015)
 - └─ Duke Energy Renewables Wind I, LLC (100%)(DE 03.15.2019)
 - └─ Ironwood-Cimarron Windpower Holdings, LLC (100%)(DE 12.08.2010)
 - └─ DS Cornerstone, LLC (50%)(DE 04.05.2012)
 - └─ Summit Wind Energy Mesquite Creek, LLC (100%)(DE 08.01.2013)
 - └─ Mesquite Creek Wind LLC (100%)(DE 09.12.2008)
 - └─ Free State Windpower, LLC (100%)(DE 02.01.2012)
 - └─ Ironwood Windpower, LLC (100%)(DE 12.08.2010)
 - └─ Cimarron Windpower II, LLC (100%)(DE 03.07.2011)
 - └─ Green Frontier Windpower Holdings, LLC (100%)(DE 02.22.2010)
 - └─ Green Frontier Windpower, LLC (100%)(DE 05.13.2010)
 - └─ Three Buttes Windpower, LLC (100%)(DE 08.26.2008)
 - └─ Silver Sage Windpower, LLC (100%)(DE 04.16.2007)
 - └─ Happy Jack Windpower, LLC (100%)(DE 10.27.2006)
 - └─ Kit Carson Windpower, LLC (100%)(DE 06.23.2009)
 - └─ Los Vientos Windpower IA Holdings, LLC (100%)(DE 01.27.2011)
 - └─ Los Vientos Windpower IA, LLC (100%)(DE 01.27.2011)

Duke Energy Corporation

- Cinergy Corp. (100%)
 - Duke Energy Renewables Holding Company, LLC (100%)
 - Duke Energy Breeze Holdings, LLC (100%)
 - Symphony Breeze, LLC (51%)

- Cinergy Corp. (100%)(DE 06.30.1993)
 - Duke Energy Renewables Holding Company, LLC (100%)(DE 10.24.1994)
 - Duke Energy Breeze Holdings, LLC (100%)(DE 03.14.2019)
 - Symphony Breeze, LLC (51%)(DE 03.14.2019)
 - Duke Energy Renewables Wind I, LLC (100%)(DE 03.15.2019)
 - Los Vientos Windpower IB Holdings, LLC (100%)(DE 08.02.2012)
 - Los Vientos Windpower IB, LLC (100%)(DE 07.11.2011)
 - Notrees Windpower, LP (99%)(DE 09.30.2005)
 - Ocotillo Windpower, LP (99%)(DE 12.22.2004)
 - TE Notrees, LLC (100%)(DE 09.30.2005)
 - Notrees Windpower, LP (1%)(DE 09.30.2005)
 - TE Ocotillo, LLC (100%)(DE 12.21.2004)
 - Ocotillo Windpower, LP (1%)(DE 12.22.2004)
 - North Allegheny Wind, LLC (100%)(DE 05.31.2006)
 - Wind Star Holdings, LLC (100%)(DE 04.15.2014)
 - Wind Star Renewables, LLC (100%)(DE 04.15.2014)
 - Highlander Solar 1, LLC (100%)(DE 09.03.2010)
 - Highlander Solar 2, LLC (100%)(DE 09.03.2010)
 - Laurel Hill Wind Energy, LLC (100%)(PA 12.14.2004)
 - Shirley Wind, LLC (100%)(WI 10.20.2006)
 - Top of the World Wind Energy Holdings LLC (100%)(DE 11.15.2010)
 - Top of the World Wind Energy LLC (100%)(DE 03.13.2008)

Duke Energy Corporation

- └─ Duke Energy Renewables NC Solar, LLC (100%)

Duke Energy Renewables NC Solar, LLC (100%)(DE 02.25.2010)

- └─ Emerald State Solar Holdings, LLC (100%)(DE 04.18.2016)
 - └─ Emerald State Solar, LLC (100%)(DE 04.18.2016)
 - └─ Bethel Price Solar, LLC (100%)(DE 10.11.2013)
 - └─ Colonial Eagle Solar, LLC (100%)(DE 05.20.2014)
 - └─ Conetoe II Solar, LLC (100%)(NC 04.28.2014)
 - └─ Creswell Alligood Solar, LLC (100%)(DE 08.27.2014)
 - └─ Dogwood Solar, LLC (100%)(DE 09.12.2012)
 - └─ Everetts Wildcat Solar, LLC (100%)(DE 09.25.2014)
 - └─ Fresh Air Energy X, LLC (100%)(NC 04.03.2014)
 - └─ Garysburg Solar LLC (100%)(DE 09.24.2013)
 - └─ Gaston Solar LLC (100%)(10.08.2013)
 - └─ HXOap Solar One, LLC (100%)(NC 04.30.2013)
 - └─ Long Farm 46 Solar, LLC (100%)(NC 09.22.2014)
 - └─ Seaboard Solar LLC (100%)(DE 11.12.2013)
 - └─ SolNCPower5, LLC (100%)(NC 10.17.2013)
 - └─ SolNCPower6, LLC (100%)(NC 10.17.2013)
 - └─ SolNCPower10, L.L.C. (100%)(NC 08.01.2014)
 - └─ Tarboro Solar LLC (100%)(DE 08.26.2013)
 - └─ Washington White Post Solar, LLC (100%)(DE 09.10.2012)
 - └─ Windsor Cooper Hill Solar, LLC (100%)(DE 10.11.2013)
 - └─ Winton Solar LLC (100%)(DE 09.23.2013)
 - └─ Woodland Solar LLC (100%)(DE 09.19.2013)
 - └─ River Road Solar, LLC (100%)(NC 05.21.2014)

Duke Energy Corporation

- └─ Duke Energy Registration Services, Inc. (100%)

Duke Energy Registration Services, Inc. (100%)(DE 11.18.1998)

- └─ PanEnergy Corp. (100%)(DE 01.26.1981)
 - └─ Duke Energy Services, Inc. (100%)(DE 06.08.1959)
 - └─ DETMI Management, Inc. (100%)(CO 06.21.1994)
 - └─ Duke Ventures Real Estate, LLC (100%)(DE 06.09.2009)
 - └─ Century Group Real Estate Holdings, LLC (100%)(SC 02.06.2013)
 - └─ DTMSI Management Ltd. (100%)(British Columbia 12.18.2009)
 - └─ Duke Energy Services Canada ULC (31%)(British Columbia 09.17.2009)
 - └─ Duke Ventures, LLC (100%)(NV 12.19.2000)
 - └─ Dixilyn-Field Drilling Company (100%)(DE 01.31.1977)
 - └─ Dixilyn-Field (Nigeria) Limited (100%)(Nigeria 11.14.1977)
 - └─ Duke Energy Services Canada ULC (69%)(British Columbia 09.17.2009)
 - └─ Eastman Whipstock do Brasil Ltda (100%)(Brazil 05.21.1979)
 - └─ Energy Pipelines International Company (100%)(DE 04.28.1975)
 - └─ Duke Energy China Corp. (100%)(DE 08.13.1976)
- └─ Duke Energy Americas, LLC (100%)(DE 07.02.2004)
 - └─ Duke Energy International, LLC (100%)(DE 09.18.1997)
 - └─ (see Appendix M for subsidiaries)
 - └─ Duke Energy Merchants, LLC (100%)(DE 04.23.1999)
 - └─ Duke Energy North America, LLC (100%)(DE 09.18.1997)
- └─ Duke Energy Carolinas Plant Operations, LLC (100%)(DE 05.29.2001)
 - └─ DE Nuclear Engineering, Inc. (100%)(NC 03.17.1969)
- └─ Duke Energy Royal, LLC (100%)(DE 03.13.2002)
- └─ Duke Project Services, Inc. (100%)(NC 07.01.1966)
 - └─ D/FD Operating Services LLC (50.0001%)(DE 03.07.1996)
 - └─ Duke/Fluor Daniel (50.0001%)(NC 09.01.1997)
 - └─ D/FD Holdings, LLC (100%)(DE 12.15.2005)
 - └─ Duke/Fluor Daniel El Salvador S.A. de C.V. (50%)(El Salvador)
 - └─ Duke/Fluor Daniel International (50.0001%)(NV 09.01.1994)
 - └─ Duke/Fluor Daniel Caribbean, S.E. (99%)(Puerto Rico 12.06.1996)
 - └─ Duke/Fluor Daniel International Services (50.0001%)(NV 09.01.1994)
 - └─ Duke/Fluor Daniel Caribbean, S.E. (0.50%)(Puerto Rico 12.06.1996)
 - └─ Duke/Fluor Daniel International Services (Trinidad) Ltd. (100%)(Trinidad and Tobago 12.03.1998)

Duke Energy Corporation

- └─ Progress Energy, Inc. (100%)

Progress Energy, Inc. (100%)(NC 08.19.1999)

- └─ Duke Energy Progress, LLC* (100%)(NC 04.06.1926)
 - └─ APOG, LLC (8.33%)(DE 06.22.2007)
 - └─ Capitan Corporation (100%)(TN 12.28.1931)
 - └─ Carousel Capital Partners LP (3.07%)(DE 03.27.1996)
 - └─ CaroFund, Inc. (100%)(NC 08.15.1995)
 - └─ (see Appendix I for CaroFund, Inc. and CaroHome, LLC subsidiaries)
 - └─ CaroHome, LLC (99%)(NC 04.21.1995)
 - └─ (see Appendix I for CaroFund, Inc. and CaroHome, LLC subsidiaries)
 - └─ Duke Energy Progress Receivables LLC (100%)(DE 10.16.2013)
 - └─ Kinetic Ventures I LLC (11.11%)(DE 04.18.1997)
 - └─ Kinetic Ventures II, LLC (14.28%)(DE 12.15.1999)
 - └─ Maxey Flats Site IRP, LLC (3.02%)(VA 05.05.1995)
 - └─ NCEF Liquidating Trust** (4.99%)
 - └─ Powerhouse Square, LLC (99.9%)(NC 01.13.1998)
 - └─ Progress Energy EnviroTree, Inc. (50%)(NC 12.22.2003)
 - └─ South Atlantic Private Equity Fund IV, LP (14.3294%)(DE 06.26.1997)
 - └─ WNC Institutional Tax Credit Fund LP (99%)(CA 08.12.1994)
- └─ Florida Progress, LLC (100%)(FL 01.21.1982)
 - └─ Duke Energy Florida, LLC (100%)(FL 07.18.1899)
 - └─ APOG, LLC (8.33%)(DE 06.22.2007)
 - └─ Inflexion Fund, LP (16.78%)(DE 05.08.2002)
 - └─ Progress Energy EnviroTree, Inc. (50%)(NC 12.22.2003)
 - └─ Duke Energy Florida Project Finance, LLC (100%)(DE 01.05.2016)
 - └─ Duke Energy Florida Receivables LLC (100%)(DE 01.27.2014)
 - └─ Duke Energy Florida Solar Solutions, LLC (100%)(DE 02.25.2015)
 - └─ Florida Progress Funding Corporation (100%)(DE 03.18.1999)
 - └─ Progress Capital Holdings, Inc. (100%)(FL 05.17.1988)
 - └─ PIH, Inc.(100%)(FL 08.12.1997)
 - └─ PIH Tax Credit Fund III, Inc. (100%)(FL 04.18.2001)
 - └─ PIH Tax Credit Fund IV, Inc. (100%)(FL 04.18.2001)
 - └─ McDonald Corporate Tax Credit Fund, LP (9%)(DE 07.12.1993)
 - └─ PIH Tax Credit Fund V, Inc. (100%)(FL 04.18.2001)
 - └─ National Corporate Tax Credit Fund VI, a California Limited Partnership (15.57743%)(CA 04.19.1996)
 - └─ Progress Telecommunications Corporation (100%)(FL 10.15.1998)
 - └─ PeakNet, LLC (55%)(DE 02.26.2010)
 - └─ PT Holding Company, LLC (55%)(DE 01.17.2006)
 - └─ PeakNet Services, LLC (100%)(DE 02.16.2006)
- └─ Strategic Resource Solutions Corp. (100%)(NC 01.22.1996)

* Duke Energy Progress, LLC (formerly known as Carolina Power & Light Company) is also the beneficial owner of several entities that were generally acquired through bankruptcy proceedings. These entities are not shown separately due to its minor ownership interest (generally <1%).

As of December 31, 2009, it is believed CP&L owns a beneficial interest in the following entities:

Air Nail Unsecured Creditors Liquid Trust, Creditors Reserve Trust, Heiling-Meyers Liquidating Trust, Estate of Jillian Entertainment, HA2003 Liquidating Trust, CFC Trust, Fleming Post Confirmation Trust, Bombay Liquidation Trust, USOP Liquidating LLC, ZB Company Liquidation Trust and ANC Liquidating Trust.

** NCEF Liquidating Trust, a business trust, holds the assets of The North Carolina Enterprise Fund Limited Partnership, now dissolved.

Duke Energy Corporation

- └─ Piedmont Natural Gas Company, Inc. (100%)

Piedmont Natural Gas Company, Inc. (100%)(reincorporated in NC 02.25.1994)

- └─ Piedmont Energy Partners, Inc. (100%)(NC 01.30.1996)
 - └─ Piedmont Energy Company (100%)(NC 01.11.1994)
 - └─ Piedmont Interstate Pipeline Company (100%)(NC 09.08.1992)
 - └─ Pine Needle LNG Company, LLC (45%)
 - └─ Piedmont Intrastate Pipeline Company (100%)(NC 04.04.1994)
 - └─ Cardinal Pipeline Company, LLC (21.49%)
- └─ Piedmont Hardy Storage Company, LLC (99%)(NC 07.22.2004)
 - └─ Hardy Storage Company, LLC (50%)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Cinergy Global Resources, Inc. (100%)
-

Cinergy Global Resources, Inc. (100%)(DE 05.15.1998)

- └─ Cinergy Global Power, Inc. (100%)(DE 09.04.1997)
 - └─ CGP Global Greece Holdings, SA (99.99%)(Greece 08.10.2001)
 - └─ Cinergy Global (Cayman) Holdings, Inc. (100%)(Cayman Islands 09.04.1997)
 - └─ Cinergy Global Tsavo Power (100%)(Cayman Islands 09.04.1997)
 - └─ IPS-Cinergy Power Limited (48.2%)(Kenya 04.28.1999)
 - └─ Tsavo Power Company Limited (49.9%)(Kenya 01.22.1998)
 - └─ Cinergy Global Holdings, Inc. (100%)(DE 12.18.1998)
 - └─ CGP Global Greece Holdings, SA (.01%)(Greece 08.10.2001)
 - └─ Cinergy Global Power Africa (Proprietary) Limited (100%)(South Africa 08.03.1999)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Commercial Enterprises, Inc. (100%)
-

Duke Energy Commercial Enterprises, Inc. (100%)(IN 10.08.1992)

- └─ CinCap V, LLC (10%)(DE 07.21.1998)
- └─ Cinergy Climate Change Investments, LLC (100%)(DE 06.09.2003)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)

Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)

- └─ Duke Energy Renewables Commercial, LLC (100%)(DE 12.16.2014)
 - └─ Stenner Creek Solar LLC (100%)(DE 01.17.2017)
 - └─ Duke Energy Skyhigh, LLC (100%)(DE 07.30.2018)
 - └─ Skyhigh Sun, LLC (Class B Interests 100%)(DE 07.30.2018)
 - └─ Westbound Solar, LLC (100%)(DE 09.11.2018)
 - └─ TES Anchor Solar 23 LLC (100%)(DE 01.25.2019)
 - └─ Duke Energy Skyhigh 2, LLC (100%)(DE 01.10.2020)
 - └─ Skyhigh Sun 2, LLC (100%)(DE 01.15.2020)
 - └─ Westbound Solar 2, LLC (100%)(DE 10.24.2019)
 - └─ TES Rowtier Solar 23 LLC (100%)(DE 09.18.2018)
 - └─ Southbound Solar, LLC (100%)(DE 04.12.2018)
 - └─ Westbound Solar 3, LLC (100%)(DE 12.02.2020)
- └─ Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010)
 - └─ Caprock Solar 2 LLC (100%)(DE 10.31.2014)
 - └─ Caprock Solar Holdings 2, LLC (100%)(DE 04.30.2015)
 - └─ West Texas Angelos Holdings LLC (100%)(DE 06.08.2012)
 - └─ Carolina Solar Power, LLC (100%)(DE 02.13.2018)
 - └─ Broad River Solar, LLC (100%)(DE 02.15.2019)
 - └─ Stony Knoll Solar, LLC (100%)(DE 02.19.2019)
 - └─ Speedway Solar NC, LLC (100%)(DE 04.15.2019)
 - └─ Franklin Solar LLC (100%)(ID 06.26.2017)
 - └─ Jackpot Holdings, LLC (100%)(ID 03.18.2019)
 - └─ Pisgah Ridge Solar, LLC (100%)(DE 04.15.2020)
 - └─ South Dixon Solar, LLC (100%)(DE 10.30.2020)
 - └─ Pleasant Grove Solar, LLC (100%)(DE 11.12.2020)
 - └─ East Blackland Holdings LLC (100%)(DE 04.09.2018)
 - └─ East Blackland Solar Project 1 LLC (100%)(DE 08.11.2017)
- └─ Duke Energy Renewables Wind, LLC (100%)(DE 05.23.2007)
 - └─ Nemaha Windpower, LLC (100%) (DE 03.14.2017)
 - └─ Catamount Energy Corporation (100%)(VT 06.23.1992)
 - └─ (see Appendix K for subsidiaries)
 - └─ DEGS Wind Supply, LLC (100%)(DE, 12.11.2007)
 - └─ DEGS Wind Supply II, LLC (100%)(DE 08.26.2008)
 - └─ Kit Carson Windpower II Holdings, LLC (100%)(DE 07.24.2013)
 - └─ Kit Carson Windpower II, LLC (100%)(DE 07.24.2013)
 - └─ Ledyard Windpower, LLC (100%)(TX 11.02.2017)
- └─ Duke Energy Generation Services, Inc. (DE 06.02.2000)
 - └─ (see Appendix J for subsidiaries)
- └─ Duke Energy Renewable Services, LLC (100%)(DE 10.22.2012)
- └─ REC Solar Commercial Corporation (100%)(DE 11.26.2013)
- └─ Duke Ventures II, LLC (100%)(DE 09.01.2000)
 - └─ Spruce Finance, Inc. (7.70%)(DE 12.16.2015)
 - └─ Encycle Corporation (15.05%)(Ontario)
 - └─ PHX Management Holdings, LLC (70%)(DE 10.15.2015)
 - └─ Phoenix Energy Technologies, Inc. (7.7%)(DE 12.20.2008)
- └─ Symphony Wind Holdings, LLC (100%)(DE 05.22.2019)
 - └─ Duke Energy Mesteno, LLC (100%)(DE 03.28.2019)
 - └─ Mesteno Energy Holdings, LLC (100%)(DE 03.28.2019)
 - └─ Mesteno Windpower, LLC (100%)(DE 06.07.2018)
 - └─ Frontier Windpower II, LLC (100%)(DE 11.18.2015)
 - └─ Maryneal Windpower, LLC (f/k/a Sweetwater Wind 6 LLC)(100%)(DE 04.29.2004)
 - └─ Blue Rose Wind, LLC (100%)(DE 05.11.2020)
 - └─ Blue Rose Wind Holdings, LLC (100%)(DE 05.11.2020)
- └─ Duke Energy Renewables Storage, LLC (100%)(DE 12.05.2019)

Duke Energy Corporation
 └─ Cinergy Corp. (100%)
 └─ Duke Energy Renewables Holding Company, LLC (100%)
 └─ Duke Energy Renewables, Inc. (100%)

Duke Energy Renewables, Inc. (100%)(DE 02.11.1997)

└─ Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019)
 └─ Rosamond Renewables, LLC (100%)(DE 11.21.2017)
 └─ Rosamond Solar Portfolio, LLC (100%)(DE 11.21.2017)
 └─ Rosamond Solar AQ LLC (100%)(DE02.22.2018)
 └─ Rosamond Solar Holdings, LLC (Class B Interests 100%)(DE 11.21.2017)
 └─ North Rosamond Solar, LLC (100%)(DE 09.30.2009)
 └─ DER Holstein Holdings, LLC (100%)(DE 04.24.2019)
 └─ DER Holstein TX Holdings, LLC (100%)(DE 04.24.2019)
 └─ DER Holstein, LLC (100%)(DE 04.24.2019)
 └─ Holstein Solar Holdings, LLC (Class B Interests 100%)(DE 04.24.2019)
 └─ 226HC 8me LLC (100%)(DE 07.25.2016)
 └─ Western Vista Solar, LLC (100%)(DE 04.14.2020)
 └─ Western Vista Solar Holdings, LLC (100%)(DE 04.14.2020)
 └─ DER Rambler Solar, LLC (100%)(DE 12.13.2019)
 └─ Rambler Solar Holdings, LLC (Class B Interests 100%)(DE 12.13.2019)
 └─ RE Rambler LLC (100%)(DE 05.19.2017)
 └─ Duke Energy Golden Vista, LLC (100%)(DE 08.01.2019)
 └─ Golden Vista Energy Holdings, LLC (Class B Interests 100%)(DE 08.01.2019)
 └─ Lapetus Energy Project, LLC (100%)(DE 03.21.2017)
 └─ Palmer Solar LLC (100%)(DE 03.21.2017)
 └─ DER CPRE 1, LLC (100%)(DE 10.23.2020)
 └─ CPRE 1, LLC (100%)(DE 10.23.2020)
 └─ CPRE 1 Holdings, LLC (100%)(DE 10.23.2020)
 └─ RE Haast Holdings LLC (100%)(DE 05.26.2020)
 └─ RE Inverness Holdings LLC (100%)(DE 05.26.2020)
 └─ RE Gattaca Holdings LLC (Class B Interests 100%)(DE 05.26.2020)
 └─ Duke Energy Sun Holdings, LLC (100%)(DE 03.15.2019)
 └─ Symphony Sun, LLC (67%)(DE 03.15.2019)
 └─ Washington Airport Solar, LLC (100%)(DE 10.16.2013)
 └─ Wild Jack Solar Holdings LLC (100%)(DE 10.06.2015)
 └─ Wild Jack Solar LLC (100%)(DE 10.06.2015)
 └─ Pumpjack Solar I, LLC (100%)(DE 02.09.2012)
 └─ Wildwood Solar I, LLC (100%)(DE 02.09.2012)
 └─ High Noon Solar Holdings, LLC (100%)(DE 05.04.2017)
 └─ High Noon Solar, LLC (100%)(DE 05.04.2017)
 └─ Caprock Solar 1 LLC (100%)(DE 10.31.2014)
 └─ Caprock Solar Holdings 1, LLC (100%)(DE 04.30.2015)
 └─ Longboat Solar, LLC (100%)(DE 06.05.2014)
 └─ Rio Bravo Solar I, LLC (100%)(DE 03.22.2012)
 └─ Rio Bravo Solar II, LLC (100%)(DE 04.05.2013)
 └─ Seville Solar Holding Company, LLC (100%)(DE 05.06.2014)
 └─ Seville Solar One LLC (100%)(DE 05.06.2014)
 └─ Tallbear Seville LLC (49%)(CA 11.29.2012)
 └─ Seville Solar Two, LLC (100%)(DE 05.06.2014)
 └─ Victory Solar LLC (100%)(DE 09.15.2015)
 └─ Wildwood Solar II, LLC (100%)(DE 03.22.2012)

Duke Energy Corporation

- └─ Progress Energy, Inc. (100%)
 - └─ Duke Energy Progress, LLC (100%)
 - └─ CaroFund, Inc.
 - └─ CaroHome, LLC
-

Duke Energy Progress, LLC (100%)(NC 04.06.1926)

- └─ CaroFund, Inc. (100%)(NC 08.15.1995)
 - └─ CaroHome, LLC (1%)(NC 04.21.1995)
 - └─ Historic Property Management LLC (100%)(NC 12.09.1999)
- └─ CaroHome, LLC (99%)(NC 04.21.1995)
 - └─ Grove Arcade Restoration LLC (99.99%)(NC 11.29.1999)
 - └─ Baker House Apartments LLC (99.99%)(NC 01.26.1998)
 - └─ HGA Development LLC (99.99%)(NC 12.09.1999)
 - └─ Cedar Tree Properties LP (24.9849%)(WA 07.05.1994)
 - └─ First Partners Corporate LP II (15.84%)(MA 11.26.1996)
 - └─ Wilrik Hotel Apartments LLC (99.99%)(NC 03.14.1997)
 - └─ PRAIRIE, LLC (99.99%)(NC 10.29.1998)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)
 - └─ Duke Energy Generation Services, Inc. (100%)
-

Duke Energy Generation Services, Inc. (100%)(DE 06.02.2000)

- └─ DEGS O&M, LLC (100%)(DE 08.30.2004)
- └─ DEGS of Narrows, LLC (100%)(DE 03.17.2003)
- └─ Duke Energy Industrial Sales, LLC (100%)(DE 06.06.2006)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Renewables Holding Company, LLC (100%)
 - └─ Duke Energy Renewables, Inc. (100%)
 - └─ Duke Energy Renewables Wind, LLC (100%)
 - └─ Catamount Energy Corporation

Catamount Energy Corporation (100%)(VT 06.23.1992) [DEGS Wind Vermont, Inc. (VT, 06.20.2008)]

- └─ Equinox Vermont Corporation (100%)(VT 05.01.1990)
 - └─ Catamount Rumford Corporation (100%)(VT 04.11.1989)
- └─ Catamount Sweetwater Corporation (100%)(VT 06.17.2003)
 - └─ Sweetwater Development LLC (100%)(TX 11.05.2002)
 - └─ Sweetwater Wind Power L.L.C. (100%)(TX 11.05.2002)
- └─ Catamount Sweetwater Holdings LLC (100%)(VT 06.20.2005)
 - └─ Catamount Sweetwater 1 LLC (100%)(VT 12.12.2003)
 - └─ Catamount Sweetwater 2 LLC (100%)(VT 05.05.2004)
 - └─ Catamount Sweetwater 3 LLC (100%)(VT 06.03.2004)
- └─ Catamount Sweetwater 4-5 LLC (100%)(VT 03.08.2005)
 - └─ Sweetwater 4-5 Holdings LLC (18.72%)(DE 04.18.2007)
 - └─ Sweetwater Wind 4 LLC (100%)(DE 04.29.2004)
 - └─ Sweetwater Wind 5 LLC (100%)(DE 04.29.2004)
- └─ Catamount Sweetwater 6 LLC (100%)(VT 09.07.2005)
- └─ CEC UK1 Holding Corp. (100%)(VT 09.11.2002)
- └─ CEC UK2 Holding Corp. (100%)(VT 09.11.2002)

Duke Energy Corporation

- └─ Cinergy Corp. (100%)
 - └─ Duke Energy Transmission Holding Company, LLC
 - └─ Duke-American Transmission Company, LLC

Duke-American Transmission Company, LLC (50%)(DE 04.11.2011)

- └─ Zephyr Power Transmission LLC (100%)(DE 12.05.2008)
- └─ DATC Midwest Holdings, LLC (100%)(DE 04.11.2012)
- └─ DATC Path 15 Transmission, LLC (100%)(DE 08.09.2006)
 - └─ Path 15 Funding, LLC (100%)(DE 12.27.2002)
 - └─ Path 15 Funding TV, LLC (100%)(DE 11.16.2004)
 - └─ Path 15 Funding KBT, LLC (100%)(DE 09.21.2006)
 - └─ DATC Holdings Path 15, LLC (47.326% owned by DATC Path 15 Transmission, LLC; 22.574% owned by Path 15 Funding KBT, LLC and 30.099% owned by Path 15 Funding, LLC)(DE 10.16.2002)
 - └─ DATC Path 15, LLC (100%)(DE 10.16.2002)
- └─ DATC SLTP, LLC (100%)(DE 03.11.2019)

Duke Energy Corporation

- └─ Duke Energy Registration Services, Inc. (100%)
 - └─ Duke Energy Americas, LLC (100%)
 - └─ Duke Energy International, LLC (100%)
-

Duke Energy International, LLC (100%)(DE 09.18.1997)

- └─ Duke Energy Group Holdings, LLC (100%)(DE 04.29.2005)
 - └─ Duke Energy Group, LLC (100%)(DE 12.22.1987)
 - └─ Duke Energy Brazil Holdings I, C.V. (90%)(Netherlands)
 - └─ Duke Energy International Uruguay Investments, S.R.L. (100%)(Uruguay)
 - └─ Duke Energy Luxembourg II, LLC (100%)(DE 12.18.2017)
 - └─ Duke Energy Brazil Holdings I, C.V. (10%)(Netherlands)
 - └─ Duke Energy Arabian Limited (100%)(Gibraltar)
 - └─ CTE Petrochemicals Company (35%)(Cayman)
 - └─ National Methanol Company (50%)(Saudi Arabia)
 - └─ CSCC Holdings Limited Partnership (100%)(British Columbia)

Changes to Corporate Structure – Fourth Quarter 2020

Entities Removed

- None.

Entities Added

- On October 23, 2020, Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019) formed DER CPRE 1, LLC (100%)(DE 10.23.2020).
- On October 23, 2020, DER CPRE 1, LLC (100%)(DE 10.23.2020) formed CPRE 1, LLC (100%)(DE 10.23.2020).
- On October 23, 2020, CPRE 1, LLC (100%)(DE 10.23.2020) formed CPRE 1 Holdings, LLC (100%)(DE 10.23.2020).
- October 30, 2020, Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010) formed South Dixon Solar, LLC (100%)(DE 10.30.2020).
- On November 12, 2020, Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010) formed Pleasant Grove Solar, LLC (100%)(DE 11.12.2020).
- On December 2, 2020, Duke Energy Renewables Commercial, LLC (100%)(DE 12.16.2014) formed Westbound Solar 3, LLC (100%)(DE 12.02.2020).
- On December 18, 2020, Duke Energy Renewables Solar, LLC (100%)(DE 05.13.2010) acquired East Blackland Holdings LLC (100%)(DE 04.09.2018). As part of the transaction, it also acquired East Blackland Holdings LLC's underlying subsidiary, East Blackland Solar Project 1 LLC (100%)(DE 08.11.2017).
- On December 18, 2020, Duke Energy Renewables Solar Holdings, Inc. (100%)(DE 09.10.2019) acquired RE Haast Holdings LLC (100%)(DE 05.26.2020). As part of the transaction, it also acquired RE Haast Holdings LLC's subsidiaries, RE Inverness Holdings LLC (100%)(DE 05.26.2020) and RE Gattaca Holdings LLC (Class B Interests 100%)(DE 05.26.2020).

Entity Type Changes

- None.

Entities Restructured

- None.

Name Changes

- None.

**Analysis of Diversification Activity
New or Amended Contracts with Affiliated Companies**

**Company: Duke Energy Florida LLC.
For the Year Ended December 31, 2020**

Provide a synopsis of each new or amended contract, agreement, or arrangement with affiliated companies for the purchase, lease, or sale of land, goods, or services (excluding tariffed items). The synopsis shall include, at the minimum, the terms, price, quantity, amount, and duration of the contracts.

| Name of Affiliated Company
(a) | Synopsis of Contract
(b) |
|-----------------------------------|---|
| PeakNet, LLC | Synopsis: Agreement is to establish terms and conditions for PeakNet, LLC to install and maintain small equipment attachments on Duke Energy Florida, LLC's lighting assets. The initial term is three years, with one year automatic renewals until terminated by either party. Attachment fees vary based on the space occupied, input power requirements and weight of the attachment. |

**Analysis of Diversification Activity
Individual Affiliated Transactions in Excess of \$500,000**

**Company: Duke Energy Florida, LLC
For the Year Ended December 31, 2020**

| Provide information regarding individual affiliated transactions in excess of \$500,000. Recurring monthly affiliated transactions which exceed \$500,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs. | | |
|---|--|-------------------------|
| Name of
Affiliate
(a) | Description of
Transaction
(b) | Dollar
Amount
(c) |
| Duke Energy Progress, Inc.
(as customer - provided for affiliate) | Recurring monthly shared utility functions and services. See page 457 for description. | \$ 4,672,641 |
| Duke Energy Progress, Inc.
(as service provider - Provided by Affiliated) | Recurring monthly shared utility functions and services. See page 457 for description. | 8,087,674 |
| Duke Energy Business Services
(as customer - provided for affiliate) | Recurring monthly shared functions and services. See page 457 for description. | 3,511,807 |
| Duke Energy Business Services
(as service provider - Provided by Affiliated) | Recurring monthly shared functions and services. See page 457 for description. | 518,345,583 |
| Duke Energy Carolinas, LLC
(as customer - provided for affiliate) | Recurring monthly shared utility functions and services. See page 457 for description. | 5,650,744 |
| Duke Energy Carolinas, LLC
(as service provider - Provided by Affiliated) | Recurring monthly shared utility functions and services. See page 457 for description. | 143,891,309 |
| Duke Energy Indiana
(as customer - provided for affiliate) | Recurring monthly shared utility functions and services. See page 457 for description. | 1,477,348 |
| Duke Energy Indiana
(as service provider - Provided by Affiliated) | Recurring monthly shared utility functions and services. See page 457 for description. | 700,118 |
| Duke Energy Ohio
(as customer - provided for affiliate) | Recurring monthly shared utility functions and services. See page 457 for description. | 668,277 |
| Duke Energy Ohio
(as service provider - Provided by Affiliated) | Recurring monthly shared utility functions and services. See page 457 for description. | 524,746 |
| Duke Energy Florida Project Finance, LLC
(as customer - provided for affiliate) | Recurring monthly shared functions and services. See page 457 for description. | 757,979 |
| Duke Energy Commercial Enterprises
(as service provider - Provided by Affiliated) | Recurring monthly shared functions and services. See page 457 for description. | 502,502 |
| Cinergy Solutions
(as customer - provided for affiliate) | Recurring monthly shared functions and services. See page 457 for description. | 4,980,301 |

Analysis of Diversification Activity
Summary of Affiliated Transfers and Cost Allocations

Company: Duke Energy Florida, LLC
For the Year Ended December 31, 2020

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

- (a) Enter name of affiliate.
(b) Give description of type of service, or name the product involved.
(c) Enter contract or agreement effective dates.
(d) Enter the letter "p" if the service or product is purchased by the Respondent: "s" if the service or product is sold by Respondent.
(e) Enter utility account number in which charges are recorded.
(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

| Name of Affiliate
(a) | Type of Service and/or Name of Product
(b) | Relevant Contract or Agreement and Effective Date
(c) | "p" or "s"
(d) | Total Charge for Year | |
|---|---|--|-------------------|-----------------------|----------------------|
| | | | | Account Number
(e) | Dollar Amount
(f) |
| Duke Energy Progress, Inc.
(as customer - provided for affiliate) | Direct and indirect charges for shared utility functions and services such as customer & market services, generation services, transmission & distribution services, and other goods and services. | Operating Companies Service Agreement
10/3/2016 | S | 0146000 | \$ 4,672,641 |
| Duke Energy Progress, Inc.
(as service provider - Provided by Affiliated) | Direct and indirect charges for shared utility functions and services such as customer & market services, generation services, transmission & distribution services, and other goods and services. | Operating Companies Service Agreement
10/3/2016 | P | 0146000 | 8,087,674 |
| Duke Energy Business Services
(as customer - provided for affiliate) | Labor and associated expenses. | Service Company Utility Service Agreement
10/3/2016 | S | 0146000 | 3,511,807 |
| Duke Energy Business Services
(as service provider - Provided by Affiliated) | Direct and indirect charges for shared corporate functions including information systems, meters, transportation, electric system maintenance, marketing & customer relations, and grid solutions, electric transmission & distribution engineering & construction, power engineering & construction, human resources, supply chain, facilities, accounting, power planning and operations, public affairs, legal, rates, finance, rights of way, internal auditing, environmental health & safety, fuels, investor relations, planning, and executive. | Service Company Utility Service Agreement
10/3/2016 | P | 0146000 | 518,345,583 |
| Duke Energy Carolinas, LLC
(as customer - provided for affiliate) | Direct and indirect charges for shared utility functions and services such as customer & market services, generation services, transmission & distribution services, and other goods and services. | Operating Companies Service Agreement
10/3/2016 | S | 0146000 | 5,650,744 |
| Duke Energy Carolinas, LLC
(as service provider - Provided by Affiliated) | Direct and indirect charges for shared utility functions and services such as customer & market services, generation services, transmission & distribution services, and other goods and services. | Operating Companies Service Agreement
10/3/2016 | P | 0146000 | 143,891,309 |
| Duke Energy Indiana
(as customer - provided for affiliate) | Direct and indirect charges for shared utility functions and services such as customer & market services, generation services, transmission & distribution services, and other goods and services. | Operating Companies Service Agreement
10/3/2016 | S | 0146000 | 1,477,348 |
| Duke Energy Indiana
(as service provider - Provided by Affiliated) | Direct and indirect charges for shared utility functions and services such as customer & market services, generation services, transmission & distribution services, and other goods and services. | Operating Companies Service Agreement
10/3/2016 | P | 0146000 | 700,118 |

Analysis of Diversification Activity
Summary of Affiliated Transfers and Cost Allocations

Company: Duke Energy Florida, LLC
For the Year Ended December 31, 2020

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

- (a) Enter name of affiliate.
(b) Give description of type of service, or name the product involved.
(c) Enter contract or agreement effective dates.
(d) Enter the letter "p" if the service or product is purchased by the Respondent: "s" if the service or product is sold by Respondent.
(e) Enter utility account number in which charges are recorded.
(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

| Name of Affiliate
(a) | Type of Service and/or Name of Product
(b) | Relevant Contract or Agreement and Effective Date
(c) | "p" or "s"
(d) | Total Charge for Year | |
|--|--|---|-------------------|-----------------------|----------------------|
| | | | | Account Number
(e) | Dollar Amount
(f) |
| Duke Energy Kentucky
(as customer - provided for affiliate) | Direct and indirect charges for shared utility functions and services such as customer & market services, generation services, transmission & distribution services, and other goods and services. | Operating Companies Service Agreement
10/3/2016 | S | 0146000 | 287,924 |
| Duke Energy Ohio
(as customer - provided for affiliate) | Direct and indirect charges for shared utility functions and services such as customer & market services, generation services, transmission & distribution services, and other goods and services. | Operating Companies Service Agreement
10/3/2016 | S | 0146000 | 668,277 |
| Duke Energy Ohio
(as service provider - Provided by Affiliated) | Direct and indirect charges for shared utility functions and services such as customer & market services, gas distribution services, and transmission & distribution services. | Operating Companies Service Agreement
10/3/2016 | P | 0146000 | 524,746 |
| Duke Energy Florida Project Finance, LLC
(as customer - provided for affiliate) | Direct and indirect charges for servicing of Nuclear Asset Recovery Charge | Nuclear Asset-Recovery Property Servicing Agreement 6/22/2016 | S | 0146000 | 757,979 |
| Cinergy Solutions
(as customer - provided for affiliate) | Labor and associated expenses. | Non-Utility Companies Service Agreement
4/1/2016 | S | 0146000 | 4,980,301 |
| Duke Energy Commercial Enterprises
(as service provider - Provided by Affiliated) | Labor and associated expenses. | Non-Utility Companies Service Agreement
4/1/2016 | P | 0146000 | 502,502 |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

Company: Duke Energy Florida, LLC
For the Year Ended December 31, 2020

Provide a summary of affiliated transactions involving asset transfers or the right to use assets

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|---|--|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Purchases from Affiliates: | | \$ | \$ | \$ | \$ | \$ | |
| Inventory items not in plant-in-service. Therefore there is no depreciation. | | | | | | | |
| Duke Energy Business Services | ADAPTER,AC POWER | 151 | | 151 | 151 | 151 | Yes |
| Duke Energy Business Services | ADAPTER,ANALOG | 40 | | 40 | 40 | 40 | Yes |
| Duke Energy Business Services | ADAPTER,ANGLE | 1,888 | | 1,888 | 1,888 | 1,888 | Yes |
| Duke Energy Business Services | ADAPTER,COMMUNICATIONS,BULKHEAD | 24 | | 24 | 24 | 24 | Yes |
| Duke Energy Business Services | ADAPTER,COMMUNICATIONS,COAXIAL | 181 | | 181 | 181 | 181 | Yes |
| Duke Energy Business Services | ADAPTER,COMMUNICATIONS,MINI-UHF MALE TO | 5 | | 5 | 5 | 5 | Yes |
| Duke Energy Business Services | ADAPTER,COMMUNICATIONS,N FEMALE TO 7/16" | 73 | | 73 | 73 | 73 | Yes |
| Duke Energy Business Services | ADAPTER,COMMUNICATIONS,RJ45 | 59 | | 59 | 59 | 59 | Yes |
| Duke Energy Business Services | ADAPTER,COMMUNICATIONS,SC | 204 | | 204 | 204 | 204 | Yes |
| Duke Energy Business Services | ADAPTER,COMMUNICATIONS,ST | 6 | | 6 | 6 | 6 | Yes |
| Duke Energy Business Services | ADAPTER,COMMUNICATIONS,UTP JACK MODULE | 1,724 | | 1,724 | 1,706 | 1,724 | Yes |
| Duke Energy Business Services | ADAPTER,DC POWER | 1,913 | | 1,913 | 1,913 | 1,913 | Yes |
| Duke Energy Business Services | ADAPTER,RACK | 48 | | 48 | 48 | 48 | Yes |
| Duke Energy Business Services | AIR CONDITIONER,F/ SMART GRID CABINET | 22,644 | | 22,644 | 22,557 | 22,644 | Yes |
| Duke Energy Business Services | AMPLIFIER,SIGNAL | 14,013 | | 14,013 | 14,013 | 14,013 | Yes |
| Duke Energy Business Services | AMPLIFIER,TOWER TOP | 2,475 | | 2,475 | 2,475 | 2,475 | Yes |
| Duke Energy Business Services | ANTENNA,2.4GHZ | 665 | | 665 | 665 | 665 | Yes |
| Duke Energy Business Services | ANTENNA,DUAL-BAND DIRECTIONAL | 40 | | 40 | 40 | 40 | Yes |
| Duke Energy Business Services | ANTENNA,ENCLOSED RADIATOR DIRECTIONAL YA | 204 | | 204 | 204 | 204 | Yes |
| Duke Energy Business Services | ANTENNA,GPS | 505 | | 505 | 505 | 505 | Yes |
| Duke Energy Business Services | ANTENNA,MULTI-BAND GPS & LTE | 386 | | 386 | 386 | 386 | Yes |
| Duke Energy Business Services | ANTENNA,OMNI DIRECTIONAL | 7,656 | | 7,656 | 7,656 | 7,656 | Yes |
| Duke Energy Business Services | ANTENNA,PARABOLIC DISH | 119,512 | | 119,512 | 119,512 | 119,512 | Yes |
| Duke Energy Business Services | ANTENNA,WHIP | 156 | | 156 | 156 | 156 | Yes |
| Duke Energy Business Services | ANTENNA,YAGI | 547 | | 547 | 547 | 547 | Yes |
| Duke Energy Business Services | ARRESTER,ELECTRICAL,SURGE | 108 | | 108 | 108 | 108 | Yes |
| Duke Energy Business Services | ARRESTER,SURGE | 1,461 | | 1,461 | 1,461 | 1,461 | Yes |
| Duke Energy Business Services | ASSEMBLY,BOOT CUSHION | 531 | | 531 | 531 | 531 | Yes |
| Duke Energy Business Services | ASSEMBLY,CABLE STORAGE SPOOL | 249 | | 249 | 249 | 249 | Yes |
| Duke Energy Business Services | ASSEMBLY,CONNECTOR PLUG-INS W/ ADAPTERS | 147,418 | | 147,418 | 147,418 | 147,418 | Yes |
| Duke Energy Business Services | ASSEMBLY,FIBER TERMINATION / SLICE PANEL | 38,104 | | 38,104 | 38,104 | 38,104 | Yes |
| Duke Energy Business Services | ASSEMBLY,SWITCH CISCO IE4010 ITEM 158903 | 4,620 | | 4,620 | 4,620 | 4,620 | Yes |
| Duke Energy Business Services | ASSEMBLY,VERT CABLE STORAGE | 967 | | 967 | 967 | 967 | Yes |
| Duke Energy Business Services | ATTENUATOR,16DB | 1,089 | | 1,089 | 1,089 | 1,089 | Yes |
| Duke Energy Business Services | ATTENUATOR,FIBER OPTIC FIXED | 1,809 | | 1,809 | 1,809 | 1,809 | Yes |
| Duke Energy Business Services | BAG,TOOL,CANVAS | 125 | | 125 | 125 | 125 | Yes |
| Duke Energy Business Services | BAND,STRAPPING,3/4" WD | 12,439 | | 12,439 | 12,439 | 12,439 | Yes |
| Duke Energy Business Services | BAR,GROUND | 7,433 | | 7,433 | 7,433 | 7,433 | Yes |
| Duke Energy Business Services | BASE,MOUNTING | 349 | | 349 | 349 | 349 | Yes |
| Duke Energy Business Services | BATTERY,PACK,LITHIUM ION | 1,994 | | 1,994 | 1,994 | 1,994 | Yes |
| Duke Energy Business Services | BATTERY,PACK,NICKLE METAL HYDRIDE | 96 | | 96 | 96 | 96 | Yes |
| Duke Energy Business Services | BATTERY,SEALED LEAD ACID | 1,121 | | 1,121 | 1,121 | 1,121 | Yes |
| Duke Energy Business Services | BATTERY,VALVE REGULATED LEAD ACID | 88,161 | | 88,161 | 88,089 | 88,161 | Yes |
| Duke Energy Business Services | BLADE,IMPACT TOOL | 86 | | 86 | 86 | 86 | Yes |
| Duke Energy Business Services | BLOCK,FUSE,32VDC | 382 | | 382 | 382 | 382 | Yes |
| Duke Energy Business Services | BLOCK,PUNCHDOWN | 318 | | 318 | 318 | 318 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,2 WIRE CENTER OFFI | 680 | | 680 | 680 | 680 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,CHANNEL | 710 | | 710 | 710 | 710 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,DATA, NX64F UNIT | 40,250 | | 40,250 | 40,250 | 40,250 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,E&M MODULE CARD | 489 | | 489 | 489 | 489 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,ETHERNET | 2,495 | | 2,495 | 2,495 | 2,495 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,FIBER OPTIC | 1,923 | | 1,923 | 1,923 | 1,923 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,FIBER OPTIC 1310NM | 48,829 | | 48,829 | 48,829 | 48,829 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,INTERFACE | 12,104 | | 12,104 | 12,104 | 12,104 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,IPSU SERVICE UNIT | 6,857 | | 6,857 | 6,857 | 6,857 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,JUNGLE MUX MULTIPL | 1,890 | | 1,890 | 1,890 | 1,890 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,JUNGLE MUX, LOW SP | 396 | | 396 | 396 | 396 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,LOW SPEED DATA UNI | 2,230 | | 2,230 | 2,230 | 2,230 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-------------------------------|---|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,NETWORK INTERFACE | 2,267 | | 2,267 | 2,267 | 2,267 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,PADDLE DATA NX64F | 11,371 | | 11,371 | 11,371 | 11,371 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,PADDLE, JUNGLEMUX | 687 | | 687 | 687 | 687 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,T-1 CENTRAL OFFICE | 2,250 | | 2,250 | 2,250 | 2,250 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,T-1 SUBSTATION, CU | 1,500 | | 1,500 | 1,500 | 1,500 | Yes |
| Duke Energy Business Services | BOARD,PRINTED CIRCUIT,TELEPHONE SIGNAL T | 677 | | 677 | 677 | 677 | Yes |
| Duke Energy Business Services | BOLT,MACHINE,3/8" DIA | 1 | | 1 | 1 | 1 | Yes |
| Duke Energy Business Services | BOOT,ASSY 4" W/O CUSHION | 69 | | 69 | 69 | 69 | Yes |
| Duke Energy Business Services | BOX,MOUNTING | 367 | | 367 | 367 | 367 | Yes |
| Duke Energy Business Services | BRACKET,MOUNTING | 4,355 | | 4,355 | 4,355 | 4,355 | Yes |
| Duke Energy Business Services | BRACKET,STAND OFF CABLE TIE | 237 | | 237 | 237 | 237 | Yes |
| Duke Energy Business Services | BRACKET,STANDOFF | 7,517 | | 7,517 | 7,508 | 7,517 | Yes |
| Duke Energy Business Services | BRACKET,WALL MOUNTING | 72 | | 72 | 72 | 72 | Yes |
| Duke Energy Business Services | BREAKER,CIRCUIT, PLUG-IN, 80V, 1 POLE, 100A, 50KA INTERRUPT | 105 | | 105 | 105 | 105 | Yes |
| Duke Energy Business Services | BREAKER,CIRCUIT, PLUG-IN, 80V, 2 POLE, 200A, ELEC/MECH TRIP | 122 | | 122 | 122 | 122 | Yes |
| Duke Energy Business Services | BREAKER,CIRCUIT,1 POLE | 174 | | 174 | 174 | 174 | Yes |
| Duke Energy Business Services | BREAKER,CIRCUIT,30A | 6,545 | | 6,545 | 6,545 | 6,545 | Yes |
| Duke Energy Business Services | BREAKER,CIRCUIT,50A | 1,190 | | 1,190 | 1,190 | 1,190 | Yes |
| Duke Energy Business Services | BREAKER,CIRCUIT,80V MAX | 1,192 | | 1,192 | 1,192 | 1,192 | Yes |
| Duke Energy Business Services | BREAKER,CIRCUIT,DC OPERATED | 36 | | 36 | 36 | 36 | Yes |
| Duke Energy Business Services | BREAKER,CIRCUIT,DC SUPPLY | 4,635 | | 4,635 | 4,635 | 4,635 | Yes |
| Duke Energy Business Services | BUCKLE,BANDING | 1,663 | | 1,663 | 1,663 | 1,663 | Yes |
| Duke Energy Business Services | CABINET,30"WD X 36"HT X 16"DP, FIBERGLASS,TREATED 3/4"PLYW | 3,440 | | 3,440 | 3,440 | 3,440 | Yes |
| Duke Energy Business Services | CABINET,HEATED/AIR CONDITIONED | 16,187 | | 16,187 | 16,187 | 16,187 | Yes |
| Duke Energy Business Services | CABLE,7" LG | 121 | | 121 | 121 | 121 | Yes |
| Duke Energy Business Services | CABLE,ALARM | 1,435 | | 1,435 | 1,435 | 1,435 | Yes |
| Duke Energy Business Services | CABLE,CAT5E ETHERNET | 1,060 | | 1,060 | 1,054 | 1,060 | Yes |
| Duke Energy Business Services | CABLE,COAXIAL | 421 | | 421 | 421 | 421 | Yes |
| Duke Energy Business Services | CABLE,COAXIAL,1/2" HI-FLEX FOAM | 3,130 | | 3,130 | 3,130 | 3,130 | Yes |
| Duke Energy Business Services | CABLE,COAXIAL,1/2" HI-FLEX HALOGEN FREE | 513 | | 513 | 513 | 513 | Yes |
| Duke Energy Business Services | CABLE,COAXIAL,7/8" LOW LOSS FOAM | 246 | | 246 | 246 | 246 | Yes |
| Duke Energy Business Services | CABLE,COAXIAL,RG8U | 37 | | 37 | 37 | 37 | Yes |
| Duke Energy Business Services | CABLE,COMMUNICATION | 756 | | 756 | 756 | 756 | Yes |
| Duke Energy Business Services | CABLE,DATA | 33,759 | | 33,759 | 33,759 | 33,759 | Yes |
| Duke Energy Business Services | CABLE,EXTENSION | 64 | | 64 | 64 | 64 | Yes |
| Duke Energy Business Services | CABLE,FIBER OPTIC,SGL MODE, 5.5M LG, 2 FIBERS, OUTDOOR | 1,919 | | 1,919 | 1,919 | 1,919 | Yes |
| Duke Energy Business Services | CABLE,INTERCONNECT | 896 | | 896 | 896 | 896 | Yes |
| Duke Energy Business Services | CABLE,MOUNTING, W/ 1" BASE F/ BUCKET TRU | 220 | | 220 | 220 | 220 | Yes |
| Duke Energy Business Services | CABLE,POWER | 778 | | 778 | 769 | 778 | Yes |
| Duke Energy Business Services | CABLE,SIGNAL | 886 | | 886 | 886 | 886 | Yes |
| Duke Energy Business Services | CARD,SUBSCRIBER IDENTITY MODULE | 1,064 | | 1,064 | 1,064 | 1,064 | Yes |
| Duke Energy Business Services | CHANNEL,WIRING DUCT | 482 | | 482 | 482 | 482 | Yes |
| Duke Energy Business Services | CHARGER,BATTERY,RADIO | 1,354 | | 1,354 | 1,354 | 1,354 | Yes |
| Duke Energy Business Services | CHARGER,TRAVEL | 2,587 | | 2,587 | 2,587 | 2,587 | Yes |
| Duke Energy Business Services | CHASSIS 23"WD, 48VDC OUTPUT,POWER PLT, SGL DISTRIB W/CNTRLR | 2,246 | | 2,246 | 2,246 | 2,246 | Yes |
| Duke Energy Business Services | CHASSIS, 130VDC PS, W/ CABLES, W/O OPTICS, W/ SRVR LICENSE | 15,008 | | 15,008 | 15,008 | 15,008 | Yes |
| Duke Energy Business Services | CHASSIS,12-CARD SHELF 19" RACK MOUNTING | 1,220 | | 1,220 | 1,220 | 1,220 | Yes |
| Duke Energy Business Services | CHASSIS,5-SLOT FIBER LINK CARD HOUSING | 2,352 | | 2,352 | 2,352 | 2,352 | Yes |
| Duke Energy Business Services | CHASSIS,5-SLOT SHELF W/ 48VDC POWER SUPP | 720 | | 720 | 720 | 720 | Yes |
| Duke Energy Business Services | CHASSIS,BLANK RECTIFIER SLOT | 3,085 | | 3,085 | 3,084 | 3,085 | Yes |
| Duke Energy Business Services | CHASSIS,EXPANDABLE SEPARTORS, JUNGLEMUX | 1,987 | | 1,987 | 1,987 | 1,987 | Yes |
| Duke Energy Business Services | CHASSIS,JMUX SHELF MOUNTING | 13,217 | | 13,217 | 13,217 | 13,217 | Yes |
| Duke Energy Business Services | CHASSIS,JUNGLE MUX EXPANSION SHELF | 14,000 | | 14,000 | 14,000 | 14,000 | Yes |
| Duke Energy Business Services | CHASSIS,POWER SUPPLY | 2,796 | | 2,796 | 2,796 | 2,796 | Yes |
| Duke Energy Business Services | CHASSIS,SHELF | 29,738 | | 29,738 | 29,731 | 29,738 | Yes |
| Duke Energy Business Services | CLEANER, DISINFECTANT, LIQUID, 55 GAL DRUM, ZEP SPIRIT II | 2,000 | | 2,000 | 2,000 | 2,000 | Yes |
| Duke Energy Business Services | CLEANER,HAND, SANITIZER, LIQUID, 2 OZ BOTTLE | 3,000 | | 3,000 | 3,000 | 3,000 | Yes |
| Duke Energy Business Services | CLIP,BRIDGING | 26 | | 26 | 26 | 26 | Yes |
| Duke Energy Business Services | CLIP,SS | 19 | | 19 | 19 | 19 | Yes |
| Duke Energy Business Services | CONNECTOR,1/2" | 84 | | 84 | 84 | 84 | Yes |
| Duke Energy Business Services | CONNECTOR,ACCESSORY | 78 | | 78 | 78 | 78 | Yes |
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,DIN MALE | 292 | | 292 | 292 | 292 | Yes |
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,MINI UHF | 45 | | 45 | 45 | 45 | Yes |
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,MODULAR JACK | 13 | | 13 | 13 | 13 | Yes |
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,MODULAR PLUG | 156 | | 156 | 156 | 156 | Yes |
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,N FEMALE | 17 | | 17 | 17 | 17 | Yes |
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,PLUG (RJ11) | 30 | | 30 | 30 | 30 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-------------------------------|--|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,RJ45 CRIMP | 1,683 | | 1,683 | 1,683 | 1,683 | Yes |
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,TNC MALE, NICKL | 81 | | 81 | 81 | 81 | Yes |
| Duke Energy Business Services | CONNECTOR,COMMUNICATIONS,UHF | 8 | | 8 | 8 | 8 | Yes |
| Duke Energy Business Services | CONNECTOR,ELECTRICAL, TERMINAL,CABLE TO | 210 | | 210 | 210 | 210 | Yes |
| Duke Energy Business Services | CONNECTOR,ELECTRICAL, TERMINAL,FORK LUG | 234 | | 234 | 234 | 234 | Yes |
| Duke Energy Business Services | CONNECTOR,ELECTRICAL, TERMINAL,LUG | 13,642 | | 13,642 | 13,642 | 13,642 | Yes |
| Duke Energy Business Services | CONNECTOR,ELECTRICAL, TERMINAL,LUG, STRA | 295 | | 295 | 295 | 295 | Yes |
| Duke Energy Business Services | CONNECTOR,ELECTRICAL, TERMINAL,RING | 21 | | 21 | 21 | 21 | Yes |
| Duke Energy Business Services | CONNECTOR,ELECTRICAL, TERMINAL,RING TONG | 32 | | 32 | 32 | 32 | Yes |
| Duke Energy Business Services | CONNECTOR,ELECTRICAL, TERMINAL,STRAIGHT | 772 | | 772 | 768 | 772 | Yes |
| Duke Energy Business Services | CONNECTOR,FIBER OPTIC,ST | 190 | | 190 | 190 | 190 | Yes |
| Duke Energy Business Services | CONNECTOR,FIBER OPTIC,UNICAM LC | 1,181 | | 1,181 | 1,181 | 1,181 | Yes |
| Duke Energy Business Services | CONNECTOR,FIBER OPTIC,UNICAM SC | 1,632 | | 1,632 | 1,632 | 1,632 | Yes |
| Duke Energy Business Services | CONNECTOR,FIBER OPTIC,UNICAM ST | 823 | | 823 | 823 | 823 | Yes |
| Duke Energy Business Services | CONNECTOR,N FEMALE MONOBLOCK, F/ 7/8" A | 35 | | 35 | 35 | 35 | Yes |
| Duke Energy Business Services | CONNECTOR,O-RING | 2,229 | | 2,229 | 2,229 | 2,229 | Yes |
| Duke Energy Business Services | CONTROLLER,DC | 22,399 | | 22,399 | 22,385 | 22,399 | Yes |
| Duke Energy Business Services | CONTROLLER,W/ THUMBWHEEL ADJUSTMENT | 3,828 | | 3,828 | 3,828 | 3,828 | Yes |
| Duke Energy Business Services | CONVERTER,DC-DC | 2,223 | | 2,223 | 2,223 | 2,223 | Yes |
| Duke Energy Business Services | CONVERTER,POWER | 6,467 | | 6,467 | 6,467 | 6,467 | Yes |
| Duke Energy Business Services | CONVERTER,SIGNAL,FAST ETHERNET MEDIA | 1,485 | | 1,485 | 1,485 | 1,485 | Yes |
| Duke Energy Business Services | CONVERTER,SIGNAL,FAST ETHERNET MEDIA, ST | 4,830 | | 4,830 | 4,830 | 4,830 | Yes |
| Duke Energy Business Services | CONVERTER,SIGNAL,FIBER MEDIA | 1,963 | | 1,963 | 1,963 | 1,963 | Yes |
| Duke Energy Business Services | CONVERTER,SIGNAL,INTERFACE | 2,550 | | 2,550 | 2,550 | 2,550 | Yes |
| Duke Energy Business Services | CORD, AC, 14', MOLEX, L6-30P | 442 | | 442 | 442 | 442 | Yes |
| Duke Energy Business Services | CORD,AC | 2,092 | | 2,092 | 2,092 | 2,092 | Yes |
| Duke Energy Business Services | CORD,AC POWER | 5,210 | | 5,210 | 5,210 | 5,210 | Yes |
| Duke Energy Business Services | CORD,COMMUNICATION,POWER SUPPLY | 71 | | 71 | 71 | 71 | Yes |
| Duke Energy Business Services | CORD,COMMUNICATION,TELEPHONE | 451 | | 451 | 451 | 451 | Yes |
| Duke Energy Business Services | CORD,PATCH,50' LG | 136 | | 136 | 136 | 136 | Yes |
| Duke Energy Business Services | CORD,PATCH,CATEGORY 5E | 1,045 | | 1,045 | 1,045 | 1,045 | Yes |
| Duke Energy Business Services | CORD,PATCH,CATEGORY 6 | 530 | | 530 | 530 | 530 | Yes |
| Duke Energy Business Services | CORD,PATCH,CATEGORY 6 A/B | 25 | | 25 | 25 | 25 | Yes |
| Duke Energy Business Services | CORD,PATCH,DUPLX | 550 | | 550 | 550 | 550 | Yes |
| Duke Energy Business Services | CORD,PATCH,MODULAR | 5,153 | | 5,153 | 5,153 | 5,153 | Yes |
| Duke Energy Business Services | CORD,PATCH,MULTIMODE | 182 | | 182 | 182 | 182 | Yes |
| Duke Energy Business Services | CORD,POWER | 141 | | 141 | 141 | 141 | Yes |
| Duke Energy Business Services | CORD,SHELF | 880 | | 880 | 880 | 880 | Yes |
| Duke Energy Business Services | COVER,2" WD X 6' LG | 17 | | 17 | 17 | 17 | Yes |
| Duke Energy Business Services | COVER,PROTECTIVE | 348 | | 348 | 348 | 348 | Yes |
| Duke Energy Business Services | CRIMPER,COAX | 517 | | 517 | 517 | 517 | Yes |
| Duke Energy Business Services | CUSHION,BARREL | 7,615 | | 7,615 | 7,615 | 7,615 | Yes |
| Duke Energy Business Services | CUSHION,STD PORT | 8 | | 8 | 8 | 8 | Yes |
| Duke Energy Business Services | DEHYDRATOR,AUTOMATIC | 4,866 | | 4,866 | 4,866 | 4,866 | Yes |
| Duke Energy Business Services | DEVICE,MULTICOUPLER | 6,505 | | 6,505 | 6,505 | 6,505 | Yes |
| Duke Energy Business Services | DEVICE,WIRELESS NETWORK MDS P60 PACKAGE | 1,898 | | 1,898 | 1,898 | 1,898 | Yes |
| Duke Energy Business Services | DISPENSER,TAPE,1/4" WD TAPE | 66 | | 66 | 66 | 66 | Yes |
| Duke Energy Business Services | DUCT,INNER | 1,170 | | 1,170 | 1,170 | 1,170 | Yes |
| Duke Energy Business Services | ENCLOSURE,CLOSET CONNECTOR HOUSING | 9,024 | | 9,024 | 9,024 | 9,024 | Yes |
| Duke Energy Business Services | ENCLOSURE,FIBER SAFE | 1,620 | | 1,620 | 1,620 | 1,620 | Yes |
| Duke Energy Business Services | ENCLOSURE,NETWORK INTERFACE | 132 | | 132 | 132 | 132 | Yes |
| Duke Energy Business Services | ENCLOSURE,SGL CARD HOUSING W/ AC-DC 48 | 1,070 | | 1,070 | 1,070 | 1,070 | Yes |
| Duke Energy Business Services | FILLER,BLANKING PANEL | 3,031 | | 3,031 | 3,031 | 3,031 | Yes |
| Duke Energy Business Services | FUSE,40A | 45 | | 45 | 45 | 45 | Yes |
| Duke Energy Business Services | FUSE,CURRENT LIMITING | 1,556 | | 1,556 | 1,556 | 1,556 | Yes |
| Duke Energy Business Services | FUSE,FAST ACTING | 22,225 | | 22,225 | 22,213 | 22,225 | Yes |
| Duke Energy Business Services | FUSE,FAST ACTING INDICATING | 4,664 | | 4,664 | 4,664 | 4,664 | Yes |
| Duke Energy Business Services | FUSE,TIME DELAY | 172 | | 172 | 172 | 172 | Yes |
| Duke Energy Business Services | GRIP,CABLE,HOISTING | 1,760 | | 1,760 | 1,760 | 1,760 | Yes |
| Duke Energy Business Services | GRIP,HOISTING | 40 | | 40 | 40 | 40 | Yes |
| Duke Energy Business Services | GUN,CABLE TIE | 30 | | 30 | 30 | 30 | Yes |
| Duke Energy Business Services | HANGER,CABLE | 5,151 | | 5,151 | 5,151 | 5,151 | Yes |
| Duke Energy Business Services | HOOK,J | 104 | | 104 | 104 | 104 | Yes |
| Duke Energy Business Services | INTERFACE,CAMBIUM PTP650 OPTICAL SGL MOD | 826 | | 826 | 826 | 826 | Yes |
| Duke Energy Business Services | INVERTER,1100W | 4,887 | | 4,887 | 4,887 | 4,887 | Yes |
| Duke Energy Business Services | INVERTER,POWER | 8,529 | | 8,529 | 8,529 | 8,529 | Yes |
| Duke Energy Business Services | INVERTER,SINE WAVE | 37,283 | | 37,283 | 37,283 | 37,283 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-------------------------------|--|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Business Services | JUMPER,COAX | 3,818 | | 3,818 | 3,818 | 3,818 | Yes |
| Duke Energy Business Services | JUMPER,COAXIAL | 376 | | 376 | 376 | 376 | Yes |
| Duke Energy Business Services | JUMPER,MULTI MODE FIBER OPTIC | 649 | | 649 | 649 | 649 | Yes |
| Duke Energy Business Services | JUMPER,MULTIMODE DUPLEX FIBER OPTIC CABL | 20 | | 20 | 20 | 20 | Yes |
| Duke Energy Business Services | JUMPER,MULTIMODE FIBER OPTIC | 8,127 | | 8,127 | 8,127 | 8,127 | Yes |
| Duke Energy Business Services | JUMPER,SGL MODE FIBER OPTIC | 14,149 | | 14,149 | 14,149 | 14,149 | Yes |
| Duke Energy Business Services | KIT, ADAPTER, (2) POLE BREAKER ADAPTER, BUSBARS W/HARDWARE | 50 | | 50 | 50 | 50 | Yes |
| Duke Energy Business Services | KIT, WALL, SCREWS, ANCHORS, SELF TAPPING SCREWS, BRACK | 351 | | 351 | 351 | 351 | Yes |
| Duke Energy Business Services | KIT,2" BELT | 40 | | 40 | 40 | 40 | Yes |
| Duke Energy Business Services | KIT,AERIAL CLOSURE BRACKET | 38,782 | | 38,782 | 38,782 | 38,782 | Yes |
| Duke Energy Business Services | KIT,ANTENNA | 27,575 | | 27,575 | 27,575 | 27,575 | Yes |
| Duke Energy Business Services | KIT,BOOSTER | 1,298 | | 1,298 | 1,298 | 1,298 | Yes |
| Duke Energy Business Services | KIT,BUFFER | 713 | | 713 | 713 | 713 | Yes |
| Duke Energy Business Services | KIT,CABLE | 21,919 | | 21,919 | 21,919 | 21,919 | Yes |
| Duke Energy Business Services | KIT,CABLE CLAMP | 6,729 | | 6,729 | 6,729 | 6,729 | Yes |
| Duke Energy Business Services | KIT,CABLE WEATHER-PROOFING | 1,144 | | 1,144 | 1,144 | 1,144 | Yes |
| Duke Energy Business Services | KIT,CHAIN MOUNT | 231 | | 231 | 231 | 231 | Yes |
| Duke Energy Business Services | KIT,CHANNEL | 357 | | 357 | 357 | 357 | Yes |
| Duke Energy Business Services | KIT,EXTENDER BRACKET MOUNTING | 878 | | 878 | 878 | 878 | Yes |
| Duke Energy Business Services | KIT,FIBER CLOSURE | 65,109 | | 65,109 | 65,109 | 65,109 | Yes |
| Duke Energy Business Services | KIT,GROUND | 53 | | 53 | 53 | 53 | Yes |
| Duke Energy Business Services | KIT,GROUND BAR | 106 | | 106 | 106 | 106 | Yes |
| Duke Energy Business Services | KIT,GROUNDING | 28,725 | | 28,725 | 28,725 | 28,725 | Yes |
| Duke Energy Business Services | KIT,HEAT SHRINK TUBING | 2,408 | | 2,408 | 2,408 | 2,408 | Yes |
| Duke Energy Business Services | KIT,INSTALLATION | 1,879 | | 1,879 | 1,879 | 1,879 | Yes |
| Duke Energy Business Services | KIT,ISOLATION | 6,132 | | 6,132 | 6,132 | 6,132 | Yes |
| Duke Energy Business Services | KIT,MOUNTING | 722 | | 722 | 722 | 722 | Yes |
| Duke Energy Business Services | KIT,MOUNTING HARDWARE | 132 | | 132 | 132 | 132 | Yes |
| Duke Energy Business Services | KIT,SHIELD GROUNDING | 5,842 | | 5,842 | 5,842 | 5,842 | Yes |
| Duke Energy Business Services | KIT,SPLICE TRAY F/ CLOSURES | 45 | | 45 | 45 | 45 | Yes |
| Duke Energy Business Services | KIT,SURGE PROTECTOR | 32,166 | | 32,166 | 32,166 | 32,166 | Yes |
| Duke Energy Business Services | KIT,TEMP PROBE | 184 | | 184 | 184 | 184 | Yes |
| Duke Energy Business Services | KIT,UNIVERSAL RADIO BRACKET | 2,322 | | 2,322 | 2,322 | 2,322 | Yes |
| Duke Energy Business Services | LOCK,PAD,RESETABLE COMBINATION | 142 | | 142 | 142 | 142 | Yes |
| Duke Energy Business Services | MASK, FACE, DISPOSABLE, NON-WOVEN FABRIC, KN95 STYLE | 73,696 | | 73,696 | 73,696 | 73,696 | Yes |
| Duke Energy Business Services | MASK, FACE, REUSABLE UP TO 15 TIMES, 100% COTTON | 6,200 | | 6,200 | 6,200 | 6,200 | Yes |
| Duke Energy Business Services | MICROPHONE,CISCO 8832 EXTERNAL MIC | 568 | | 568 | 568 | 568 | Yes |
| Duke Energy Business Services | MODEM,BROADBAND | 6,872 | | 6,872 | 6,872 | 6,872 | Yes |
| Duke Energy Business Services | MODULE, RECTIFIER, 120/240VAC INPUT, 48VDC OUTPUT, 2000W | 1,620 | | 1,620 | 1,620 | 1,620 | Yes |
| Duke Energy Business Services | MODULE,100 MBPS, SGL MODE, RUGGED SFP | 2,432 | | 2,432 | 2,432 | 2,432 | Yes |
| Duke Energy Business Services | MODULE,100BASE-FX SFP FOR FE PORT RUGGED | 3,296 | | 3,296 | 3,296 | 3,296 | Yes |
| Duke Energy Business Services | MODULE,4G LTE-ADV NIM MODULE, LTE3.0, FW-7455-LTE-VZ | 851 | | 851 | 851 | 851 | Yes |
| Duke Energy Business Services | MODULE,ACCESS CONTROL | 167 | | 167 | 167 | 167 | Yes |
| Duke Energy Business Services | MODULE,BRIDGE | 3,353 | | 3,353 | 3,353 | 3,353 | Yes |
| Duke Energy Business Services | MODULE,CATALYST | 4,393 | | 4,393 | 4,393 | 4,393 | Yes |
| Duke Energy Business Services | MODULE,COMMUNICATION DATA COLLECTOR | 2,917 | | 2,917 | 2,917 | 2,917 | Yes |
| Duke Energy Business Services | MODULE,CONNECTED GRID | 1,947 | | 1,947 | 1,947 | 1,947 | Yes |
| Duke Energy Business Services | MODULE,DATA | 2,265 | | 2,265 | 2,265 | 2,265 | Yes |
| Duke Energy Business Services | MODULE,DUAL-RADIO ACCESS POINT | 8,187 | | 8,187 | 8,187 | 8,187 | Yes |
| Duke Energy Business Services | MODULE,ETHERNET | 28,211 | | 28,211 | 28,211 | 28,211 | Yes |
| Duke Energy Business Services | MODULE,ETHERNET 1000 PADDLEBOARD QUAD SF | 1,558 | | 1,558 | 1,558 | 1,558 | Yes |
| Duke Energy Business Services | MODULE,ETHERNET BRIDGE, 4-PORT | 8,596 | | 8,596 | 8,596 | 8,596 | Yes |
| Duke Energy Business Services | MODULE,FIBER OPTIC | 2,108 | | 2,108 | 2,108 | 2,108 | Yes |
| Duke Energy Business Services | MODULE,INPUT/OUTPUT | 43,400 | | 43,400 | 43,400 | 43,400 | Yes |
| Duke Energy Business Services | MODULE,INTERFACE | 5,867 | | 5,867 | 5,867 | 5,867 | Yes |
| Duke Energy Business Services | MODULE,MULTICOUPLER, TX/RX SYSTEM | 6,399 | | 6,399 | 6,399 | 6,399 | Yes |
| Duke Energy Business Services | MODULE,OC12, 1550NM, LASER (IR30DB) | 23,694 | | 23,694 | 23,694 | 23,694 | Yes |
| Duke Energy Business Services | MODULE,PLUG IN | 6,973 | | 6,973 | 6,973 | 6,973 | Yes |
| Duke Energy Business Services | MODULE,PLUG-IN | 36,411 | | 36,411 | 36,385 | 36,411 | Yes |
| Duke Energy Business Services | MODULE,PLUG-IN 2-PORT 4-WIRE VF | 3,585 | | 3,585 | 3,585 | 3,585 | Yes |
| Duke Energy Business Services | MODULE,PLUG-IN 2-PORT FOREIGN EXCHANGE | 588 | | 588 | 588 | 588 | Yes |
| Duke Energy Business Services | MODULE,PLUG-IN, ASYNC DATA SUB | 1,409 | | 1,409 | 1,409 | 1,409 | Yes |
| Duke Energy Business Services | MODULE,POWER MAINTENACE, 2-UNIT WRAP-ARO | 714 | | 714 | 714 | 714 | Yes |
| Duke Energy Business Services | MODULE,POWER MAINTENANCE | 966 | | 966 | 966 | 966 | Yes |
| Duke Energy Business Services | MODULE,POWER SUPPLY,120V INPUT | 2,630 | | 2,630 | 2,630 | 2,630 | Yes |
| Duke Energy Business Services | MODULE,POWER SUPPLY,120VAC INPUT | 12,492 | | 12,492 | 12,492 | 12,492 | Yes |
| Duke Energy Business Services | MODULE,POWER SUPPLY,208VAC INPUT | 8,000 | | 8,000 | 8,000 | 8,000 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-------------------------------|---|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Business Services | MODULE,POWER SUPPLY,CARD 130V POWER | 7,698 | | 7,698 | 7,698 | 7,698 | Yes |
| Duke Energy Business Services | MODULE,POWER SUPPLY,HV AC/DC 110-240V 80 | 2,182 | | 2,182 | 2,182 | 2,182 | Yes |
| Duke Energy Business Services | MODULE,POWER SUPPLY,HV DC 24/48VDC 80W P | 1,074 | | 1,074 | 1,074 | 1,074 | Yes |
| Duke Energy Business Services | MODULE,POWER SUPPLY,PADDLE BOARD | 4,248 | | 4,248 | 4,248 | 4,248 | Yes |
| Duke Energy Business Services | MODULE,RADIO FREQUENCY | 112,754 | | 112,754 | 112,666 | 112,754 | Yes |
| Duke Energy Business Services | MODULE,RADIO TRACER 6420 5.8GHZ PLAN B | 2,313 | | 2,313 | 2,313 | 2,313 | Yes |
| Duke Energy Business Services | MODULE,RECTIFIER | 27,285 | | 27,285 | 27,285 | 27,285 | Yes |
| Duke Energy Business Services | MODULE,SGL TERMINAL 4X T1/E1 TO 16X T1/E | 3,820 | | 3,820 | 3,820 | 3,820 | Yes |
| Duke Energy Business Services | MODULE,SWITCH | 3,288 | | 3,288 | 3,288 | 3,288 | Yes |
| Duke Energy Business Services | MODULE,SYNCHRONIZER | 2,553 | | 2,553 | 2,553 | 2,553 | Yes |
| Duke Energy Business Services | MODULE,TRANSCEIVER | 78,183 | | 78,183 | 78,183 | 78,183 | Yes |
| Duke Energy Business Services | MODULE,WIRELESS ACCESS POINT | 65,446 | | 65,446 | 65,446 | 65,446 | Yes |
| Duke Energy Business Services | MODULE,WIRELESS INPUT/OUTPUT | 22,464 | | 22,464 | 22,464 | 22,464 | Yes |
| Duke Energy Business Services | MOUNT,3/4" DIA | 124 | | 124 | 124 | 124 | Yes |
| Duke Energy Business Services | MOUNT,ANTENNA | 37,652 | | 37,652 | 37,652 | 37,652 | Yes |
| Duke Energy Business Services | MOUNT,LAPTOP, VEHICLE | 734 | | 734 | 734 | 734 | Yes |
| Duke Energy Business Services | MOUNT,LOCKING UPPER PEDESTAL SLIDE OUT A | 6,809 | | 6,809 | 6,809 | 6,809 | Yes |
| Duke Energy Business Services | MOUNT,POLE | 226 | | 226 | 226 | 226 | Yes |
| Duke Energy Business Services | MOUNT,UNIVERSAL ANTENNA | 2,823 | | 2,823 | 2,822 | 2,823 | Yes |
| Duke Energy Business Services | MOUNT,UNIVERSAL PIPE | 8,550 | | 8,550 | 8,550 | 8,550 | Yes |
| Duke Energy Business Services | MOUNT,WALL CLEARANCE | 98 | | 98 | 98 | 98 | Yes |
| Duke Energy Business Services | MULTIPLEXER,JUNGLEMUX | 8,750 | | 8,750 | 8,750 | 8,750 | Yes |
| Duke Energy Business Services | MULTIPLEXER,TRANSCEIVER | 3,822 | | 3,822 | 3,822 | 3,822 | Yes |
| Duke Energy Business Services | PAINT,VINYL ACRYLIC LATEX | 83 | | 83 | 83 | 83 | Yes |
| Duke Energy Business Services | PANEL,CLOSET CONNECT HOUSING, ADAPTER DUPLEX,FIBER HOUS | 1,540 | | 1,540 | 1,540 | 1,540 | Yes |
| Duke Energy Business Services | PANEL,CLOSET CONNECTOR HOUSING | 4,173 | | 4,173 | 4,173 | 4,173 | Yes |
| Duke Energy Business Services | PANEL,CONNECTOR | 876 | | 876 | 876 | 876 | Yes |
| Duke Energy Business Services | PANEL,DISTRIBUTION | 893 | | 893 | 893 | 893 | Yes |
| Duke Energy Business Services | PANEL,ELECTRICAL POWER,DC POWER DISTRIBU | 157,472 | | 157,472 | 157,472 | 157,472 | Yes |
| Duke Energy Business Services | PANEL,PATCH | 362 | | 362 | 362 | 362 | Yes |
| Duke Energy Business Services | PIPE,2-3/8" | 62 | | 62 | 62 | 62 | Yes |
| Duke Energy Business Services | PIPE,SPECIAL PURPOSE,ANTENNA MOUNTING | 8,536 | | 8,536 | 8,536 | 8,536 | Yes |
| Duke Energy Business Services | PLATE,23" LG | 27 | | 27 | 27 | 27 | Yes |
| Duke Energy Business Services | PLATE,FACE | 2,274 | | 2,274 | 2,274 | 2,274 | Yes |
| Duke Energy Business Services | PLUG,HOLE | 4 | | 4 | 4 | 4 | Yes |
| Duke Energy Business Services | PORT,FEED THRU | 161 | | 161 | 161 | 161 | Yes |
| Duke Energy Business Services | POWER SUPPLY,600W 48VDC | 4,238 | | 4,238 | 4,238 | 4,238 | Yes |
| Duke Energy Business Services | POWER SUPPLY,AC/DC | 2,003 | | 2,003 | 2,003 | 2,003 | Yes |
| Duke Energy Business Services | POWER SUPPLY,AC-DC UNIVERSAL | 11,971 | | 11,971 | 11,971 | 11,971 | Yes |
| Duke Energy Business Services | POWER SUPPLY,PLUG IN | 644 | | 644 | 644 | 644 | Yes |
| Duke Energy Business Services | PROBE, TEMP, 3.3M LG | 302 | | 302 | 302 | 302 | Yes |
| Duke Energy Business Services | PROBE,INDUCTIVE AMPLIFIER | 86 | | 86 | 86 | 86 | Yes |
| Duke Energy Business Services | PROTECTOR,COAXIAL | 94 | | 94 | 94 | 94 | Yes |
| Duke Energy Business Services | PROTECTOR,SURGE | 4,860 | | 4,860 | 4,860 | 4,860 | Yes |
| Duke Energy Business Services | PULLER,CIRCUIT BREAKER | 12 | | 12 | 12 | 12 | Yes |
| Duke Energy Business Services | RACK,MODULE | 218 | | 218 | 218 | 218 | Yes |
| Duke Energy Business Services | RACK,RELAY | 910 | | 910 | 910 | 910 | Yes |
| Duke Energy Business Services | RACK,RELAY EQUIPMENT | 745 | | 745 | 745 | 745 | Yes |
| Duke Energy Business Services | RADIO,MOBILE | 172,397 | | 172,397 | 172,397 | 172,397 | Yes |
| Duke Energy Business Services | RADIO,PORTABLE | 53,778 | | 53,778 | 53,778 | 53,778 | Yes |
| Duke Energy Business Services | RECTIFIER,20A | 2,593 | | 2,593 | 2,593 | 2,593 | Yes |
| Duke Energy Business Services | RECTIFIER,48VDC | 35,315 | | 35,315 | 35,261 | 35,315 | Yes |
| Duke Energy Business Services | RECTIFIER,V SERIES | 1,420 | | 1,420 | 1,420 | 1,420 | Yes |
| Duke Energy Business Services | ROUTER,RUGGED, ETHERNET & LEAD PANEL ON | 13,134 | | 13,134 | 13,134 | 13,134 | Yes |
| Duke Energy Business Services | SAW,HOLE,3/4" | 44 | | 44 | 44 | 44 | Yes |
| Duke Energy Business Services | SCREW,MACHINE,#10 DIA | 523 | | 523 | 508 | 523 | Yes |
| Duke Energy Business Services | SCREW,MACHINE,3/4" DIA | 252 | | 252 | 252 | 252 | Yes |
| Duke Energy Business Services | SCREW,MOUNTING | 191 | | 191 | 191 | 191 | Yes |
| Duke Energy Business Services | SECTION,CABLE | 5,520 | | 5,520 | 5,520 | 5,520 | Yes |
| Duke Energy Business Services | SENSOR,EXTERNAL TEMP | 522 | | 522 | 522 | 522 | Yes |
| Duke Energy Business Services | SENSOR,EXTERNAL TEMP RELATIVE HUMIDITY P | 268 | | 268 | 268 | 268 | Yes |
| Duke Energy Business Services | SENSOR,TEMP | 2,141 | | 2,141 | 2,139 | 2,141 | Yes |
| Duke Energy Business Services | SHELF,19" | 1,168 | | 1,168 | 1,168 | 1,168 | Yes |
| Duke Energy Business Services | SHELF,19" WD SEL-ICON | 1,620 | | 1,620 | 1,620 | 1,620 | Yes |
| Duke Energy Business Services | SHELF,BATTERY | 3,059 | | 3,059 | 3,059 | 3,059 | Yes |
| Duke Energy Business Services | SHELF,COMPACT POWER | 832 | | 832 | 832 | 832 | Yes |
| Duke Energy Business Services | SHELF,EQUIPMENT | 109 | | 109 | 109 | 109 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-------------------------------|--|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Business Services | SHELF,RACK MOUNTING | 454 | | 454 | 454 | 454 | Yes |
| Duke Energy Business Services | SOFTWARE,LICENSE | 4,130 | | 4,130 | 4,130 | 4,130 | Yes |
| Duke Energy Business Services | SPEAKER,HEAVY DUTY LOUD | 5,823 | | 5,823 | 5,823 | 5,823 | Yes |
| Duke Energy Business Services | SPEAKER,LOUD | 288 | | 288 | 288 | 288 | Yes |
| Duke Energy Business Services | SPLICE,TERMINAL, BUTT | 52 | | 52 | 52 | 52 | Yes |
| Duke Energy Business Services | STATION,DOCKING | 18,572 | | 18,572 | 18,572 | 18,572 | Yes |
| Duke Energy Business Services | STRIPPER,CABLE | 29 | | 29 | 29 | 29 | Yes |
| Duke Energy Business Services | STRUCTURE,SUPPORT | 2,916 | | 2,916 | 2,916 | 2,916 | Yes |
| Duke Energy Business Services | SWITCH,24-PORT 1/10/25 GIGABIT | 14,527 | | 14,527 | 14,527 | 14,527 | Yes |
| Duke Energy Business Services | SWITCH,28 PORT ETHERNET | 4,620 | | 4,620 | 4,620 | 4,620 | Yes |
| Duke Energy Business Services | SWITCH,CISCO 2520 CONNECTED GRID, 24 PO | 4,699 | | 4,699 | 4,699 | 4,699 | Yes |
| Duke Energy Business Services | SWITCH,DESKTOP | 5,218 | | 5,218 | 5,218 | 5,218 | Yes |
| Duke Energy Business Services | SWITCH,ETHERNET | 6,124 | | 6,124 | 6,124 | 6,124 | Yes |
| Duke Energy Business Services | SWITCH,NETWORK | 2,143 | | 2,143 | 2,143 | 2,143 | Yes |
| Duke Energy Business Services | SWITCH,TIMER | 2,360 | | 2,360 | 2,360 | 2,360 | Yes |
| Duke Energy Business Services | SWITCH,TOGGLE | 288 | | 288 | 288 | 288 | Yes |
| Duke Energy Business Services | TAPE,BLUE | 166 | | 166 | 166 | 166 | Yes |
| Duke Energy Business Services | TAPE,CABLE WEATHERPROOF,1-1/2"WDX15'LGX30MIL, RAPIDWRAP | 175 | | 175 | 175 | 175 | Yes |
| Duke Energy Business Services | TELEPHONE,2 LINE | 350 | | 350 | 350 | 350 | Yes |
| Duke Energy Business Services | TELEPHONE,CONFERENCE | 6,940 | | 6,940 | 6,940 | 6,940 | Yes |
| Duke Energy Business Services | TELEPHONE,DESK | 2,505 | | 2,505 | 2,505 | 2,505 | Yes |
| Duke Energy Business Services | TELEPHONE,IP GRAY MODEL 9650 | 303 | | 303 | 303 | 303 | Yes |
| Duke Energy Business Services | TELEPHONE,SPEAKERPHONE | 7,097 | | 7,097 | 7,097 | 7,097 | Yes |
| Duke Energy Business Services | TERMINAL,AIR, 1/2" DIA X 4' LG, CU | 2,528 | | 2,528 | 2,528 | 2,528 | Yes |
| Duke Energy Business Services | TERMINAL,BRZ AIR BASE, 1/2" DIA INTERNAL | 641 | | 641 | 641 | 641 | Yes |
| Duke Energy Business Services | TIE,CABLE,3/32" WD | 63 | | 63 | 63 | 63 | Yes |
| Duke Energy Business Services | TIE,CABLE,ELECTRICAL STANFOFF CABLE MOUN | 71 | | 71 | 71 | 71 | Yes |
| Duke Energy Business Services | TIE,CABLE,SELF-LOCKING | 167 | | 167 | 167 | 167 | Yes |
| Duke Energy Business Services | TIE,CABLE,WEATHER RESISTANT | 2,197 | | 2,197 | 2,197 | 2,197 | Yes |
| Duke Energy Business Services | TOOL,BAND CLAMP | 9,338 | | 9,338 | 9,338 | 9,338 | Yes |
| Duke Energy Business Services | TOOL,CABLE PREPARATION | 789 | | 789 | 789 | 789 | Yes |
| Duke Energy Business Services | TOOL,CLEANING | 549 | | 549 | 549 | 549 | Yes |
| Duke Energy Business Services | TOOL,CRIMPING | 478 | | 478 | 478 | 478 | Yes |
| Duke Energy Business Services | TOOL,FISH TAPE | 647 | | 647 | 647 | 647 | Yes |
| Duke Energy Business Services | TOOL,IMPACT | 59 | | 59 | 59 | 59 | Yes |
| Duke Energy Business Services | TOOL,TELEPHONE LINE TEST | 331 | | 331 | 331 | 331 | Yes |
| Duke Energy Business Services | TOOL,TONE TESTER | 50 | | 50 | 50 | 50 | Yes |
| Duke Energy Business Services | TOOL,WIRE WRAP BIT | 48 | | 48 | 48 | 48 | Yes |
| Duke Energy Business Services | TOOL,WRAP | 144 | | 144 | 144 | 144 | Yes |
| Duke Energy Business Services | TRANSMITTER,FIBER OPTIC | 2,580 | | 2,580 | 2,580 | 2,580 | Yes |
| Duke Energy Business Services | TRAY,CABLE,SPLICE | 21,608 | | 21,608 | 21,608 | 21,608 | Yes |
| Duke Energy Business Services | TRAY,CABLE,SPLICE/FIBER OPTIC | 35,893 | | 35,893 | 35,893 | 35,893 | Yes |
| Duke Energy Business Services | UNIT,AUTOMATIC FERRULE CONNECTOR CLEANER | 520 | | 520 | 520 | 520 | Yes |
| Duke Energy Business Services | UNIT,FAN | 690 | | 690 | 690 | 690 | Yes |
| Duke Energy Business Services | UNIT,FIBER OPTIC CONNECTOR PANEL | 110 | | 110 | 110 | 110 | Yes |
| Duke Energy Business Services | UNIT,FUSE PANEL, 48V | 956 | | 956 | 956 | 956 | Yes |
| Duke Energy Business Services | UNIT,MICROPOD, MAIN BY PASS, 208V/20A, L | 1,282 | | 1,282 | 1,282 | 1,282 | Yes |
| Duke Energy Business Services | UNIT,MULTI-MODE CLOSET CONNECTOR HOUSING | 324 | | 324 | 324 | 324 | Yes |
| Duke Energy Business Services | UNIT,PANEL HOUSING | 1,792 | | 1,792 | 1,792 | 1,792 | Yes |
| Duke Energy Business Services | UNIT,PATCH PANEL | 11,933 | | 11,933 | 11,933 | 11,933 | Yes |
| Duke Energy Business Services | UNIT,POWER DISTRIBUTION | 15,627 | | 15,627 | 15,627 | 15,627 | Yes |
| Duke Energy Business Services | UNIT,POWER DISTRIBUTION, 100A DUAL FEED | 19,223 | | 19,223 | 19,223 | 19,223 | Yes |
| Duke Energy Business Services | UNIT,POWER INJECTOR | 75 | | 75 | 75 | 75 | Yes |
| Duke Energy Business Services | UNIT,POWER OVER ETHERNET INJECTOR | 457 | | 457 | 457 | 457 | Yes |
| Duke Energy Business Services | UNIT,SERVER | 2,357 | | 2,357 | 2,357 | 2,357 | Yes |
| Duke Energy Business Services | UNIT,SHELF | 7,800 | | 7,800 | 7,800 | 7,800 | Yes |
| Duke Energy Business Services | UNIT,TA1500 DUAL T1 LINE INTERFACE | 491 | | 491 | 491 | 491 | Yes |
| Duke Energy Business Services | UNIT,TRANSCEIVER | 9,600 | | 9,600 | 9,600 | 9,600 | Yes |
| Duke Energy Business Services | VENT,RELIEF, PRESSURE, PMP450M BREATHABLE VENT, 10/PK | 1,575 | | 1,575 | 1,575 | 1,575 | Yes |
| Duke Energy Business Services | WINDOW,WAVEGUIDE PRESSURE SEAL | 206 | | 206 | 206 | 206 | Yes |
| Duke Energy Business Services | WIRE/CABLE, 2/0 AWG, SOFT DRWN, 19STR,CLASS B,125' reels | 2,664 | | 2,664 | 2,664 | 2,664 | Yes |
| Duke Energy Business Services | WIRE/CABLE,2/0 AWG | 13,591 | | 13,591 | 13,591 | 13,591 | Yes |
| Duke Energy Business Services | WIRE/CABLE,24 AWG | 67 | | 67 | 67 | 67 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,2 PAIR CONDUCTOR | 81 | | 81 | 81 | 81 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,BUILDING, RHH/RHW- | 1,931 | | 1,931 | 1,931 | 1,931 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,CATS | 27,615 | | 27,615 | 27,615 | 27,615 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,CONTROL | 1,836 | | 1,836 | 1,836 | 1,836 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-------------------------------|--|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,EXCHANGE | 130 | | 130 | 130 | 130 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,RHH-RHW | 3,021 | | 3,021 | 3,021 | 3,021 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,TFFN | 35 | | 35 | 35 | 35 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,TFN/TFFN | 25 | | 25 | 25 | 25 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,THHN | 1,987 | | 1,987 | 1,987 | 1,987 | Yes |
| Duke Energy Business Services | WIRE/CABLE,ELECTRICAL,THHN/THWN | 2,144 | | 2,144 | 2,144 | 2,144 | Yes |
| Duke Energy Business Services | WRAP,SPIRAL | 100 | | 100 | 100 | 100 | Yes |
| Duke Energy Carolinas | ABRASIVE,DISC,FLAP | 8 | | 8 | | 8 | Yes |
| Duke Energy Carolinas | ABRASIVE,DISC,GRINDING | 396 | | 396 | | 396 | Yes |
| Duke Energy Carolinas | ABRASIVE,DISC,QUICK CHANGE SURFACE CONDI | 28 | | 28 | | 28 | Yes |
| Duke Energy Carolinas | ABRASIVE,DISC,SURFACE CONDITIONING | 57 | | 57 | | 57 | Yes |
| Duke Energy Carolinas | ABRASIVE,PAD,CLEANING & FINISHING | 3 | | 3 | | 3 | Yes |
| Duke Energy Carolinas | ABRASIVE,PARTICLE,BLASTING | 4,208 | | 4,208 | | 4,208 | Yes |
| Duke Energy Carolinas | ABRASIVE,PARTICLE,GRANULAR | 333 | | 333 | | 333 | Yes |
| Duke Energy Carolinas | ABRASIVE,ROLL,2" WD | 22 | | 22 | | 22 | Yes |
| Duke Energy Carolinas | ABRASIVE,ROLL,SANDING | 6 | | 6 | | 6 | Yes |
| Duke Energy Carolinas | ABRASIVE,ROLL,UTILITY | 22 | | 22 | | 22 | Yes |
| Duke Energy Carolinas | ARRESTER,ELECTRICAL,METAL OXIDE | 623 | | 623 | | 623 | Yes |
| Duke Energy Carolinas | ASSEMBLY,AIR CANNON VALVE | 2,394 | | 2,394 | | 2,394 | Yes |
| Duke Energy Carolinas | BEARING,BALL,RADIAL | 224 | | 224 | | 224 | Yes |
| Duke Energy Carolinas | BEARING,SLEEVE,BUSHING | 511 | | 511 | | 511 | Yes |
| Duke Energy Carolinas | BIT,TOOL,CUTTING, STRAIGHT TURNING | 4 | | 4 | | 4 | Yes |
| Duke Energy Carolinas | BLOCK,TERMINAL,600V | 368 | | 368 | | 368 | Yes |
| Duke Energy Carolinas | BOARD,PRINTED CIRCUIT,USCA | 3,000 | | 3,000 | | 3,000 | Yes |
| Duke Energy Carolinas | BODY,GAS LENS COLLET | 16 | | 16 | | 16 | Yes |
| Duke Energy Carolinas | BOLT,DOUBLE ARMING,3/4" DIA | 828 | | 828 | | 828 | Yes |
| Duke Energy Carolinas | BOLT,DOUBLE ARMING,5/8" DIA | 2,155 | | 2,155 | | 2,155 | Yes |
| Duke Energy Carolinas | BRACKET,LIGHT | 534 | | 534 | | 534 | Yes |
| Duke Energy Carolinas | BRACKET,MAST ARM STYLE | 1,274 | | 1,274 | | 1,274 | Yes |
| Duke Energy Carolinas | BRACKET,TRANSFORMER ARRESTER | 11 | | 11 | | 11 | Yes |
| Duke Energy Carolinas | BREAKER,CIRCUIT,MOTOR INTERRUPTER | 645 | | 645 | | 645 | Yes |
| Duke Energy Carolinas | BRUSH,WIRE,SCRATCH | 5 | | 5 | | 5 | Yes |
| Duke Energy Carolinas | BRUSH,WIRE,TOOTHBRUSH STYLE SCRATCH | 11 | | 11 | | 11 | Yes |
| Duke Energy Carolinas | BUCKET,THIRD STAGE | 588,121 | | 588,121 | | 588,121 | Yes |
| Duke Energy Carolinas | BUR,BALL | 286 | | 286 | | 286 | Yes |
| Duke Energy Carolinas | BUR,CYLINDRICAL | 126 | | 126 | | 126 | Yes |
| Duke Energy Carolinas | BUR,OVAL | 1,267 | | 1,267 | | 1,267 | Yes |
| Duke Energy Carolinas | BUR,PENCIL END | 87 | | 87 | | 87 | Yes |
| Duke Energy Carolinas | BUR,TAPERED | 109 | | 109 | | 109 | Yes |
| Duke Energy Carolinas | BUR,TREE POINTED END | 238 | | 238 | | 238 | Yes |
| Duke Energy Carolinas | BUSHING,ELECTRICAL CONDUCTOR,115KV | 21,328 | | 21,328 | | 21,328 | Yes |
| Duke Energy Carolinas | BUSHING,ELECTRICAL CONDUCTOR,23KV | 8,518 | | 8,518 | | 8,518 | Yes |
| Duke Energy Carolinas | CELL,OXYGEN ANALYZER | 645 | | 645 | | 645 | Yes |
| Duke Energy Carolinas | CHAIN,CLEANOUT | 1,860 | | 1,860 | | 1,860 | Yes |
| Duke Energy Carolinas | CLEANER,DISINFECTANT, LIQUID, 55 GAL DRUM, ZEP SPIRIT II | 833 | | 833 | | 833 | Yes |
| Duke Energy Carolinas | CLEANER,DEGREASER | 555 | | 555 | | 555 | Yes |
| Duke Energy Carolinas | CLEANER,PENETRANT REMOVER | 52 | | 52 | | 52 | Yes |
| Duke Energy Carolinas | CLIP,BELT | 154 | | 154 | | 154 | Yes |
| Duke Energy Carolinas | CLIP,BONDING | 233 | | 233 | | 233 | Yes |
| Duke Energy Carolinas | COLLET,WELDING,1/8" DIA | 1 | | 1 | | 1 | Yes |
| Duke Energy Carolinas | COLLET,WELDING,3/32" DIA | 1 | | 1 | | 1 | Yes |
| Duke Energy Carolinas | COMPOUND,CERAMIC-S METAL BELZONA 1321, 3KG | 2,310 | | 2,310 | | 2,310 | Yes |
| Duke Energy Carolinas | COMPOUND,SEALING,THREADLOCKER ADHESIVE | 9 | | 9 | | 9 | Yes |
| Duke Energy Carolinas | CONNECTOR,ELECTRICAL,AMPACT TAP | 10 | | 10 | | 10 | Yes |
| Duke Energy Carolinas | CONTROL,VOLTAGE REGULATOR | 3,201 | | 3,201 | | 3,201 | Yes |
| Duke Energy Carolinas | CONTROLLER,REAL-TIME AUTOMATION | 6,286 | | 6,286 | | 6,286 | Yes |
| Duke Energy Carolinas | CONTROLLER,TEMP DIGITAL LIMIT, RELAY OUT | 269 | | 269 | | 269 | Yes |
| Duke Energy Carolinas | COUNTERSINK,COMBINED DRILL | 35 | | 35 | | 35 | Yes |
| Duke Energy Carolinas | COUPLING,CONDUIT,AIR & WATER TIGHT | 81 | | 81 | | 81 | Yes |
| Duke Energy Carolinas | COVER,FAN | 4,289 | | 4,289 | | 4,289 | Yes |
| Duke Energy Carolinas | COVER,FOREIGN MATERIAL EXCLUSION | 12 | | 12 | | 12 | Yes |
| Duke Energy Carolinas | CYLINDER,LINEAR ACTUATING,AIR | 514 | | 514 | | 514 | Yes |
| Duke Energy Carolinas | DASHPOT | 4,626 | | 4,626 | | 4,626 | Yes |
| Duke Energy Carolinas | DEVELOPER,NON-DESTRUCTIVE EXAMINATION | 80 | | 80 | | 80 | Yes |
| Duke Energy Carolinas | DRILL,TWIST,#22 | 7 | | 7 | | 7 | Yes |
| Duke Energy Carolinas | DRILL,TWIST,#24 | 8 | | 8 | | 8 | Yes |
| Duke Energy Carolinas | DRILL,TWIST,#7 | 1 | | 1 | | 1 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-----------------------|---|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Carolinas | DRILL,TWIST,19/64" | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | DRILL,TWIST,3/16" | 28 | | 28 | | 28 | Yes |
| Duke Energy Carolinas | DRILL,TWIST,3/8" | 36 | | 36 | | 36 | Yes |
| Duke Energy Carolinas | DRILL,TWIST,9/64" | 1 | | 1 | | 1 | Yes |
| Duke Energy Carolinas | ELEMENT,FILTER,INSERT, F/ USE W/ CJC VAR | 12,174 | | 12,174 | | 12,174 | Yes |
| Duke Energy Carolinas | END MILL,ROUGHING | 63 | | 63 | | 63 | Yes |
| Duke Energy Carolinas | FAN,TRANSFORMER COOLING | 6,120 | | 6,120 | | 6,120 | Yes |
| Duke Energy Carolinas | FILE,FLAT, HAND | 5 | | 5 | | 5 | Yes |
| Duke Energy Carolinas | FILE,HAND | 20 | | 20 | | 20 | Yes |
| Duke Energy Carolinas | FILTER,HYDRAULIC | 2,550 | | 2,550 | | 2,550 | Yes |
| Duke Energy Carolinas | FILTER,OIL,3/4"-16 TPI ID X 3.663" OD X | 11 | | 11 | | 11 | Yes |
| Duke Energy Carolinas | FILTER,WATER,CARTRIDGE | 103 | | 103 | | 103 | Yes |
| Duke Energy Carolinas | FLUID,CUTTING,OIL | 23 | | 23 | | 23 | Yes |
| Duke Energy Carolinas | FUSE,CURRENT LIMITING | 2,169 | | 2,169 | | 2,169 | Yes |
| Duke Energy Carolinas | FUSE,REFILL | 276 | | 276 | | 276 | Yes |
| Duke Energy Carolinas | GLOVES,POWDER-FREE | 25 | | 25 | | 25 | Yes |
| Duke Energy Carolinas | GLOVES,SIZE 10 | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | HANDLE,FILE | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | HOLDER,SOAPSTONE | 1 | | 1 | | 1 | Yes |
| Duke Energy Carolinas | HOOK,PACKING,FLEXIBLE | 14 | | 14 | | 14 | Yes |
| Duke Energy Carolinas | HOUSING,DRIVE TAKE-UP | 491 | | 491 | | 491 | Yes |
| Duke Energy Carolinas | INDICATOR,FAULT AUTOMATIC RESET | 12,061 | | 12,061 | | 12,061 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,DIAMOND 80 DEG | 491 | | 491 | | 491 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,INDEXABLE | 15 | | 15 | | 15 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,LATHE | 65 | | 65 | | 65 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,METAL CUTTING | 30 | | 30 | | 30 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,SCREW-ON | 13 | | 13 | | 13 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,THREADING | 26 | | 26 | | 26 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,TOP NOTCH PROFILING | 15 | | 15 | | 15 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,TRIANGULAR | 235 | | 235 | | 235 | Yes |
| Duke Energy Carolinas | INSERT,CUTTING TOOL,TURNING | 12 | | 12 | | 12 | Yes |
| Duke Energy Carolinas | INSERT,TURNING | 96 | | 96 | | 96 | Yes |
| Duke Energy Carolinas | INTERRUPTER,BOTTLE, VACUUM | 12,840 | | 12,840 | | 12,840 | Yes |
| Duke Energy Carolinas | JUNCTION,LOADBREAK | 642 | | 642 | | 642 | Yes |
| Duke Energy Carolinas | KEY,PHASE CODE 4110 | 179 | | 179 | | 179 | Yes |
| Duke Energy Carolinas | KIT, MEALS READY TO EAT (MRE), BREAKFAST, ASSORTED, COVID-19 | 10,500 | | 10,500 | | 10,500 | Yes |
| Duke Energy Carolinas | KIT, MEALS READY TO EAT (MRE), DINNER, ASSORTED, COVID-19 | 25,821 | | 25,821 | | 25,821 | Yes |
| Duke Energy Carolinas | KIT,HARNESS & RAIL | 2,185 | | 2,185 | | 2,185 | Yes |
| Duke Energy Carolinas | KIT,REPAIR | 480 | | 480 | | 480 | Yes |
| Duke Energy Carolinas | KIT,SPLICE,2-1/0 CONDUCTOR | 700 | | 700 | | 700 | Yes |
| Duke Energy Carolinas | LEAD,SPARK PLUG | 2,419 | | 2,419 | | 2,419 | Yes |
| Duke Energy Carolinas | LENS,SAFETY EQUIPMENT,WELDING | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | LENS,SAFETY EQUIPMENT,WELDING HELMET | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | LIGHT,LED FIXTURE | 62,541 | | 62,541 | | 62,541 | Yes |
| Duke Energy Carolinas | LUBRICANT,HIGH PURITY NICKEL BASED ANTI- | 101 | | 101 | | 101 | Yes |
| Duke Energy Carolinas | LUBRICANT,MULTI PURPOSE | 55 | | 55 | | 55 | Yes |
| Duke Energy Carolinas | LUBRICANT,PENETRATING | 15 | | 15 | | 15 | Yes |
| Duke Energy Carolinas | LUBRICANT,PETROLEUM JELLY VASELINE | 13 | | 13 | | 13 | Yes |
| Duke Energy Carolinas | LUBRICANT,SILICONE | 45 | | 45 | | 45 | Yes |
| Duke Energy Carolinas | LUBRICANT,TAP MAGIC | 11 | | 11 | | 11 | Yes |
| Duke Energy Carolinas | MANDREL,ABRASIVE ROLL | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | MANDREL,WHEEL | 19 | | 19 | | 19 | Yes |
| Duke Energy Carolinas | MASK, FACE, DISP, SURGICAL STYLE, 3-LAYER CLOTH, 170MM X 95MM | 10,570 | | 10,570 | | 10,570 | Yes |
| Duke Energy Carolinas | MASK, FACE, DISPOSABLE, NON-WOVEN FABRIC, KN95 STYLE | 15,656 | | 15,656 | | 15,656 | Yes |
| Duke Energy Carolinas | MODULE,120VAC INPUT | 980 | | 980 | | 980 | Yes |
| Duke Energy Carolinas | MODULE,2 X 40 ACTIVE BUS | 111 | | 111 | | 111 | Yes |
| Duke Energy Carolinas | MODULE,INPUT/OUTPUT | 744 | | 744 | | 744 | Yes |
| Duke Energy Carolinas | MONITOR,8 CHANNEL FAN DISPLAY | 382 | | 382 | | 382 | Yes |
| Duke Energy Carolinas | MONITOR,DISSOLVED GAS ANALYSIS | 37,398 | | 37,398 | | 37,398 | Yes |
| Duke Energy Carolinas | NOZZLE,DESUPERHEATER | 8,854 | | 8,854 | | 8,854 | Yes |
| Duke Energy Carolinas | NOZZLE,FLUSH | 12 | | 12 | | 12 | Yes |
| Duke Energy Carolinas | NOZZLE,TIG WELDING CUP | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | NOZZLE,WATER SPRAY | 9,820 | | 9,820 | | 9,820 | Yes |
| Duke Energy Carolinas | OIL,INDUSTRIAL,TOOL & INSTRUMENT | 8 | | 8 | | 8 | Yes |
| Duke Energy Carolinas | O-RING SET,HOUSING | 214 | | 214 | | 214 | Yes |
| Duke Energy Carolinas | PIECE,NOSE | 40 | | 40 | | 40 | Yes |
| Duke Energy Carolinas | PLATE,PROTECTION | 3 | | 3 | | 3 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-----------------------|---|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Carolinas | PLUG,ELECTRICAL,HEAVY DUTY EP | 939 | | 939 | | 939 | Yes |
| Duke Energy Carolinas | PLUG,ELECTRICAL,WELDING | 1,464 | | 1,464 | | 1,464 | Yes |
| Duke Energy Carolinas | PLUG,VALVE,CONTROL GLOBE & STEM | 2,950 | | 2,950 | | 2,950 | Yes |
| Duke Energy Carolinas | POLE,LIGHT DUTY | 32,822 | | 32,822 | | 32,822 | Yes |
| Duke Energy Carolinas | POLE,LIGHT,DIRECT BURIED | 40,040 | | 40,040 | | 40,040 | Yes |
| Duke Energy Carolinas | POWDER,EXOTHERMIC WELDING | 992 | | 992 | | 992 | Yes |
| Duke Energy Carolinas | PROBE,PROXIMITY,5MM TIP DIA | 283 | | 283 | | 283 | Yes |
| Duke Energy Carolinas | PROBE,TEMP | 2,572 | | 2,572 | | 2,572 | Yes |
| Duke Energy Carolinas | PULLER,PACKING | 7 | | 7 | | 7 | Yes |
| Duke Energy Carolinas | PUMP,2 STAGE VACUUM | 1,032 | | 1,032 | | 1,032 | Yes |
| Duke Energy Carolinas | REGULATOR,PRESSURE,2-150 PSIG OUTLET | 387 | | 387 | | 387 | Yes |
| Duke Energy Carolinas | RELAY,PNEUMATIC | 388 | | 388 | | 388 | Yes |
| Duke Energy Carolinas | RELAY,PROTECTIVE | 1,055 | | 1,055 | | 1,055 | Yes |
| Duke Energy Carolinas | RING,PACKING BOX | 340 | | 340 | | 340 | Yes |
| Duke Energy Carolinas | ROD,THREADED,1/2" DIA | 10 | | 10 | | 10 | Yes |
| Duke Energy Carolinas | ROD,WELDING,1/16" DIA | 4 | | 4 | | 4 | Yes |
| Duke Energy Carolinas | ROD,WELDING,3/32" DIA | 114 | | 114 | | 114 | Yes |
| Duke Energy Carolinas | ROD,WELDING,AWS A5.12-69 | 1 | | 1 | | 1 | Yes |
| Duke Energy Carolinas | ROD,WELDING,E7018 | 149 | | 149 | | 149 | Yes |
| Duke Energy Carolinas | ROD,WELDING,ER308/ER308L | 25 | | 25 | | 25 | Yes |
| Duke Energy Carolinas | SEAL,C | 4,245 | | 4,245 | | 4,245 | Yes |
| Duke Energy Carolinas | SENSOR,ORP,399VP-33,1.0NPTM | 374 | | 374 | | 374 | Yes |
| Duke Energy Carolinas | SHIELD,SAFETY EQUIPMENT,FACE | 63 | | 63 | | 63 | Yes |
| Duke Energy Carolinas | SIGN,ELECTRICAL SAFETY,DANGER KEEP OUT | 1,625 | | 1,625 | | 1,625 | Yes |
| Duke Energy Carolinas | SIGN,ELECTRICAL SAFETY,NO TRESPASSING / | 902 | | 902 | | 902 | Yes |
| Duke Energy Carolinas | SIGN,ELECTRICAL SAFETY,WARNING ELECTRIC | 244 | | 244 | | 244 | Yes |
| Duke Energy Carolinas | SOLENOID,ELECTRIC | 659 | | 659 | | 659 | Yes |
| Duke Energy Carolinas | SPLICE,CONDUCTOR,AUTOMATIC | 196 | | 196 | | 196 | Yes |
| Duke Energy Carolinas | SPLICE,CONDUCTOR,TENSION | 305 | | 305 | | 305 | Yes |
| Duke Energy Carolinas | SPRING,GARTER | 144 | | 144 | | 144 | Yes |
| Duke Energy Carolinas | STONE,SHARPENING,COMBINATION | 21 | | 21 | | 21 | Yes |
| Duke Energy Carolinas | STONE,SHARPENING,FILE | 31 | | 31 | | 31 | Yes |
| Duke Energy Carolinas | STONE,SHARPENING,RND EDGE SLIP | 37 | | 37 | | 37 | Yes |
| Duke Energy Carolinas | STRIKER,GAS & TORCH | 3 | | 3 | | 3 | Yes |
| Duke Energy Carolinas | SUPPORT,GUIDE TUBE | 820 | | 820 | | 820 | Yes |
| Duke Energy Carolinas | SWITCH,PRESSURE,CONTROL | 1,073 | | 1,073 | | 1,073 | Yes |
| Duke Energy Carolinas | TAG,SAFETY,PERSONAL LOCKOUT TAGOUT LOTO | 93 | | 93 | | 93 | Yes |
| Duke Energy Carolinas | TAP,THREADING,HAND | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | TAP,THREADING,HAND, FRACTIONAL SIZE | 20 | | 20 | | 20 | Yes |
| Duke Energy Carolinas | TAP,THREADING,HAND, MACHINE SCREW | 16 | | 16 | | 16 | Yes |
| Duke Energy Carolinas | TAP,THREADING,PLUG | 120 | | 120 | | 120 | Yes |
| Duke Energy Carolinas | TAP,THREADING,SEMI-BOTTOM | 113 | | 113 | | 113 | Yes |
| Duke Energy Carolinas | TAPE,DUCT | 30 | | 30 | | 30 | Yes |
| Duke Energy Carolinas | TAPE,MASKING | 4 | | 4 | | 4 | Yes |
| Duke Energy Carolinas | THERMOMETER, INFRARED HAND-HELD, NON-CONTACT FOREHEAD | 1 | | 1 | | 1 | Yes |
| Duke Energy Carolinas | TIE,INSULATOR,F NECK INSULATOR | 1,004 | | 1,004 | | 1,004 | Yes |
| Duke Energy Carolinas | TIP,TORCH,WELDING | 15 | | 15 | | 15 | Yes |
| Duke Energy Carolinas | TOWEL,14" X 14" RANDOM | 86 | | 86 | | 86 | Yes |
| Duke Energy Carolinas | TOWEL,3 PLY DISPOSABLE | 15 | | 15 | | 15 | Yes |
| Duke Energy Carolinas | TRANSFORMER,OVERHEAD,CONVENTIONAL | 15,227 | | 15,227 | | 15,227 | Yes |
| Duke Energy Carolinas | TRANSMITTER,MAGNETIC FLOW | 3,194 | | 3,194 | | 3,194 | Yes |
| Duke Energy Carolinas | TRANSMITTER,PRESSURE,0-4000 PSI OUTPUT | 1,242 | | 1,242 | | 1,242 | Yes |
| Duke Energy Carolinas | VALVE,CONTROL | 8,796 | | 8,796 | | 8,796 | Yes |
| Duke Energy Carolinas | VALVE,RELIEF,POP ACTION | 2,006 | | 2,006 | | 2,006 | Yes |
| Duke Energy Carolinas | VALVE,SOLENOID,24VDC | 3,307 | | 3,307 | | 3,307 | Yes |
| Duke Energy Carolinas | VALVE,SOLENOID,24VDC 8W | 91 | | 91 | | 91 | Yes |
| Duke Energy Carolinas | VALVE,SOLENOID,3/8" PIPE | 612 | | 612 | | 612 | Yes |
| Duke Energy Carolinas | VISOR,14-1/4" WD X 9-1/2" HT X 0.040" TH | 14 | | 14 | | 14 | Yes |
| Duke Energy Carolinas | WAND,IGNITER SPARK | 1,264 | | 1,264 | | 1,264 | Yes |
| Duke Energy Carolinas | WASHER,1-1/16" NOM | 157 | | 157 | | 157 | Yes |
| Duke Energy Carolinas | WASHER,PH CODE 4110 | 529 | | 529 | | 529 | Yes |
| Duke Energy Carolinas | WHEEL,CUTOFF,3" DIA | 79 | | 79 | | 79 | Yes |
| Duke Energy Carolinas | WHEEL,CUTOFF,4" DIA | 51 | | 51 | | 51 | Yes |
| Duke Energy Carolinas | WHEEL,CUTOFF,4-1/2" DIA | 5 | | 5 | | 5 | Yes |
| Duke Energy Carolinas | WHEEL,CUTOFF,5" DIA | 14 | | 14 | | 14 | Yes |
| Duke Energy Carolinas | WHEEL,GRINDING,2" DIA | 5 | | 5 | | 5 | Yes |
| Duke Energy Carolinas | WHEEL,GRINDING,3" DIA | 25 | | 25 | | 25 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-----------------------|---|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Carolinas | WHEEL,GRINDING,4" DIA | 157 | | 157 | | 157 | Yes |
| Duke Energy Carolinas | WHEEL,GRINDING,6" DIA | 4 | | 4 | | 4 | Yes |
| Duke Energy Carolinas | WHEEL,MOUNTED POINT,1/2" DIA X 1" LG | 44 | | 44 | | 44 | Yes |
| Duke Energy Carolinas | WHEEL,MOUNTED POINT,1/4" DIA X 3/4" LG | 6 | | 6 | | 6 | Yes |
| Duke Energy Carolinas | WHEEL,MOUNTED POINT,7/8" DIA X 2" LG | 21 | | 21 | | 21 | Yes |
| Duke Energy Carolinas | WHEEL,WIRE,BRUSH | 119 | | 119 | | 119 | Yes |
| Duke Energy Carolinas | WHEEL,WIRE,BRUSH, KNOTTED, CUP | 47 | | 47 | | 47 | Yes |
| Duke Energy Carolinas | WHEEL,WIRE,CIRCULAR TWISTED | 37 | | 37 | | 37 | Yes |
| Duke Energy Carolinas | WHEEL,WIRE,CRIMPED END BRUSH, COATED CUP | 31 | | 31 | | 31 | Yes |
| Duke Energy Carolinas | WHEEL,WIRE,KNOTTED | 16 | | 16 | | 16 | Yes |
| Duke Energy Carolinas | WIPE,DISPOSABLE | 101 | | 101 | | 101 | Yes |
| Duke Energy Carolinas | WIRE,WELDING,ASME SAF-5.9 | 450 | | 450 | | 450 | Yes |
| Duke Energy Carolinas | WIRE,WELDING,AWS A5.18-79, ER70S-2 | 9 | | 9 | | 9 | Yes |
| Duke Energy Carolinas | WIRE,WELDING,ER309L | 2 | | 2 | | 2 | Yes |
| Duke Energy Carolinas | WIRE/CABLE,ELECTRICAL, BARE,SOL SD | 612 | | 612 | | 612 | Yes |
| Duke Energy Indiana | ADAPTER,CONDUIT,TERMINAL | 15 | | 15 | | 15 | Yes |
| Duke Energy Indiana | ARRESTER,ELECTRICAL,DISTRIBUTION | 224 | | 224 | | 224 | Yes |
| Duke Energy Indiana | BODY,CONDUIT OUTLET,1-1/2" HUB | 20 | | 20 | | 20 | Yes |
| Duke Energy Indiana | BOLT,COMBUSTION TURBINE CASING COVER | 183 | | 183 | | 183 | Yes |
| Duke Energy Indiana | BOLT,DOUBLE ARMING,5/8" DIA | 5 | | 5 | | 5 | Yes |
| Duke Energy Indiana | BOLT,MACHINE,1" DIA | 1,707 | | 1,707 | | 1,707 | Yes |
| Duke Energy Indiana | BRACKET,TRANSFORMER ARRESTER | 7 | | 7 | | 7 | Yes |
| Duke Energy Indiana | BUSHING,ELECTRICAL CONDUCTOR,CIRCUIT BRE | 8,472 | | 8,472 | | 8,472 | Yes |
| Duke Energy Indiana | BUSHING,GUIDE | 1,548 | | 1,548 | | 1,548 | Yes |
| Duke Energy Indiana | CABLE,EXTENSION PROBE | 210 | | 210 | | 210 | Yes |
| Duke Energy Indiana | CLAMP,F/ 4" WIRE DUCT CHANNEL | 1,689 | | 1,689 | | 1,689 | Yes |
| Duke Energy Indiana | COMPOUND,SEALING,HIGH TEMP PLUS | 508 | | 508 | | 508 | Yes |
| Duke Energy Indiana | COMPOUND,SEALING,VALVE | 61 | | 61 | | 61 | Yes |
| Duke Energy Indiana | COMPRESSOR,AIR,F/ WESTINGHOUSE 14.4KV, O | 1,093 | | 1,093 | | 1,093 | Yes |
| Duke Energy Indiana | CONDUIT,FLEXIBLE | 2,082 | | 2,082 | | 2,082 | Yes |
| Duke Energy Indiana | CONNECTOR,ELECTRICAL, TEE,CABLE TO FLAT | 177 | | 177 | | 177 | Yes |
| Duke Energy Indiana | CONNECTOR,ELECTRICAL, TERMINAL,CABLE TO | 299 | | 299 | | 299 | Yes |
| Duke Energy Indiana | CONNECTOR,ELECTRICAL, TERMINAL,LUG | 6 | | 6 | | 6 | Yes |
| Duke Energy Indiana | CONTROLLER,VALVE | 1,031 | | 1,031 | | 1,031 | Yes |
| Duke Energy Indiana | CONVERTER,FIBER,1X100BASE-FX MM LC, 1X10/100BASE-TX RJ45 LAN | 1,040 | | 1,040 | | 1,040 | Yes |
| Duke Energy Indiana | CONVERTER,THERMOCOUPLE | 123 | | 123 | | 123 | Yes |
| Duke Energy Indiana | CORD,30" | 64 | | 64 | | 64 | Yes |
| Duke Energy Indiana | COUPLING,PIPE,1-1/2" | 144 | | 144 | | 144 | Yes |
| Duke Energy Indiana | CROSSARM,POLE,6" X 4" | 315 | | 315 | | 315 | Yes |
| Duke Energy Indiana | DAMPER,VIBRATION,0.25"-0.326" COND | 598 | | 598 | | 598 | Yes |
| Duke Energy Indiana | DECAL,1.5" DIA | 1,400 | | 1,400 | | 1,400 | Yes |
| Duke Energy Indiana | EXHAUSTER,MECHANICAL | 47,826 | | 47,826 | | 47,826 | Yes |
| Duke Energy Indiana | EXTENSION,ANCHOR ROD | 5,330 | | 5,330 | | 5,330 | Yes |
| Duke Energy Indiana | FITTING,THERMOCOUPLE | 199 | | 199 | | 199 | Yes |
| Duke Energy Indiana | FUSE,CURRENT LIMITING | 762 | | 762 | | 762 | Yes |
| Duke Energy Indiana | FUSE,GENERAL PURPOSE NON-RENEWABLE | 61 | | 61 | | 61 | Yes |
| Duke Energy Indiana | GASKET,MANHOLE COVER | 185 | | 185 | | 185 | Yes |
| Duke Energy Indiana | GASKET,SPIRAL WOUND,300/400/600 LB | 6 | | 6 | | 6 | Yes |
| Duke Energy Indiana | INSULATOR,LINE POST | 21 | | 21 | | 21 | Yes |
| Duke Energy Indiana | INSULATOR,POST | 30,818 | | 30,818 | | 30,818 | Yes |
| Duke Energy Indiana | INSULATOR,STATION POST | 1,560 | | 1,560 | | 1,560 | Yes |
| Duke Energy Indiana | KIT,REPAIR | 163 | | 163 | | 163 | Yes |
| Duke Energy Indiana | MODULE,MONITOR | 987 | | 987 | | 987 | Yes |
| Duke Energy Indiana | MONITOR,TRANSFORMER TEMP | 11,816 | | 11,816 | | 11,816 | Yes |
| Duke Energy Indiana | NUT | 1,731 | | 1,731 | | 1,731 | Yes |
| Duke Energy Indiana | NUT,CASE COMB-OUT | 58 | | 58 | | 58 | Yes |
| Duke Energy Indiana | NUT,CONDUIT LOCK,1-1/2" DIA | 81 | | 81 | | 81 | Yes |
| Duke Energy Indiana | PANEL,ELECTRICAL POWER,LOAD CENTER | 157 | | 157 | | 157 | Yes |
| Duke Energy Indiana | POLE,LIGHT, DIRECT BURIED, 16' LG, BLACK FINISH, 3" DIA TOP TENON | 96 | | 96 | | 96 | Yes |
| Duke Energy Indiana | POSITIONER,DIGITAL | 3,789 | | 3,789 | | 3,789 | Yes |
| Duke Energy Indiana | POWER SUPPLY,100-120/200-240VAC INPUT | 513 | | 513 | | 513 | Yes |
| Duke Energy Indiana | PROBE,8MM TIP DIA | 213 | | 213 | | 213 | Yes |
| Duke Energy Indiana | PUMP,LUBE & SCAVENGER | 41,559 | | 41,559 | | 41,559 | Yes |
| Duke Energy Indiana | RECEIVER,MULTI-MODE FIBER OPTIC | 851 | | 851 | | 851 | Yes |
| Duke Energy Indiana | RELAY,TIME DELAY,0.1 SECOND-9,990 HOUR | 185 | | 185 | | 185 | Yes |
| Duke Energy Indiana | ROD,ARMOR,795 MCM AAC 37 STR COND | 116 | | 116 | | 116 | Yes |
| Duke Energy Indiana | SEAL,METER,BLACK ACRYLIC BODY | 150 | | 150 | | 150 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|-----------------------|--|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Indiana | SENSOR,VIBRATION/VELOCITY | 685 | | 685 | | 685 | Yes |
| Duke Energy Indiana | SHIELD,TURBINE HEAT | 2,668 | | 2,668 | | 2,668 | Yes |
| Duke Energy Indiana | SWITCH,CAPACITOR | 65,162 | | 65,162 | | 65,162 | Yes |
| Duke Energy Indiana | SWITCH,DISCONNECT,IN-LINE TENSION | 11,925 | | 11,925 | | 11,925 | Yes |
| Duke Energy Indiana | SWITCH,PULL CORD TRIP | 1,386 | | 1,386 | | 1,386 | Yes |
| Duke Energy Indiana | TAG,SAFETY,PERSONAL LOCKOUT TAGOUT LOTO | 360 | | 360 | | 360 | Yes |
| Duke Energy Indiana | TRANSFORMER,INSTRUMENT,POWER | 1,576 | | 1,576 | | 1,576 | Yes |
| Duke Energy Indiana | TUBE,BOILER, STRAIGHT,1-3/4" OD | 175 | | 175 | | 175 | Yes |
| Duke Energy Indiana | VALVE,GLOBE,1/2" | 72 | | 72 | | 72 | Yes |
| Duke Energy Indiana | VALVE,RELIEF,MAIN HYDRAULIC SUPPLY PRESS | 976 | | 976 | | 976 | Yes |
| Duke Energy Indiana | WASHER,FLAT,1/2" NOM | 560 | | 560 | | 560 | Yes |
| Duke Energy Indiana | WASHER,LOCK,SPRING | 48 | | 48 | | 48 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,RIDER | 1,291 | | 1,291 | | 1,291 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,UNDERGROUND | 121 | | 121 | | 121 | Yes |
| Duke Energy Kentucky | BUSHING,VALVE,18" VALVE | 807 | | 807 | | 807 | Yes |
| Duke Energy Kentucky | MANIFOLD,VALVE,1/2" | 300 | | 300 | | 300 | Yes |
| Duke Energy Kentucky | SHIM,1/16" THK | 10 | | 10 | | 10 | Yes |
| Duke Energy Ohio - RU | ADAPTER,COMMUNICATIONS,MODULAR | 165 | | 165 | | 165 | Yes |
| Duke Energy Ohio - RU | BAND,POLE,30" DIA | 568 | | 568 | | 568 | Yes |
| Duke Energy Ohio - RU | COUPLING,CONDUIT,AIR & WATER TIGHT | 150 | | 150 | | 150 | Yes |
| Duke Energy Ohio - RU | DIVERTER,FLAPPER | 123 | | 123 | | 123 | Yes |
| Duke Energy Ohio - RU | INSULATOR,STATION POST | 2,287 | | 2,287 | | 2,287 | Yes |
| Duke Energy Ohio - RU | KIT,SERVICE CONVERSION | 7,332 | | 7,332 | | 7,332 | Yes |
| Duke Energy Ohio - RU | LIGHT,LED FIXTURE | 1,463 | | 1,463 | | 1,463 | Yes |
| Duke Energy Ohio - RU | MONITOR,DISSOLVED GAS ANALYSIS | 112,194 | | 112,194 | | 112,194 | Yes |
| Duke Energy Ohio - RU | RECEIVER,MULTI-MODE FIBER OPTIC | 840 | | 840 | | 840 | Yes |
| Duke Energy Ohio - RU | RECLOSER,OIL | 2,750 | | 2,750 | | 2,750 | Yes |
| Duke Energy Ohio - RU | SIGN,ELECTRICAL SAFETY,WARNING ENERGIZED | 53 | | 53 | | 53 | Yes |
| Duke Energy Ohio - RU | SPACER,ELECTRICAL CABLE,(2) 795 MCM DIA | 151 | | 151 | | 151 | Yes |
| Duke Energy Ohio - RU | SWITCH,CAPACITOR | 20,149 | | 20,149 | | 20,149 | Yes |
| Duke Energy Ohio - RU | SWITCH,SAFETY,FUSIBLE | 117 | | 117 | | 117 | Yes |
| Duke Energy Ohio - RU | WASHER,FLAT,1/2" NOM | 150 | | 150 | | 150 | Yes |
| Duke Energy Ohio - RU | WHEEL,SPUR | 532 | | 532 | | 532 | Yes |
| Duke Energy Progress | ACTUATOR,VANE, DIFFUSER, VARIABLE | 26,375 | | 26,375 | | 26,375 | Yes |
| Duke Energy Progress | ADAPTER,CONDUIT,TERMINAL | 5 | | 5 | | 5 | Yes |
| Duke Energy Progress | ARRESTER,ELECTRICAL,SURGE | 6,268 | | 6,268 | | 6,268 | Yes |
| Duke Energy Progress | ASSEMBLY,INDICATING FLAG | 363 | | 363 | | 363 | Yes |
| Duke Energy Progress | BAND,POLE,30" DIA | 2,747 | | 2,747 | | 2,747 | Yes |
| Duke Energy Progress | BARRIER,ENERGIZED | 6,171 | | 6,171 | | 6,171 | Yes |
| Duke Energy Progress | BLOCK,CONTACT,AUXILIARY | 68 | | 68 | | 68 | Yes |
| Duke Energy Progress | BLOWER,460VAC | 1,207 | | 1,207 | | 1,207 | Yes |
| Duke Energy Progress | BOARD,PRINTED CIRCUIT,CONTROL | 1,035 | | 1,035 | | 1,035 | Yes |
| Duke Energy Progress | BOARD,PRINTED CIRCUIT,EX2100E AUXILIARY | 3,594 | | 3,594 | | 3,594 | Yes |
| Duke Energy Progress | BOARD,PRINTED CIRCUIT,EXCITER DE-EXCITAT | 5,553 | | 5,553 | | 5,553 | Yes |
| Duke Energy Progress | BOARD,PRINTED CIRCUIT,OVATION EMOD RIO M | 280 | | 280 | | 280 | Yes |
| Duke Energy Progress | BOLT,MACHINE,1" DIA | 530 | | 530 | | 530 | Yes |
| Duke Energy Progress | BRACKET, SGL SHEPHERDS CROOK, ALUM, BLACK, 3" X 6" TENON | 2,610 | | 2,610 | | 2,610 | Yes |
| Duke Energy Progress | BRACKET,STREET LIGHT | 1,979 | | 1,979 | | 1,979 | Yes |
| Duke Energy Progress | BREAKER,CIRCUIT,AIR | 36 | | 36 | | 36 | Yes |
| Duke Energy Progress | BREAKER,CIRCUIT,MOLDED CASE, BOLT-ON | 839 | | 839 | | 839 | Yes |
| Duke Energy Progress | BREAKER,CIRCUIT,POWER | 29,057 | | 29,057 | | 29,057 | Yes |
| Duke Energy Progress | BUSHING,ELECTRICAL CONDUCTOR,23KV | 6,776 | | 6,776 | | 6,776 | Yes |
| Duke Energy Progress | BUSHING,TEFLON | 135 | | 135 | | 135 | Yes |
| Duke Energy Progress | CABLE,FIBER OPTIC,SGL MODE | 10,944 | | 10,944 | | 10,944 | Yes |
| Duke Energy Progress | CAP,POLE TOPPER | 998 | | 998 | | 998 | Yes |
| Duke Energy Progress | CAPACITOR,COUPLING VOLTAGE TRANSFORMER | 84,187 | | 84,187 | | 84,187 | Yes |
| Duke Energy Progress | CELL,PHOTOELECTRIC,120V 1KW RANGE | 212 | | 212 | | 212 | Yes |
| Duke Energy Progress | CLEVIS,Y CLEVIS-EYE | 223 | | 223 | | 223 | Yes |
| Duke Energy Progress | COIL,ELECTRICAL,120VAC 60HZ | 59 | | 59 | | 59 | Yes |
| Duke Energy Progress | COMPOUND,ELECTRICAL INHIBITOR | 1,939 | | 1,939 | | 1,939 | Yes |
| Duke Energy Progress | COMPRESSOR,AIR,ATOMIZING | 46,847 | | 46,847 | | 46,847 | Yes |
| Duke Energy Progress | COMPRESSOR,AIR,F/ WESTINGHOUSE 14.4KV, O | 717 | | 717 | | 717 | Yes |
| Duke Energy Progress | CONDUIT,FLEXIBLE LIQUIDTIGHT NON-METALLI | 209 | | 209 | | 209 | Yes |
| Duke Energy Progress | CONNECTOR,COMMUNICATIONS,MALE CRIMP | 37 | | 37 | | 37 | Yes |
| Duke Energy Progress | CONNECTOR,ELECTRICAL, STUD,GROUNDING | 1,445 | | 1,445 | | 1,445 | Yes |
| Duke Energy Progress | CONNECTOR,ELECTRICAL, TEE,1590-2000 MCM | 72 | | 72 | | 72 | Yes |
| Duke Energy Progress | CONNECTOR,ELECTRICAL,COMP | 429 | | 429 | | 429 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|----------------------|---|----------------------|-----------------------------|-------------------|---------------------------|-------------------|-----------------------------|
| Duke Energy Progress | CONTROL,PHOTOELECTRIC,120/240/277V | 7 | | 7 | | 7 | Yes |
| Duke Energy Progress | CONTROLLER,DIGITAL VALVE | 3,046 | | 3,046 | | 3,046 | Yes |
| Duke Energy Progress | CONTROLLER,ROTARY CONTROL VALVE | 6,235 | | 6,235 | | 6,235 | Yes |
| Duke Energy Progress | COOLER,SAMPLE | 2,338 | | 2,338 | | 2,338 | Yes |
| Duke Energy Progress | COUPLING,SHAFT,FLEXIBLE ROLLER CHAIN | 413 | | 413 | | 413 | Yes |
| Duke Energy Progress | CYLINDER,LINEAR ACTUATING,PNEUMATIC | 5,344 | | 5,344 | | 5,344 | Yes |
| Duke Energy Progress | DETECTOR,FIRE PROTECTION,HEAT | 928 | | 928 | | 928 | Yes |
| Duke Energy Progress | DISPLAY,METER | 273 | | 273 | | 273 | Yes |
| Duke Energy Progress | END,CONDUIT,BELL | 12 | | 12 | | 12 | Yes |
| Duke Energy Progress | FILTER,TRANSFORMER DRYING UNIT | 4,347 | | 4,347 | | 4,347 | Yes |
| Duke Energy Progress | FITTING,END FUSE | 3,562 | | 3,562 | | 3,562 | Yes |
| Duke Energy Progress | FUSE,TIME DELAY | 9 | | 9 | | 9 | Yes |
| Duke Energy Progress | GASKET,COVER | 389 | | 389 | | 389 | Yes |
| Duke Energy Progress | GASKET,IMPELLER | 223 | | 223 | | 223 | Yes |
| Duke Energy Progress | GASKET,IMPELLER END DISC | 266 | | 266 | | 266 | Yes |
| Duke Energy Progress | GATE,VALVE,WELDMENT | 858 | | 858 | | 858 | Yes |
| Duke Energy Progress | HOUSING,BEARING | 160 | | 160 | | 160 | Yes |
| Duke Energy Progress | HOUSING,TAKE-UP DRIVE | 518 | | 518 | | 518 | Yes |
| Duke Energy Progress | INDICATOR,FAULT AUTOMATIC RESET | 5,793 | | 5,793 | | 5,793 | Yes |
| Duke Energy Progress | INSULATOR,HORZ LINE POST | 5,772 | | 5,772 | | 5,772 | Yes |
| Duke Energy Progress | INSULATOR,LINE POST | 1,653 | | 1,653 | | 1,653 | Yes |
| Duke Energy Progress | INSULATOR,SUSPENSION | 5,889 | | 5,889 | | 5,889 | Yes |
| Duke Energy Progress | INTERRUPTER,69KV | 9,042 | | 9,042 | | 9,042 | Yes |
| Duke Energy Progress | INTERRUPTER,GAS CIRCUIT BREAKER | 1,245 | | 1,245 | | 1,245 | Yes |
| Duke Energy Progress | JOINT,EXPANSION,6" | 1,049 | | 1,049 | | 1,049 | Yes |
| Duke Energy Progress | KIT,MAJOR REBUILD | 3,524 | | 3,524 | | 3,524 | Yes |
| Duke Energy Progress | KIT,REPAIR | 76 | | 76 | | 76 | Yes |
| Duke Energy Progress | KIT,SERVICE CONVERSION | 10,084 | | 10,084 | | 10,084 | Yes |
| Duke Energy Progress | KNIFE,36" | 1,411 | | 1,411 | | 1,411 | Yes |
| Duke Energy Progress | LAMP,HID,HG VAPOR | 305 | | 305 | | 305 | Yes |
| Duke Energy Progress | LEAD,SPARK PLUG | 1,794 | | 1,794 | | 1,794 | Yes |
| Duke Energy Progress | LIGHT, LED FIXTURE,120-277VAC,150W,BLACK,4000K,TYPE III,SANIBEL | 3,800 | | 3,800 | | 3,800 | Yes |
| Duke Energy Progress | LIGHT,LED FIXTURE | 87,752 | | 87,752 | | 87,752 | Yes |
| Duke Energy Progress | MODEM,FIBER-OPTIC TRANSCEIVER | 208 | | 208 | | 208 | Yes |
| Duke Energy Progress | MODULE,10-INPUT MONITOR | 919 | | 919 | | 919 | Yes |
| Duke Energy Progress | MODULE,DE-EXCITATION/CROWBAR | 16,507 | | 16,507 | | 16,507 | Yes |
| Duke Energy Progress | MODULE,INTERFACE | 2,365 | | 2,365 | | 2,365 | Yes |
| Duke Energy Progress | MODULE,OUTPUT | 7,555 | | 7,555 | | 7,555 | Yes |
| Duke Energy Progress | MODULE,POWER SUPPLY,48VDC 125VAC/DC INPU | 476 | | 476 | | 476 | Yes |
| Duke Energy Progress | MODULE,STEAM TURBINE | 955 | | 955 | | 955 | Yes |
| Duke Energy Progress | MOTOR,ELECTRIC, AC,100 HP | 12,419 | | 12,419 | | 12,419 | Yes |
| Duke Energy Progress | MOUNT,TRANSFORMER CLUSTER | 533 | | 533 | | 533 | Yes |
| Duke Energy Progress | NUT,DISCHARGE CASING/TURBINE SHELL-INR | 141 | | 141 | | 141 | Yes |
| Duke Energy Progress | ORIFICE,CRITICAL | 492 | | 492 | | 492 | Yes |
| Duke Energy Progress | O-RING,DIAPHRAGM VALVE | 29 | | 29 | | 29 | Yes |
| Duke Energy Progress | PIN,DOWEL,F/ 1ST 2ND 3RD STAGE BUCKETS (| 130 | | 130 | | 130 | Yes |
| Duke Energy Progress | PIN,PHASE CODE 4110 | 163 | | 163 | | 163 | Yes |
| Duke Energy Progress | PLATFORM,PERSONNEL WORK | 2,490 | | 2,490 | | 2,490 | Yes |
| Duke Energy Progress | PLUG,BUSHING | 306 | | 306 | | 306 | Yes |
| Duke Energy Progress | PLUG,SPARK,IGNITION SYSTEM | 2,390 | | 2,390 | | 2,390 | Yes |
| Duke Energy Progress | POWER SUPPLY,DIN RAIL MOUNT | 1,620 | | 1,620 | | 1,620 | Yes |
| Duke Energy Progress | PROBE,8MM TIP DIA | 265 | | 265 | | 265 | Yes |
| Duke Energy Progress | PROBE,AMBIENT TEMP | 584 | | 584 | | 584 | Yes |
| Duke Energy Progress | PROBE,MOISTURE SENSOR | 1,801 | | 1,801 | | 1,801 | Yes |
| Duke Energy Progress | PROXIMITOR,7.87 V/MM (200 MV/MIL) SCALE | 716 | | 716 | | 716 | Yes |
| Duke Energy Progress | RECEPTACLE,ELECTRICAL,MATING | 1,558 | | 1,558 | | 1,558 | Yes |
| Duke Energy Progress | RECLOSER,ELECTRONIC | 134,000 | | 134,000 | | 134,000 | Yes |
| Duke Energy Progress | RELAY,CONTROL, AUXILIARY | 507 | | 507 | | 507 | Yes |
| Duke Energy Progress | RELAY,FAULT PRESSURE | 1,311 | | 1,311 | | 1,311 | Yes |
| Duke Energy Progress | RELAY,PNEUMATIC,PROTECTIVE | 1,456 | | 1,456 | | 1,456 | Yes |
| Duke Energy Progress | RELAY,PROTECTIVE | 302 | | 302 | | 302 | Yes |
| Duke Energy Progress | RELAY,TIME DELAY,1.5-15 SECOND ON | 289 | | 289 | | 289 | Yes |
| Duke Energy Progress | SCREW,M10 DIA | 210 | | 210 | | 210 | Yes |
| Duke Energy Progress | SCREW,MASONRY | 89 | | 89 | | 89 | Yes |
| Duke Energy Progress | SCREW,TOP | 112 | | 112 | | 112 | Yes |
| Duke Energy Progress | SENSOR,FLAME | 5,339 | | 5,339 | | 5,339 | Yes |
| Duke Energy Progress | SENSOR,GAS | 777 | | 777 | | 777 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair
Market
Value * | Purchase
Price | Title
Passed
Yes / No |
|---|--|-------------------------|-----------------------------|-------------------------|---------------------------|-------------------------|-----------------------------|
| Duke Energy Progress | SENSOR,PH MONITOR | 521 | | 521 | | 521 | Yes |
| Duke Energy Progress | SHAFT,AGITATOR | 30,900 | | 30,900 | | 30,900 | Yes |
| Duke Energy Progress | SHAFT,DRIVE | 905 | | 905 | | 905 | Yes |
| Duke Energy Progress | SHIELD,HOUSE SIDE | 1,056 | | 1,056 | | 1,056 | Yes |
| Duke Energy Progress | SIGN,ELECTRICAL SAFETY,DANGER KEEP OUT | 1,845 | | 1,845 | | 1,845 | Yes |
| Duke Energy Progress | SOLENOID,CLOSE/TRIP | 141 | | 141 | | 141 | Yes |
| Duke Energy Progress | SOLUTION,MOLYBDATE 3 REAGENT | 82 | | 82 | | 82 | Yes |
| Duke Energy Progress | SPRING,SPARK PLUG | 1,784 | | 1,784 | | 1,784 | Yes |
| Duke Energy Progress | STUD,INSULATOR | 15 | | 15 | | 15 | Yes |
| Duke Energy Progress | SWITCH,AUXILIARY,SNAP ACTION | 332 | | 332 | | 332 | Yes |
| Duke Energy Progress | SWITCH,CAPACITOR | 1,904 | | 1,904 | | 1,904 | Yes |
| Duke Energy Progress | SWITCH,INTERLOCK | 1,540 | | 1,540 | | 1,540 | Yes |
| Duke Energy Progress | SWITCH,LEVEL,95-250VAC | 716 | | 716 | | 716 | Yes |
| Duke Energy Progress | SWITCH,LIMIT,600VAC, 250VDC | 477 | | 477 | | 477 | Yes |
| Duke Energy Progress | SWITCH,PRESSURE,ADJUSTABLE | 646 | | 646 | | 646 | Yes |
| Duke Energy Progress | TANK,DEIONIZER | 6,990 | | 6,990 | | 6,990 | Yes |
| Duke Energy Progress | THERMOCOUPLE,DISC CAVITY 2 ELEMENT | 326 | | 326 | | 326 | Yes |
| Duke Energy Progress | THERMOCOUPLE,POSITION 3 & 15, SWPC 65 & | 558 | | 558 | | 558 | Yes |
| Duke Energy Progress | THERMOCOUPLE,POSITION 4 & 16, SWPC 66 & | 270 | | 270 | | 270 | Yes |
| Duke Energy Progress | THERMOCOUPLE,WHLSPC-STG 1 AFT OUT-1,STG | 1,086 | | 1,086 | | 1,086 | Yes |
| Duke Energy Progress | TIE,INSULATOR,F NECK INSULATOR | 1,104 | | 1,104 | | 1,104 | Yes |
| Duke Energy Progress | TRANSFORMER,INSTRUMENT,POTENTIAL | 3,384 | | 3,384 | | 3,384 | Yes |
| Duke Energy Progress | TRANSFORMER,OVERHEAD,CONVENTIONAL | 7,829 | | 7,829 | | 7,829 | Yes |
| Duke Energy Progress | TRANSFORMER,PAD MOUNT,1000KVA | 16,811 | | 16,811 | | 16,811 | Yes |
| Duke Energy Progress | TRANSFORMER,PAD MOUNT,2500KVA | 29,851 | | 29,851 | | 29,851 | Yes |
| Duke Energy Progress | TUBING,SHRINK,COLD | 1,509 | | 1,509 | | 1,509 | Yes |
| Duke Energy Progress | UNIT,FIBER OPTIC TRANSCEIVER | 622 | | 622 | | 622 | Yes |
| Duke Energy Progress | VALVE,BALL,1-1/2" | 143 | | 143 | | 143 | Yes |
| Duke Energy Progress | VALVE,SOLENOID, 1/2" PIPE, 24V, NPT, AIR, 100 PSI, NEMA 4 ENCLSR | 4,976 | | 4,976 | | 4,976 | Yes |
| Duke Energy Progress | VALVE,SOLENOID, 1-1/2" PIPE, 24V, NPT, AIR, 100 PSI, NEMA 4 ENCLSR | 5,843 | | 5,843 | | 5,843 | Yes |
| Duke Energy Progress | VALVE,SOLENOID,1/4" PIPE | 2,536 | | 2,536 | | 2,536 | Yes |
| Duke Energy Progress | WASHER,FLAT,M10 NOM | 173 | | 173 | | 173 | Yes |
| Duke Energy Progress | WASHER,LOCK,SPLIT | 647 | | 647 | | 647 | Yes |
| Duke Energy Progress | WASHER,SPHERICAL FEMALE | 163 | | 163 | | 163 | Yes |
| Duke Energy Progress | WIRE/CABLE,2/0 AWG | 1,042 | | 1,042 | | 1,042 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL, BARE,7 STR HARD D | 2,419 | | 2,419 | | 2,419 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL, BARE,7 STR SD | 47,808 | | 47,808 | | 47,808 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL, BARE,SOL HD | 2,562 | | 2,562 | | 2,562 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL, BARE,SOL SD | 110 | | 110 | | 110 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL,19 CONDUCTOR | 12,091 | | 12,091 | | 12,091 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL,4 AWG | 991 | | 991 | | 991 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL,POWER | 3,843 | | 3,843 | | 3,843 | Yes |
| TOTAL | | <u>5,067,803</u> | <u>0</u> | <u>5,067,803</u> | <u>2,807,874</u> | <u>5,067,803</u> | |
| * Transactions with regulated affiliates are priced at Net Book Value as agreed in the Intercompany Asset Transfer Agreement (IATA) | | | | | | | |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

Company: Duke Energy Florida, LLC
For the Year Ended December 31, 2020

Provide a summary of affiliated transactions involving asset transfers or the right to use assets

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair Market
Value * | Sales Price | Title
Passed
Yes / No |
|---|--|----------------------|-----------------------------|-------------------|------------------------|-------------|-----------------------------|
| Sales to Affiliates: | | \$ | \$ | \$ | \$ | \$ | |
| Inventory items not in plant-in-service. Therefore there is no depreciation. | | | | | | | |
| Cinergy Solutions-Utility, Inc | ARRESTER,ELECTRICAL,DISTRIBUTION | 365 | | 365 | 365 | 365 | Yes |
| Cinergy Solutions-Utility, Inc | CONNECTOR,ELECTRICAL, TERMINAL,SPADE | 830 | | 830 | 830 | 830 | Yes |
| Cinergy Solutions-Utility, Inc | CONNECTOR,ELECTRICAL, TERMINAL,SPADE LUG | 411 | | 411 | 418 | 411 | Yes |
| Cinergy Solutions-Utility, Inc | COUPLING,PIPE,4" | 58 | | 58 | 58 | 58 | Yes |
| Cinergy Solutions-Utility, Inc | COUPLING,PIPE,6" | 25 | | 25 | 25 | 25 | Yes |
| Cinergy Solutions-Utility, Inc | COVER,SPLICE | 307 | | 307 | 314 | 307 | Yes |
| Cinergy Solutions-Utility, Inc | INDICATOR,CABLE FAULT | 132 | | 132 | 132 | 132 | Yes |
| Cinergy Solutions-Utility, Inc | PAD,CONCRETE,TRANSFORMER | 500 | | 500 | 500 | 500 | Yes |
| Duke Energy Business Services | ASSEMBLY,FAN | 595 | | 595 | 595 | 595 | Yes |
| Duke Energy Business Services | CLEANER,HAND,2000 ML | 14 | | 14 | 38 | 14 | Yes |
| Duke Energy Business Services | CRIMPER,TERMINAL & WIRE CUTTING BLADE | 36 | | 36 | 39 | 36 | Yes |
| Duke Energy Business Services | DISPENSER,SOAP | 65 | | 65 | 65 | 65 | Yes |
| Duke Energy Business Services | HOSE,HYDRAULIC,3/8" | 4,041 | | 4,041 | 4,041 | 4,041 | Yes |
| Duke Energy Business Services | MASK,FACE,DISP,SURGICL STYLE,3-LYR CLOTH | 314,619 | | 314,619 | 314,619 | 314,619 | Yes |
| Duke Energy Business Services | SPEAKER,HEAVY DUTY LOUD | 2,061 | | 2,061 | 2,506 | 2,061 | Yes |
| Duke Energy Carolinas | BAND,1-1/2" | 1,782 | | 1,782 | | 1,782 | Yes |
| Duke Energy Carolinas | BAND,FLG | 1,232 | | 1,232 | | 1,232 | Yes |
| Duke Energy Carolinas | BEARING,FLANGE BLOCK,BALL ROLLER | 507 | | 507 | | 507 | Yes |
| Duke Energy Carolinas | BLOCK,TERMINAL,600VAC/DC | 354 | | 354 | | 354 | Yes |
| Duke Energy Carolinas | BLOWER,COOLING AIR | 4,975 | | 4,975 | | 4,975 | Yes |
| Duke Energy Carolinas | BOARD,PRINTED CIRCUIT,OVATION DPU FLASH | 148 | | 148 | | 148 | Yes |
| Duke Energy Carolinas | BOARD,PRINTED CIRCUIT,SGL ENDED DIGITAL | 1,599 | | 1,599 | | 1,599 | Yes |
| Duke Energy Carolinas | BODY,CONDUIT OUTLET,2-1/2" HUB | 110 | | 110 | | 110 | Yes |
| Duke Energy Carolinas | BOLT,CARRIAGE,3/8" DIA | 117 | | 117 | | 117 | Yes |
| Duke Energy Carolinas | BOLT,DOUBLE ARMING,3/4" DIA | 123 | | 123 | | 123 | Yes |
| Duke Energy Carolinas | BOLT,MACHINE,1/2" DIA | 4 | | 4 | | 4 | Yes |
| Duke Energy Carolinas | BOLT,MACHINE,3/4" DIA | 1,539 | | 1,539 | | 1,539 | Yes |
| Duke Energy Carolinas | BRACKET,CUTOUT | 189 | | 189 | | 189 | Yes |
| Duke Energy Carolinas | BRACKET,SGL POSITION 3PH | 5,550 | | 5,550 | | 5,550 | Yes |
| Duke Energy Carolinas | BREAKER,CIRCUIT,600VAC, 250VDC | 979 | | 979 | | 979 | Yes |
| Duke Energy Carolinas | BUSHING,ELECTRICAL CONDUCTOR,115KV | 7,403 | | 7,403 | | 7,403 | Yes |
| Duke Energy Carolinas | BUSHING,ELECTRICAL CONDUCTOR,196KV | 10,805 | | 10,805 | | 10,805 | Yes |
| Duke Energy Carolinas | BUSHING,ELECTRICAL CONDUCTOR,A | 787 | | 787 | | 787 | Yes |
| Duke Energy Carolinas | BUSHING,ELECTRICAL CONDUCTOR,TRANSFORMER | 7,120 | | 7,120 | | 7,120 | Yes |
| Duke Energy Carolinas | CABLE,SPLASH PROOF | 865 | | 865 | | 865 | Yes |
| Duke Energy Carolinas | CLEANER, DISINFECT, LIQUID, 55 GAL DRUM, ZEP SPIRIT II | 1,000 | | 1,000 | | 1,000 | Yes |
| Duke Energy Carolinas | COATING,POLE | 1,470 | | 1,470 | | 1,470 | Yes |
| Duke Energy Carolinas | CONCRETE,READY MIX | 7,719 | | 7,719 | | 7,719 | Yes |
| Duke Energy Carolinas | CONNECTOR,ELECTRICAL, TERMINAL,CABLE TO | 45 | | 45 | | 45 | Yes |
| Duke Energy Carolinas | CONNECTOR,ELECTRICAL,BOLTED WEDGE | 36 | | 36 | | 36 | Yes |
| Duke Energy Carolinas | CONNECTOR,ELECTRICAL,COMP | 570 | | 570 | | 570 | Yes |
| Duke Energy Carolinas | COUPLING,PIPE,5" | 1,309 | | 1,309 | | 1,309 | Yes |
| Duke Energy Carolinas | COVER,ELECTRICAL LINE RAPTOR PROTECTION | 24 | | 24 | | 24 | Yes |
| Duke Energy Carolinas | COVER,INSULATING | 326 | | 326 | | 326 | Yes |
| Duke Energy Carolinas | DIAPHRAGM,ACTUATOR,8" DIA | 395 | | 395 | | 395 | Yes |
| Duke Energy Carolinas | DIAPHRAGM,REGULATOR,1/2" ID X 6-7/8" OD | 572 | | 572 | | 572 | Yes |
| Duke Energy Carolinas | ELECTRODE,REFERENCE | 650 | | 650 | | 650 | Yes |
| Duke Energy Carolinas | ELEMENT,FILTER,4" | 387 | | 387 | | 387 | Yes |
| Duke Energy Carolinas | ELEMENT,FILTER,GR 10 IN, 0, COALESCING, | 434 | | 434 | | 434 | Yes |
| Duke Energy Carolinas | FAN,TRANSFORMER COOLING | 551 | | 551 | | 551 | Yes |
| Duke Energy Carolinas | GASKET SET,GLOBE VALVE | 65 | | 65 | | 65 | Yes |
| Duke Energy Carolinas | GASKET,GENERATOR | 300 | | 300 | | 300 | Yes |
| Duke Energy Carolinas | GASKET,LEAD BOX COVER | 77 | | 77 | | 77 | Yes |
| Duke Energy Carolinas | GASKET,RING | 449 | | 449 | | 449 | Yes |
| Duke Energy Carolinas | HEAD,SERVICE ENTRANCE,1-1/2" | 2,572 | | 2,572 | | 2,572 | Yes |
| Duke Energy Carolinas | INSULATOR,SUSPENSION | 918 | | 918 | | 918 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair Market
Value * | Sales Price | Title
Passed
Yes / No |
|-----------------------|--|----------------------|-----------------------------|-------------------|------------------------|-------------|-----------------------------|
| Duke Energy Carolinas | KIT,FIRST AID,24 UNIT | 138 | | 138 | | 138 | Yes |
| Duke Energy Carolinas | KIT,HARNESS & RAIL | 437 | | 437 | | 437 | Yes |
| Duke Energy Carolinas | KIT,MEMBRANE | 880 | | 880 | | 880 | Yes |
| Duke Energy Carolinas | KIT,REFURBISHMENT | 3,660 | | 3,660 | | 3,660 | Yes |
| Duke Energy Carolinas | KIT,REPAIR | 124 | | 124 | | 124 | Yes |
| Duke Energy Carolinas | KIT,REPLACEMENT | 300 | | 300 | | 300 | Yes |
| Duke Energy Carolinas | LABEL,EQUIPMENT | 139 | | 139 | | 139 | Yes |
| Duke Energy Carolinas | LEAD,IGNITION | 2,407 | | 2,407 | | 2,407 | Yes |
| Duke Energy Carolinas | LEVER,SWITCH,3-1/2" | 76 | | 76 | | 76 | Yes |
| Duke Energy Carolinas | LIGHT,LED FIXTURE | 96,116 | | 96,116 | | 96,116 | Yes |
| Duke Energy Carolinas | LINK,FUSE,DUAL ELEMENT | 295 | | 295 | | 295 | Yes |
| Duke Energy Carolinas | MAGNET,LIMIT SWITCH | 23 | | 23 | | 23 | Yes |
| Duke Energy Carolinas | MODULE,24 BIT 3 CHANNEL ANALOG INPUT | 525 | | 525 | | 525 | Yes |
| Duke Energy Carolinas | MODULE,COMMUNICATION | 215 | | 215 | | 215 | Yes |
| Duke Energy Carolinas | MODULE,HART ANALOG INPUT | 820 | | 820 | | 820 | Yes |
| Duke Energy Carolinas | MODULE,INPUT | 4,370 | | 4,370 | | 4,370 | Yes |
| Duke Energy Carolinas | MONITOR,DISSOLVED GAS ANALYSIS | 112,194 | | 112,194 | | 112,194 | Yes |
| Duke Energy Carolinas | MOTOR,ELECTRIC, AC,10 HP | 1,498 | | 1,498 | | 1,498 | Yes |
| Duke Energy Carolinas | NUT,CONDUIT LOCK,RIGID | 71 | | 71 | | 71 | Yes |
| Duke Energy Carolinas | NUT,HEX,HEAVY | 1 | | 1 | | 1 | Yes |
| Duke Energy Carolinas | PLUG,ELECTRICAL,GROUNDING | 1,002 | | 1,002 | | 1,002 | Yes |
| Duke Energy Carolinas | PLUG,ELECTRICAL,HEAVY DUTY EP | 470 | | 470 | | 470 | Yes |
| Duke Energy Carolinas | PROBE,ELECTRODE | 1,598 | | 1,598 | | 1,598 | Yes |
| Duke Energy Carolinas | PULLER,PACKING | 7 | | 7 | | 7 | Yes |
| Duke Energy Carolinas | PUMP,SODIUM | 290 | | 290 | | 290 | Yes |
| Duke Energy Carolinas | RECLOSER,VACUUM | 13,357 | | 13,357 | | 13,357 | Yes |
| Duke Energy Carolinas | RELAY,OVERLOAD,1-2.5A 60HZ | 145 | | 145 | | 145 | Yes |
| Duke Energy Carolinas | RELAY,OVERLOAD,F/ HE1 FWE CHEM FD SKID 1 | 53 | | 53 | | 53 | Yes |
| Duke Energy Carolinas | RELAY,OVERLOAD,F/ HE1 FWE PHOS FD SKID 2 | 53 | | 53 | | 53 | Yes |
| Duke Energy Carolinas | RELAY,TIME DELAY,1.5-10 SECOND ON | 57 | | 57 | | 57 | Yes |
| Duke Energy Carolinas | ROPE,BRAIDED | 534 | | 534 | | 534 | Yes |
| Duke Energy Carolinas | SCANNER,FLAME DETECTOR UV | 1,816 | | 1,816 | | 1,816 | Yes |
| Duke Energy Carolinas | SCREW,-42 G08- | 27 | | 27 | | 27 | Yes |
| Duke Energy Carolinas | SEAL,MECHANICAL | 651 | | 651 | | 651 | Yes |
| Duke Energy Carolinas | SENSOR,TEMP/ACCELERATION | 448 | | 448 | | 448 | Yes |
| Duke Energy Carolinas | SIGN,ELECTRICAL SAFETY,DANGER KEEP OUT | 622 | | 622 | | 622 | Yes |
| Duke Energy Carolinas | SIGN,ELECTRICAL SAFETY,SAFETY INSTRUCTIO | 77 | | 77 | | 77 | Yes |
| Duke Energy Carolinas | SIGN,WARNING, UNDERGROUND TO OVERHEAD FE | 121 | | 121 | | 121 | Yes |
| Duke Energy Carolinas | SLEEVE,TERMINAL | 26 | | 26 | | 26 | Yes |
| Duke Energy Carolinas | STARTER,ELECTRIC MOTOR,NEMA SIZE 1 | 538 | | 538 | | 538 | Yes |
| Duke Energy Carolinas | SUPPORT,GUIDE TUBE | 820 | | 820 | | 820 | Yes |
| Duke Energy Carolinas | SWITCH,CAPACITOR | 1,834 | | 1,834 | | 1,834 | Yes |
| Duke Energy Carolinas | SWITCH,MECHANICAL | 174 | | 174 | | 174 | Yes |
| Duke Energy Carolinas | SWITCH,PRESSURE,DIFF | 374 | | 374 | | 374 | Yes |
| Duke Energy Carolinas | SWITCH,PROXIMITY,DC | 407 | | 407 | | 407 | Yes |
| Duke Energy Carolinas | THERMOCOUPLE,DISC CAVITY 4 | 540 | | 540 | | 540 | Yes |
| Duke Energy Carolinas | THERMOCOUPLE,FLASHBACK, SWPC | 130 | | 130 | | 130 | Yes |
| Duke Energy Carolinas | TRANSFORMER,INSTRUMENT,CURRENT | 12,490 | | 12,490 | | 12,490 | Yes |
| Duke Energy Carolinas | TRANSFORMER,OVERHEAD,CONVENTIONAL | 32,281 | | 32,281 | | 32,281 | Yes |
| Duke Energy Carolinas | TRANSFORMER,PAD MOUNT,1000KVA | 149,208 | | 149,208 | | 149,208 | Yes |
| Duke Energy Carolinas | TRANSMITTER,FIBER OPTIC | 880 | | 880 | | 880 | Yes |
| Duke Energy Carolinas | TRANSMITTER,RTD | 309 | | 309 | | 309 | Yes |
| Duke Energy Carolinas | VALVE,CHECK,DISCHARGE USED ON, OIL-FREE | 1,246 | | 1,246 | | 1,246 | Yes |
| Duke Energy Carolinas | VALVE,CONTROL | 8,796 | | 8,796 | | 8,796 | Yes |
| Duke Energy Carolinas | WASHER,SQ | 1 | | 1 | | 1 | Yes |
| Duke Energy Carolinas | WASHER,TAB,PANTLEG | 11 | | 11 | | 11 | Yes |
| Duke Energy Carolinas | WIRE/CABLE,ELECTRICAL,POWER | 13,399 | | 13,399 | | 13,399 | Yes |
| Duke Energy Indiana | ANTENNA,MULTI-BAND DIVERSITY/MIMO 4G | 245 | | 245 | | 245 | Yes |
| Duke Energy Indiana | ARRESTER,ELECTRICAL,LIGHTNING | 50 | | 50 | | 50 | Yes |
| Duke Energy Indiana | ARRESTER,ELECTRICAL,METAL OXIDE | 439 | | 439 | | 439 | Yes |
| Duke Energy Indiana | ARRESTER,ELECTRICAL,SURGE | 583 | | 583 | | 583 | Yes |
| Duke Energy Indiana | BAG,FOREIGN MATERIAL EXCLUSION | 143 | | 143 | | 143 | Yes |
| Duke Energy Indiana | BLADE SET,TURBINE,COMPRESSOR | 39,930 | | 39,930 | | 39,930 | Yes |
| Duke Energy Indiana | BLADE,ELECTRICAL,DISCONNECT | 922 | | 922 | | 922 | Yes |
| Duke Energy Indiana | BOARD,PRINTED CIRCUIT,POWER DISTRIBUTION | 5,407 | | 5,407 | | 5,407 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair Market
Value * | Sales Price | Title
Passed
Yes / No |
|---------------------|--|----------------------|-----------------------------|-------------------|------------------------|-------------|-----------------------------|
| Duke Energy Indiana | BOARD,PRINTED CIRCUIT,RELAY OUTPUT | 4,521 | | 4,521 | | 4,521 | Yes |
| Duke Energy Indiana | BOLT,DOUBLE ARMING,5/8" DIA | 446 | | 446 | | 446 | Yes |
| Duke Energy Indiana | BOX,SPLICE | 415 | | 415 | | 415 | Yes |
| Duke Energy Indiana | BRACKET,MAST ARM STYLE | 130 | | 130 | | 130 | Yes |
| Duke Energy Indiana | BRACKET,SGL POSITION 3PH | 2,242 | | 2,242 | | 2,242 | Yes |
| Duke Energy Indiana | BRACKET,STREET LIGHT ADAPTER | 1,787 | | 1,787 | | 1,787 | Yes |
| Duke Energy Indiana | BUCKET,5 QT | 83 | | 83 | | 83 | Yes |
| Duke Energy Indiana | BUSHING,ELECTRICAL CONDUCTOR,196KV | 21,610 | | 21,610 | | 21,610 | Yes |
| Duke Energy Indiana | BUSHING,ELECTRICAL CONDUCTOR,CIRCUIT BRE | 8,315 | | 8,315 | | 8,315 | Yes |
| Duke Energy Indiana | BUSHING,ELECTRICAL CONDUCTOR,INSERT | 970 | | 970 | | 970 | Yes |
| Duke Energy Indiana | CABLE,SENSOR | 157 | | 157 | | 157 | Yes |
| Duke Energy Indiana | CAPACITOR,BANK,1200KVAR | 63,216 | | 63,216 | | 63,216 | Yes |
| Duke Energy Indiana | CAPACITOR,BANK,1200KVAR | 2,494 | | 2,494 | | 2,494 | Yes |
| Duke Energy Indiana | CLAMP,POST INSULATING,BUS SUPPORT | 139 | | 139 | | 139 | Yes |
| Duke Energy Indiana | CLAMP,SUSPENSION,0.884"-1.196", 556.5-95 | 245 | | 245 | | 245 | Yes |
| Duke Energy Indiana | CONDUIT,RIGID | 3 | | 3 | | 3 | Yes |
| Duke Energy Indiana | CONNECTOR,ELECTRICAL, TEE,(2) CABLES TO | 745 | | 745 | | 745 | Yes |
| Duke Energy Indiana | CONNECTOR,ELECTRICAL, TEE,0.393" -0.464" | 120 | | 120 | | 120 | Yes |
| Duke Energy Indiana | CONNECTOR,ELECTRICAL,SHEAR BOLT | 300 | | 300 | | 300 | Yes |
| Duke Energy Indiana | CONTACTOR,208VAC COIL | 2,848 | | 2,848 | | 2,848 | Yes |
| Duke Energy Indiana | COUPLING,SHAFT,DRIVE | 32 | | 32 | | 32 | Yes |
| Duke Energy Indiana | COVER,PUMP | 4,500 | | 4,500 | | 4,500 | Yes |
| Duke Energy Indiana | CROSSARM,TANGENT | 465 | | 465 | | 465 | Yes |
| Duke Energy Indiana | CUTOUT,FUSE,NON-LOADBREAK | 3,154 | | 3,154 | | 3,154 | Yes |
| Duke Energy Indiana | DEADEND,PREFORMED | 58 | | 58 | | 58 | Yes |
| Duke Energy Indiana | DESICCANT,H2 DRYER | 1,584 | | 1,584 | | 1,584 | Yes |
| Duke Energy Indiana | DUCT,1-1/2" | 96 | | 96 | | 96 | Yes |
| Duke Energy Indiana | ELECTRODE,SENSING | 1,480 | | 1,480 | | 1,480 | Yes |
| Duke Energy Indiana | ELEMENT,FILTER,HYDRAULIC FLUID | 289 | | 289 | | 289 | Yes |
| Duke Energy Indiana | FUSE,REFILL POWER | 130 | | 130 | | 130 | Yes |
| Duke Energy Indiana | FUSE,REJECTION | 69 | | 69 | | 69 | Yes |
| Duke Energy Indiana | KIT,DETECTION | 554 | | 554 | | 554 | Yes |
| Duke Energy Indiana | KIT,F/ CIRCUIT BREAKER | 170 | | 170 | | 170 | Yes |
| Duke Energy Indiana | KIT,LOW LEVEL CALIBRATION | 797 | | 797 | | 797 | Yes |
| Duke Energy Indiana | KIT,REBUILD | 85 | | 85 | | 85 | Yes |
| Duke Energy Indiana | KIT,REBUILD/REPAIR | 938 | | 938 | | 938 | Yes |
| Duke Energy Indiana | KIT,SERVICE CONVERSION | 137 | | 137 | | 137 | Yes |
| Duke Energy Indiana | KIT,SOFTGOODS | 562 | | 562 | | 562 | Yes |
| Duke Energy Indiana | KIT,SPLICE,250-750 MCM CONDUCTOR | 921 | | 921 | | 921 | Yes |
| Duke Energy Indiana | LIGHT,LED FIXTURE | 3,661 | | 3,661 | | 3,661 | Yes |
| Duke Energy Indiana | LIGHT,LED FIXTURE | 40,824 | | 40,824 | | 40,824 | Yes |
| Duke Energy Indiana | MANIFOLD,DUAL PORTED | 255 | | 255 | | 255 | Yes |
| Duke Energy Indiana | MARKER,SAFETY,CAUTION | 4 | | 4 | | 4 | Yes |
| Duke Energy Indiana | MODULE,FLAME DETECTOR | 686 | | 686 | | 686 | Yes |
| Duke Energy Indiana | MOTOR,ELECTRIC, AC,1/2 HP | 302 | | 302 | | 302 | Yes |
| Duke Energy Indiana | O-RING,SHAFT SLEEVE | 8 | | 8 | | 8 | Yes |
| Duke Energy Indiana | PANEL,ADAPTS M-2001 TAPCHANGER TO REPLAC | 186 | | 186 | | 186 | Yes |
| Duke Energy Indiana | PEDESTAL,STREET LIGHT | 1,851 | | 1,851 | | 1,851 | Yes |
| Duke Energy Indiana | PLATE,TRANSITION | 14 | | 14 | | 14 | Yes |
| Duke Energy Indiana | POLE,LIGHT,DIRECT BURIED | 199 | | 199 | | 199 | Yes |
| Duke Energy Indiana | POLE,POWER,DISTRIBUTION | 12,213 | | 12,213 | | 12,213 | Yes |
| Duke Energy Indiana | PUMP,LUBE & SCAVENGER | 41,559 | | 41,559 | | 41,559 | Yes |
| Duke Energy Indiana | RECEIVER,MULTI-MODE FIBER OPTIC | 2,100 | | 2,100 | | 2,100 | Yes |
| Duke Energy Indiana | RECEPTACLE,ELECTRICAL,WEATHER-PROOF | 2,271 | | 2,271 | | 2,271 | Yes |
| Duke Energy Indiana | REDUCER,CONDUIT,2" X 1-1/2" | 3 | | 3 | | 3 | Yes |
| Duke Energy Indiana | RELAY,CONTROL, PROTECTIVE | 389 | | 389 | | 389 | Yes |
| Duke Energy Indiana | RELAY,PROTECTION & CONTROL | 4,039 | | 4,039 | | 4,039 | Yes |
| Duke Energy Indiana | RING,DOOR, SEAL | 26 | | 26 | | 26 | Yes |
| Duke Energy Indiana | ROD,RAPPER SHAFT | 310 | | 310 | | 310 | Yes |
| Duke Energy Indiana | SEAL,BEARING | 3,785 | | 3,785 | | 3,785 | Yes |
| Duke Energy Indiana | SEAL,FEED | 158 | | 158 | | 158 | Yes |
| Duke Energy Indiana | SEAL,MECHANICAL,3.775" SHAFT/SLEEVE DIA | 12,702 | | 12,702 | | 12,702 | Yes |
| Duke Energy Indiana | SENSOR,LP SPEED | 4,750 | | 4,750 | | 4,750 | Yes |
| Duke Energy Indiana | SENSOR,VOLTAGE | 8,496 | | 8,496 | | 8,496 | Yes |
| Duke Energy Indiana | SHIELD,GLARE | 39 | | 39 | | 39 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair Market
Value * | Sales Price | Title
Passed
Yes / No |
|-----------------------|--|----------------------|-----------------------------|-------------------|------------------------|-------------|-----------------------------|
| Duke Energy Indiana | STUD,DOUBLE ENDED,PUMP | 19 | | 19 | | 19 | Yes |
| Duke Energy Indiana | SWITCH,DISCONNECT, OVERHEAD,LOADBREAK | 1,645 | | 1,645 | | 1,645 | Yes |
| Duke Energy Indiana | SWITCH,PRESSURE,DIFF | 1,206 | | 1,206 | | 1,206 | Yes |
| Duke Energy Indiana | THERMOCOUPLE,K | 613 | | 613 | | 613 | Yes |
| Duke Energy Indiana | TRANSDUCER,WATT/VAR | 1,767 | | 1,767 | | 1,767 | Yes |
| Duke Energy Indiana | TRANSFORMER,OVERHEAD,CONVENTIONAL | 6,615 | | 6,615 | | 6,615 | Yes |
| Duke Energy Indiana | TRANSFORMER,OVERHEAD,CONVENTIONAL | 4,260 | | 4,260 | | 4,260 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,AERIAL | 40 | | 40 | | 40 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL, BARE,7 STR HARD D | 242 | | 242 | | 242 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL, BARE,ALLIANCE | 81 | | 81 | | 81 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL, BARE,SOL HD | 308 | | 308 | | 308 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,MED V UNDERGROUND | 333 | | 333 | | 333 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,OVERHEAD, SERVICE | 47 | | 47 | | 47 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,POWER | 793 | | 793 | | 793 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,STREET LIGHT | 1 | | 1 | | 1 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,THERMOCOUPLE | 628 | | 628 | | 628 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,UNDERGROUND, SERVI | 709 | | 709 | | 709 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,1/0 AWG | 57 | | 57 | | 57 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,2/0 AWG | 65 | | 65 | | 65 | Yes |
| Duke Energy Indiana | WIRE/CABLE,ELECTRICAL,4 AWG | 20 | | 20 | | 20 | Yes |
| Duke Energy Kentucky | CONTACTOR,MOTOR,NEMA SIZE 0 | 158 | | 158 | | 158 | Yes |
| Duke Energy Kentucky | CONVERTER,SIGNAL,FIBER MEDIA | 191 | | 191 | | 191 | Yes |
| Duke Energy Kentucky | ELEMENT,FILTER,OIL | 724 | | 724 | | 724 | Yes |
| Duke Energy Kentucky | ELEMENT,HEATER | 18 | | 18 | | 18 | Yes |
| Duke Energy Kentucky | KIT,REPAIR | 1,318 | | 1,318 | | 1,318 | Yes |
| Duke Energy Kentucky | LABEL,SECONDARY CONTAINER | 95 | | 95 | | 95 | Yes |
| Duke Energy Kentucky | RELAY,PNEUMATIC,PROTECTIVE | 1,117 | | 1,117 | | 1,117 | Yes |
| Duke Energy Kentucky | SLEEVE,SHAFT,1-3/4" ID X 7-1/2" LG | 560 | | 560 | | 560 | Yes |
| Duke Energy Kentucky | TRAP,WATER DRAIN | 335 | | 335 | | 335 | Yes |
| Duke Energy Ohio - RU | BUSHING,ELECTRICAL CONDUCTOR,115KV | 11,105 | | 11,105 | | 11,105 | Yes |
| Duke Energy Ohio - RU | CLAMP,ADJUSTABLE DEADEND | 2,095 | | 2,095 | | 2,095 | Yes |
| Duke Energy Ohio - RU | COIL,ELECTRICAL,TRIP | 524 | | 524 | | 524 | Yes |
| Duke Energy Ohio - RU | CONNECTOR,ELECTRICAL, TERMINAL,1/0 AWG-5 | 523 | | 523 | | 523 | Yes |
| Duke Energy Ohio - RU | CONNECTOR,ELECTRICAL, TERMINAL,LUG | 244 | | 244 | | 244 | Yes |
| Duke Energy Ohio - RU | CONNECTOR,ELECTRICAL, TERMINAL,SHORT BAR | 11 | | 11 | | 11 | Yes |
| Duke Energy Ohio - RU | CONNECTOR,ELECTRICAL, TERMINAL,SPADE | 1,660 | | 1,660 | | 1,660 | Yes |
| Duke Energy Ohio - RU | CONNECTOR,GA | 322 | | 322 | | 322 | Yes |
| Duke Energy Ohio - RU | DEADEND,FITTING | 2,280 | | 2,280 | | 2,280 | Yes |
| Duke Energy Ohio - RU | ELBOW,CONDUIT,1-1/2" | 108 | | 108 | | 108 | Yes |
| Duke Energy Ohio - RU | ELBOW,CONDUIT,RIGID | 120 | | 120 | | 120 | Yes |
| Duke Energy Ohio - RU | EYE,SOCKET,13/16" DIA | 230 | | 230 | | 230 | Yes |
| Duke Energy Ohio - RU | FUSE,CAPACITOR | 131 | | 131 | | 131 | Yes |
| Duke Energy Ohio - RU | INSULATOR,POST | 579 | | 579 | | 579 | Yes |
| Duke Energy Ohio - RU | INSULATOR,STATION POST | 1,076 | | 1,076 | | 1,076 | Yes |
| Duke Energy Ohio - RU | KIT,SERVICE CONVERSION | 1,359 | | 1,359 | | 1,359 | Yes |
| Duke Energy Ohio - RU | LIGHT,LED FIXTURE | 3,144 | | 3,144 | | 3,144 | Yes |
| Duke Energy Ohio - RU | MARKER,PRESSURE SENSITIVE POLE | 95 | | 95 | | 95 | Yes |
| Duke Energy Ohio - RU | MODULE,HYBRID BALANCED CARRIER | 634 | | 634 | | 634 | Yes |
| Duke Energy Ohio - RU | PEDESTAL,SECONDARY | 1,291 | | 1,291 | | 1,291 | Yes |
| Duke Energy Ohio - RU | PLATE,TRANSITION | 110 | | 110 | | 110 | Yes |
| Duke Energy Ohio - RU | RADIO,114-288.5KHZ | 28,382 | | 28,382 | | 28,382 | Yes |
| Duke Energy Ohio - RU | SHIELD,GLARE | 234 | | 234 | | 234 | Yes |
| Duke Energy Ohio - RU | SIGN,SUBSTATION | 305 | | 305 | | 305 | Yes |
| Duke Energy Ohio - RU | SPACER,ELECTRICAL CABLE,(2) 795 MCM DIA | 251 | | 251 | | 251 | Yes |
| Duke Energy Ohio - RU | SPLICE,CONDUCTOR,AUTOMATIC, FULL TENSION | 1,538 | | 1,538 | | 1,538 | Yes |
| Duke Energy Ohio - RU | SPLICE,CONDUCTOR,JUMPER | 216 | | 216 | | 216 | Yes |
| Duke Energy Ohio - RU | SWITCH,CAPACITOR | 18,342 | | 18,342 | | 18,342 | Yes |
| Duke Energy Ohio - RU | SWITCH,SAFETY,HEAVY DUTY FUSIBLE | 441 | | 441 | | 441 | Yes |
| Duke Energy Ohio - RU | SWITCH,TEST | 29 | | 29 | | 29 | Yes |
| Duke Energy Ohio - RU | WIRE/CABLE,ELECTRICAL,UNDERGROUND | 8,467 | | 8,467 | | 8,467 | Yes |
| Duke Energy Progress | ADAPTER,CABLE | 61 | | 61 | | 61 | Yes |
| Duke Energy Progress | ADAPTER,METER BASE | 525 | | 525 | | 525 | Yes |
| Duke Energy Progress | ANTENNA,MULTI-BAND DIVERSITY/MIMO 4G | 245 | | 245 | | 245 | Yes |
| Duke Energy Progress | ARM,DAVIT | 462 | | 462 | | 462 | Yes |
| Duke Energy Progress | ARRESTER,ELECTRICAL,GAPPED METAL OXIDE | 38 | | 38 | | 38 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost / Orig. Cost | Accumulated Depreciation | Net Book Value | Fair Market Value * | Sales Price | Title Passed Yes / No |
|----------------------|--|-------------------|--------------------------|----------------|---------------------|-------------|-----------------------|
| Duke Energy Progress | BAND,FLG | 192 | | 192 | | 192 | Yes |
| Duke Energy Progress | BAR,LIFT | 6,812 | | 6,812 | | 6,812 | Yes |
| Duke Energy Progress | BEARING,BALL,CONRAD | 35 | | 35 | | 35 | Yes |
| Duke Energy Progress | BLOCK,CONTACT,10A | 432 | | 432 | | 432 | Yes |
| Duke Energy Progress | BLOCK,CONTACT,AUXILIARY | 48 | | 48 | | 48 | Yes |
| Duke Energy Progress | BOARD,PRINTED CIRCUIT,EMOD | 301 | | 301 | | 301 | Yes |
| Duke Energy Progress | BOARD,PRINTED CIRCUIT,EX2100E AUXILIARY | 3,594 | | 3,594 | | 3,594 | Yes |
| Duke Energy Progress | BOLT,AGITATOR | 229 | | 229 | | 229 | Yes |
| Duke Energy Progress | BOLT,DOUBLE ARMING,3/4" DIA | 330 | | 330 | | 330 | Yes |
| Duke Energy Progress | BOLT,DOUBLE ARMING,7/8" DIA | 663 | | 663 | | 663 | Yes |
| Duke Energy Progress | BOLT,EYE,OVAL | 770 | | 770 | | 770 | Yes |
| Duke Energy Progress | BOLT,MACHINE,3/4" DIA | 15 | | 15 | | 15 | Yes |
| Duke Energy Progress | BRACKET,DBL SHEPHERDS CROOK | 840 | | 840 | | 840 | Yes |
| Duke Energy Progress | BRACKET,RACK | 375 | | 375 | | 375 | Yes |
| Duke Energy Progress | BRACKET,SGL SHEPHERDS CROOK | 3,980 | | 3,980 | | 3,980 | Yes |
| Duke Energy Progress | BRACKET,STANDOFF | 1,001 | | 1,001 | | 1,001 | Yes |
| Duke Energy Progress | BRAKE,DISC | 1,189 | | 1,189 | | 1,189 | Yes |
| Duke Energy Progress | BREAKER,CIRCUIT,POWER | 23,103 | | 23,103 | | 23,103 | Yes |
| Duke Energy Progress | BUSHING,ELECTRICAL CONDUCTOR,A | 1,573 | | 1,573 | | 1,573 | Yes |
| Duke Energy Progress | BUSHING,ELECTRICAL CONDUCTOR,SENSOR | 17,923 | | 17,923 | | 17,923 | Yes |
| Duke Energy Progress | CABLE,COAXIAL,RG8U | 122 | | 122 | | 122 | Yes |
| Duke Energy Progress | CABLE,FIBER OPTIC,SGL MODE | 14,798 | | 14,798 | | 14,798 | Yes |
| Duke Energy Progress | CABLE,SIGNAL | 46 | | 46 | | 46 | Yes |
| Duke Energy Progress | CAP,1-15/16" DIA X 1/4" LIP | 17 | | 17 | | 17 | Yes |
| Duke Energy Progress | CAPACITOR,14.5 MFD | 266 | | 266 | | 266 | Yes |
| Duke Energy Progress | CAPACITOR,BANK,200KVAR | 2,748 | | 2,748 | | 2,748 | Yes |
| Duke Energy Progress | CAPACITOR,COUPLING VOLTAGE TRANSFORMER | 96,793 | | 96,793 | | 96,793 | Yes |
| Duke Energy Progress | CHASSIS,10 SLOT | 408 | | 408 | | 408 | Yes |
| Duke Energy Progress | CLAMP,SUSPENSION,0.537-0.559 CONDUCTOR | 2,062 | | 2,062 | | 2,062 | Yes |
| Duke Energy Progress | CLEANER, DISINFECT, LIQUID, 55 GAL DRUM, ZEP SPIRIT II | 667 | | 667 | | 667 | Yes |
| Duke Energy Progress | CLEANER,HAND,2000 ML | 140 | | 140 | | 140 | Yes |
| Duke Energy Progress | CONNECTOR,ELECTRICAL, TEE,1590-2000 MCM | 72 | | 72 | | 72 | Yes |
| Duke Energy Progress | CONNECTOR,ELECTRICAL, TEE,PIPE TO PIPE | 77 | | 77 | | 77 | Yes |
| Duke Energy Progress | CONNECTOR,ELECTRICAL, TERMINAL,1/0 AWG-5 | 821 | | 821 | | 821 | Yes |
| Duke Energy Progress | CONNECTOR,ELECTRICAL, TERMINAL,LUG | 1,709 | | 1,709 | | 1,709 | Yes |
| Duke Energy Progress | CONNECTOR,GA | 57 | | 57 | | 57 | Yes |
| Duke Energy Progress | CONTACTOR,MAGNETIC | 95 | | 95 | | 95 | Yes |
| Duke Energy Progress | CONTACTOR,MOTOR | 372 | | 372 | | 372 | Yes |
| Duke Energy Progress | CONTROLLER,DIGITAL VALVE | 3,046 | | 3,046 | | 3,046 | Yes |
| Duke Energy Progress | CORD,COMMUNICATION,3 PIN | 160 | | 160 | | 160 | Yes |
| Duke Energy Progress | CORD,CONTROL | 1,190 | | 1,190 | | 1,190 | Yes |
| Duke Energy Progress | CYLINDER,LINEAR ACTUATING,PNEUMATIC | 213 | | 213 | | 213 | Yes |
| Duke Energy Progress | DEADEND,FORMED ADJUSTABLE GUY GRIP | 4,125 | | 4,125 | | 4,125 | Yes |
| Duke Energy Progress | DEFLECTOR,PUMP | 30 | | 30 | | 30 | Yes |
| Duke Energy Progress | DETECTOR,RESISTANCE TEMPERATURE,AIRI BRI | 280 | | 280 | | 280 | Yes |
| Duke Energy Progress | DETECTOR,VEHICLE | 107 | | 107 | | 107 | Yes |
| Duke Energy Progress | DIAPHRAGM,PUMP | 15 | | 15 | | 15 | Yes |
| Duke Energy Progress | ELBOW,CONDUIT,RIGID | 250 | | 250 | | 250 | Yes |
| Duke Energy Progress | ELECTRODE,DRUM LEVEL | 5,761 | | 5,761 | | 5,761 | Yes |
| Duke Energy Progress | ELEMENT,FILTER,WATER | 1,349 | | 1,349 | | 1,349 | Yes |
| Duke Energy Progress | ENCLOSURE,GREEN FIBERGLASS | 5,025 | | 5,025 | | 5,025 | Yes |
| Duke Energy Progress | EXCITER,IGNITION | 7,925 | | 7,925 | | 7,925 | Yes |
| Duke Energy Progress | FAN,EMI | 1,301 | | 1,301 | | 1,301 | Yes |
| Duke Energy Progress | FILTER,HYDRAULIC | 506 | | 506 | | 506 | Yes |
| Duke Energy Progress | FUSE,FAST ACTING | 61 | | 61 | | 61 | Yes |
| Duke Energy Progress | GASKET,7/8" X 5/8" | 68 | | 68 | | 68 | Yes |
| Duke Energy Progress | GASKET,DRUM MANWAY | 750 | | 750 | | 750 | Yes |
| Duke Energy Progress | GASKET,SOL METAL | 8 | | 8 | | 8 | Yes |
| Duke Energy Progress | GASKET,SPIRAL WOUND,1-1/2" PIPE | 38 | | 38 | | 38 | Yes |
| Duke Energy Progress | GASKET,SPIRAL WOUND,3" PIPE | 66 | | 66 | | 66 | Yes |
| Duke Energy Progress | GAUGE,PRESSURE,SF6 GAS | 990 | | 990 | | 990 | Yes |
| Duke Energy Progress | GUARD,L | 1,299 | | 1,299 | | 1,299 | Yes |
| Duke Energy Progress | HOLDER,BRUSH | 268 | | 268 | | 268 | Yes |
| Duke Energy Progress | HOLDER,LAMP,SOCKET | 54 | | 54 | | 54 | Yes |
| Duke Energy Progress | HOSE,FLEXIBLE METAL,PIGTAIL | 1,054 | | 1,054 | | 1,054 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost / Orig. Cost | Accumulated Depreciation | Net Book Value | Fair Market Value * | Sales Price | Title Passed Yes / No |
|----------------------|---|-------------------|--------------------------|----------------|---------------------|-------------|-----------------------|
| Duke Energy Progress | INDICATOR,MOISTURE | 131 | | 131 | | 131 | Yes |
| Duke Energy Progress | INSULATOR,LINE POST | 328 | | 328 | | 328 | Yes |
| Duke Energy Progress | KIT,(1) GASKET | 307 | | 307 | | 307 | Yes |
| Duke Energy Progress | KIT,CIRCUIT BREAKER | 3,216 | | 3,216 | | 3,216 | Yes |
| Duke Energy Progress | KIT,DIAPHRAGM & VALVE PLATE | 740 | | 740 | | 740 | Yes |
| Duke Energy Progress | KIT,MOUNTING | 839 | | 839 | | 839 | Yes |
| Duke Energy Progress | KIT,REPAIR | 958 | | 958 | | 958 | Yes |
| Duke Energy Progress | KNIFE,36" | 1,411 | | 1,411 | | 1,411 | Yes |
| Duke Energy Progress | LIGHT,BOILER INSPECTION DOOR | 496 | | 496 | | 496 | Yes |
| Duke Energy Progress | LIGHT,LED FIXTURE | 171,737 | | 171,737 | | 171,737 | Yes |
| Duke Energy Progress | LINK,FUSE,DUAL SENSING | 1,561 | | 1,561 | | 1,561 | Yes |
| Duke Energy Progress | LUBRICANT,ANTI-SEIZE | 686 | | 686 | | 686 | Yes |
| Duke Energy Progress | LUBRICANT,COMPOUND | 59 | | 59 | | 59 | Yes |
| Duke Energy Progress | MARKER,PRESSURE SENSITIVE POLE | 82 | | 82 | | 82 | Yes |
| Duke Energy Progress | METER,FREQUENCY | 1,081 | | 1,081 | | 1,081 | Yes |
| Duke Energy Progress | MODULE,16 ANALOG INPUT | 6,630 | | 6,630 | | 6,630 | Yes |
| Duke Energy Progress | MODULE,24 DIGITAL INPUT | 343 | | 343 | | 343 | Yes |
| Duke Energy Progress | MODULE,CONTACT INPUT | 1,390 | | 1,390 | | 1,390 | Yes |
| Duke Energy Progress | MODULE,DE-EXCITATION/CROWBAR | 11,489 | | 11,489 | | 11,489 | Yes |
| Duke Energy Progress | MODULE,PLUG IN RELAY | 7 | | 7 | | 7 | Yes |
| Duke Energy Progress | MOTOR,ELECTRIC, AC,2 HP | 586 | | 586 | | 586 | Yes |
| Duke Energy Progress | NUT,HEX,JAM | 2 | | 2 | | 2 | Yes |
| Duke Energy Progress | POWER SUPPLY,10 AMP,24 VDC | 267 | | 267 | | 267 | Yes |
| Duke Energy Progress | PROBE,MOISTURE SENSOR | 1,407 | | 1,407 | | 1,407 | Yes |
| Duke Energy Progress | PROBE,SPEED UP | 342 | | 342 | | 342 | Yes |
| Duke Energy Progress | PROTECTOR,SURGE | 481 | | 481 | | 481 | Yes |
| Duke Energy Progress | RECEPTACLE,CONNECTOR BODY,4P | 257 | | 257 | | 257 | Yes |
| Duke Energy Progress | RECLOSER,ELECTRONIC | 284,750 | | 284,750 | | 284,750 | Yes |
| Duke Energy Progress | REFRACTOR, V, 16"X27"X8" NECK,CLEAR TEXTURD ACRYLIC | 312 | | 312 | | 312 | Yes |
| Duke Energy Progress | RELAY,HAND RESET LOCKOUT | 455 | | 455 | | 455 | Yes |
| Duke Energy Progress | RELAY,PNEUMATIC,0-30 PSI | 10,424 | | 10,424 | | 10,424 | Yes |
| Duke Energy Progress | RELAY,PNEUMATIC,VOLUME BOOSTER | 1,307 | | 1,307 | | 1,307 | Yes |
| Duke Energy Progress | RELAY,PROTECTIVE | 427 | | 427 | | 427 | Yes |
| Duke Energy Progress | RETAINER,SPINDLE | 22 | | 22 | | 22 | Yes |
| Duke Energy Progress | SCREW,EXHAUST DIFFUSER INNER HORZ JOINT | 1 | | 1 | | 1 | Yes |
| Duke Energy Progress | SEAL,MECHANICAL | 30 | | 30 | | 30 | Yes |
| Duke Energy Progress | SEAT,VALVE,4" VALVE | 2,878 | | 2,878 | | 2,878 | Yes |
| Duke Energy Progress | SENSOR,ANALYZER | 508 | | 508 | | 508 | Yes |
| Duke Energy Progress | SENSOR,FLAME | 5,339 | | 5,339 | | 5,339 | Yes |
| Duke Energy Progress | SENSOR,SUDDEN PRESSURE | 794 | | 794 | | 794 | Yes |
| Duke Energy Progress | SENSOR,TEMP/ACCELERATION | 538 | | 538 | | 538 | Yes |
| Duke Energy Progress | SHIELD, TOP & SIDE FLOOD LIGHT GLARE | 20 | | 20 | | 20 | Yes |
| Duke Energy Progress | SIGN,ELECTRICAL SAFETY,SAFETY INSTRUCIO | 39 | | 39 | | 39 | Yes |
| Duke Energy Progress | SOLENOID,FUEL GAS CONTROL & FLOW PANEL | 124 | | 124 | | 124 | Yes |
| Duke Energy Progress | SPRING,ASSY, W/ BACK PLATE 7.5LB, UNIT S | 143 | | 143 | | 143 | Yes |
| Duke Energy Progress | STARTER,ELECTRIC MOTOR,NON REVERSING | 793 | | 793 | | 793 | Yes |
| Duke Energy Progress | STARTER,LAMP,55V | 385 | | 385 | | 385 | Yes |
| Duke Energy Progress | STARTER,LAMP,HIGH PRESSURE SODIUM LAMP | 2,367 | | 2,367 | | 2,367 | Yes |
| Duke Energy Progress | SWITCH,INTERLOCK | 6 | | 6 | | 6 | Yes |
| Duke Energy Progress | SWITCH,PRESSURE,ALARM | 475 | | 475 | | 475 | Yes |
| Duke Energy Progress | SWITCH,VIBRATION,438 A | 405 | | 405 | | 405 | Yes |
| Duke Energy Progress | THERMOCOUPLE,EXHAUST GAS F/ RAKE 2 & 3,P | 704 | | 704 | | 704 | Yes |
| Duke Energy Progress | THERMOCOUPLE,FLASHBACK | 603 | | 603 | | 603 | Yes |
| Duke Energy Progress | THERMOCOUPLE,WHLSPC-STG 3 AFT OUTER-1 | 1,033 | | 1,033 | | 1,033 | Yes |
| Duke Energy Progress | THERMOMETER,0-200 DEG | 734 | | 734 | | 734 | Yes |
| Duke Energy Progress | TIE,INSULATOR,F NECK INSULATOR | 3,411 | | 3,411 | | 3,411 | Yes |
| Duke Energy Progress | TILE,3/8" HEX | 141 | | 141 | | 141 | Yes |
| Duke Energy Progress | TRANSDUCER,PRESSURE | 2,819 | | 2,819 | | 2,819 | Yes |
| Duke Energy Progress | TRANSFORMER,INSTRUMENT,CURRENT | 22,852 | | 22,852 | | 22,852 | Yes |
| Duke Energy Progress | TRANSFORMER,INSTRUMENT,POTENTIAL | 77,195 | | 77,195 | | 77,195 | Yes |
| Duke Energy Progress | TRANSMITTER,FIBER OPTIC | 440 | | 440 | | 440 | Yes |
| Duke Energy Progress | TRANSMITTER,LIQUID LEVEL,6" 316L SS 150 | 4,682 | | 4,682 | | 4,682 | Yes |
| Duke Energy Progress | TRANSMITTER,RTD | 481 | | 481 | | 481 | Yes |
| Duke Energy Progress | TRANSMITTER,TEMPERATURE,4-20MA W/ HART C | 1,514 | | 1,514 | | 1,514 | Yes |
| Duke Energy Progress | TUBE,BOILER, BEND,2" OD | 469 | | 469 | | 469 | Yes |

Analysis of Diversification Activity
Assets or Rights Purchased From or Sold To Affiliates

| Name of Affiliate | Description of Asset or Right | Cost /
Orig. Cost | Accumulated
Depreciation | Net Book
Value | Fair Market
Value * | Sales Price | Title
Passed
Yes / No |
|---|--|-------------------------|-----------------------------|-------------------------|------------------------|-------------------------|-----------------------------|
| Duke Energy Progress | VALVE,GLOBE,1-1/2" | 900 | | 900 | | 900 | Yes |
| Duke Energy Progress | VALVE,NEEDLE,ITEM 009, F/ EH FLUID RES A | 132 | | 132 | | 132 | Yes |
| Duke Energy Progress | VALVE,QUICK EXHAUST | 89 | | 89 | | 89 | Yes |
| Duke Energy Progress | VALVE,SOLENOID,1/4" PIPE | 898 | | 898 | | 898 | Yes |
| Duke Energy Progress | WASHER,BEVEL,OUTER, PARK PLUG ASSY, PART | 8 | | 8 | | 8 | Yes |
| Duke Energy Progress | WASHER,FLAT,SS | 53 | | 53 | | 53 | Yes |
| Duke Energy Progress | WIRE/CABLE,2/0 AWG | 1,042 | | 1,042 | | 1,042 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL, BARE,SOL HD | 3,459 | | 3,459 | | 3,459 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL,CONTROL | 34,547 | | 34,547 | | 34,547 | Yes |
| Duke Energy Progress | WIRE/CABLE,ELECTRICAL,POWER | 4,168 | | 4,168 | | 4,168 | Yes |
| TOTAL | | <u>2,188,059</u> | <u>0</u> | <u>2,188,059</u> | <u>324,546</u> | <u>2,188,059</u> | |
| * Transactions with regulated affiliates are priced at Net Book Value as agreed in the Intercompany Asset Transfer Agreement (IATA) | | | | | | | |

*Analysis of Diversification Activity
Employee Transfers*

**Company: Duke Energy Florida, LLC
For the Year Ended December 31, 2020**

| List of employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company. | | | | |
|---|----------------------------|-------------------------------------|-----------------------------|--|
| Company Transferred From | Company Transferred To | Old Job Assignment | New Job Assignment | Transfer Permanent or Temporary and Duration |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Assoc Cust Care Specialist | Assoc Cust Care Specialist | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | CCO Perf Improv Analyst | CCO Perf Improv Analyst | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Engineer III | Engineer III | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Executive Assistant I | Executive Assistant I | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | GM CD Resource Planning & Contracts | VP Zone Operations | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Lead Customer Comm Mgr | Lead Customer Comm Mgr | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Lead Engineer | Interim Assignment | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Mgr Dist Design | Mgr CD Area Ops Support | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Planner Work Management | Planner Work Management | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Project Manager I | Product Line Specialist | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Sr Change Mgmt Consultant | Sr Change Mgmt Consultant | Permanent |
| Duke Energy Carolinas, LLC | Duke Energy Florida, LLC | Engineer III | Engineer III | Permanent |
| Duke Energy Business Services, LLC | Duke Energy Florida, LLC | Envr Policy & Affairs Dir | Envr Policy & Affairs Dir | Permanent |
| Duke Energy Business Services, LLC | Duke Energy Florida, LLC | Lead Engineer | Lead Engineer | Permanent |
| Duke Energy Business Services, LLC | Duke Energy Florida, LLC | Prog Suppt Mgr | Prog Suppt Mgr | Permanent |
| Duke Energy Business Services, LLC | Duke Energy Florida, LLC | Sr Proj Controls Spec | Sr Proj Controls Spec | Permanent |
| Duke Energy Business Services, LLC | Duke Energy Florida, LLC | Sr Work Mgmt Spec | Sr Work Mgmt Spec | Permanent |
| Duke Energy Business Services, LLC | Duke Energy Florida, LLC | Supv CD Operations | Supv CD Operations | Permanent |
| Duke Energy Business Services, LLC | Duke Energy Florida, LLC | Telecomm Tech (S) | Telecomm Tech (S) | Permanent |
| Duke Energy Indiana, LLC | Duke Energy Florida, LLC | Engineering Design Associate | CD Training Coord | Permanent |
| Duke Energy Progress, LLC | Duke Energy Florida, LLC | Sr Originator - FSO | Sr Originator - FSO | Permanent |
| Duke Energy Progress, LLC | Duke Energy Florida, LLC | Sr Portfolio Mgmt Analyst | Sr Portfolio Mgmt Analyst | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Assoc Cust Care Specialist | Assoc Cust Care Specialist | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Engineer I | Engineering Technologist II | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | GM Regional Cust Care Ops | GM Regional Cust Care Ops | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Lead Engineer | Business Development Mgr | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Mgr Unit Commitment | Mgr Unit Commitment | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Operations Analyst | Operations Analyst | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Sr Field Service Coord | Sr Field Service Coord | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Sr Technical Voice Analyst | Sr Technical Voice Analyst | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Bus & Tech Consultant | CSS Business Analyst | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Claims Recovery Spec | Claims Recovery Spec | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Engineer II | EHS Professional II | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Engineer III | Engineer III | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Lead Communications Cnslt | Lead Communications Cnslt | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Lead Engineer | Lead Engineer | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Principal Engineer | Principal Engineer | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Senior Engineer | Senior Engineer | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Sr Admin Spec | Sr Admin Spec | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Sr Bus & Tech Consultant | Sr Bus & Tech Consultant | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Sr Communications Cnslt | Sr Communications Cnslt | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Supv CD Operations | Developmental Assignment | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Supv Cust Care | Developmental Assignment | Permanent |
| Duke Energy Florida, LLC | Duke Energy Carolinas, LLC | Lead Compliance Analyst | Lead Compliance Analyst | Permanent |

Analysis of Diversification Activity
Non-Tariffed Services and Products Provided by the Utility

Company: Duke Energy Florida, LLC

For the Year Ended December 31, 2020

| Provide the following information regarding all non-tariffed services and products provided by the utility. | | |
|---|--------------------|-----------------------------------|
| Description of Product or Service
(a) | Account No.
(b) | Regulated or Non-regulated
(c) |
| Rent from Electric Properties | 0454100 | Regulated |
| Managed Services (Duke Energy – Energy Services owned generators, UPS systems, and HVAC systems) | 0417310 | Non-Regulated |
| Power Quality Services | 0417310 | Non-Regulated |
| Homewire/Homewire Deluxe | 0417310 | Non-Regulated |
| Duke Energy Connections | 0417310 | Non-Regulated |
| Gas Line Repair | 0417310 | Non-Regulated |
| Heating Repair | 0417310 | Non-Regulated |
| Heating and Cooling Repair | 0417310 | Non-Regulated |
| High Voltage Services | 0417310 | Non-Regulated |
| Water Heater Repair & Replacement Essential/Premium | 0417310 | Non-Regulated |
| Water Line Repair & Restoration | 0417310 | Non-Regulated |
| Water Heater Repair & Replacement | 0417310 | Non-Regulated |
| Appliance Repair and Replace Essential/Premium | 0417310 | Non-Regulated |
| Sewer Line Repair & Restoration | 0417310 | Non-Regulated |
| Surge Protection | 0417310 | Non-Regulated |
| Surge Coverage and Grounding Essential/ Enhanced/ Premium | 0417310 | Non-Regulated |
| Surge Protection Add on | 0417310 | Non-Regulated |
| Transmission and Distribution Services | 0417310 | Non-Regulated |

Nonutility Property (Account 121)

Company: Duke Energy Florida, LLC

For the Year Ended as of December 31, 2020

1. Give a brief description and state the location of nonutility property included in Account 121.
2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of nonutility property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.
5. Minor items (5% of the balance at the end of the year, for Account 121 or \$100,000, whichever is less) may be grouped by (1) previously devoted to public service, or (2) other property nonutility property.

| Description and Location | Balance at beginning of year | Purchases, Sales, Retirements, Transfers, etc. | Balance at end of year |
|--|------------------------------|--|------------------------|
| <u>Previously Devoted to Public Service</u> | | | |
| Computers & Equipment for CR3 Offsite Training Facility - Citrus County, FL (1) | \$ 434,294 | \$ - | \$ 434,294 |
| Computers & Equipment for CR3 Simulator Building - Citrus County, FL (1) | 9,926,581 | - | 9,926,581 |
| CR3 Offsite Training Facility - Citrus County, FL (1) | 3,971,030 | - | 3,971,030 |
| CR3 Simulator Building - Citrus County, FL (1) | 3,246,591 | - | 3,246,591 |
| Bartow-Anclote Pipeline Land - Pasco/Pinellas County, FL (2) | 235,425 | - | 235,425 |
| Land - Marion County, FL (3) | 135,191 | - | 135,191 |
| Minor Items Previously Devoted to Public Service | 184,723 | - | 184,723 |
| <u>Not Previously Devoted to Public Service</u> | | | |
| Land - Volusia County, FL | 1,581,627 | - | 1,581,627 |
| Generators on Customer's Premise - Seminole County, FL (4) | 1,770,758 | 76,506 | 1,847,264 |
| Generators on Customer's Premise - Lake County, FL | 525,791 | - | 525,791 |
| Underground Distribution Materials - Pinellas County, FL | 499,485 | - | 499,485 |
| Minor Items Not Previously Devoted to Public Service (5) | 1,010,119 | 49,410 | 1,059,529 |
| <u>Notes</u> | | | |
| (1) Date Transferred to Acct 121: 05/2016 | | | |
| (2) Date Transferred to Acct 121: 06/2017 | | | |
| (3) Date Transferred to Acct 121: 07/2000 | | | |
| (4) Activity in 2020 represents generators & HVAC systems installed at customer facilities. | | | |
| (5) Activity in 2020 includes the allocation of costs for Customer Relationship Management (CRM) system, generators installed at customer facilities and the addition of call center Session Initiation Protocol (SIP) trunks. | | | |
| Totals | \$ 23,521,614 | \$ 125,917 | \$ 23,647,531 |

Number of Electric Department Employees

Company: Duke Energy Florida, LLC
For the Year Ended December 31, 2020

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.

| | |
|---|-------------------|
| 1. Payroll Period Ended (Date) | 12/31/2020 |
| 2. Total Regular Full-Time Employees | 3,023 |
| 3. Total Part-Time and Temporary Employees | 99 |
| 4. Total Employees | 3,122 |

Details

| | |
|--|-----------|
| Regular Part Time: | 7 |
| Temp Full Time: | 87 |
| Temp Part Time: | 5 |
| Total Part-Time and Temporary Employees | 99 |

Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Company: Duke Energy Florida, LLC
For the Year Ended December 31, 2020

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425) -- Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

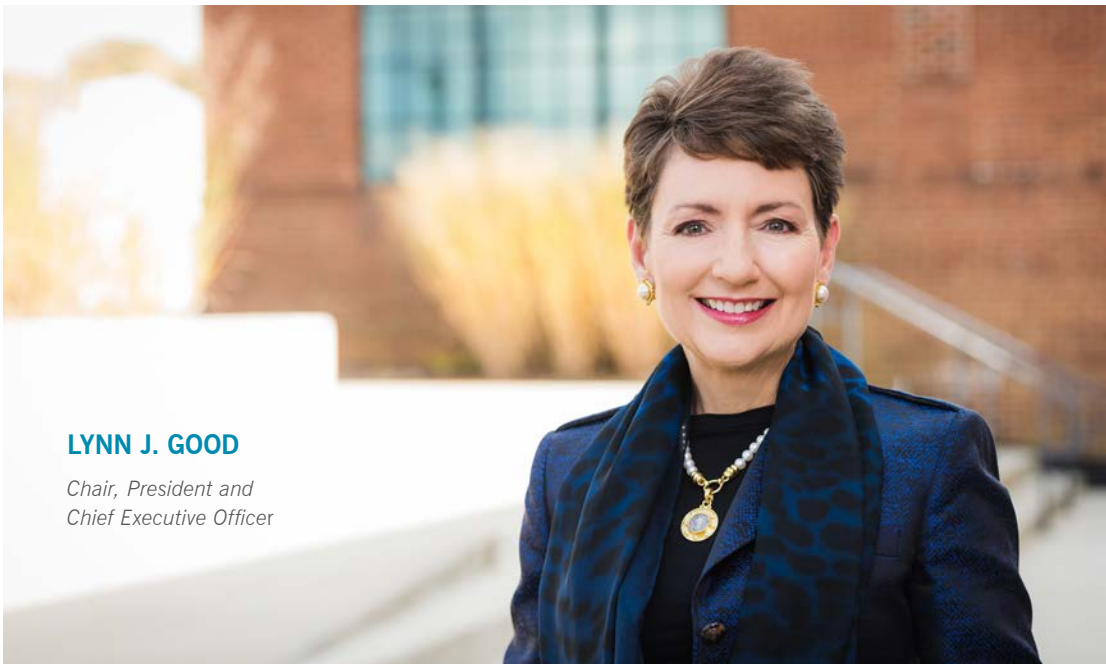
(d) Other Interest Expense (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

| Item | Amount |
|---|-------------|
| Account 425 - Miscellaneous Amortization | |
| Amort of Acquisition Adjustments, Contra Acct 0115000, Period of Amortization Varies | 788,692 |
| Amort of Territorial Acquisition Costs, Contra Acct 0186290, Period of Amortization 12 Months | 370,919 |
| Total Miscellaneous Amortization - Account 425 | 1,159,611 |
| Account 426 - Other Income Deductions | |
| Donations | |
| Civic & Community Organizations | 412,235 |
| Culture & Art Organizations | 19,042 |
| Economic Development | 13,095 |
| Education Related Contributions | 306,545 |
| Health & Human Services Contributions | 18,260 |
| Other - Corporate Sponsorships | 758,177 |
| Other - Chamber Sponsorships | 40,904 |
| Other - Sports Marketing | 110,048 |
| Other - Supplier Diversity | 20,535 |
| Other | 714,319 |
| Subtotal Account 0426100 | 2,413,159 |
| Investment in Company Owned Life Insurance | (4,183,836) |
| Subtotal Account 0426200 | (4,183,836) |
| Penalties | 647 |
| Subtotal Account 0426300 | 647 |
| Certain Civic, Political & Related Activities | 4,624,462 |
| Subtotal Account 0426400 | 4,624,462 |
| Asset Impairments | (3,855,591) |
| Subtotal Accounts 0426551, 0426553 | (3,855,591) |
| Other Deductions | 3,877,564 |
| Subtotal Accounts 0426510, 0426540 | 3,877,564 |
| Total Miscellaneous Income Deductions - Account 426 | 2,876,405 |
| Account 430 - Interest of Debt to Associated Companies | |
| Money Pool (Avg Rate 0.96%) Subtotal Account 0430216 | 1,783,207 |
| Total Interest on Debt to Associated Companies - Account 430 | 1,783,207 |
| Account 431 - Other Interest Expense | |
| Other Interest Expense (0431000, 0431400, 0431550, 0431900) | 1,824,331 |
| Customer Deposits - Rate 2 to 3% per annum (0431921) | 4,825,109 |
| Interest related to Projected Tax Deficiency on various audit issues - Rate 0.94% (0431922) | (20,951) |
| ECCR Interest Income (0431900) | (32,194) |
| Interest on Capital Leases (0431900) | 88,738 |
| Return on EVSE Program (0431900) | (106,045) |
| Total Other Interest Expense - Account 431 | 6,578,988 |

ENERGY

FOR A BETTER TOMORROW





LYNN J. GOOD

*Chair, President and
Chief Executive Officer*

DEAR SHAREHOLDER:

At Duke Energy, our purpose is to power the lives of our customers and the vitality of our communities. In 2020, we did just that – overcoming the challenges of extreme weather, a pandemic, social unrest and uncertain economic conditions.

Our teammates responded and we surpassed expectations by any measure – maintaining strong safety, operational, reliability and customer satisfaction metrics while accelerating our clean energy transition. We also took significant steps to eliminate uncertainties, laying a solid foundation for future growth while delivering on our financial commitments to our shareholders.

We are ready to look toward the future, unencumbered by issues of the past, with a clear vision of where our company is headed.



RISING TO THE CHALLENGES OF 2020

The Pandemic

COVID-19 had a profound impact on our communities and its effects will be felt for years. As businesses and families adjusted to the stay-at-home orders, we responded by supporting our customers, communities and employees while ensuring the financial health of the company.

We were one of the first utilities to proactively waive certain fees and suspend disconnections in all jurisdictions for customers who were unable to pay their bills, ensuring they would not go without power due to financial hardships. Later in the year, we took a gradual approach to returning to standard billing and payment practices and worked with customers to offer customized, interest-free payment arrangements and connect them with local assistance, and funding.

Our company and Foundation donated more than \$8 million to COVID-19 relief efforts, including funds to support hunger relief, local health and human services, educational initiatives, public utility assistance and small businesses.

Time and again, we were there for our customers when they needed us most.

However, nothing was more important than the health and safety of our employees. Almost overnight, we transitioned approximately 18,000 employees to remote work. We put protocols in place to keep our frontline employees safe, including voluntary testing, staggered shifts, enhanced cleaning and personal protective equipment standards. And we recognized the importance of our employees' overall well-being, providing financial and dependent care support as well as emotional support resources and programs.



Given the turmoil in the overall economy, job and financial security were also top of mind for employees. I'm proud that we were able to avoid across-the-board salary reductions or layoffs.

As the pandemic disrupted financial markets, we took immediate action to ensure our financial stability. We shored up our liquidity position by entering into low-cost loans with our banking partners. As businesses shut down and industrial customers paused production, our overall retail load declined approximately 2 percent compared to 2019. In response, we developed an aggressive, \$450 million mitigation plan, showcasing our agility. Many of the cost mitigation plans will serve us into 2021 as we expect electric load to return to pre-pandemic levels in 2022.

The Atlantic Coast Pipeline

In 2014, we announced the Atlantic Coast Pipeline (ACP) project to help meet the rapidly growing energy needs of our customers, drive economic development and create thousands of jobs. Despite a tremendous effort by so many within the company and the strong support in our communities, in July we announced our decision to cancel the project, together with our partner and the majority owner, Dominion Energy.

This was extremely difficult as ACP was a key part of our plan to bring cleaner, low-cost natural gas to North Carolina and the Southeast. But as legal challenges continued to delay the project and nearly doubled its original cost, we believed canceling it was the best decision for our customers and investors.

We will continue to identify opportunities to strengthen our infrastructure to benefit customer growth and maintain reliability.

Social Justice and Racial Equity

2020 renewed and accelerated our focus on social justice and racial equality.

To support organizations addressing these issues, our Foundation donated more than \$2 million. We also held more than 500 Pathways to Inclusion conversation sessions within our company, listening to each other, helping many discover the depth of the problems we face and learning how we can work to strengthen inclusion in our company. These sessions helped inform our company's action plans to drive more diversity, equity and inclusion in our workforce, leadership, supply chain and communities.

This is only the start. As a company, we have an opportunity to champion change, to embrace the voices of our employees and communities – and do our part to promote progress.

ADVANCING OUR CLEAN ENERGY TRANSFORMATION

We did more than overcome the challenges that 2020 presented. We learned from them while also accelerating our clean energy transformation.

Path to Net-Zero

In October, we held our inaugural Environmental, Social and Governance (ESG) Day for investors, laying out the blueprint for our clean energy transformation. ESG is an important area of focus for Duke Energy and our stakeholders, and this event gave us a platform to highlight the extraordinary progress we've made and demonstrate our promise of more to come.

We have a clear destination: achieve net-zero carbon emissions by 2050. Since 2005, we've reduced our carbon emissions by over 40 percent and stand as a national leader in low-carbon intensity.

On our path to net-zero, we're overseeing the largest coal retirement program in our industry. We plan to retire all coal-only units by 2030 in the Carolinas. In Indiana, we're accelerating the closure of coal plants – shortening average retirement dates by 40 percent – adding to the 1,100 megawatts of coal we have retired in that region since 2010.





Transforming Our Fleet

As we shift away from coal, we will continue to invest significantly in renewables. Today, we have more than 8 gigawatts of renewable energy contracted, owned or operated. By 2025, we plan to roughly double that figure and, by 2030, triple our current renewable capacity for our regulated utilities. In 2050, the largest source of energy in our regulated utilities will come from renewable energy resources, representing about 40 percent of our capacity.

Last year, we connected nearly 350 megawatts of solar power in our North Carolina regulated utilities. In Florida, we're investing nearly \$1 billion in solar projects – bringing 700 megawatts of solar online through 2022. And, we received approval for our \$1 billion Clean Energy Connection shared solar program in Florida, which will add another 750 megawatts of solar by the end of 2024.

In our Commercial Renewables business, three new utility-scale projects came online last year, totaling more than 460 megawatts. Currently, we own or operate nearly 4 gigawatts in Commercial Renewables of the company's total 8.8 gigawatts of renewable energy. By the end of 2021, our Commercial Renewables portfolio will grow to about 4.7 gigawatts.

To complement our renewables growth, we're expanding our energy storage portfolio. During the next five years, we have plans for \$600 million in new battery storage investment across our regulated businesses. That includes deploying 50 megawatts of batteries totaling \$100 million in Florida, including our first battery storage installation in the state later this year. We brought our 9-megawatt Asheville storage project online in 2020 – the largest battery system in North Carolina. In addition, our Bad Creek and Jocassee pumped-storage hydro facilities represent more than 2,200 megawatts of storage capacity. We have a project underway to add more megawatts to Bad Creek, and by 2023, we will have added about 280 megawatts to the station.

We expect storage investment to accelerate over this decade and beyond – and presently project more than 13,000 megawatts of energy storage on our system by 2050.

But we cannot maintain affordability and reliability without carbon-free nuclear. The 11 nuclear units that we operate provide more than 50 percent of the power we generate in the Carolinas. Nuclear remains the workhorse of our system – and we're pursuing subsequent license renewals for our entire fleet to ensure it serves the region for decades to come.



As we transition our fleet, we continue to see the need for dispatchable resources to ensure that the lights come on when our customers flip the switch. This is where natural gas plays an important role.

In April, our 560-megawatt Asheville Combined Cycle Station – the most efficient natural gas plant in the Carolinas – became fully operational, allowing us to retire a two-unit coal plant at the Asheville site. We also made progress on the construction of our \$300 million Robeson natural gas storage facility in North Carolina, which will be important for reliability and resiliency during extreme weather events.

We recognize the importance of environmental stewardship in our gas business and have been aggressively working to lower methane emissions. In October, we announced our pledge to reduce methane emissions to net-zero by 2030 for our natural gas distribution companies. We also announced a partnership with SustainRNG to harness renewable natural gas on dairy farms, and through our membership in ONE Future, we're engaged in decreasing methane emissions across the entire natural gas supply chain.

Modernizing Our Infrastructure

Our generation transition relies upon modernizing and enhancing our energy grid – the largest in the nation.

We are making grid improvements in our states, including a 10-year storm protection plan approved last fall in Florida and a three-year grid improvement plan in North Carolina. In addition, we have ongoing infrastructure plans in our South Carolina, Ohio and Kentucky service territories, and continue executing our \$1.4 billion transmission and distribution modernization plan in Indiana. Each of these investments are designed to increase reliability, strengthen the grid and support our work to enable a cleaner energy future.

We continue to install smart meters – more than 8.5 million so far – providing customers with more information about their energy use while helping us improve outage detection and restoration. By the end of 2021, nearly all of our customers will be served by smart meters.



We're also advancing self-healing technology, which automatically detects outages and reroutes power to other lines to restore service more quickly and efficiently. This past year, the technology helped to avoid nearly 800,000 extended customer outages and save more than 1.8 million hours of lost outage time.

We have an important role in lowering carbon emissions across the economy – and electrification is an important way that we can contribute. To help spur electric vehicle adoption, charging infrastructure must be expanded and more accessible. We are accelerating this expansion through several pilot programs. In Florida, our pilot is off the ground with more than 570 charging stations already installed. We also received approvals in North Carolina and South Carolina and have a proposal pending in Ohio.

We also pledged to reduce emissions from our own fleet by electrifying all of our light-duty vehicles by 2030 and 50 percent of our medium-duty, heavy-duty and off-road vehicles with electric, hybrid electric or carbon-free alternatives.

Spurring Innovation

Reaching our ambitious net-zero target will require new technologies on our system. We need zero-emitting load-following resources (ZELFRs) that are low carbon or carbon-free and can respond to dynamic changes in both customer demand and renewable generation.

That's why we are acting now – investing in research, development and advocacy for these technologies. In December, we announced a partnership with Siemens Energy and Clemson University to study the use of hydrogen for energy storage and as a low- or no-carbon fuel source. We also have a partnership with TerraPower and GE Hitachi on its advanced non-light water reactor. In addition, we're actively participating in the Electric Power Research Institute and the Gas Technology Institute's Low-Carbon Research Initiative to help accelerate the development of promising technologies.

We have an opportunity as a nation to invest in research and development in this decade to ensure we have scalable, cost-effective technologies needed by 2035 and to meet our long-term goals.

FOCUSED ON THE FUNDAMENTALS

Underpinning our progress is doing the day-in, day-out hard work of running America's premier energy company at the highest level.

Customer-Focused

The needs of our customers remain, and will always remain, at the heart of our strategy. Our internal customer satisfaction metrics exceeded our targets by almost 15 percent and reached record highs in 2020 – largely due to the care and flexibility we showed our customers.

After disconnections were suspended, we worked closely with customers to enroll them in extended payment plans to meet their unique needs. In total, we sent nearly 1.1 million proactive offers to customers in arrears and set up nearly 700,000 deferred payment arrangements. We will continue to help customers as they recover from the pandemic.

In 2020, we made a number of improvements to enhance our customers' experience, including a new bill format, proactive notifications, more customer-friendly policies, and enhanced digital capabilities. We also made progress on our new customer information system, Customer Connect. The system will launch in April 2021 in our Duke Energy Carolinas utility, allowing us to bring new services and enhancements to our customers. It will be deployed for Duke Energy Progress and Duke Energy Florida customers later in 2021.

Delivering value to our customers is always at the forefront for us as we undertake this historic transformation.





Safety and Operations

Safety remains one of our most important core values. That commitment has never wavered, even in a turbulent year.

We led our industry in safety performance for five years in a row – based on measures by the Edison Electric Institute (EEI). We anticipate 2020 will be the sixth consecutive year of “Best in Class” as evaluated amongst our peers. Our Total Incident Case Rate – the OSHA standard for tracking employee injuries – has declined every year for nearly a decade. We also continue to meet our internal targets for environmental performance.

I am proud of the safety culture we have built at Duke Energy – and the importance our teammates place on this fundamental pillar of our business.

Our generation fleet met the challenges of operating during a pandemic head-on. Our nuclear fleet – which remains the largest regulated fleet – continued to provide our customers in the Carolinas carbon-free power. The capacity factor of our fleet was 94.42 percent in 2020, which marks the 22nd consecutive year of a capacity factor above 90 percent. Our Regulated & Renewable Energy organization maintained strong reliability as we transform our fleet. That includes the accelerated planned retirement of three coal units at our Allen Steam Station.

In addition, our employees safely completed more than 150 refueling and maintenance outages across our Nuclear and Regulated & Renewable Energy organizations and managed our hydro and ash basin operations during 11 high-water events. And their focus on operational excellence led to a 75 percent improvement in customer minutes of interruption and a 9 percent improvement in major event days.

Despite an extremely active hurricane season in 2020, compounded by the global pandemic, our storm response was unimpeded as we put procedures in place to keep our response teams safe. This included temperature checks, cleaning protocols, nurse stations and newly configured base camps as we responded to two hurricanes, Isaias and Zeta, and one tropical storm, Eta.

In all, nearly 15,000 teammates were on the front lines, restoring more than 1.5 million outages from these storms. Our self-healing technologies also performed well, preventing more than 61,000 customer outages and nearly 280,000 hours of outage time. We also sent crews to the Gulf of Mexico, as this region was hit particularly hard from a record-setting Atlantic hurricane season.

Safety and operational excellence will always be foundational to our success at Duke Energy.



Regulatory

We maintained our commitment to stakeholder engagement and collaboration as we engaged regulators and policymakers in our jurisdictions.

We developed innovative Integrated Resource Plans (IRPs) in the Carolinas, outlining comprehensive proposals and offering six potential pathways to meet key carbon reduction milestones over the next 15 years while balancing affordability for customers. And for the past year, we've been working with stakeholder groups to help shape North Carolina's Clean Energy Plan, with a common goal of reaching net-zero carbon emissions in a way that best serves our customers and our state. This complements the efforts underway on regulatory reform, including the introduction of more efficient cost recovery mechanisms.

We conducted rate cases for our two utilities in North Carolina as we sought recovery for important clean energy and infrastructure investments. In addition, we worked with solar developers in the Carolinas to fundamentally change the interconnection process in North Carolina and design a breakthrough net-metering framework in South Carolina, pending approval.

In Kentucky, the commission approved our rate case, including our Green Source Advantage Program that allows commercial and industrial customers more access to renewables. In Indiana, we received an order in our first base rate request in 16 years. We also participated in the 21st Century Energy Policy Task Force, examining how best to move the state toward cleaner energy while maintaining affordability and reliability.

We reached a constructive settlement in our Piedmont Natural Gas rate case with the Tennessee Attorney General's Consumer Advocate division in early 2021, allowing us to recover needed infrastructure investments to serve our growing customer base in and around Nashville.

Our ability to deliver on our clean energy transformation is only possible with the help and support of stakeholders putting their trust in us over the years. We are at a pivotal moment in time and thank them for challenging us, being willing to have hard conversations, pushing us to innovate and improve. This is how we will deliver the results expected of us.



BUILDING MOMENTUM FOR 2021 AND BEYOND

In 2020, we adapted and learned new ways of working that will benefit us in the years ahead. And that momentum has continued in 2021.

In January of this year, we filed a milestone settlement, alongside the North Carolina Attorney General, North Carolina Public Staff and Sierra Club, to end the debate around coal ash cost recovery. If approved, it will provide immediate and long-term cost benefits for customers over the next decade, resolving all the remaining major issues on coal ash management in North Carolina.

The same month, we secured a minority investment in Duke Energy Indiana from GIC, a global investment firm with significant experience investing in U.S. infrastructure companies. This investment will generate \$2.05 billion in proceeds to fund our clean energy investments and grid enhancement projects. The premium valuation is an effective way for us to raise capital, displacing the need to issue common stock through 2025.

We also collaborated with business and consumer groups in Florida, including the Office of Public Counsel, to establish a new three-year rate plan settlement for Duke Energy Florida. This will allow us to invest nearly \$5 billion in grid modernization and emerging technologies and give our investors and customers predictability as we deliver results in the state. If approved by the Florida Public Service Commission, the settlement agreement will become effective January 1, 2022.

These transactions, along with our significant cost mitigation efforts, bolstered our growth potential. We introduced our 2021 guidance range of \$5.00 to \$5.30, with a midpoint of \$5.15, and increased our long-term EPS growth rate to 5 to 7 percent through 2025. In addition, we increased our five-year capital expenditure plan to \$59 billion.

Duke Energy is a stronger, more agile company today because of our unwavering commitment to those who count on us. We've addressed headwinds to create more clarity and we're charting a new, exciting course for our company.

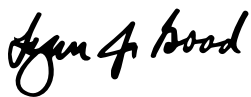
ENERGY

FOR A BETTER TOMORROW

Last year, we proved the strength and resolve of our company and our people – delivering strong financial results, reliable energy and compassion to our customers in the face of a global pandemic.

As we look ahead, Duke Energy stands at an inflection point as we begin a new era for our company – marked by a clear vision for the future. We're poised for success and growth in ways that we have not seen before as we accelerated our path forward with constructive regulatory outcomes that provide valuable clarity for our customers and investors – and a compelling clean energy vision to guide the way.

I am very proud of our results and excited about what lies ahead for Duke Energy.



Lynn J. Good
Chair, President and Chief Executive Officer



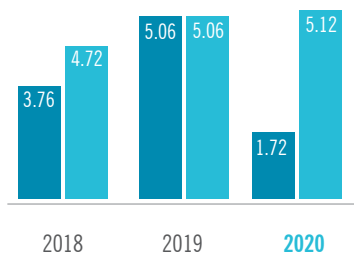
Our Financial Highlights^a

(In millions, except per share amounts)

| | 2020 | 2019 | 2018 |
|---|-----------|-----------|-----------|
| Operating Results | | | |
| Total operating revenues | \$23,868 | \$25,079 | \$24,521 |
| Income from continuing operations | \$1,075 | \$3,578 | \$2,625 |
| Net income | \$1,082 | \$3,571 | \$2,644 |
| Net income available to Duke Energy Corporation common stockholders | \$1,270 | \$3,707 | \$2,666 |
| Cash Flow Data | | | |
| Net cash provided by operating activities | \$8,856 | \$8,209 | \$7,186 |
| Common Stock Data | | | |
| Shares of common stock outstanding | | | |
| Year-end | 769 | 733 | 727 |
| Weighted average – basic | 737 | 729 | 708 |
| Weighted average – diluted | 738 | 729 | 708 |
| Reported basic and diluted earnings per share (GAAP) | \$1.72 | \$5.06 | \$3.76 |
| Adjusted basic and diluted earnings per share (non-GAAP) | \$5.12 | \$5.06 | \$4.72 |
| Dividends declared per share | \$3.82 | \$3.75 | \$3.64 |
| Dividends declared on Series A preferred stock per depository share | \$1.44 | \$1.03 | — |
| Dividends declared on Series B preferred stock per share | \$49.29 | — | — |
| Balance Sheet Data | | | |
| Total assets | \$162,388 | \$158,838 | \$145,392 |
| Long-term debt including finance leases, less current maturities | \$55,625 | \$54,985 | \$51,123 |
| Total Duke Energy Corporation stockholders' equity | \$47,964 | \$46,822 | \$43,817 |

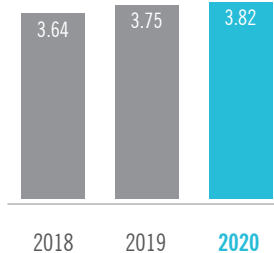
Earnings per share

(in dollars) ■ Reported Diluted ■ Adjusted Diluted



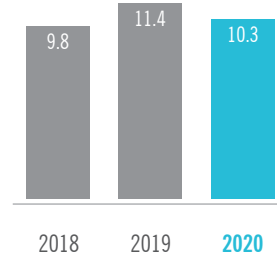
Dividends declared per share

(in dollars)



Capital and investment expenditures

(dollars in billions)

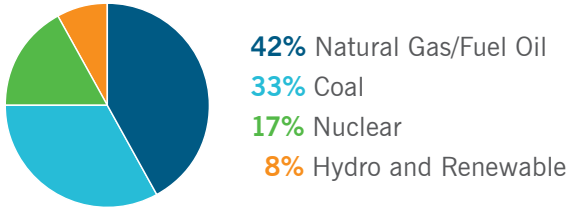


^aSignificant transactions reflected in the results above include: (i) the cancellation of the Atlantic Coast Pipeline in 2020, (ii) regulatory charges related to the Duke Energy Carolinas and Duke Energy Progress North Carolina coal ash settlement in 2020, (iii) the reversal of 2018 severance costs due to the partial settlement of the Duke Energy Carolinas and Duke Energy Progress 2019 North Carolina rate cases in 2020, (iv) growth in Commercial Renewables from tax equity projects placed in service in 2020 and 2019 and (v) regulatory and legislative charges related to Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and impairment charges in 2020 and 2018. For further information refer to Notes 1, 3, 11 and 12 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies," "Regulatory Matters," "Goodwill and Intangible Assets" and "Investments in Unconsolidated Affiliates."

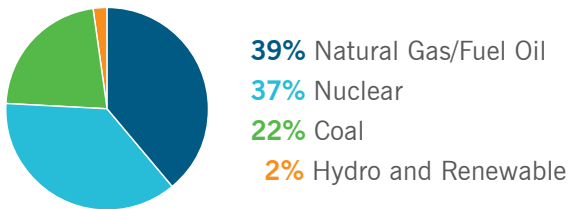
Duke Energy at a Glance

Electric Utilities and Infrastructure

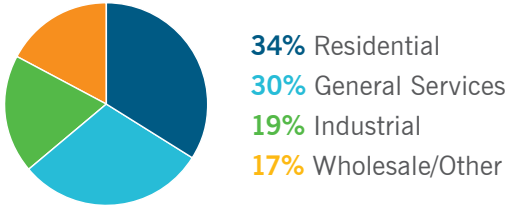
Generation Diversity (percent owned capacity)¹



Generated (net output gigawatt-hours (GWh))²



Customer Diversity (in billed GWh sales)²



Electric Utilities and Infrastructure conducts operations primarily through the regulated public utilities of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Indiana and Duke Energy Ohio.

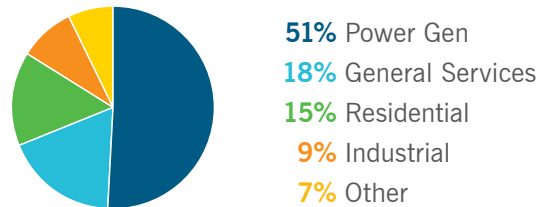
Electric Operations

- Owns approximately 50,807 megawatts (MW) of generating capacity
- Service area covers about 91,000 square miles with an estimated population of 25 million
- Service to approximately 7.9 million residential, commercial and industrial customers
- 282,400 miles of distribution lines and a 31,300-mile transmission system

Natural Gas Customer Diversity

Gas Utilities and Infrastructure conducts natural gas distribution operations primarily through the regulated public utilities of Piedmont Natural Gas and Duke Energy Ohio.

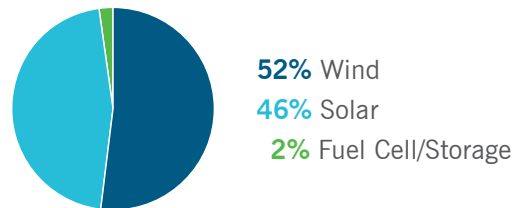
Natural Gas Operations (throughput)²



- Regulated natural gas transmission and distribution services to approximately 1.6 million customers in the Carolinas, Tennessee, southwestern Ohio and Northern Kentucky
- Maintains more than 34,200 miles of natural gas transmission and distribution pipelines and 27,200 miles of natural gas service pipelines

Commercial Renewables

Generation Diversity (percent owned capacity)^{1,3}



Commercial Renewables primarily acquires, develops, builds and operates wind and solar renewable generation throughout the continental U.S. The portfolio includes nonregulated renewable energy and energy storage businesses.

Commercial Renewables' renewable energy includes utility-scale wind and solar generation assets, distributed solar generation assets, distributed fuel cell assets and a battery storage project, which total 2,763 MW across 21 states from 21 wind facilities, 150 solar projects, 70 fuel cell locations and two battery storage facilities. The power produced from renewable generation is primarily sold through long-term contracts to utilities, electric cooperatives, municipalities and corporate customers.

As part of its growth strategy, Commercial Renewables has expanded its investment portfolio through the addition of distributed solar companies and projects, energy storage systems and energy management solutions specifically tailored to commercial businesses.

¹ As of December 31, 2020. | ² For the year ended December 31, 2020.

³ Contains projects included in tax equity structures where investors have differing interests in the projects' economic attributes (100% of the tax equity projects' capacity is included).

DUKE ENERGY CORPORATION

Cautionary Statement Regarding Forward-Looking Information

Non-GAAP Financial Measures

2020 Form 10-K

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

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. For details on the uncertainties that may cause our actual future results to be materially different than those expressed in our forward-looking statements, see our Form 10-K for the year ended December 31, 2020, and Quarterly Reports on Form 10-Q filed with the SEC and available at the SEC's website at sec.gov. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made. Duke Energy expressly disclaims an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

NON-GAAP MEASURES

Adjusted Earnings per Share (EPS)

Duke Energy's 2020 Annual Report references adjusted EPS for the year-to-date periods ended December 31, 2020, 2019 and 2018 of \$5.12, \$5.06 and \$4.72, respectively.

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 following is a reconciliation of reported EPS to adjusted EPS for 2020, 2019 and 2018:

| (per share) | Years Ended December 31, | | |
|------------------------------------|--------------------------|---------|---------|
| | 2020 | 2019 | 2018 |
| Reported EPS | \$ 1.72 | \$ 5.06 | \$ 3.76 |
| Adjustments to Reported: | | | |
| Gas Pipeline Investments | 2.32 | — | — |
| Regulatory and Legislative Impacts | 1.19 | — | 0.29 |
| Severance | (0.10) | — | 0.21 |
| Impairment Charges | — | (0.01) | 0.25 |
| Sale of Retired Plant | — | — | 0.12 |
| Costs to Achieve Mergers | — | — | 0.09 |
| Impacts of the Tax Act | — | — | 0.03 |
| Discontinued Operations | (0.01) | 0.01 | (0.03) |
| Adjusted EPS | \$ 5.12 | \$ 5.06 | \$ 4.72 |

Adjusted EPS Guidance

Duke Energy's 2020 Annual Report references Duke Energy's forecasted 2021 adjusted EPS guidance range of \$5.00 to \$5.30 per share. The materials also reference a preliminary estimate of the 2021 adjusted EPS midpoint of approximately \$5.15. In addition, the materials reference the long-term range of annual growth of 5 to 7 percent through 2025 off the midpoint of 2021 adjusted EPS guidance range of \$5.15. The forecasted adjusted EPS is a non-GAAP financial

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.

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 and Legislative Impacts in 2020 represents charges related to Duke Energy Carolinas and Duke Energy Progress CCR settlement agreement and the partial settlements in the 2019 North Carolina rate cases. In 2018, the charges related to the Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act.
- Severance in 2020 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. In 2018, severance charges relate to companywide initiatives, excluding merger integration, to standardize processes and systems, leverage technology and workforce optimization.
- Impairment Charges in 2019 represents a reduction of a prior year impairment at Citrus County CC and an OTTI on the remaining investment in Constitution. For 2018, it represents an impairment at Citrus County CC, a goodwill impairment at Commercial Renewables, and an OTTI of an investment in Constitution.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Costs to Achieve Mergers represents charges that result from strategic acquisitions.
- Impacts of the Tax Act represents amounts recognized related to the Tax Act.

Duke Energy's adjusted EPS may not be comparable to a similarly titled measure of another company because other entities may not calculate the measure in the same manner.

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 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.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal period ended December 31, 2020 or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

| | | |
|-------------------------------|--|--|
| Commission file number | Registrant, State of Incorporation or Organization, Address of Principal Executive Offices and Telephone Number | IRS Employer Identification No. |
|-------------------------------|--|--|



| | | |
|----------------|---|---|
| 1-32853 | DUKE ENERGY CORPORATION
(a Delaware corporation) 550 South Tryon Street
Charlotte, North Carolina 28202-1803 704-382-3853 | 20-2777218 |
| 1-4928 | DUKE ENERGY CAROLINAS, LLC
(a North Carolina limited liability company)
526 South Church Street
Charlotte, North Carolina 28202-1803
704-382-3853
56-0205520 | 1-1232 |
| | | DUKE ENERGY OHIO, INC.
(an Ohio corporation)
139 East Fourth Street
Cincinnati, Ohio 45202
704-382-3853
31-0240030 |
| 1-15929 | PROGRESS ENERGY, INC.
(a North Carolina corporation)
410 South Wilmington Street
Raleigh, North Carolina 27601-1748
704-382-3853
56-2155481 | 1-3543 |
| | | DUKE ENERGY INDIANA, LLC
(an Indiana limited liability company)
1000 East Main Street
Plainfield, Indiana 46168
704-382-3853
35-0594457 |
| 1-3382 | DUKE ENERGY PROGRESS, LLC
(a North Carolina limited liability company)
410 South Wilmington Street
Raleigh, North Carolina 27601-1748
704-382-3853
56-0165465 | 1-6196 |
| | | PIEDMONT NATURAL GAS COMPANY, INC.
(a North Carolina corporation)
4720 Piedmont Row Drive
Charlotte, North Carolina 28210
704-364-3120
56-0556998 |
| 1-3274 | DUKE ENERGY FLORIDA, LLC
(a Florida limited liability company)
299 First Avenue North
St. Petersburg, Florida 33701
704-382-3853
59-0247770 | |

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

| Registrant | Title of each class | Trading symbols | Name of each exchange on which registered |
|---------------------------------------|---|-----------------|---|
| Duke Energy Corporation (Duke Energy) | Common Stock, \$0.001 par value | DUK | New York Stock Exchange LLC |
| Duke Energy | 5.125% Junior Subordinated Debentures due January 15, 2073 | DUKH | New York Stock Exchange LLC |
| Duke Energy | 5.625% Junior Subordinated Debentures due September 15, 2078 | DUKB | New York Stock Exchange LLC |
| Duke Energy | Depository Shares, each representing a 1/1,000th interest in a share of 5.75% Series A Cumulative Redeemable Perpetual Preferred Stock, par value \$0.001 per share | DUK PR A | New York Stock Exchange LLC |

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

| | | | | | |
|--|---|--|--|---|-----------------------------|
| Duke Energy | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | Duke Energy Florida, LLC (Duke Energy Florida) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| Duke Energy Carolinas, LLC (Duke Energy Carolinas) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | Duke Energy Ohio, Inc. (Duke Energy Ohio) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| Progress Energy, Inc. (Progress Energy) | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | Duke Energy Indiana, LLC (Duke Energy Indiana) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| Duke Energy Progress, LLC (Duke Energy Progress) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | Piedmont Natural Gas Company, Inc. (Piedmont) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No (Response applicable to all registrants.)

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (\$232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether Duke Energy is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.: Large Accelerated Filer Accelerated Filer Non-accelerated Filer Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether each of Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont is a large accelerated filer, accelerated filer, non-accelerated filer, smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.: Large Accelerated Filer Accelerated Filer Non-accelerated Filer Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7252(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether each of the registrants is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Estimated aggregate market value of the common equity held by nonaffiliates of Duke Energy at June 30, 2020. \$58,688,204,289

Number of shares of Common Stock, \$0.001 par value, outstanding at January 31, 2021. 768,663,580

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Duke Energy definitive proxy statement for the 2021 Annual Meeting of the Shareholders or an amendment to this Annual Report are incorporated by reference into PART III, Items 10, 11 and 13 hereof. This combined Form 10-K is filed separately by eight registrants: Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont (collectively the Duke Energy Registrants). Information contained herein relating to any individual registrant is filed by such registrant solely on its own behalf. Each registrant makes no representation as to information relating exclusively to the other registrants.

Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont meet the conditions set forth in General Instructions I(1)(a) and (b) of Form 10-K and are, therefore, filing this Form 10-K with the reduced disclosure format specified in General Instructions I(2) of Form 10-K.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

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 United States 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 United States 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. 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.

Glossary of Terms

The following terms or acronyms used in this Form 10-K are defined below:

| Term or Acronym | Definition | Term or Acronym | Definition |
|----------------------|---|-------------------------|--|
| 2013 Settlement | Revised and Restated Stipulation and Settlement Agreement approved in November 2013 among Duke Energy Florida, the Florida Office of Public Counsel and other customer advocates | DEFR | Duke Energy Florida Receivables, LLC |
| 2017 Settlement | Second Revised and Restated Settlement Agreement in 2017 among Duke Energy Florida, the Florida Office of Public Counsel and other customer advocates, which replaces and supplants the 2013 Settlement | Deloitte | Deloitte & Touche LLP, and the member firms of Deloitte Touche Tohmatsu and their respective affiliates |
| ACE | Affordable Clean Energy | DEPR | Duke Energy Progress Receivables, LLC |
| ACP | Atlantic Coast Pipeline, LLC, a limited liability company owned by Dominion, Duke Energy and Southern Company Gas | DERF | Duke Energy Receivables Finance Company, LLC |
| ACP pipeline | The approximately 600-mile canceled interstate natural gas pipeline | DOE | U.S. Department of Energy |
| AFUDC | Allowance for funds used during construction | Dominion | Dominion Energy, Inc. |
| AFS | Available for Sale | Dth | Dekatherms |
| AMI | Advanced Metering Infrastructure | Duke Energy | Duke Energy Corporation (collectively with its subsidiaries) |
| AMT | Alternative Minimum Tax | Duke Energy Carolinas | Duke Energy Carolinas, LLC |
| AOCI | Accumulated Other Comprehensive Income (Loss) | Duke Energy Florida | Duke Energy Florida, LLC |
| ARO | Asset Retirement Obligation | Duke Energy Indiana | Duke Energy Indiana, LLC |
| ATM | At-the-market | Duke Energy Kentucky | Duke Energy Kentucky, Inc. |
| Audit Committee | Audit Committee of the Board of Directors | Duke Energy Ohio | Duke Energy Ohio, Inc. |
| Beckjord | Beckjord Generating Station | Duke Energy Progress | Duke Energy Progress, LLC |
| Belews Creek | Belews Creek Steam Station | Duke Energy Registrants | Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont |
| Bison | Bison Insurance Company Limited | East Bend | East Bend Generating Station |
| Board of Directors | Duke Energy Board of Directors | EE | Energy efficiency |
| Brunswick | Brunswick Nuclear Plant | EPA | U.S. Environmental Protection Agency |
| Cardinal | Cardinal Pipeline Company, LLC | EPC | Engineering, Procurement and Construction agreement |
| Catawba | Catawba Nuclear Station | EPS | Earnings Per Share |
| CC | Combined Cycle | ETR | Effective tax rate |
| CCR | Coal Combustion Residuals | Exchange Act | Securities Exchange Act of 1934 |
| Cinergy | Cinergy Corp. (collectively with its subsidiaries) | FASB | Financial Accounting Standards Board |
| Citrus County CC | Citrus County Combined Cycle Facility | FERC | Federal Energy Regulatory Commission |
| CO ₂ | Carbon Dioxide | FES | FirstEnergy Solutions Corp. |
| Coal Ash Act | North Carolina Coal Ash Management Act of 2014 | Form S-3 | Registration statement |
| the Company | Duke Energy Corporation and its subsidiaries | FPSC | Florida Public Service Commission |
| Constitution | Constitution Pipeline Company, LLC | FTR | Financial transmission rights |
| CPCN | Certificate of Public Convenience and Necessity | FV-NI | Fair value through net income |
| CRC | Cinergy Receivables Company LLC | GAAP | Generally Accepted Accounting Principles in the United States |
| Crystal River Unit 3 | Crystal River Unit 3 Nuclear Plant | GAAP Reported EPS | Basic EPS Available to Duke Energy Corporation common stockholders |
| CT | Combustion Turbine | GHG | Greenhouse Gas |
| CWA | Clean Water Act | GIC | GIC Private Limited |
| DATC | Duke-American Transmission Company, LLC | GWh | Gigawatt-hour |
| D.C. Circuit Court | U.S. Court of Appeals for the District of Columbia | Hardy Storage | Hardy Storage Company, LLC |
| | | Harris | Shearon Harris Nuclear Plant |
| | | HLBV | Hypothetical Liquidation at Book Value |
| | | IGCC | Integrated Gasification Combined Cycle |
| | | IMPA | Indiana Municipal Power Agency |

| Term or Acronym | Definition | Term or Acronym | Definition |
|-------------------|--|------------------------------------|---|
| IMR | Integrity Management Rider | Pioneer | Pioneer Transmission, LLC |
| IRP | Integrated Resource Plans | PJM | PJM Interconnection, LLC |
| IRS | Internal Revenue Service | PMPA | Piedmont Municipal Power Agency |
| ISO | Independent System Operator | PISCC | Post-in-service carrying costs |
| ITC | Investment Tax Credit | PPA | Purchase Power Agreement |
| IURC | Indiana Utility Regulatory Commission | Progress Energy | Progress Energy, Inc. |
| Investment Trusts | Grantor trusts of Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana | PSCSC | Public Service Commission of South Carolina |
| KO Transmission | KO Transmission Company | PTC | Production Tax Credits |
| KPSC | Kentucky Public Service Commission | PUCO | Public Utilities Commission of Ohio |
| LIBOR | London Interbank Offered Rate | PURPA | Public Utility Regulatory Policies Act of 1978 |
| LLC | Limited Liability Company | QF | Qualifying Facility |
| McGuire | McGuire Nuclear Station | REC | Renewable Energy Certificate |
| MGP | Manufactured gas plant | Relative TSR | TSR of Duke Energy stock relative to a predefined peer group |
| MISO | Midcontinent Independent System Operator, Inc. | Robinson | Robinson Nuclear Plant |
| MMBtu | Million British Thermal Unit | ROU | Right-of-use |
| MTBE | Methyl tertiary butyl ether | RSU | Restricted Stock Unit |
| MW | Megawatt | RTO | Regional Transmission Organization |
| MWh | Megawatt-hour | Sabal Trail | Sabal Trail Transmission, LLC |
| NCDEQ | North Carolina Department of Environmental Quality | SAFSTOR | A method of decommissioning in which a nuclear facility is placed and maintained in a condition that allows the facility to be safely stored and subsequently decontaminated to levels that permit release for unrestricted use |
| NCEMC | North Carolina Electric Membership Corporation | SEC | Securities and Exchange Commission |
| NCEMPA | North Carolina Eastern Municipal Power Agency | SELC | Southern Environmental Law Center |
| NCUC | North Carolina Utilities Commission | Spectra Capital | Spectra Energy Capital, LLC |
| NDTF | Nuclear decommissioning trust funds | S&P | Standard & Poor's Rating Services |
| New Source Review | Clean Air Act program that requires industrial facilities to install modern pollution control equipment when they are built or when making a change that increases emissions significantly | State utility commissions | NCUC, PSCSC, FPSC, PUCO, IURC, KPSC and TPUC (Collectively) |
| NMC | National Methanol Company | State electric utility commissions | NCUC, PSCSC, FPSC, PUCO, IURC and KPSC (Collectively) |
| NOL | Net operating loss | State gas utility commissions | NCUC, PSCSC, PUCO, TPUC and KPSC (Collectively) |
| NPNS | Normal purchase/normal sale | Subsidiary Registrants | Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont |
| NRC | U.S. Nuclear Regulatory Commission | Sutton | L.V. Sutton Combined Cycle Plant |
| NYSE | New York Stock Exchange | the Tax Act | Tax Cuts and Jobs Act |
| Oconee | Oconee Nuclear Station | TPUC | Tennessee Public Utility Commission |
| OPEB | Other Post-Retirement Benefit Obligations | TSR | Total shareholder return |
| ORS | Office of Regulatory Staff | U.S. | United States |
| OTTI | Other-than-temporary impairment | VIE | Variable Interest Entity |
| OVEC | Ohio Valley Electric Corporation | WACC | Weighted Average Cost of Capital |
| the Parent | Duke Energy Corporation holding company | W.S. Lee CC | William States Lee Combined Cycle Facility |
| PGA | Purchased Gas Adjustments | WVPA | Wabash Valley Power Association, Inc. |
| PHMSA | Pipeline and Hazardous Materials Safety Administration | | |
| Piedmont | Piedmont Natural Gas Company, Inc. | | |
| Pine Needle | Pine Needle LNG Company, LLC | | |

ITEM 1. BUSINESS

DUKE ENERGY

General

Duke Energy was incorporated on May 3, 2005, and is an energy company headquartered in Charlotte, North Carolina, subject to regulation by the FERC and other regulatory agencies listed below. Duke Energy operates in the U.S. primarily through its direct and indirect subsidiaries. Certain Duke Energy subsidiaries are also Subsidiary Registrants, including Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont. When discussing Duke Energy’s consolidated financial information, it necessarily includes the results of its separate Subsidiary Registrants, which along with Duke Energy, are collectively referred to as the Duke Energy Registrants.

The Duke Energy Registrants electronically file reports with the SEC, including Annual Reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and amendments to such reports.

The SEC maintains an internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at sec.gov. Additionally, information about the Duke Energy Registrants, including reports filed with the SEC, is available through Duke Energy’s website at duke-energy.com. Such reports are accessible at no charge and are made available as soon as reasonably practicable after such material is filed with or furnished to the SEC.

Business Segments

Duke Energy’s segment structure includes three reportable business segments: Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables. The remainder of Duke Energy’s operations is presented as Other. Duke Energy’s chief operating decision-maker routinely reviews financial information about each of these business segments in deciding how to allocate resources and evaluate the performance of the business. For additional information on each of these business segments, including financial and geographic information, see Note 2 to the Consolidated Financial Statements, “Business Segments.” The following sections describe the business and operations of each of Duke Energy’s business segments, as well as Other.

ELECTRIC UTILITIES AND INFRASTRUCTURE

Electric Utilities and Infrastructure conducts operations primarily through the regulated public utilities of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Indiana and Duke Energy Ohio. Electric Utilities and Infrastructure provides retail electric service through the generation, transmission, distribution and sale of electricity to approximately 7.9 million customers within the Southeast and Midwest regions of the U.S. The service

territory is approximately 91,000 square miles across six states with a total estimated population of 25 million people. The operations include electricity sold wholesale to municipalities, electric cooperative utilities and other load-serving entities. Electric Utilities and Infrastructure is also a joint owner in certain electric transmission projects. Electric Utilities and Infrastructure has a 50% ownership interest in DATC, a partnership with American Transmission Company, formed to design, build and operate transmission infrastructure. DATC owns 72% of the transmission service rights to Path 15, an 84-mile transmission line in central California. Electric Utilities and Infrastructure also has a 50% ownership interest in Pioneer, which builds, owns and operates electric transmission facilities in North America. The following map shows the service territory for Electric Utilities and Infrastructure as of December 31, 2020.



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The electric operations and investments in projects are subject to the rules and regulations of the FERC, the NRC, the NCUC, the PSCSC, the FPSC, the IURC, the PUCO and the KPSC.

The following table represents the distribution of GWh billed sales by customer class for the year ended December 31, 2020.

| | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana |
|---------------------------|-----------------------|----------------------|---------------------|------------------|---------------------|
| Residential | 33% | 27% | 51% | 38% | 30% |
| General service | 33% | 22% | 35% | 37% | 25% |
| Industrial | 23% | 16% | 7% | 23% | 31% |
| Total retail sales | 89% | 65% | 93% | 98% | 86% |
| Wholesale and other sales | 11% | 35% | 7% | 2% | 14% |
| Total sales | 100% | 100% | 100% | 100% | 100% |

The number of residential and general service customers within the Electric Utilities and Infrastructure service territory is expected to increase over time. Sales growth is expected within the service territory but continues to be influenced by adoption of energy efficiencies and self-generation. Residential sales increased in 2020 compared to 2019 due to customer growth and the stay-at-home orders as a result of the COVID-19 pandemic. Meanwhile, sales for general service and industrial customers decreased in 2020 due to the impacts of the COVID-19 pandemic. These trends in residential, general service and industrial sales may continue in the short term but are not expected to be permanent. It is still expected that the continued adoption of more efficient housing and appliances will have a negative impact on average usage per residential customer over time.

Seasonality and the Impact of Weather

Revenues and costs are influenced by seasonal weather patterns. Peak sales of electricity occur during the summer and winter months, which results in higher revenue and cash flows during these periods. By contrast, lower sales of electricity occur during the spring and fall, allowing for scheduled plant maintenance. Residential and general service customers are more impacted by weather than industrial customers. Estimated weather impacts are based on actual current period weather compared to normal weather conditions. Normal weather conditions are defined as the long-term average of actual historical weather conditions.

The estimated impact of weather on earnings is based on the temperature variances from a normal condition and customers' historic usage patterns. The methodology used to estimate the impact of weather does not consider all variables that may impact customer response to weather conditions such as humidity in the summer or wind chill in the winter. The precision of this estimate may also be impacted by applying long-term weather trends to shorter-term periods.

Heating degree days measure the variation in weather based on the extent the average daily temperature falls below a base temperature. Cooling degree days measure the variation in weather based on the extent the average daily temperature rises above the base temperature. Each degree of temperature below the base temperature counts as one heating degree day and each degree of temperature above the base temperature counts as one cooling degree day.

Competition

Retail

Electric Utilities and Infrastructure's businesses operate as the sole supplier of electricity within their service territories, with the exception of Ohio, which has a competitive electricity supply market for generation service. Electric Utilities and Infrastructure owns and operates facilities necessary to generate, transmit, distribute and sell electricity. Services are priced by state commission-approved rates designed to include the costs of providing these services and

a reasonable return on invested capital. This regulatory policy is intended to provide safe and reliable electricity at fair prices.

In Ohio, Electric Utilities and Infrastructure conducts competitive auctions for electricity supply. The cost of energy purchased through these auctions is recovered from retail customers. Electric Utilities and Infrastructure earns retail margin in Ohio on the transmission and distribution of electricity, but not on the cost of the underlying energy.

Competition in the regulated electric distribution business is primarily from the development and deployment of alternative energy sources including on-site generation from industrial customers and distributed generation, such as private solar, at residential, general service and/or industrial customer sites.

Wholesale

Duke Energy competes with other utilities and merchant generators for bulk power sales, sales to municipalities and cooperatives and wholesale transactions under primarily cost-based contracts approved by FERC. The principal factors in competing for these sales are availability of capacity and power, reliability of service and price. Prices are influenced primarily by market conditions and fuel costs.

Increased competition in the wholesale electric utility industry and the availability of transmission access could affect Electric Utilities and Infrastructure's load forecasts, plans for power supply and wholesale energy sales and related revenues. Wholesale energy sales will be impacted by the extent to which additional generation is available to sell to the wholesale market and the ability of Electric Utilities and Infrastructure to attract new customers and to retain existing customers.

Energy Capacity and Resources

Electric Utilities and Infrastructure owns approximately 50,807 MW of generation capacity. For additional information on owned generation facilities, see Item 2, "Properties."

Energy and capacity are also supplied through contracts with other generators and purchased on the open market. Factors that could cause Electric Utilities and Infrastructure to purchase power for its customers may include, but are not limited to, generating plant outages, extreme weather conditions, generation reliability, demand growth and price. Electric Utilities and Infrastructure has interconnections and arrangements with its neighboring utilities to facilitate planning, emergency assistance, sale and purchase of capacity and energy and reliability of power supply.

Electric Utilities and Infrastructure's generation portfolio is a balanced mix of energy resources having different operating characteristics and fuel sources designed to provide energy at the lowest possible cost to meet its obligation to serve retail customers. All options, including owned generation resources and purchased power opportunities, are continually evaluated on a real-time basis to select and dispatch the lowest-cost resources available to meet system load requirements.

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Sources of Electricity

Electric Utilities and Infrastructure relies principally on natural gas, nuclear fuel and coal for its generation of electricity. The following table lists sources of electricity and fuel costs for the three years ended December 31, 2020.

| | Generation by Source | | | Cost of Delivered Fuel per Net Kilowatt-hour Generated (Cents) | | |
|---|----------------------|--------|--------|--|------|------|
| | 2020 | 2019 | 2018 | 2020 | 2019 | 2018 |
| Natural gas and oil ^(a) | 31.3% | 29.2% | 26.2% | 2.55 | 2.96 | 3.57 |
| Nuclear ^(a) | 29.6% | 28.6% | 26.0% | 0.58 | 0.60 | 0.50 |
| Coal ^(a) | 18.1% | 21.6% | 24.4% | 2.99 | 3.08 | 2.82 |
| All fuels (cost-based on weighted average) ^(a) | 79.0% | 79.4% | 76.6% | 1.91 | 2.14 | 2.29 |
| Hydroelectric and solar ^(b) | 1.9% | 1.2% | 1.3% | | | |
| Total generation | 80.9% | 80.6% | 77.9% | | | |
| Purchased power and net interchange | 19.1% | 19.4% | 22.1% | | | |
| Total sources of energy | 100.0% | 100.0% | 100.0% | | | |

(a) Statistics related to all fuels reflect Electric Utilities and Infrastructure's ownership interest in jointly owned generation facilities.

(b) Generating figures are net of output required to replenish pumped storage facilities during off-peak periods.

Natural Gas and Fuel Oil

Natural gas and fuel oil supply, transportation and storage for Electric Utilities and Infrastructure's generation fleet is purchased under standard industry agreements from various suppliers, including Piedmont. Natural gas supply agreements typically provide for a percentage of forecasted burns being procured over time, with varied expiration dates. Electric Utilities and Infrastructure believes it has access to an adequate supply of natural gas and fuel oil for the reasonably foreseeable future.

Electric Utilities and Infrastructure has certain dual-fuel generating facilities that can operate utilizing both natural gas and fuel oil. The cost of Electric Utilities and Infrastructure's natural gas and fuel oil is fixed price or determined by published market prices as reported in certain industry publications, plus any transportation and freight costs. Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana use derivative instruments to manage a portion of their exposure to price fluctuations for natural gas. For Duke Energy Florida, there is currently an agreed to moratorium with the FPSC on future hedging of natural gas prices.

Electric Utilities and Infrastructure has firm interstate and intrastate natural gas transportation agreements and storage agreements in place to support generation needed for load requirements. Electric Utilities and Infrastructure may purchase additional shorter-term natural gas transportation and utilize natural gas interruptible transportation agreements to support generation needed for load requirements. The Electric Utilities and Infrastructure natural gas plants are served by various supply zones and multiple pipelines.

Nuclear

The industrial processes for producing nuclear generating fuel generally involve the mining and milling of uranium ore to produce uranium concentrates and services to convert, enrich and fabricate fuel assemblies.

Electric Utilities and Infrastructure has contracted for uranium materials and services to fuel its nuclear reactors. Uranium concentrates, conversion services and enrichment services are primarily met through a diversified portfolio of long-term supply contracts. The contracts are diversified by supplier, country of origin and pricing. Electric Utilities and Infrastructure staggers its contracting so that its portfolio of long-term contracts covers the majority of its fuel requirements in the near term and decreasing portions of its fuel requirements over time thereafter. Near-term requirements not met by long-term supply contracts have been and are expected to be fulfilled with spot market purchases. Due to the technical complexities of changing suppliers of fuel fabrication services, Electric Utilities and Infrastructure generally source these services to a single domestic supplier on a plant-by-plant basis using multiyear contracts.

Electric Utilities and Infrastructure has entered into fuel contracts that cover 100% of its uranium concentrates and conversion services through at least 2021, 100% of its enrichment services through at least 2022, and 100% of its fabrication services requirements for these plants through at least 2027. For future requirements not already covered under long-term contracts, Electric Utilities and Infrastructure believes it will be able to renew contracts as they expire or enter into similar contractual arrangements with other suppliers of nuclear fuel materials and services.

Coal

Electric Utilities and Infrastructure meets its coal demand through a portfolio of long-term purchase contracts and short-term spot market purchase agreements. Large amounts of coal are purchased under long-term contracts with mining operators who mine both underground and at the surface. Electric Utilities and Infrastructure uses spot market purchases to meet coal requirements not met by long-term contracts. Expiration dates for its long-term contracts, which may have various price adjustment provisions and market reopeners, range from 2021 to 2023 for Duke Energy Carolinas and Duke Energy Progress and 2021 to 2025 for Duke Energy Indiana. Expiration dates for Duke Energy Florida and Duke Energy Ohio are in 2021. Electric Utilities and Infrastructure expects to renew these contracts or enter into similar contracts with other suppliers as existing contracts expire, though prices will fluctuate over time as coal markets change. Electric Utilities and Infrastructure has an adequate supply of coal under contract to meet its risk management guidelines regarding projected future consumption. As a result of volatility in natural gas prices and the associated impacts on coal-fired dispatch within the generation fleet, coal inventories will continue to fluctuate. Electric Utilities and Infrastructure continues to actively manage its portfolio and has worked with suppliers to obtain increased flexibility in its coal contracts.

Coal purchased for the Carolinas is primarily produced from mines in Central Appalachia, Northern Appalachia and the Illinois Basin. Coal purchased for Florida is primarily produced from mines in the Illinois Basin. Coal purchased for Kentucky is produced from mines along the Ohio River in Illinois, Ohio, West Virginia and Pennsylvania. Coal purchased for Indiana is primarily produced in Indiana and Illinois. There are adequate domestic coal reserves to serve Electric Utilities and Infrastructure's coal generation needs through end of life. The current average sulfur content of coal purchased by Electric Utilities and Infrastructure is between 1.5% and 2% for Duke Energy Carolinas and Duke Energy Progress, and between 2.5% and 3% for Duke Energy Florida, Duke Energy Ohio and Duke Energy Indiana. Electric Utilities and Infrastructure's environmental controls, in combination with the use of sulfur dioxide (SO₂) emission allowances, enable Electric Utilities and Infrastructure to satisfy current SO₂ emission limitations for its existing facilities.

PART I

Purchased Power

Electric Utilities and Infrastructure purchases a portion of its capacity and system requirements through purchase obligations, leases and purchase capacity contracts. Electric Utilities and Infrastructure believes it can obtain

adequate purchased power capacity to meet future system load needs. However, during periods of high demand, the price and availability of purchased power may be significantly affected.

The following table summarizes purchased power for the previous three years:

| | 2020 | 2019 | 2018 |
|---|-------|-------|-------|
| Purchase obligations and leases (in millions of MWh) ^(a) | 32.7 | 34.8 | 21.3 |
| Purchase capacity under contract (in MW) ^(b) | 4,716 | 4,238 | 4,025 |

(a) Represents approximately 13% of total system requirements for 2020, 14% for 2019 and 7% for 2018.

(b) For 2020, 2019 and 2018, these agreements include approximately 412 MW of firm capacity under contract by Duke Energy Florida with QFs.

Inventory

Electric Utilities and Infrastructure must maintain an adequate stock of fuel and materials and supplies in order to ensure continuous operation of generating facilities and reliable delivery to customers. As of December 31, 2020, the inventory balance for Electric Utilities and Infrastructure was approximately \$3 billion. For additional information on inventory, see Note 1 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies."

Ash Basin Management

During 2015, EPA issued regulations related to the management of CCR from power plants. These regulations classify CCR as nonhazardous waste under the Resource Conservation and Recovery Act (RCRA) and apply to electric generating sites with new and existing landfills and new and existing surface impoundments and establishes requirements regarding landfill design, structural integrity design and assessment criteria for surface impoundments, groundwater monitoring, protection and remedial procedures and other operational and reporting procedures for the disposal and management of CCR. In addition to the federal regulations, CCR landfills and surface impoundments (ash basins or impoundments) will continue to be regulated by existing state laws, regulations and permits, such as the Coal Ash Management Act in North Carolina.

Electric Utilities and Infrastructure has and will periodically submit to applicable authorities required site-specific coal ash impoundment remediation or closure plans. Closure plans and all associated permits will receive necessary approvals before any work can begin. Closure activities have begun in all of Duke Energy's jurisdictions. Excavation began in 2015 at the four sites specified as high priority by the NC Coal Ash Management Act and at the W.S. Lee Steam Station site in South Carolina in connection with other legal requirements. Excavation at these sites involves movement of CCR materials to off-site locations for use as structural fill, to appropriate engineered off-site or on-site lined landfills or for reuse in an approved beneficial application. Duke Energy has completed excavation of coal ash at three of the four high-priority NC sites. At other sites where CCR management is required, planning and closure methods have been studied and factored into the estimated retirement and management costs, and closure activities have commenced.

The following table summarizes the fair value of NDTF investments and the most recent site-specific nuclear decommissioning cost studies. Decommissioning costs are stated in 2018 or 2019 dollars, depending on the year of the cost study, and include costs to decommission plant components not subject to radioactive contamination.

| (in millions) | NDTF ^(a) | | Decommissioning
Costs ^(a) | Year of
Cost Study |
|---|---------------------|-------------------|---|-----------------------|
| | December 31, 2020 | December 31, 2019 | | |
| Duke Energy | \$ 9,114 | \$ 8,140 | \$ 9,105 | 2018 or 2019 |
| Duke Energy Carolinas ^{(b)(c)} | 4,977 | 4,359 | 4,365 | 2018 |
| Duke Energy Progress ^(d) | 3,500 | 3,047 | 4,181 | 2019 |
| Duke Energy Florida ^(e) | 637 | 734 | 559 | N/A |

(a) Amounts for Progress Energy equal the sum of Duke Energy Progress and Duke Energy Florida.

(b) Decommissioning cost for Duke Energy Carolinas reflects its ownership interest in jointly owned reactors. Other joint owners are responsible for decommissioning costs related to their interest in the reactors.

(c) Duke Energy Carolinas' site-specific nuclear decommissioning cost study completed in 2018 was filed with the NCUC and PSCSC in 2019. A new funding study was also completed and filed with the NCUC and PSCSC in 2019.

(d) Duke Energy Progress' site-specific nuclear decommissioning cost study completed in 2019 was filed with the NCUC and PSCSC in March 2020. Duke Energy Progress also completed a funding study, which was filed with the NCUC and PSCSC in July 2020.

(e) During 2019, Duke Energy Florida reached an agreement to transfer decommissioning work for Crystal River Unit 3 to a third party and decommissioning costs are based on the agreement with this third party rather than a cost study. Regulatory approval was received from the NRC and the FPSC in April 2020 and August 2020, respectively. See Note 3 for more information.

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The NCUC, PSCSC, FPSC and FERC have allowed Electric Utilities and Infrastructure to recover estimated decommissioning costs through retail and wholesale rates over the expected remaining service periods of their nuclear stations. Electric Utilities and Infrastructure believes the decommissioning costs being recovered through rates, when coupled with the existing fund balances and expected fund earnings, will be sufficient to provide for the cost of future decommissioning. For additional information, see Note 9 to the Consolidated Financial Statements, "Asset Retirement Obligations."

The Nuclear Waste Policy Act of 1982 (as amended) provides the framework for development by the federal government of interim storage and permanent disposal facilities for high-level radioactive waste materials. The government has not yet developed a storage facility or disposal capacity, so Electric Utilities and Infrastructure will continue to store spent fuel on its reactor sites.

Under federal law, the DOE is responsible for the selection and construction of a facility for the permanent disposal of spent nuclear fuel and high-level radioactive waste. The DOE terminated the project to license and develop a geologic repository at Yucca Mountain, Nevada in 2010, and is currently taking no action to fulfill its responsibilities to dispose of spent fuel.

Until the DOE begins to accept the spent nuclear fuel, Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida will continue to safely manage their spent nuclear fuel. Under current regulatory guidelines, Harris has sufficient storage capacity in its spent fuel pools through the expiration of its renewed operating license. With certain modifications and approvals by the NRC to expand the on-site dry cask storage facilities, spent nuclear fuel dry storage facilities will be sufficient to provide storage space of spent fuel through the expiration of the operating licenses, including any license renewals, for Brunswick, Catawba, McGuire, Oconee and Robinson. Crystal River Unit 3 ceased operation in 2013 and was placed in a SAFSTOR condition in January 2018. As of January 2018, all spent fuel at Crystal River Unit 3 has been transferred from the spent fuel pool to dry storage at an on-site independent spent fuel storage installation. During 2020, the NRC and the FPSC approved an agreement to transfer ownership of spent fuel for Crystal River Unit 3 to a third party. See Note 3 for more information.

The nuclear power industry faces uncertainties with respect to the cost and long-term availability of disposal sites for spent nuclear fuel and other radioactive waste, compliance with changing regulatory requirements, capital outlays for modifications and new plant construction.

Electric Utilities and Infrastructure is subject to the jurisdiction of the NRC for the design, construction and operation of its nuclear generating facilities. The following table includes the current year of expiration of nuclear operating licenses for nuclear stations in operation. During 2019, Duke Energy announced its intention to seek 20-year operating license renewals for each of the reactors it operates in Duke Energy Carolinas and Duke Energy Progress.

| Unit | Year of Expiration |
|------------------------------|---------------------------|
| Duke Energy Carolinas | |
| Catawba Units 1 and 2 | 2043 |
| McGuire Unit 1 | 2041 |
| McGuire Unit 2 | 2043 |
| Oconee Units 1 and 2 | 2033 |
| Oconee Unit 3 | 2034 |
| Duke Energy Progress | |
| Brunswick Unit 1 | 2036 |
| Brunswick Unit 2 | 2034 |
| Harris | 2046 |
| Robinson | 2030 |

The NRC has acknowledged permanent cessation of operation and permanent removal of fuel from the reactor vessel at Crystal River Unit 3. Therefore, the license no longer authorizes operation of the reactor. For additional information on nuclear decommissioning activity, see Notes 3 and 9 to the Consolidated Financial Statements, "Regulatory Matters" and "Asset Retirement Obligations," respectively.

Regulation

State

The state electric utility commissions approve rates for Duke Energy's retail electric service within their respective states. The state electric utility commissions, to varying degrees, have authority over the construction and operation of Electric Utilities and Infrastructure's generating facilities. CPCNs issued by the state electric utility commissions, as applicable, authorize Electric Utilities and Infrastructure to construct and operate its electric facilities and to sell electricity to retail and wholesale customers. Prior approval from the relevant state electric utility commission is required for the entities within Electric Utilities and Infrastructure to issue securities. The underlying concept of utility ratemaking is to set rates at a level that allows the utility to collect revenues equal to its cost of providing service plus earn a reasonable rate of return on its invested capital, including equity.

In addition to rates approved in base rate cases, each of the state electric utility commissions allow recovery of certain costs through various cost-recovery clauses to the extent the respective commission determines in periodic hearings that such costs, including any past over or under-recovered costs, are prudent.

Fuel, fuel-related costs and certain purchased power costs are eligible for recovery by Electric Utilities and Infrastructure. Electric Utilities and Infrastructure uses coal, hydroelectric, natural gas, oil, renewable generation and nuclear fuel to generate electricity, thereby maintaining a diverse fuel mix that helps mitigate the impact of cost increases in any one fuel. Due to the associated regulatory treatment and the method allowed for recovery, changes in fuel costs from year to year have no material impact on operating results of Electric Utilities and Infrastructure, unless a commission finds a portion of such costs to have been imprudent. However, delays between the expenditure for fuel costs and recovery from customers can adversely impact the timing of cash flows of Electric Utilities and Infrastructure.

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The table below reflects significant electric rate case applications approved and effective in the past three years or applications currently pending approval.

| | Regulatory Body | Annual Increase (Decrease) (in millions) | Return on Equity | Equity Component of Capital Structure | Effective Date |
|--|-----------------|--|------------------|---------------------------------------|----------------|
| Approved Rate Cases: | | | | | |
| Duke Energy Indiana 2019 Indiana Rate Case ^(a) | IURC | \$ 146 | 9.7% | 53% | 7/30/2020 |
| Duke Energy Kentucky 2019 Kentucky Electric Rate Case | KPSC | 24 | 9.25% | 48.23% | 5/1/2020 |
| Duke Energy Carolinas 2018 South Carolina Rate Case | PSCSC | 45 | 9.5% | 53% | 6/1/2019 |
| Duke Energy Progress 2018 South Carolina Rate Case | PSCSC | 29 | 9.5% | 53% | 6/1/2019 |
| Duke Energy Ohio 2017 Ohio Electric Rate Case | PUCO | (19) | 9.84% | 50.75% | 1/2/2019 |
| Duke Energy Carolinas 2017 North Carolina Rate Case | NCUC | (73) | 9.9% | 52% | 8/1/2018 |
| Duke Energy Kentucky 2017 Kentucky Electric Rate Case | KPSC | 8 | 9.725% | 49% | 5/1/2018 |
| Duke Energy Progress 2017 North Carolina Rate Case | NCUC | 151 | 9.9% | 52% | 3/16/2018 |
| Pending Rate Cases: | | | | | |
| Duke Energy Carolinas 2019 North Carolina Rate Case ^(b) | NCUC | \$ 291 | 10.3% | 53% | 8/1/2020 |
| Duke Energy Progress 2019 North Carolina Rate Case ^(b) | NCUC | 464 | 10.3% | 53% | 9/1/2020 |

(a) Step 1 rates are approximately 75% of the total and became effective July 30, 2020. Step 2 rates are approximately 25% of the total rate case increase and will be implemented in mid-2021. Amounts exclude the Utility Receipt Tax amounts.

(b) Partial Settlements were reached on July 31, 2020, which are subject to approval by the NCUC. Components of the partial settlements included a return of equity of 9.6% and a capital structure of 52% equity. These temporary rates went into effect August 24, 2020, for Duke Energy Carolinas and September 1, 2020, for Duke Energy Progress. A settlement was also reached, subject to approval by the NCUC, on coal ash cost recovery in January of 2021.

Additionally, in January 2021, Duke Energy Florida filed a settlement agreement with the FPSC that, if approved, will allow annual increases to its base rates at an agreed upon return on equity ("ROE") band and includes a base rate stay-out provision through 2024, among other provisions. For more information on rate matters and other regulatory proceedings, see Note 3 to the Consolidated Financial Statements, "Regulatory Matters."

Federal

The FERC approves Electric Utilities and Infrastructure's cost-based rates for electric sales to certain power and transmission wholesale customers. Regulations of FERC and the state electric utility commissions govern access to regulated electric and other data by nonregulated entities and services provided between regulated and nonregulated energy affiliates. These regulations affect the activities of nonregulated affiliates with Electric Utilities and Infrastructure.

RTOs

PJM and MISO are the ISOs and FERC-approved RTOs for the regions in which Duke Energy Ohio and Duke Energy Indiana operate. PJM and MISO operate energy, capacity and other markets, and control the day-to-day operations of bulk power systems through central dispatch.

Duke Energy Ohio is a member of PJM and Duke Energy Indiana is a member of MISO. Transmission owners in these RTOs have turned over control of their transmission facilities and their transmission systems are currently under the dispatch control of the RTOs. Transmission service is provided on a regionwide, open-access basis using the transmission facilities of the RTO members at rates based on the costs of transmission service.

Environmental

Electric Utilities and Infrastructure is subject to the jurisdiction of the EPA and state and local environmental agencies. For a discussion of environmental regulation, see "Environmental Matters" in this section. See the "Other Matters" section of Management's Discussion and Analysis for a discussion about potential Global Climate Change legislation and other EPA regulations under development and the potential impacts such legislation and regulation could have on Duke Energy's operations.

GAS UTILITIES AND INFRASTRUCTURE

Gas Utilities and Infrastructure conducts natural gas operations primarily through the regulated public utilities of Piedmont, Duke Energy Ohio and Duke

Energy Kentucky. The natural gas operations are subject to the rules and regulations of the NCUC, PSCSC, PUCO, KPSC, TPUC, PHMSA and the FERC. Gas Utilities and Infrastructure serves residential, commercial, industrial and power generation natural gas customers, including customers served by municipalities who are wholesale customers. Gas Utilities and Infrastructure has over 1.6 million customers, including 1.1 million customers located in North Carolina, South Carolina and Tennessee, and an additional 541,000 customers located within southwestern Ohio and northern Kentucky. In the Carolinas, Ohio and Kentucky, the service areas are comprised of numerous cities, towns and communities. In Tennessee, the service area is the metropolitan area of Nashville. The following map shows the service territory and investments in operating pipelines for Gas Utilities and Infrastructure as of December 31, 2020.



The number of residential, commercial and industrial customers within the Gas Utilities and Infrastructure service territory is expected to increase over time. Average usage per residential customer is expected to remain flat or decline for the foreseeable future; however, decoupled rates in North Carolina and various rate design mechanisms in other jurisdictions partially mitigate the impact of the declining usage per customer on overall profitability.

Gas Utilities and Infrastructure also owns, operates and has investments in various pipeline transmission and natural gas storage facilities.

Natural Gas for Retail Distribution

Gas Utilities and Infrastructure is responsible for the distribution of natural gas to retail customers in its North Carolina, South Carolina, Tennessee, Ohio and Kentucky service territories. Gas Utilities and Infrastructure's natural gas procurement strategy is to contract primarily with major and independent producers and marketers for natural gas supply. It also purchases a diverse portfolio of transportation and storage service from interstate pipelines. This strategy allows Gas Utilities and Infrastructure to assure reliable natural gas supply and transportation for its firm customers during peak winter conditions. When firm pipeline services or contracted natural gas supplies are temporarily not needed due to market demand fluctuations, Gas Utilities and Infrastructure may release these services and supplies in the secondary market under FERC-approved capacity release provisions or make wholesale secondary market sales. In 2020, firm supply purchase commitment agreements provided 100% of the natural gas supply for both Piedmont and Duke Energy Ohio.

Impact of Weather

Gas Utilities and Infrastructure revenues are generally protected from the impact of weather fluctuations due to the regulatory mechanisms that are available in most service territories. In North Carolina, margin decoupling provides protection from both weather and other usage variations like conservation for residential and commercial customer classes. Margin decoupling provides a set revenue per customer independent of actual usage. In South Carolina, Tennessee and Kentucky, weather normalization adjusts revenues either up or down depending on how much warmer or colder than normal a given month has been. Weather normalization adjustments occur from November through March in South Carolina, from October through April in Tennessee and from November through April in Kentucky. Duke Energy Ohio collects most of its non-fuel revenue through a fixed monthly charge that is not impacted by usage fluctuations that result from weather changes or conservation.

Competition

Gas Utilities and Infrastructure's businesses operate as the sole provider of natural gas service within their retail service territories. Gas Utilities and Infrastructure owns and operates facilities necessary to transport and distribute natural gas. Gas Utilities and Infrastructure earns retail margin on the transmission and distribution of natural gas and not on the cost of the underlying commodity. Services are priced by state commission-approved rates designed to include the costs of providing these services and a reasonable return on invested capital. This regulatory policy is intended to provide safe and reliable natural gas service at fair prices.

In residential, commercial and industrial customer markets, natural gas distribution operations compete with other companies that supply energy, primarily electric companies, propane and fuel oil dealers, renewable energy providers and coal companies in relation to sources of energy for electric power plants, as well as nuclear energy. A significant competitive factor is price. Gas Utilities and Infrastructure's primary product competition is with electricity for heating, water heating and cooking. Increases in the price of natural gas or decreases in the price of other energy sources could negatively impact competitive position by decreasing the price benefits of natural gas to the consumer. In the case of industrial customers, such as manufacturing plants, adverse economic or market conditions, including higher natural gas costs, could

cause these customers to suspend business operations or to use alternative sources of energy in favor of energy sources with lower per-unit costs.

Higher natural gas costs or decreases in the price of other energy sources may allow competition from alternative energy sources for applications that have traditionally used natural gas, encouraging some customers to move away from natural gas-fired equipment to equipment fueled by other energy sources. Competition between natural gas and other forms of energy is also based on efficiency, performance, reliability, safety and other non-price factors. Technological improvements in other energy sources and events that impair the public perception of the non-price attributes of natural gas could erode our competitive advantage. These factors in turn could decrease the demand for natural gas, impair our ability to attract new customers and cause existing customers to switch to other forms of energy or to bypass our systems in favor of alternative competitive sources. This could result in slow or no customer growth and could cause customers to reduce or cease using our product, thereby reducing our ability to make capital expenditures and otherwise grow our business, adversely affecting our earnings.

Pipeline and Storage Investments

Duke Energy, through its Gas Utilities and Infrastructure segment, has a 7.5% equity ownership interest in Sabal Trail. Sabal Trail is a joint venture that owns the Sabal Trail Natural Gas Pipeline (Sabal Trail pipeline) to transport natural gas to Florida, regulated by FERC. The Sabal Trail Phase I mainline was placed into service in July 2017 and traverses Alabama, Georgia and Florida. The remaining lateral line to the Duke Energy Florida's Citrus County CC was placed into service in March 2018. Phase II of Sabal Trail went into service in May 2020, adding approximately 200,000 Dth of capacity to the Sabal Trail pipeline.

Gas Utilities and Infrastructure has a 47% equity ownership interest in ACP, which planned to build the ACP pipeline, an approximately 600-mile interstate natural gas pipeline. The ACP pipeline was intended to transport diverse natural gas supplies into southeastern markets and would be regulated by FERC. Dominion Energy owns 53% of ACP and was contracted to construct and operate the ACP pipeline upon completion. On July 5, 2020, Dominion announced a sale of substantially all of its gas transmission and storage segment assets, which were critical to the ACP pipeline. Further, permitting delays and legal challenges had materially affected the timing and cost of the pipeline. As a result, Duke Energy determined that they would no longer invest in the construction of the ACP pipeline. For the year ended December 31, 2020, Duke Energy recorded \$2.1 billion of costs related to ACP.

Gas Utilities and Infrastructure has a 24% equity ownership interest in Constitution, an interstate pipeline development company formed to develop, construct, own and operate a 124-mile natural gas pipeline and related facilities, regulated by FERC. Constitution was slated to transport natural gas supplies from the Marcellus supply region in northern Pennsylvania to major northeastern markets. As of February 5, 2020, the Constitution partners formally resolved to initiate the dissolution of Constitution, and to terminate the Constitution Pipeline project.

Duke Energy, through its Gas Utilities and Infrastructure segment, has a 21.49% equity ownership interest in Cardinal, an intrastate pipeline located in North Carolina regulated by the NCUC, a 45% equity ownership in Pine Needle, an interstate liquefied natural gas storage facility located in North Carolina and a 50% equity ownership interest in Hardy Storage, an underground interstate natural gas storage facility located in Hardy and Hampshire counties in West Virginia. Pine Needle and Hardy Storage are regulated by FERC.

KO Transmission Company (KO Transmission), a wholly owned subsidiary of Duke Energy Ohio, is an interstate pipeline company engaged in the business of transporting natural gas and is subject to the rules and regulations of FERC. KO Transmission's 90-mile pipeline supplies natural gas to Duke Energy Ohio and interconnects with the Columbia Gulf Transmission pipeline and Tennessee Gas Pipeline. An approximately 70-mile portion of KO Transmission's pipeline facilities is co-owned by Columbia Gas Transmission Corporation.

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See Notes 3, 12 and 17 to the Consolidated Financial Statements, "Regulatory Matters," "Investments in Unconsolidated Affiliates" and "Variable Interest Entities," respectively, for further information on Duke Energy's pipeline investments.

Inventory

Gas Utilities and Infrastructure must maintain adequate natural gas inventory in order to provide reliable delivery to customers. As of December 31, 2020, the inventory balance for Gas Utilities and Infrastructure was \$82 million. For more information on inventory, see Note 1 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies."

Regulation

State

The state gas utility commissions approve rates for Duke Energy's retail natural gas service within their respective states. The state gas utility commissions, to varying degrees, have authority over the construction and operation of Gas Utilities and Infrastructure's natural gas distribution facilities.

The following table summarizes certain components underlying recently approved and effective base rates or rate stabilization filings in the last three years.

| | Annual
Increase
(Decrease)
(in millions) | Return
on
Equity | Equity
Component of
Capital Structure | Effective Date |
|---|---|------------------------|---|----------------|
| Approved Rate Cases: | | | | |
| Piedmont 2017 South Carolina Rate Stabilization Adjustment Filing | \$ 6 | 10.2% | 53.0% | November 2017 |
| Piedmont 2018 South Carolina Rate Stabilization Adjustment Filing | (14) | 10.2% | 53.0% | November 2018 |
| Piedmont 2019 South Carolina Rate Stabilization Adjustment Filing | 6 | 9.9% | 55.4% | November 2019 |
| Piedmont 2020 South Carolina Rate Stabilization Adjustment Filing | 7 | 9.8% | 52.3% | November 2020 |
| Duke Energy Kentucky 2018 Natural Gas Base Rate Case | 7 | 9.7% | 50.8% | April 2019 |
| Piedmont 2019 North Carolina Natural Gas Base Rate Case | 109 | 9.7% | 52.0% | November 2019 |
| Piedmont 2020 Tennessee Natural Gas Base Rate Case | 16 | 9.8% | 50.5% | January 2021 |

Gas Utilities and Infrastructure has IMR mechanisms in North Carolina and Tennessee designed to separately track and recover certain costs associated with capital investments incurred to comply with federal pipeline safety and integrity programs. The following table summarizes information related to the recently approved IMR filing.

| (in millions) | Cumulative
Investment | Annual
Revenues | Effective
Date |
|---|--------------------------|--------------------|-------------------|
| Piedmont 2020 IMR Filing – North Carolina | \$ 307 | \$ 30 | December 2020 |

In Piedmont's Tennessee rate case settled in February 2021, the Company included projected IMR investment through December 31, 2021, in its rate base. The recovery of integrity investment was requested in the rate case and not through the Tennessee IMR mechanism.

For more information on rate matters and other regulatory proceedings, see Note 3 to the Consolidated Financial Statements, "Regulatory Matters."

Federal

Gas Utilities and Infrastructure is subject to various federal regulations, including regulations that are particular to the natural gas industry. These federal regulations include but are not limited to the following:

- Regulations of the FERC affect the certification and siting of new interstate natural gas pipeline projects, the purchase and sale of, the prices paid for, and the terms and conditions of service for the interstate transportation and storage of natural gas.
- Regulations of the PHMSA affect the design, construction, operation, maintenance, integrity, safety and security of natural gas distribution and transmission systems.

CPCNs issued by the state gas utility commissions or other government agencies, as applicable, authorize Gas Utilities and Infrastructure to construct and operate its natural gas distribution facilities and to sell natural gas to retail and wholesale customers. Prior approval from the relevant state gas utility commission is required for Gas Utilities and Infrastructure to issue securities. The underlying concept of utility ratemaking is to set rates at a level that allows the utility to collect revenues equal to its cost of providing service plus a reasonable rate of return on its invested capital, including equity.

In addition to amounts collected from customers through approved base rates, each of the state gas utility commissions allow recovery of certain costs through various cost-recovery clauses to the extent the respective commission determines in periodic hearings that such costs, including any past over- or under-recovered costs, are prudent.

Natural gas costs are eligible for recovery by Gas Utilities and Infrastructure. Due to the associated regulatory treatment and the method allowed for recovery, changes in natural gas costs from year to year have no material impact on operating results of Gas Utilities and Infrastructure, unless a commission finds a portion of such costs to have been imprudent. However, delays between the expenditure for natural gas and recovery from customers can adversely impact the timing of cash flows of Gas Utilities and Infrastructure.

- Regulations of the EPA relate to the environment including proposed air emissions regulations that would expand to include emissions of methane.

Regulations of the FERC and the state gas utility commissions govern access to regulated natural gas and other data by nonregulated entities and services provided between regulated and nonregulated energy affiliates. These regulations affect the activities of nonregulated affiliates with Gas Utilities and Infrastructure.

Environmental

Gas Utilities and Infrastructure is subject to the jurisdiction of the EPA and state and local environmental agencies. For a discussion of environmental regulation, see "Environmental Matters" in this section. See "Other Matters" section of Management's Discussion and Analysis for a discussion about potential Global Climate Change legislation and other EPA regulations under development and the potential impacts such legislation and regulation could have on Duke Energy's operations.

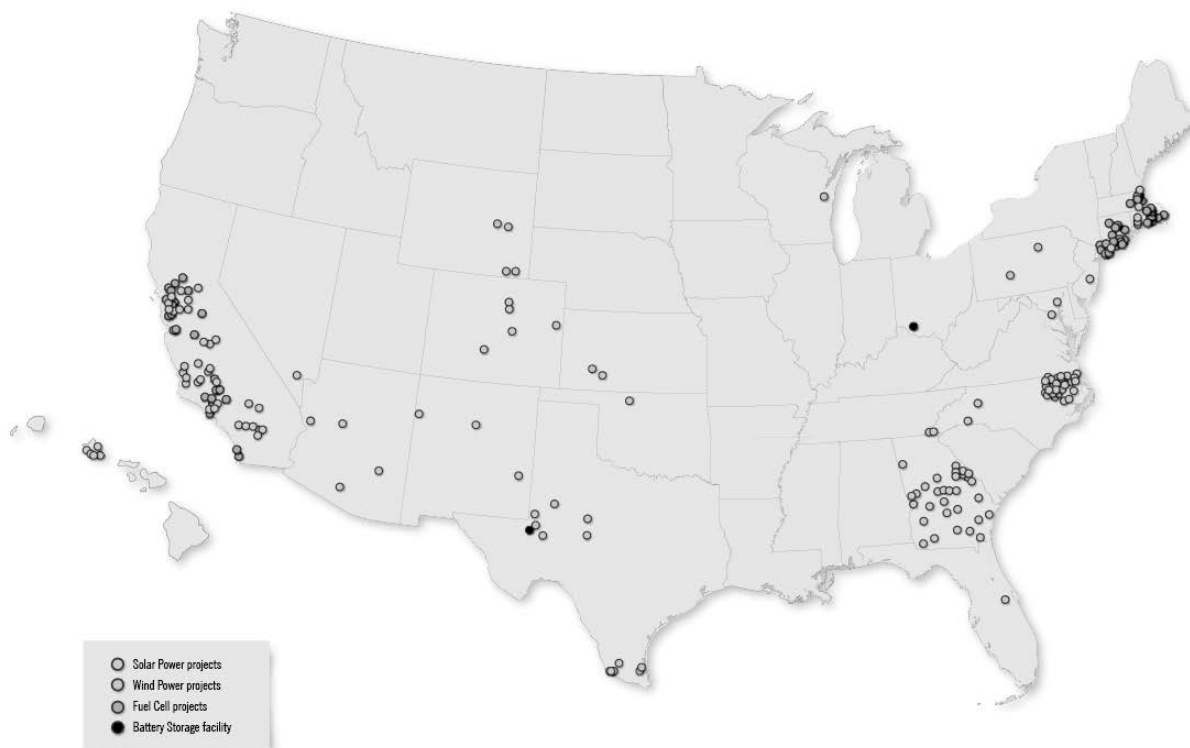
COMMERCIAL RENEWABLES

Commercial Renewables primarily acquires, develops, builds, operates and owns wind and solar renewable generation throughout the continental U.S. The portfolio includes nonregulated renewable energy and energy storage businesses.

Commercial Renewables’ renewable energy includes utility-scale wind and solar generation assets, distributed solar generation assets, distributed fuel cell assets and battery storage projects, which total 2,763 MW across 21 states from 21 wind facilities, 150 solar projects, 70 fuel cell locations and

two battery storage facilities. Revenues are primarily generated by selling the power produced from renewable generation through long-term contracts to utilities, electric cooperatives, municipalities and corporate customers. In most instances, these customers have obligations under state-mandated renewable energy portfolio standards or similar state or local renewable energy goals. Energy and renewable energy credits generated by wind and solar projects are generally sold at contractual prices. The following map shows the locations of renewable generation facilities of which Commercial Renewables has an ownership interest as of December 31, 2020.

Commercial Renewables Portfolio



As eligible projects are placed in service, Commercial Renewables recognizes either PTCs as power is generated by wind projects over 10 years or ITCs when the renewable solar or fuel cell project achieves commercial availability. ITCs are recognized over the useful life of the asset as a reduction to depreciation expense. Benefits of the tax basis adjustment due to the ITC are recognized in income in the year of commercial availability. The ITC for solar and fuel cells is being phased down from a rate of 30% for projects that began construction before 2020 to a permanent 10% rate for solar and no ITC available for fuel cells if construction begins after 2023. The PTC is being phased out and wind turbines will earn 10 years of PTCs at phased-out rates if construction begins in 2017 through 2021.

Commercial Renewables has entered into agreements for certain of its generating assets that are held by LLCs whose members include a noncontrolling tax equity investor. The allocation of tax attributes and cash flows to the tax equity investor are governed by the provisions of the LLC agreements. The GAAP earnings allocations to the tax equity investors can result in variability in earnings to Duke Energy as a result of the application of the HLBV method in allocating income or loss to the owners. As part of its growth strategy, Commercial Renewables expects to enter into these arrangements for future generating assets.

For additional information on Commercial Renewables’ generation facilities, see Item 2, “Properties.”

Market Environment and Competition

Commercial Renewables primarily competes for wholesale contracts for the generation and sale of electricity from generation assets it either develops or acquires and owns. The market price of commodities and services, along with the quality and reliability of services provided, drive competition in the wholesale energy business. The number and type of competitors may vary based on location, generation type and project size. Commercial Renewables’ main competitors include other nonregulated generators and wholesale power providers.

Sources of Electricity

Commercial Renewables relies on wind, solar, fuel cells and battery resources for its generation of electric energy.

Regulation

Commercial Renewables is subject to regulation at the federal level, primarily from the FERC. Regulations of the FERC govern access to regulated market information by nonregulated entities and services provided between regulated and nonregulated utilities.

OTHER

The remainder of Duke Energy's operations is presented as Other. While it is not a business segment, Other primarily includes interest expense on holding company debt, unallocated corporate costs including costs to achieve strategic acquisitions, amounts related to certain companywide initiatives and contributions made to the Duke Energy Foundation. Other also includes Bison and an investment in NMC.

The Duke Energy Foundation is a nonprofit organization funded by Duke Energy shareholders that makes charitable contributions to selected nonprofits and government subdivisions.

Bison, a wholly owned subsidiary of Duke Energy, is a captive insurance company with the principal activity of providing Duke Energy subsidiaries with indemnification for financial losses primarily related to property, workers' compensation and general liability.

Duke Energy owns a 17.5% equity interest in NMC. The joint venture company has production facilities in Jubail, Saudi Arabia, where it manufactures certain petrochemicals and plastics. The company annually produces approximately 1 million metric tons each of MTBE and methanol and has the capacity to produce 50,000 metric tons of polyacetal. The main feedstocks to produce these products are natural gas and butane. Duke Energy records the investment activity of NMC using the equity method of accounting and retains 25% of NMC's board of directors' representation and voting rights.

Human Capital Management

Governance

Our employees are critical to the success of our company. Our Human Resources organization is responsible for our human capital management strategy, which includes recruiting and hiring, onboarding and training, diversity and inclusion, workforce planning, talent and succession planning, performance management and employee development. Key areas of focus include fostering a high-performance and inclusive culture built on strong leadership and highly engaged and diverse employees, building a pipeline of skilled workers and ensuring knowledge transfer as employees retire.

Our Board of Directors provides oversight on certain human capital management matters, primarily through the Compensation and People Development Committee, which is responsible for reviewing strategies and policies related to human capital management, including with respect to matters such as diversity and inclusion, employee engagement and talent development. The Compensation and People Development Committee also receives updates on employee engagement surveys and action plans.

Employees

On December 31, 2020, Duke Energy had a total of 27,535 full-time, part-time and temporary employees, the overwhelming majority of which were full-time employees. The total includes 5,165 employees who are represented by labor unions under various collective bargaining agreements that generally cover wages, benefits, working practices, and other terms and conditions of employment.

Compensation

The company seeks to attract and retain an appropriately qualified workforce and leverages Duke Energy's leadership imperatives to foster a culture focused on customers, innovation, and highly engaged employees. Our compensation program is designed to link pay to performance with the goal of attracting and retaining talented employees, rewarding individual performance, encouraging long-term commitment to our business, and aligning the interests of our management team with those of key stakeholders, including shareholders and customers. In addition to competitive base pay, we provide eligible employees with compensation and benefits under a variety of plans and

programs, including with respect to health care benefits, retirement savings, pension, health savings and flexible spending accounts, wellness, family leaves, employee assistance, as well as other benefits including a charitable matching program. We supplement our pay for performance program with a number of compensation policies that are aligned with the long-term interests of Duke Energy and our shareholders, including a short-term incentive plan and a long-term incentive plan for eligible employees.

Diversity and Inclusion

Duke Energy is committed to continuing to build a diverse workforce that reflects the communities we serve while strengthening a culture of inclusion where employees and customers feel respected and valued. Our Enterprise Diversity and Inclusion Advisory Council, which is chaired by our Chief Operating Officer, is responsible for reviewing our diversity and inclusion initiatives for continuous improvement, as well as helping to develop actionable outcomes and results. We have established aspirational goals with respect to diversity and inclusion, and we regularly report our progress toward achieving those goals. Our aspirational goals include achieving a workforce representation of at least 25% female and 20% racial and ethnic diversity. As of December 31, 2020, our workforce consisted of approximately 23% female and 18% racial and ethnic diversity.

The company also has a number of Employee Resource Groups (ERGs), which are networks of employees formed around a common dimension of diversity whose goals and objectives align with the company's goals and objectives. These groups focus on employee professional development and networking, community outreach, cultural awareness, recruiting and retention. They also serve as a resource to the company for advocacy and community outreach and improving customer service through innovation. ERG-sponsored forums include networking events, mentoring, scholarship banquets for aspiring college students, and workshops on topics such as time management, stress reduction, career planning and work-life balance. Our ERGs are open to all employees.

Among other efforts, the company has developed partnerships with community organizations, community colleges and historically black colleges and universities to support our strategy of building a diverse and highly skilled talent pipeline.

Operational Excellence

The foundation for our growth and success is our continued focus on operational excellence, the leading indicator of which is safety. As such, the safety of our workforce remains our top priority. The company closely monitors the Total Incident Case Rate (TICR), which is a metric based on strict OSHA definitions that measures the number of occupational injuries and illnesses per 100 employees. This objective emphasizes our focus on achieving an event-free and injury-free workplace. As an indication of our commitment to safety, we include safety metrics in both the short-term and long-term incentive plans based on the TICR for employees. Our employees delivered strong safety results in 2020, consistent with our industry-leading performance levels from 2016 through 2019.

COVID-19 Response

Safety continued to be of paramount importance during the COVID-19 pandemic and included executing on robust business continuity plans that helped ensure critical functions continued to operate under a broad range of circumstances while maintaining a safe work environment. Actions included the following:

- Engaged our environmental, health and safety experts to develop new safety protocols for thousands of essential workers
- Quickly transitioned thousands of employees to virtual status

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- Added bandwidth for our information technology systems, reviewed inventory in supply chain, implemented a series of surveys to get employee input, and provided ongoing communications to keep them informed as conditions evolved
- Created a cross-functional COVID-19 case management team to track and disposition positive cases, ensure appropriate contact tracing and compliance with quarantine and safe return to work requirements
- Ensured power plants and electricity and natural gas delivery facilities were staffed, helping safeguard dependable service to customers
- Implemented stringent preventive measures in alignment with the Centers for Disease Control and Prevention's (CDC) guidance to help keep employees and customers safe and help ensure we had adequate resources to maintain reliability

The company also provided additional benefits to support our workforce throughout the pandemic, including:

- 60 hours of additional personal time off to employees who experienced a disruption in dependent care due to school, daycare or other dependent care issues
- A \$1,500 stipend to assist with unplanned expenses resulting from costs related to COVID-19 to employees at a certain pay threshold
- Donated more than \$550,000 to the Relief4Employees program, which is a fund that employees can draw upon for short-term financial help during times of personal need

Information about Our Executive Officers

The following table sets forth the individuals who currently serve as executive officers. Executive officers serve until their successors are duly elected or appointed.

| Name | Age ^(a) | Current and Recent Positions Held |
|---------------------|--------------------|--|
| Lynn J. Good | 61 | Chair, President and Chief Executive Officer. Ms. Good has served as Chair, President and Chief Executive Officer of Duke Energy since January 1, 2016, and was Vice Chairman, President and Chief Executive Officer of Duke Energy from July 2013 through December 2015. Prior to that, she served as Executive Vice President and Chief Financial Officer since 2009. |
| Steven K. Young | 62 | Executive Vice President and Chief Financial Officer. Mr. Young assumed his current position in August 2013. Prior to that, he served as Vice President, Chief Accounting Officer and Controller, assuming the role of Chief Accounting Officer in July 2012 and the role of Controller in December 2006. |
| Douglas F. Esamann | 63 | Executive Vice President, Energy Solutions and President, Midwest/Florida Regions and Natural Gas Business. Mr. Esamann assumed his current position in October 2019, was Executive Vice President, Energy Solutions and President, Midwest and Florida Regions since September 2016 and was Executive Vice President and President, Midwest and Florida Regions since June 2015. Prior to that, he served as President, Duke Energy Indiana since November 2010. |
| Kodwo Ghartey-Tagoe | 57 | Executive Vice President, Chief Legal Officer and Corporate Secretary. Mr. Ghartey-Tagoe assumed the position of Executive Vice President, Chief Legal Officer and Corporate Secretary in May 2020. He was appointed Executive Vice President and Chief Legal Officer in October 2019, after serving as President, South Carolina since 2017. Mr. Ghartey-Tagoe joined Duke Energy in 2002 and has held numerous management positions in Duke Energy's Legal Department, including Duke Energy's Senior Vice President of State and Federal Regulatory Legal Support. |
| Dwight L. Jacobs | 55 | Senior Vice President, Chief Accounting Officer, Tax and Controller. Mr. Jacobs has served as Senior Vice President, Chief Accounting Officer, Tax and Controller since January 1, 2019. Prior to that, he served as Senior Vice President, Chief Accounting Officer and Controller since June 1, 2018. Prior to that, he served as Senior Vice President, Financial Planning & Analysis since February 2016 and as Chief Risk Officer since July 2014. Prior to his role as Chief Risk Officer, Mr. Jacobs served as Vice President, Rates & Regulatory Strategy since May 2010. |
| Dhiaa M. Jamil | 64 | Executive Vice President and Chief Operating Officer. Mr. Jamil assumed the role of Chief Operating Officer in May 2016. Prior to his current position, he held the title Executive Vice President and President, Regulated Generation and Transmission since June 2015. Prior to that, he served as Executive Vice President and President, Regulated Generation since August 2014. He served as Executive Vice President and President of Duke Energy Nuclear from March 2013 to August 2014, and was Chief Nuclear Officer from February 2008 to February 2013. |
| Julia S. Janson | 56 | Executive Vice President, External Affairs and President, Carolinas Region. Ms. Janson has held the position of Executive Vice President, External Affairs and President, Carolinas Region since October 2019. Prior to that, she held the position of Executive Vice President, External Affairs and Chief Legal Officer since November 2018. She originally assumed the position of Executive Vice President, Chief Legal Officer and Corporate Secretary in December 2012, and then assumed the responsibilities for External Affairs in February 2016. |
| Brian D. Savoy | 45 | Senior Vice President, Chief Transformation and Administrative Officer. Mr. Savoy assumed his current position in October 2019. Prior to that, he served as Senior Vice President, Business Transformation and Technology since May 2016; Senior Vice President, Controller and Chief Accounting Officer from September 2013 to May 2016; Director, Forecasting and Analysis from 2009 to September 2013; and Vice President and Controller of the Commercial Power segment from 2006 to 2009. |
| Harry K. Sideris | 50 | Senior Vice President, Customer Experience and Services. Mr. Sideris assumed his current position in October 2019. Prior to that, he served as Senior Vice President and Chief Distribution Officer since June 2018; State President, Florida from January 2017 to June 2018; Senior Vice President of Environmental Health and Safety from August 2014 to January 2017; and Vice President of Power Generations for the Company's Fossil/Hydro Operations in the western portions of North Carolina and South Carolina from July 2012 to August 2014. |

(a) The ages of the officers provided are as of January 31, 2021.

There are no family relationships between any of the executive officers, nor any arrangement or understanding between any executive officer and any other person involved in officer selection.

Environmental Matters

The Duke Energy Registrants are subject to federal, state and local laws and regulations with regard to air and water quality, hazardous and solid waste disposal and other environmental matters. Environmental laws and regulations affecting the Duke Energy Registrants include, but are not limited to:

- The Clean Air Act, as well as state laws and regulations impacting air emissions, including State Implementation Plans related to existing and new national ambient air quality standards for ozone and particulate matter. Owners and/or operators of air emission sources are responsible for obtaining permits and for annual compliance and reporting.
- The CWA, which requires permits for facilities that discharge wastewaters into navigable waters.
- The Comprehensive Environmental Response, Compensation and Liability Act, which can require any individual or entity that currently owns or in the past owned or operated a disposal site, as well as

transporters or generators of hazardous substances sent to a disposal site, to share in remediation costs.

- The National Environmental Policy Act, which requires federal agencies to consider potential environmental impacts in their permitting and licensing decisions, including siting approvals.
- Coal Ash Act, as amended, which establishes requirements regarding the use and closure of existing ash basins, the disposal of ash at active coal plants and the handling of surface water and groundwater impacts from ash basins in North Carolina.
- The Solid Waste Disposal Act, as amended by RCRA, which creates a framework for the proper management of hazardous and nonhazardous solid waste; classifies CCR as nonhazardous waste; and establishes standards for landfill and surface impoundment placement, design, operation and closure, groundwater monitoring, corrective action, and post-closure care.
- The Toxic Substances Control Act, which gives EPA the authority to require reporting, recordkeeping and testing requirements, and to place restrictions relating to chemical substances and/or mixtures, including polychlorinated biphenyls.

For more information on environmental matters, see Notes 4 and 9 to the Consolidated Financial Statements, “Commitments and Contingencies – Environmental” and “Asset Retirement Obligations,” respectively, and the “Other Matters” section of Management’s Discussion and Analysis. Except as otherwise described in these sections, costs to comply with current federal, state and local provisions regulating the discharge of materials into the environment or other potential costs related to protecting the environment are incorporated into the routine cost structure of our various business segments and are not expected to have a material adverse effect on the competitive position, consolidated results of operations, cash flows or financial position of the Duke Energy Registrants.

The “Other Matters” section of Management’s Discussion and Analysis includes more information on certain environmental regulations and a discussion of Global Climate Change including the potential impact of current and future legislation related to GHG emissions on the Duke Energy Registrants’ operations. Recently passed and potential future environmental statutes and regulations could have a significant impact on the Duke Energy Registrants’ results of operations, cash flows or financial position. However, if and when such statutes and regulations become effective, the Duke Energy Registrants will seek appropriate regulatory recovery of costs to comply within its regulated operations.

DUKE ENERGY CAROLINAS

Duke Energy Carolinas is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of North Carolina and South Carolina. Duke Energy Carolinas’ service area covers approximately 24,000 square miles and supplies electric service to 2.7 million residential, commercial and industrial customers. For information about Duke Energy Carolinas’ generating facilities, see Item 2, “Properties.” Duke Energy Carolinas is subject to the regulatory provisions of the NCUC, PSCSC, NRC and FERC.

Substantially all of Duke Energy Carolinas’ operations are regulated and qualify for regulatory accounting. Duke Energy Carolinas operates one reportable business segment, Electric Utilities and Infrastructure. For additional information regarding this business segment, including financial information, see Note 2 to the Consolidated Financial Statements, “Business Segments.”

PROGRESS ENERGY

Progress Energy is a public utility holding company primarily engaged in the regulated electric utility business and is subject to regulation by the FERC. Progress Energy conducts operations through its wholly owned subsidiaries,

Duke Energy Progress and Duke Energy Florida. When discussing Progress Energy’s financial information, it necessarily includes the results of Duke Energy Progress and Duke Energy Florida.

Substantially all of Progress Energy’s operations are regulated and qualify for regulatory accounting. Progress Energy operates one reportable business segment, Electric Utilities and Infrastructure. For additional information regarding this business segment, including financial information, see Note 2 to the Consolidated Financial Statements, “Business Segments.”

DUKE ENERGY PROGRESS

Duke Energy Progress is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of North Carolina and South Carolina. Duke Energy Progress’ service area covers approximately 29,000 square miles and supplies electric service to approximately 1.6 million residential, commercial and industrial customers. For information about Duke Energy Progress’ generating facilities, see Item 2, “Properties.” Duke Energy Progress is subject to the regulatory provisions of the NCUC, PSCSC, NRC and FERC.

Substantially all of Duke Energy Progress’ operations are regulated and qualify for regulatory accounting. Duke Energy Progress operates one reportable business segment, Electric Utilities and Infrastructure. For additional information regarding this business segment, including financial information, see Note 2 to the Consolidated Financial Statements, “Business Segments.”

DUKE ENERGY FLORIDA

Duke Energy Florida is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of Florida. Duke Energy Florida’s service area covers approximately 13,000 square miles and supplies electric service to approximately 1.9 million residential, commercial and industrial customers. For information about Duke Energy Florida’s generating facilities, see Item 2, “Properties.” Duke Energy Florida is subject to the regulatory provisions of the FPSC, NRC and FERC.

Substantially all of Duke Energy Florida’s operations are regulated and qualify for regulatory accounting. Duke Energy Florida operates one reportable business segment, Electric Utilities and Infrastructure. For additional information regarding this business segment, including financial information, see Note 2 to the Consolidated Financial Statements, “Business Segments.”

DUKE ENERGY OHIO

Duke Energy Ohio is a regulated public utility primarily engaged in the transmission and distribution of electricity in portions of Ohio and Kentucky, in the generation and sale of electricity in portions of Kentucky and the transportation and sale of natural gas in portions of Ohio and Kentucky. Duke Energy Ohio also conducts competitive auctions for retail electricity supply in Ohio whereby recovery of the energy price is from retail customers. Operations in Kentucky are conducted through its wholly owned subsidiary, Duke Energy Kentucky. References herein to Duke Energy Ohio include Duke Energy Ohio and its subsidiaries, unless otherwise noted. Duke Energy Ohio is subject to the regulatory provisions of the PUCO, KPSC, PHMSA and FERC.

Duke Energy Ohio’s service area covers approximately 3,000 square miles and supplies electric service to approximately 880,000 residential, commercial and industrial customers and provides transmission and distribution services for natural gas to approximately 545,000 customers. For information about Duke Energy Ohio’s generating facilities, see Item 2, “Properties.”

KO Transmission, a wholly owned subsidiary of Duke Energy Ohio, is an interstate pipeline company engaged in the business of transporting natural gas and is subject to the rules and regulations of FERC. KO Transmission’s 90-mile pipeline supplies natural gas to Duke Energy Ohio and interconnects with the Columbia Gulf Transmission pipeline and Tennessee Gas Pipeline. An approximately 70-mile portion of KO Transmission’s pipeline facilities is co-owned by Columbia Gas Transmission Corporation.

PART I

Substantially all of Duke Energy Ohio's operations are regulated and qualify for regulatory accounting. Duke Energy Ohio has two reportable segments, Electric Utilities and Infrastructure and Gas Utilities and Infrastructure. For additional information on these business segments, including financial information, see Note 2 to the Consolidated Financial Statements, "Business Segments."

DUKE ENERGY INDIANA

Duke Energy Indiana is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of Indiana. Duke Energy Indiana's service area covers 23,000 square miles and supplies electric service to 850,000 residential, commercial and industrial customers. For information about Duke Energy Indiana's generating facilities, see Item 2, "Properties." Duke Energy Indiana is subject to the regulatory provisions of the IURC and FERC.

Substantially all of Duke Energy Indiana's operations are regulated and qualify for regulatory accounting. Duke Energy Indiana operates one reportable business segment, Electric Utilities and Infrastructure. For additional information regarding this business segment, including financial information, see Note 2 to the Consolidated Financial Statements, "Business Segments."

PIEDMONT

Piedmont is a regulated public utility primarily engaged in the distribution of natural gas to over 1.1 million residential, commercial, industrial and power generation customers in portions of North Carolina, South Carolina and Tennessee, including customers served by municipalities who are wholesale customers. For information about Piedmont's natural gas distribution facilities, see Item 2, "Properties." Piedmont is subject to the regulatory provisions of the NCUC, PSCSC, TPUC, PHMSA and FERC.

Substantially all of Piedmont's operations are regulated and qualify for regulatory accounting. Piedmont operates one reportable business segment, Gas Utilities and Infrastructure. For additional information regarding this business segment, including financial information, see Note 2 to the Consolidated Financial Statements, "Business Segments."

ITEM 1A. RISK FACTORS

In addition to other disclosures within this Form 10-K, including "Management's Discussion and Analysis of Financial Condition and Results of Operations – Matters Impacting Future Results" for each registrant in Item 7, and other documents filed with the SEC from time to time, the following factors should be considered in evaluating Duke Energy and its subsidiaries. Such factors could affect actual results of operations and cause results to differ substantially from those currently expected or sought. Unless otherwise indicated, risk factors discussed below generally relate to risks associated with all of the Duke Energy Registrants. Risks identified at the Subsidiary Registrant level are generally applicable to Duke Energy.

BUSINESS STRATEGY RISKS

Duke Energy's future results could be adversely affected if it is unable to implement its business strategy.

Duke Energy's results of operations depend, in significant part, on the extent to which it can implement its business strategy successfully. Duke Energy's strategy, which includes transforming the customer experience, achieving net-zero carbon emissions by 2050, modernizing the regulatory construct and digital transformation, is subject to business, regulatory, economic and competitive uncertainties and contingencies, and required advancements in technology to achieve net-zero carbon emissions by 2050,

many of which are beyond its control. As a consequence, Duke Energy may not be able to fully implement or realize the anticipated results of its strategy.

REGULATORY, LEGISLATIVE AND LEGAL RISKS

The Duke Energy Registrants' regulated utility revenues, earnings and results are dependent on state legislation and regulation that affect electric generation, electric and natural gas transmission, distribution and related activities, which may limit their ability to recover costs.

The Duke Energy Registrants' regulated electric and natural gas utility businesses are regulated on a cost-of-service/rate-of-return basis subject to statutes and regulatory commission rules and procedures of North Carolina, South Carolina, Florida, Ohio, Tennessee, Indiana and Kentucky. If the Duke Energy Registrants' regulated utility earnings exceed the returns established by the state utility commissions, retail electric and natural gas rates may be subject to review and possible reduction by the Commissions, which may decrease the Duke Energy Registrants' earnings. Additionally, if regulatory bodies do not allow recovery of costs incurred in providing service, or do not do so on a timely basis, the Duke Energy Registrants' earnings could be negatively impacted.

If legislative and regulatory structures were to evolve in such a way that the Duke Energy Registrants' exclusive rights to serve their regulated customers were eroded, their earnings could be negatively impacted. Federal and state regulations, laws and other efforts designed to promote and expand the use of EE 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 and an increase in customer net energy metering, which allows customers with private solar to receive bill credits for surplus power at the full retail amount. Over time, customer adoption of these technologies and increased EE could result in excess generation resources as well as stranded costs if Duke Energy is not able to fully recover the costs and investment in generation.

State regulators have approved various mechanisms to stabilize natural gas utility margins, including margin decoupling in North Carolina and rate stabilization in South Carolina. State regulators have approved other margin stabilizing mechanisms that, for example, allow for recovery of margin losses associated with negotiated transactions designed to retain large volume customers that could use alternative fuels or that may otherwise directly access natural gas supply through their own connection to an interstate pipeline. If regulators decided to discontinue the Duke Energy Registrants' use of tariff mechanisms, it would negatively impact results of operations, financial position and cash flows. In addition, regulatory authorities also review whether natural gas costs are prudently incurred and can disallow the recovery of a portion of natural gas costs that the Duke Energy Registrants seek to recover from customers, which would adversely impact earnings.

The rates that the Duke Energy Registrants' regulated utility businesses are allowed to charge are established by state utility commissions in rate case proceedings, which may limit their ability to recover costs and earn an appropriate return on investment.

The rates that the Duke Energy Registrants' regulated utility business are allowed to charge significantly influences the results of operations, financial position and cash flows of the Duke Energy Registrants. The regulation of the rates that the regulated utility businesses charge customers is determined, in large part, by state utility commissions in rate case proceedings. Negative decisions made by these regulators, or by any court on appeal of a rate case proceeding, could have a material adverse effect on the Duke Energy Registrants' results of operations, financial position or cash flows and affect the ability of the Duke Energy Registrants to recover costs and an appropriate return on the significant infrastructure investments being made.

Deregulation or restructuring in the electric industry may result in increased competition and unrecovered costs that could adversely affect the Duke Energy Registrants' results of operations, financial position or cash flows and their utility businesses.

Increased competition resulting from deregulation or restructuring legislation could have a significant adverse impact on the Duke Energy Registrants' results of operations, financial position or cash flows. If the retail jurisdictions served by the Duke Energy Registrants become subject to deregulation, the impairment of assets, loss of retail customers, lower profit margins or increased costs of capital, and recovery of stranded costs could have a significant adverse financial impact on the Duke Energy Registrants. Stranded costs primarily include the generation assets of the Duke Energy Registrants whose value in a competitive marketplace may be less than their current book value, as well as above-market purchased power commitments from QFs from whom the Duke Energy Registrants are legally obligated to purchase energy at an avoided cost rate under PURPA. The Duke Energy Registrants cannot predict the extent and timing of entry by additional competitors into the electric markets. The Duke Energy Registrants cannot predict if or when they will be subject to changes in legislation or regulation, nor can they predict the impact of these changes on their results of operations, financial position or cash flows.

The Duke Energy Registrants' businesses are subject to extensive federal regulation and a wide variety of laws and governmental policies, including taxes, that may change over time in ways that affect operations and costs.

The Duke Energy Registrants are subject to regulations under a wide variety of U.S. federal and state regulations and policies, including by FERC, NRC, EPA and various other federal agencies as well as the North American Electric Reliability Corporation. Regulation affects almost every aspect of the Duke Energy Registrants' businesses, including, among other things, their ability to: take fundamental business management actions; determine the terms and rates of transmission and distribution services; make acquisitions; issue equity or debt securities; engage in transactions with other subsidiaries and affiliates; and pay dividends upstream to the Duke Energy Registrants. Changes to federal regulations are continuous and ongoing. There can be no assurance that laws, regulations and policies will not be changed in ways that result in material modifications of business models and objectives or affect returns on investment by restricting activities and products, subjecting them to escalating costs, causing delays, or prohibiting them outright.

The Duke Energy Registrants are subject to numerous environmental laws and regulations requiring significant capital expenditures that can increase the cost of operations, and which may impact or limit business plans, or cause exposure to environmental liabilities.

The Duke Energy Registrants are subject to numerous environmental laws and regulations affecting many aspects of their present and future operations, including CCRs, air emissions, water quality, wastewater discharges, solid waste and hazardous waste. These laws and regulations can result in increased capital, operating and other costs. These laws and regulations generally require the Duke Energy Registrants to obtain and comply with a wide variety of environmental licenses, permits, inspections and other approvals. Compliance with environmental laws and regulations can require significant expenditures, including expenditures for cleanup costs and damages arising from contaminated properties. Failure to comply with environmental regulations may result in the imposition of fines, penalties and injunctive measures affecting operating assets. The steps the Duke Energy Registrants could be required to take to ensure their facilities are in compliance could be prohibitively

expensive. As a result, the Duke Energy Registrants may be required to shut down or alter the operation of their facilities, which may cause the Duke Energy Registrants to incur losses. Further, the Duke Energy Registrants may not be successful in recovering capital and operating costs incurred to comply with new environmental regulations through existing regulatory rate structures and their contracts with customers. Also, the Duke Energy Registrants may not be able to obtain or maintain from time to time all required environmental regulatory approvals for their operating assets or development projects. Delays in obtaining any required environmental regulatory approvals, failure to obtain and comply with them or changes in environmental laws or regulations to more stringent compliance levels could result in additional costs of operation for existing facilities or development of new facilities being prevented, delayed or subject to additional costs. Although it is not expected that the costs to comply with current environmental regulations will have a material adverse effect on the Duke Energy Registrants' results of operations, financial position and cash flows due to regulatory cost recovery, the Duke Energy Registrants are at risk that the costs of complying with environmental regulations in the future will have such an effect.

The EPA has enacted or proposed federal regulations governing the management of cooling water intake structures, wastewater and CO₂ emissions. New state legislation, including the North Carolina Clean Energy Plan, could impose carbon reduction goals that are more aggressive than the company's plans. These regulations may require the Duke Energy Registrants to make additional capital expenditures and increase operating and maintenance costs.

The Duke Energy Registrants' operations, capital expenditures and financial results may be affected by regulatory changes related to the impacts of global climate change.

There is continued concern, and increasing activism, both nationally and internationally, about climate change. The EPA and state regulators may adopt and implement regulations to restrict emissions of GHGs to address global climate change. Increased regulation of GHG emissions could impose significant additional costs on the Duke Energy Registrants' electric and natural gas operations, their suppliers and customers. Regulatory changes could result in generation facilities to be retired early and result in stranded costs if Duke Energy is not able to fully recover the costs and investment in generation, and could also affect demand for energy conservation and renewable products, which could impact our electric and natural gas businesses.

OPERATIONAL RISKS

The Duke Energy Registrants' operations have been and may be affected by COVID-19 in ways listed below and in ways the registrants cannot predict at this time.

The COVID-19 pandemic has impacted the Duke Energy Registrants' business strategy, results of operations, financial position and cash flows, albeit not materially as of this filing date, from specific activities listed below:

- Decreased demand for electricity and natural gas;
- Delays in rate cases and other legal proceedings;
- An inability to obtain labor or equipment necessary for the construction of generation projects or pipeline expansion;
- The health and availability of our critical personnel and their ability to perform business functions; and
- Actions of state utility commissions or federal or state governments to allow customers to suspend or delay payment of bills related to the provision of electric or natural gas services.

Furthermore, due to the unpredictability of the COVID-19 pandemic's ongoing impact on global health and economic stability, the Duke Energy Registrants expect that the activities listed below could negatively impact their business strategy, results of operations, financial position and cash flows:

- An inability to procure satisfactory levels of fuels or other necessary equipment to continue production of electricity and delivery of natural gas;
- An inability to maintain information technology systems and protections from cyberattack;
- An inability to obtain financing in volatile financial markets;
- Additional federal regulation tied to stimulus and other aid packages; and
- Impairment charges, which could include real estate as options for working remotely are evaluated and goodwill.

The Duke Energy Registrants' results of operations may be negatively affected by overall market, economic and other conditions that are beyond their control.

Sustained downturns or sluggishness in the economy generally affect the markets in which the Duke Energy Registrants operate and negatively influence operations. Declines in demand for electricity or natural gas as a result of economic downturns in the Duke Energy Registrants' regulated service territories will reduce overall sales and lessen cash flows, especially as industrial customers reduce production and, therefore, consumption of electricity and the use of natural gas. Although the Duke Energy Registrants' regulated electric and natural gas businesses are subject to regulated allowable rates of return and recovery of certain costs, such as fuel and purchased natural gas costs, under periodic adjustment clauses, overall declines in electricity or natural gas sold as a result of economic downturn or recession could reduce revenues and cash flows, thereby diminishing results of operations. Additionally, prolonged economic downturns that negatively impact the Duke Energy Registrants' results of operations and cash flows could result in future material impairment charges to write-down the carrying value of certain assets, including goodwill, to their respective fair values.

The Duke Energy Registrants also sell electricity into the spot market or other competitive power markets on a contractual basis. With respect to such transactions, the Duke Energy Registrants are not guaranteed any rate of return on their capital investments through mandated rates, and revenues and results of operations are likely to depend, in large part, upon prevailing market prices. These market prices may fluctuate substantially over relatively short periods of time and could reduce the Duke Energy Registrants' revenues and margins, thereby diminishing results of operations.

Factors that could impact sales volumes, generation of electricity and market prices at which the Duke Energy Registrants are able to sell electricity and natural gas are as follows:

- weather conditions, including abnormally mild winter or summer weather that cause lower energy or natural gas usage for heating or cooling purposes, as applicable, and periods of low rainfall that decrease the ability to operate facilities in an economical manner;
- supply of and demand for energy commodities;
- transmission or transportation constraints or inefficiencies that impact nonregulated energy operations;
- availability of competitively priced alternative energy sources, which are preferred by some customers over electricity produced from coal, nuclear or natural gas plants, and customer usage of energy-efficient equipment that reduces energy demand;

- natural gas, crude oil and refined products production levels and prices;
- ability to procure satisfactory levels of inventory, such as coal, natural gas and uranium; and
- capacity and transmission service into, or out of, the Duke Energy Registrants' markets.

Natural disasters or operational accidents may adversely affect the Duke Energy Registrants' operating results.

Natural disasters or other operational accidents within the company or industry (such as forest fires, earthquakes, hurricanes or natural gas transmission pipeline explosions) could have direct or indirect impacts to the Duke Energy Registrants or to key contractors and suppliers. Further, the generation of electricity and the transportation and storage of natural gas involve inherent operating risks that may result in accidents involving serious injury or loss of life, environmental damage or property damage. Such events could impact the Duke Energy Registrants through changes to policies, laws and regulations whose compliance costs have a significant impact on the Duke Energy Registrants' results of operations, financial position and cash flows. In addition, if a serious operational accident were to occur, existing insurance policies may not cover all of the potential exposures or the actual amount of loss incurred. Any losses not covered by insurance, or any increases in the cost of applicable insurance as a result of such accident, could have a material adverse effect on the results of operations, financial position, cash flows and reputation of the Duke Energy Registrants.

The reputation and financial condition of the Duke Energy Registrants could be negatively impacted due to their obligations to comply with federal and state regulations, laws, and other legal requirements that govern the operations, assessments, storage, closure, remediation, disposal and monitoring relating to CCR, the high costs and new rate impacts associated with implementing these new CCR-related requirements and the strategies and methods necessary to implement these requirements in compliance with these legal obligations.

As a result of electricity produced for decades at coal-fired power plants, the Duke Energy Registrants manage large amounts of CCR that are primarily stored in dry storage within landfills or combined with water in other surface impoundments, all in compliance with applicable regulatory requirements. A CCR-related operational incident could have a material adverse impact on the reputation and results of operations, financial position and cash flows of the Duke Energy Registrants.

During 2015, EPA regulations were enacted related to the management of CCR from power plants. These regulations classify CCR as nonhazardous waste under the RCRA and apply to electric generating sites with new and existing landfills and, new and existing surface impoundments, and establish requirements regarding landfill design, structural integrity design and assessment criteria for surface impoundments, groundwater monitoring, protection and remedial procedures and other operational and reporting procedures for the disposal and management of CCR. In addition to the federal regulations, CCR landfills and surface impoundments will continue to be regulated by existing state laws, regulations and permits, as well as additional legal requirements that may be imposed in the future, such as the settlement reached with the NCDEQ to excavate seven of the nine remaining coal ash basins in North Carolina, and partially excavate the remaining two. These federal and state laws, regulations and other legal requirements may require or result in additional expenditures, including increased operating and maintenance costs, which could affect the results of operations, financial position and cash flows of the Duke Energy Registrants. The Duke Energy Registrants will continue to seek full cost recovery for expenditures through the

normal ratemaking process with state and federal utility commissions, who permit recovery in rates of necessary and prudently incurred costs associated with the Duke Energy Registrants' regulated operations, and through other wholesale contracts with terms that contemplate recovery of such costs, although there is no guarantee of full cost recovery. In addition, the timing for and amount of recovery of such costs could have a material adverse impact on Duke Energy's cash flows.

The Duke Energy Registrants have recognized significant AROs related to these CCR-related requirements. Closure activities began in 2015 at the four sites specified as priority by the Coal Ash Act and at the W.S. Lee Steam Station site in South Carolina in connection with other legal requirements. Excavation at these sites involves movement of CCR materials to off-site locations for use as structural fill, to appropriate engineered off-site or on-site lined landfills or conversion of the ash for beneficial use. Duke Energy has completed excavation of coal ash at three of the four high priority sites. At other sites, planning and closure methods have been studied and factored into the estimated retirement and management costs, and closure activities have commenced. As the closure and CCR management work progresses and final closure plans and corrective action measures are developed and approved at each site, the scope and complexity of work and the amount of CCR material could be greater than estimates and could, therefore, materially increase compliance expenditures and rate impacts.

The Duke Energy Registrants' results of operations, financial position and cash flows may be negatively affected by a lack of growth or slower growth in the number of customers, or decline in customer demand or number of customers.

Growth in customer accounts and growth of customer usage each directly influence demand for electricity and natural gas and the need for additional power generation and delivery facilities. Customer growth and customer usage are affected by several factors outside the control of the Duke Energy Registrants, such as mandated EE measures, demand-side management goals, distributed generation resources and economic and demographic conditions, such as population changes, job and income growth, housing starts, new business formation and the overall level of economic activity.

Certain regulatory and legislative bodies have introduced or are considering requirements and/or incentives to reduce energy consumption by certain dates. Additionally, technological advances driven by federal laws mandating new levels of EE in end-use electric devices or other improvements in or applications of technology could lead to declines in per capita energy consumption.

Advances in distributed generation technologies that produce power, including fuel cells, microturbines, wind turbines and solar cells, may reduce the cost of alternative methods of producing power to a level competitive with central power station electric production utilized by the Duke Energy Registrants.

Some or all of these factors could result in a lack of growth or decline in customer demand for electricity or number of customers and may cause the failure of the Duke Energy Registrants to fully realize anticipated benefits from significant capital investments and expenditures, which could have a material adverse effect on their results of operations, financial position and cash flows.

Furthermore, the Duke Energy Registrants currently have EE riders in place to recover the cost of EE programs in North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky. Should the Duke Energy Registrants be required to invest in conservation measures that result in reduced sales from effective conservation, regulatory lag in adjusting rates for the impact of these measures could have a negative financial impact.

The Duke Energy Registrants future results may be impacted by changing customer expectations and demands including heightened emphasis on environmental, social and governance concerns.

Duke Energy's outcomes are influenced by the expectations of our customers and stakeholders. Those expectations are based on the core fundamentals of reliability and affordability but are also increasingly focused on our ability to meet rapidly changing demands for new and varied products, services and offerings. Additionally, the risks of global climate change continues to shape our customers' sustainability goals and energy needs. Failure to meet those expectations or to adequately address the risks and external pressures from regulators, investors and other stakeholders may impact favorable outcomes in future rate cases and the results of operations for the Duke Energy Registrants.

The Duke Energy Registrants' operating results may fluctuate on a seasonal and quarterly basis and can be negatively affected by changes in weather conditions and severe weather, including extreme weather conditions associated with climate change.

Electric power generation and natural gas distribution are generally seasonal businesses. In most parts of the U.S., the demand for power peaks during the warmer summer months, with market prices also typically peaking at that time. In other areas, demand for power peaks during the winter. Demand for natural gas peaks during the winter months. Further, extreme weather conditions such as hurricanes, droughts, heat waves, winter storms and severe weather associated with climate change could cause these seasonal fluctuations to be more pronounced. As a result, the overall operating results of the Duke Energy Registrants' businesses may fluctuate substantially on a seasonal and quarterly basis and thus make period-to-period comparison less relevant.

Sustained severe drought conditions could impact generation by hydroelectric plants, as well as fossil and nuclear plant operations, as these facilities use water for cooling purposes and for the operation of environmental compliance equipment. Furthermore, destruction caused by severe weather events, such as hurricanes, flooding, tornadoes, severe thunderstorms, snow and ice storms, can result in lost operating revenues due to outages, property damage, including downed transmission and distribution lines, and additional and unexpected expenses to mitigate storm damage. The cost of storm restoration efforts may not be fully recoverable through the regulatory process.

The Duke Energy Registrants' sales may decrease if they are unable to gain adequate, reliable and affordable access to transmission assets.

The Duke Energy Registrants depend on transmission and distribution facilities owned and operated by utilities and other energy companies to deliver electricity sold to the wholesale market. The FERC's power transmission regulations require wholesale electric transmission services to be offered on an open-access, non-discriminatory basis. If transmission is disrupted, or if transmission capacity is inadequate, the Duke Energy Registrants' ability to sell and deliver products may be hindered.

The different regional power markets have changing regulatory structures, which could affect growth and performance in these regions. In addition, the ISOs who oversee the transmission systems in regional power markets have imposed in the past, and may impose in the future, price limitations and other mechanisms to address volatility in the power markets. These types of price limitations and other mechanisms may adversely impact the profitability of the Duke Energy Registrants' wholesale power marketing business.

The availability of adequate interstate pipeline transportation capacity and natural gas supply may decrease.

The Duke Energy Registrants purchase almost all of their natural gas supply from interstate sources that must be transported to the applicable service territories. Interstate pipeline companies transport the natural gas to the Duke Energy Registrants' systems under firm service agreements that are designed to meet the requirements of their core markets. A significant disruption to interstate pipelines capacity or reduction in natural gas supply due to events including, but not limited to, operational failures or disruptions, hurricanes, tornadoes, floods, freeze off of natural gas wells, terrorist or cyberattacks or other acts of war or legislative or regulatory actions or requirements, including remediation related to integrity inspections, could reduce the normal interstate supply of natural gas and thereby reduce earnings. Moreover, if additional natural gas infrastructure, including, but not limited to, exploration and drilling rigs and platforms, processing and gathering systems, offshore pipelines, interstate pipelines and storage, cannot be built at a pace that meets demand, then growth opportunities could be limited.

Fluctuations in commodity prices or availability may adversely affect various aspects of the Duke Energy Registrants' operations as well as their results of operations, financial position and cash flows.

The Duke Energy Registrants are exposed to the effects of market fluctuations in the price of natural gas, coal, fuel oil, nuclear fuel, electricity and other energy-related commodities as a result of their ownership of energy-related assets. Fuel costs are recovered primarily through cost-recovery clauses, subject to the approval of state utility commissions.

Additionally, the Duke Energy Registrants are exposed to risk that counterparties will not be able to fulfill their obligations. Disruption in the delivery of fuel, including disruptions as a result of, among other things, bankruptcies, transportation delays, weather, labor relations, force majeure events or environmental regulations affecting any of these fuel suppliers, could limit the Duke Energy Registrants' ability to operate their facilities. Should counterparties fail to perform, the Duke Energy Registrants might be forced to replace the underlying commitment at prevailing market prices possibly resulting in losses in addition to the amounts, if any, already paid to the counterparties.

Certain of the Duke Energy Registrants' hedge agreements may result in the receipt of, or posting of, collateral with counterparties, depending on the daily market-based calculation of financial exposure of the derivative positions. Fluctuations in commodity prices that lead to the return of collateral received and/or the posting of collateral with counterparties could negatively impact liquidity. Downgrades in the Duke Energy Registrants' credit ratings could lead to additional collateral posting requirements. The Duke Energy Registrants continually monitor derivative positions in relation to market price activity.

Cyberattacks and data security breaches could adversely affect the Duke Energy Registrants' businesses.

Cybersecurity risks have increased in recent years as a result of the proliferation of new technologies and the increased sophistication, magnitude and frequency of cyberattacks and data security breaches. Duke Energy relies on the continued operation of sophisticated digital information technology systems and network infrastructure, which are part of an interconnected regional grid. Additionally, connectivity to the internet continues to increase through grid modernization and other operational excellence initiatives. Because of the critical nature of the infrastructure, increased connectivity to the internet and technology systems' inherent vulnerability to disability or failures due to hacking, viruses, acts of war or terrorism or other types of data security breaches, the Duke Energy Registrants face a heightened risk of cyberattack

from foreign or domestic sources and have been subject, and will likely continue to be subject, to attempts to gain unauthorized access to information and/or information systems or to disrupt utility operations through computer viruses and phishing attempts either directly or indirectly through its material vendors or related third parties. In the event of a significant cybersecurity breach on either the Duke Energy Registrants or with one of our material vendors or related third parties, the Duke Energy Registrants could (i) have business operations disrupted, including the disruption of the operation of our assets and the power grid, theft of confidential company, employee, retiree, shareholder, vendor or customer information, and general business systems and process interruption or compromise, including preventing the Duke Energy Registrants from servicing customers, collecting revenues or the recording, processing and/or reporting financial information correctly, (ii) experience substantial loss of revenues, repair and restoration costs, penalties and costs for lack of compliance with relevant regulations, implementation costs for additional security measures to avert future cyberattacks and other financial loss and (iii) be subject to increased regulation, litigation and reputational damage. While Duke Energy maintains insurance relating to cybersecurity events, such insurance is subject to a number of exclusions and may be insufficient to offset any losses, costs or damage experienced. Also, the market for cybersecurity insurance is relatively new and coverage available for cybersecurity events is evolving as the industry matures.

The Duke Energy Registrants are subject to standards enacted by the North American Electric Reliability Corporation and enforced by FERC regarding protection of the physical and cyber security of critical infrastructure assets required for operating North America's bulk electric system. The Duke Energy Registrants are also subject to regulations set by the Nuclear Regulatory Commission regarding the protection of digital computer and communication systems and networks required for the operation of nuclear power plants. While the Duke Energy Registrants believe they are in compliance with such standards and regulations, the Duke Energy Registrants have from time to time been, and may in the future be, found to be in violation of such standards and regulations. In addition, compliance with or changes in the applicable standards and regulations may subject the Duke Energy Registrants to higher operating costs and/or increased capital expenditures as well as substantial fines for non-compliance.

Duke Energy Ohio's and Duke Energy Indiana's membership in an RTO presents risks that could have a material adverse effect on their results of operations, financial position and cash flows.

The rules governing the various regional power markets may change, which could affect Duke Energy Ohio's and Duke Energy Indiana's costs and/or revenues. To the degree Duke Energy Ohio and Duke Energy Indiana incur significant additional fees and increased costs to participate in an RTO, their results of operations may be impacted. Duke Energy Ohio and Duke Energy Indiana may be allocated a portion of the cost of transmission facilities built by others due to changes in RTO transmission rate design. Duke Energy Ohio and Duke Energy Indiana may be required to expand their transmission system according to decisions made by an RTO rather than their own internal planning process. In addition, RTOs have been developing rules associated with the allocation and methodology of assigning costs associated with improved transmission reliability, reduced transmission congestion and firm transmission rights that may have a financial impact on the results of operations, financial position and cash flows of Duke Energy Ohio and Duke Energy Indiana.

As members of an RTO, Duke Energy Ohio and Duke Energy Indiana are subject to certain additional risks, including those associated with the allocation among RTO members, of losses caused by unreimbursed defaults of other participants in the RTO markets and those associated with complaint cases filed against an RTO that may seek refunds of revenues previously earned by RTO members.

The Duke Energy Registrants may not recover costs incurred to begin construction on projects that are canceled.

Duke Energy's long-term strategy requires the construction of new projects, either wholly owned or partially owned, which involve a number of risks, including construction delays, nonperformance by equipment and other third-party suppliers, and increases in equipment and labor costs. To limit the risks of these construction projects, the Duke Energy Registrants enter into equipment purchase orders and construction contracts and incur engineering and design service costs in advance of receiving necessary regulatory approvals and/or siting or environmental permits. If any of these projects are canceled for any reason, including failure to receive necessary regulatory approvals and/or siting or environmental permits, significant cancellation penalties under the equipment purchase orders and construction contracts could occur. In addition, if any construction work or investments have been recorded as an asset, an impairment may need to be recorded in the event the project is canceled.

The Duke Energy Registrants are subject to risks associated with their ability to obtain adequate insurance at acceptable costs.

The financial condition of some insurance companies, actual or threatened physical or cyberattacks, and natural disasters, among other things, could have disruptive effects on insurance markets. The availability of insurance covering risks that the Duke Energy Registrants and their respective competitors typically insure against may decrease, and the insurance that the Duke Energy Registrants are able to obtain may have higher deductibles, higher premiums, and more restrictive policy terms. Further, the insurance policies may not cover all of the potential exposures or the actual amount of loss incurred. Any losses not covered by insurance, or any increases in the cost of applicable insurance, could adversely affect the results of operations, financial position or cash flows of the affected Duke Energy Registrant.

NUCLEAR GENERATION RISKS

Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida may incur substantial costs and liabilities due to their ownership and operation of nuclear generating facilities.

Ownership interests in and operation of nuclear stations by Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida subject them to various risks. These risks include, among other things: the potential harmful effects on the environment and human health resulting from the current or past operation of nuclear facilities and the storage, handling and disposal of radioactive materials; limitations on the amounts and types of insurance commercially available to cover losses that might arise in connection with nuclear operations; and uncertainties with respect to the technological and financial aspects of decommissioning nuclear plants at the end of their licensed lives.

Ownership and operation of nuclear generation facilities requires compliance with licensing and safety-related requirements imposed by the NRC. In the event of non-compliance, the NRC may increase regulatory oversight, impose fines or shut down a unit depending upon its assessment of the severity of the situation. Revised security and safety requirements promulgated by the NRC, which could be prompted by, among other things, events within or outside of the control of Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida, such as a serious nuclear incident at a facility owned by a third party, could necessitate substantial capital and other expenditures, as well as assessments to cover third-party losses. In addition, if a serious nuclear incident were to occur, it could have a material adverse effect on the results of operations, financial position, cash flows and reputation of the Duke Energy Registrants.

LIQUIDITY, CAPITAL REQUIREMENTS AND COMMON STOCK RISKS

The Duke Energy Registrants rely on access to short-term borrowings and longer-term debt and equity markets to finance their capital requirements and support their liquidity needs. Access to those markets can be adversely affected by a number of conditions, many of which are beyond the Duke Energy Registrants' control.

The Duke Energy Registrants' businesses are significantly financed through issuances of debt and equity. The maturity and repayment profile of debt used to finance investments often does not correlate to cash flows from their assets. Accordingly, as a source of liquidity for capital requirements not satisfied by the cash flows from their operations and to fund investments originally financed through debt instruments with disparate maturities, the Duke Energy Registrants rely on access to short-term money markets as well as longer-term capital markets. The Subsidiary Registrants also rely on access to short-term intercompany borrowings. If the Duke Energy Registrants are not able to access debt or equity at competitive rates or at all, the ability to finance their operations and implement their strategy and business plan as scheduled could be adversely affected. An inability to access debt and equity may limit the Duke Energy Registrants' ability to pursue improvements or acquisitions that they may otherwise rely on for future growth.

Market disruptions may increase the cost of borrowing or adversely affect the ability to access one or more financial markets. Such disruptions could include: economic downturns, the bankruptcy of an unrelated energy company, unfavorable capital market conditions, market prices for electricity and natural gas, actual or threatened terrorist attacks, or the overall health of the energy industry. The availability of credit under Duke Energy's Master Credit Facility depends upon the ability of the banks providing commitments under the facility to provide funds when their obligations to do so arise. Systematic risk of the banking system and the financial markets could prevent a bank from meeting its obligations under the facility agreement.

Duke Energy maintains a revolving credit facility to provide backup for its commercial paper program and letters of credit to support variable rate demand tax-exempt bonds that may be put to the Duke Energy Registrant issuer at the option of the holder. The facility includes borrowing sublimits for the Duke Energy Registrants, each of whom is a party to the credit facility, and financial covenants that limit the amount of debt that can be outstanding as a percentage of the total capital for the specific entity. Failure to maintain these covenants at a particular entity could preclude Duke Energy from issuing commercial paper or the Duke Energy Registrants from issuing letters of credit or borrowing under the Master Credit Facility.

The Duke Energy Registrants must meet credit quality standards and there is no assurance they will maintain investment grade credit ratings. If the Duke Energy Registrants are unable to maintain investment grade credit ratings, they would be required under credit agreements to provide collateral in the form of letters of credit or cash, which may materially adversely affect their liquidity.

Each of the Duke Energy Registrants' senior long-term debt issuances is currently rated investment grade by various rating agencies. The Duke Energy Registrants cannot ensure their senior long-term debt will be rated investment grade in the future.

If the rating agencies were to rate the Duke Energy Registrants below investment grade, borrowing costs would increase, perhaps significantly. In addition, the potential pool of investors and funding sources would likely decrease. Further, if the short-term debt rating were to fall, access to the commercial paper market could be significantly limited.

A downgrade below investment grade could also require the posting of additional collateral in the form of letters of credit or cash under various credit, commodity and capacity agreements and trigger termination clauses in some

interest rate derivative agreements, which would require cash payments. All of these events would likely reduce the Duke Energy Registrants' liquidity and profitability and could have a material effect on their results of operations, financial position and cash flows.

Non-compliance with debt covenants or conditions could adversely affect the Duke Energy Registrants' ability to execute future borrowings.

The Duke Energy Registrants' debt and credit agreements contain various financial and other covenants. Failure to meet those covenants beyond applicable grace periods could result in accelerated due dates and/or termination of the agreements.

Market performance and other changes may decrease the value of the NDTF investments of Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida, which then could require significant additional funding.

Ownership and operation of nuclear generation facilities also requires the maintenance of funded trusts that are intended to pay for the decommissioning costs of the respective nuclear power plants. The performance of the capital markets affects the values of the assets held in trust to satisfy these future obligations. Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida have significant obligations in this area and hold significant assets in these trusts. These assets are subject to market fluctuations and will yield uncertain returns, which may fall below projected rates of return. Although a number of factors impact funding requirements, a decline in the market value of the assets may increase the funding requirements of the obligations for decommissioning nuclear plants. If Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida are unable to successfully manage their NDTF assets, their results of operations, financial position and cash flows could be negatively affected.

Poor investment performance of the Duke Energy pension plan holdings and other factors impacting pension plan costs could unfavorably impact the Duke Energy Registrants' liquidity and results of operations.

The costs of providing non-contributory defined benefit pension plans are dependent upon a number of factors, such as the rates of return on plan assets, discount rates, the level of interest rates used to measure the required minimum funding levels of the plans, future government regulation and required or voluntary contributions made to the plans. The Subsidiary Registrants are allocated their proportionate share of the cost and obligations related to these plans. Without sustained growth in the pension investments over time to increase the value of plan assets and, depending upon the other factors impacting costs as listed above, Duke Energy could be required to fund its plans with significant amounts of cash. Such cash funding obligations, and the Subsidiary Registrants' proportionate share of such cash funding obligations, could have a material impact on the Duke Energy Registrants' results of operations, financial position and cash flows.

Duke Energy is a holding company and depends on the cash flows from its subsidiaries to meet its financial obligations.

Because Duke Energy is a holding company with no operations or cash flows of its own, its ability to meet its financial obligations, including making interest and principal payments on outstanding indebtedness and to pay dividends on its common stock, is primarily dependent on the net income and cash flows of its subsidiaries and the ability of those subsidiaries to pay upstream dividends or to repay borrowed funds. Prior to funding Duke Energy, its subsidiaries have regulatory restrictions and financial obligations that must be satisfied. These subsidiaries are separate legal entities and have no obligation to provide Duke Energy with funds. In addition, Duke Energy may provide capital contributions or debt financing to its subsidiaries under certain circumstances,

which would reduce the funds available to meet its financial obligations, including making interest and principal payments on outstanding indebtedness and to pay dividends on Duke Energy's common stock.

GENERAL RISKS

The failure of Duke Energy information technology systems, or the failure to enhance existing information technology systems and implement new technology, could adversely affect the Duke Energy Registrants' businesses.

Duke Energy's operations are dependent upon the proper functioning of its internal systems, including the information technology systems that support our underlying business processes. Any significant failure or malfunction of such information technology systems may result in disruptions of our operations. In the ordinary course of business, we rely on information technology systems, including the internet and third-party hosted services, to support a variety of business processes and activities and to store sensitive data, including (i) intellectual property, (ii) proprietary business information, (iii) personally identifiable information of our customers, employees, retirees and shareholders and (iv) data with respect to invoicing and the collection of payments, accounting, procurement, and supply chain activities. Our information technology systems are dependent upon global communications and cloud service providers, as well as their respective vendors, many of whom have at some point experienced significant system failures and outages in the past and may experience such failures and outages in the future. These providers' systems are susceptible to cybersecurity and data breaches, outages from fire, floods, power loss, telecommunications failures, break-ins and similar events. Failure to prevent or mitigate data loss from system failures or outages could materially affect the results of operations, financial position and cash flows of the Duke Energy Registrants.

In addition to maintaining our current information technology systems, Duke Energy believes the digital transformation of its business is key to driving internal efficiencies as well as providing additional capabilities to customers. Duke Energy's information technology systems are critical to cost-effective, reliable daily operations and our ability to effectively serve our customers. We expect our customers to continue to demand more sophisticated technology-driven solutions and we must enhance or replace our information technology systems in response. This involves significant development and implementation costs to keep pace with changing technologies and customer demand. If we fail to successfully implement critical technology, or if it does not provide the anticipated benefits or meet customer demands, such failure could materially adversely affect our business strategy as well as impact the results of operations, financial position and cash flows of the Duke Energy Registrants.

Potential terrorist activities, or military or other actions, could adversely affect the Duke Energy Registrants' businesses.

The continued threat of terrorism and the impact of retaliatory military and other action by the U.S. and its allies may lead to increased political, economic and financial market instability and volatility in prices for natural gas and oil, which may have material adverse effects in ways the Duke Energy Registrants cannot predict at this time. In addition, future acts of terrorism and possible reprisals as a consequence of action by the U.S. and its allies could be directed against companies operating in the U.S. Information technology systems, transmission and distribution and generation facilities such as nuclear plants could be potential targets of terrorist activities or harmful activities by individuals or groups that could have a material adverse effect on Duke Energy Registrants' businesses. In particular, the Duke Energy Registrants may experience increased capital and operating costs to implement increased security for their information technology systems, transmission and distribution and generation facilities, including nuclear power plants under the NRC's design basis threat requirements. These increased costs could include additional physical plant security and security personnel or additional capability following a terrorist incident.

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Failure to attract and retain an appropriately qualified workforce could unfavorably impact the Duke Energy Registrants' results of operations.

Certain events, such as an aging workforce, mismatch of skill set or complement to future needs, or unavailability of contract resources may lead to operating challenges and increased costs. The challenges include lack of resources, loss of knowledge base and the lengthy time required for skill development. In this case, costs, including costs for contractors to replace employees, productivity costs and safety costs, may increase. Failure to hire and

adequately train replacement employees, including the transfer of significant internal historical knowledge and expertise to new employees, or future availability and cost of contract labor may adversely affect the ability to manage and operate the business, especially considering the workforce needs associated with nuclear generation facilities and new skills required to operate a modernized, technology-enabled power grid. If the Duke Energy Registrants are unable to successfully attract and retain an appropriately qualified workforce, their results of operations, financial position and cash flows could be negatively affected.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

ELECTRIC UTILITIES AND INFRASTRUCTURE

The following table provides information related to the Electric Utilities and Infrastructure's generation stations as of December 31, 2020. The MW displayed in the table below are based on summer capacity. Ownership interest in all facilities is 100% unless otherwise indicated.

| Facility | Plant Type | Primary Fuel | Location | Owned MW Capacity |
|---|------------|--------------|----------|-------------------|
| Duke Energy Carolinas | | | | |
| Oconee | Nuclear | Uranium | SC | 2,554 |
| McGuire | Nuclear | Uranium | NC | 2,316 |
| Catawba ^(a) | Nuclear | Uranium | SC | 445 |
| Belews Creek | Fossil | Coal/Gas | NC | 2,220 |
| Marshall | Fossil | Coal/Gas | NC | 2,058 |
| J.E. Rogers | Fossil | Coal/Gas | NC | 1,388 |
| Lincoln Combustion Turbine (CT) | Fossil | Gas/Oil | NC | 1,193 |
| Allen | Fossil | Coal | NC | 1,098 |
| Rockingham CT | Fossil | Gas/Oil | NC | 825 |
| W.S. Lee Combined Cycle (CC) ^(b) | Fossil | Gas | SC | 686 |
| Buck CC | Fossil | Gas | NC | 668 |
| Dan River CC | Fossil | Gas | NC | 662 |
| Mill Creek CT | Fossil | Gas/Oil | SC | 563 |
| W.S. Lee | Fossil | Gas | SC | 170 |
| W.S. Lee CT | Fossil | Gas/Oil | SC | 84 |
| Clemson CHP | Fossil | Gas | SC | 13 |
| Bad Creek | Hydro | Water | SC | 1,440 |
| Jocassee | Hydro | Water | SC | 780 |
| Cowans Ford | Hydro | Water | NC | 324 |
| Keowee | Hydro | Water | SC | 152 |
| Other small facilities (19 plants) | Hydro | Water | NC/SC | 603 |
| Distributed generation | Renewable | Solar | NC | 38 |
| Total Duke Energy Carolinas | | | | 20,280 |

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| Facility | Plant Type | Primary Fuel | Location | Owned MW Capacity |
|-----------------------------------|------------|--------------|----------|-------------------|
| Duke Energy Progress | | | | |
| Brunswick | Nuclear | Uranium | NC | 1,870 |
| Harris | Nuclear | Uranium | NC | 964 |
| Robinson | Nuclear | Uranium | SC | 759 |
| Roxboro | Fossil | Coal | NC | 2,439 |
| Smith CC | Fossil | Gas/Oil | NC | 1,085 |
| H.F. Lee CC | Fossil | Gas/Oil | NC | 888 |
| Wayne County CT | Fossil | Gas/Oil | NC | 857 |
| Smith CT | Fossil | Gas/Oil | NC | 772 |
| Mayo | Fossil | Coal | NC | 727 |
| L.V. Sutton CC | Fossil | Gas/Oil | NC | 607 |
| Asheville CC | Fossil | Gas/Oil | NC | 474 |
| Asheville CT | Fossil | Gas/Oil | NC | 320 |
| Darlington CT | Fossil | Gas/Oil | SC | 234 |
| Weatherspoon CT | Fossil | Gas/Oil | NC | 124 |
| L.V. Sutton CT (Black Start) | Fossil | Gas/Oil | NC | 78 |
| Blewett CT | Fossil | Oil | NC | 52 |
| Walters | Hydro | Water | NC | 112 |
| Other small facilities (3) | Hydro | Water | NC | 115 |
| Distributed generation | Renewable | Solar | NC | 49 |
| Asheville – Rock Hill Battery | Renewable | Storage | NC | 7 |
| Total Duke Energy Progress | | | | 12,533 |
| Duke Energy Florida | | | | |
| Hines CC | Fossil | Gas/Oil | FL | 2,054 |
| Citrus County CC | Fossil | Gas | FL | 1,610 |
| Crystal River | Fossil | Coal | FL | 1,422 |
| Bartow CC | Fossil | Gas/Oil | FL | 1,169 |
| Anclote | Fossil | Gas | FL | 1,013 |
| Intercession City CT | Fossil | Gas/Oil | FL | 951 |
| Osprey CC | Fossil | Gas/Oil | FL | 583 |
| DeBary CT | Fossil | Gas/Oil | FL | 559 |
| Tiger Bay CC | Fossil | Gas/Oil | FL | 200 |
| Bayboro CT | Fossil | Oil | FL | 171 |
| Bartow CT | Fossil | Gas/Oil | FL | 168 |
| Suwannee River CT | Fossil | Gas | FL | 149 |
| University of Florida CoGen CT | Fossil | Gas | FL | 43 |
| Distributed generation | Renewable | Solar | FL | 195 |
| Total Duke Energy Florida | | | | 10,287 |
| Duke Energy Ohio | | | | |
| East Bend | Fossil | Coal | KY | 600 |
| Woodsdale CT | Fossil | Gas/Propane | OH | 476 |
| Total Duke Energy Ohio | | | | 1,076 |
| Duke Energy Indiana | | | | |
| Gibson ^(c) | Fossil | Coal | IN | 2,822 |
| Cayuga ^(d) | Fossil | Coal/Oil | IN | 1,005 |
| Edwardsport | Fossil | Coal | IN | 595 |
| Madison CT | Fossil | Gas | OH | 566 |
| Wheatland CT | Fossil | Gas | IN | 450 |
| Vermillion CT ^(e) | Fossil | Gas | IN | 360 |
| Gallagher | Fossil | Coal | IN | 280 |
| Noblesville CC | Fossil | Gas/Oil | IN | 264 |
| Henry County CT | Fossil | Gas/Oil | IN | 129 |
| Cayuga CT | Fossil | Gas/Oil | IN | 86 |
| Markland | Hydro | Water | IN | 51 |
| Distributed generation | Renewable | Solar | IN | 11 |
| Camp Atterbury Battery | Renewable | Storage | IN | 4 |
| Nabb Battery | Renewable | Storage | IN | 4 |
| Crane Battery | Renewable | Storage | IN | 4 |
| Total Duke Energy Indiana | | | | 6,631 |

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| Totals by Type | Owned MW Capacity |
|---------------------------------|-------------------|
| Total Electric Utilities | 50,807 |
| Totals by Plant Type | |
| Nuclear | 8,908 |
| Fossil | 38,010 |
| Hydro | 3,577 |
| Renewable | 312 |
| Total Electric Utilities | 50,807 |

- (a) Jointly owned with North Carolina Municipal Power Agency Number 1, NCEMC and PMPA. Duke Energy Carolinas' ownership is 19.25% of the facility.
 (b) Jointly owned with NCEMC. Duke Energy Carolinas' ownership is 87.27% of the facility.
 (c) Duke Energy Indiana owns and operates Gibson Station Units 1 through 4 and is a joint owner of unit 5 with WVPA and IMPA. Duke Energy Indiana operates unit 5 and owns 50.05%.
 (d) Includes Cayuga Internal Combustion.
 (e) Jointly owned with WVPA. Duke Energy Indiana's ownership is 62.5% of the facility.

The following table provides information related to Electric Utilities and Infrastructure's electric transmission and distribution properties as of December 31, 2020.

| | Duke Energy | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana |
|--|-------------|-----------------------|----------------------|---------------------|------------------|---------------------|
| Electric Transmission Lines | | | | | | |
| Miles of 500 to 525 kilovolt (kV) | 1,100 | 600 | 300 | 200 | — | — |
| Miles of 345 kV | 1,100 | — | — | — | 400 | 700 |
| Miles of 230 kV | 8,400 | 2,700 | 3,400 | 1,600 | — | 700 |
| Miles of 100 to 161 kV | 12,400 | 6,800 | 2,600 | 900 | 700 | 1,400 |
| Miles of 13 to 69 kV | 8,300 | 3,000 | — | 2,200 | 600 | 2,500 |
| Total conductor miles of electric transmission lines | 31,300 | 13,100 | 6,300 | 4,900 | 1,700 | 5,300 |
| Electric Distribution Lines | | | | | | |
| Miles of overhead lines | 173,500 | 66,600 | 46,400 | 25,100 | 13,300 | 22,100 |
| Miles of underground line | 108,900 | 40,400 | 31,800 | 21,100 | 6,200 | 9,400 |
| Total conductor miles of electric distribution lines | 282,400 | 107,000 | 78,200 | 46,200 | 19,500 | 31,500 |
| Number of electric transmission and distribution substations | 3,200 | 1,400 | 500 | 500 | 300 | 500 |

Substantially all of Electric Utilities and Infrastructure's electric plant in service is mortgaged under indentures relating to Duke Energy Carolinas', Duke Energy Progress', Duke Energy Florida's, Duke Energy Ohio's and Duke Energy Indiana's various series of First Mortgage Bonds.

GAS UTILITIES AND INFRASTRUCTURE

Gas Utilities and Infrastructure owns transmission pipelines and distribution mains that are generally underground, located near public streets and highways, or on property owned by others for which Duke Energy Ohio and Piedmont have obtained the necessary legal rights to place and operate facilities on such property located within the Gas Utilities and Infrastructure service territories. The following table provides information related to Gas Utilities and Infrastructure's natural gas distribution.

| | Duke Energy | Duke Energy Ohio | Piedmont |
|--|-------------|------------------|----------|
| Miles of natural gas distribution and transmission pipelines | 34,200 | 7,400 | 26,800 |
| Miles of natural gas service lines | 27,200 | 6,300 | 20,900 |

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COMMERCIAL RENEWABLES

The following table provides information related to Commercial Renewables' electric generation facilities as of December 31, 2020. The MW displayed in the table below are based on nameplate capacity.

| Facility | Plant Type | Primary Fuel | Location | Owned MW Capacity | Ownership Interest (%) |
|---|------------|--------------|----------|-------------------|------------------------|
| Commercial Renewables – Wind | | | | | |
| Los Vientos (five sites) | Renewable | Wind | TX | 465 | 51% |
| Mesteno ^(a) | Renewable | Wind | TX | 202 | 100% |
| Sweetwater IV | Renewable | Wind | TX | 113 | 47% |
| Frontier | Renewable | Wind | OK | 103 | 51% |
| Top of the World | Renewable | Wind | WY | 102 | 51% |
| Notrees | Renewable | Wind | TX | 78 | 51% |
| Mesquite Creek | Renewable | Wind | TX | 54 | 26% |
| Campbell Hill | Renewable | Wind | WY | 50 | 51% |
| Ironwood | Renewable | Wind | KS | 44 | 26% |
| Sweetwater V | Renewable | Wind | TX | 38 | 47% |
| North Allegheny | Renewable | Wind | PA | 36 | 51% |
| Laurel Hill | Renewable | Wind | PA | 35 | 51% |
| Cimarron II | Renewable | Wind | KS | 34 | 26% |
| Kit Carson | Renewable | Wind | CO | 26 | 51% |
| Silver Sage | Renewable | Wind | WY | 21 | 51% |
| Happy Jack | Renewable | Wind | WY | 15 | 51% |
| Shirley | Renewable | Wind | WI | 10 | 51% |
| Total Renewables – Wind | | | | 1,426 | |
| Commercial Renewables – Solar | | | | | |
| Holstein ^(a) | Renewable | Solar | TX | 200 | 100% |
| Rambler ^(a) | Renewable | Solar | TX | 200 | 100% |
| North Rosamond ^(a) | Renewable | Solar | CA | 150 | 100% |
| Lapetus ^(a) | Renewable | Solar | TX | 100 | 100% |
| Conetoe II | Renewable | Solar | NC | 80 | 100% |
| Palmer ^(a) | Renewable | Solar | CO | 60 | 100% |
| Seville I & II | Renewable | Solar | CA | 34 | 67% |
| Rio Bravo I & II | Renewable | Solar | CA | 27 | 67% |
| Wildwood I & II | Renewable | Solar | CA | 23 | 67% |
| Kelford | Renewable | Solar | NC | 22 | 100% |
| Dogwood | Renewable | Solar | NC | 20 | 100% |
| Halifax Airport | Renewable | Solar | NC | 20 | 100% |
| Pasquotank | Renewable | Solar | NC | 20 | 100% |
| Shawboro | Renewable | Solar | NC | 20 | 100% |
| Caprock | Renewable | Solar | NM | 17 | 67% |
| Creswell Alligood | Renewable | Solar | NC | 14 | 100% |
| Pumpjack | Renewable | Solar | CA | 13 | 67% |
| Longboat | Renewable | Solar | CA | 13 | 67% |
| Shoreham ^(a) | Renewable | Solar | NY | 13 | 51% |
| Washington White Post | Renewable | Solar | NC | 12 | 100% |
| Whitakers | Renewable | Solar | NC | 12 | 100% |
| Highlander I & II | Renewable | Solar | CA | 11 | 51% |
| Other small solar ^(a) | Renewable | Solar | Various | 193 | Various |
| Total Renewables – Solar | | | | 1,274 | |
| Commercial Renewables – Fuel Cells^(a) | | | | | |
| | Renewable | Fuel Cell | Various | 43 | 100% |
| Total Renewables – Fuel Cells | | | | 43 | |
| Commercial Renewables – Energy Storage | | | | | |
| Notrees Battery Storage | Renewable | Storage | TX | 18 | 51% |
| Beckjord Battery Storage | Renewable | Storage | OH | 2 | 100% |
| Total Renewables – Energy Storage | | | | 20 | |

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| Totals by Type | Owned MW Capacity |
|--|--------------------------|
| Wind | 1,426 |
| Solar | 1,274 |
| Fuel Cells | 43 |
| Energy Storage | 20 |
| Total Commercial Renewables^(b) | 2,763 |

(a) Certain projects, including projects within Other small solar, are in tax-equity structures where investors have differing interests in the project's economic attributes. 100% of the tax-equity project's capacity is included in the table above.

(b) Net proportion of MW capacity in operation is 3,937, which represents the amount managed or owned by Duke Energy.

OTHER

Duke Energy owns approximately 8 million square feet and leases approximately 2 million square feet of corporate, regional and district office space spread throughout its service territories.

ITEM 3. LEGAL PROCEEDINGS

For information regarding legal proceedings, including regulatory and environmental matters, see Note 3, "Regulatory Matters," and Note 4, "Commitments and Contingencies," to the Consolidated Financial Statements.

MTBE Litigation

On December 15, 2017, the state of Maryland filed suit in Baltimore City Circuit Court against Duke Energy Merchants and other defendants alleging contamination of state waters by MTBE leaking from gasoline storage tanks. MTBE is a gasoline additive intended to increase the oxygen levels in gasoline and make it burn cleaner. The case was removed from Baltimore City Circuit Court to federal District Court. Initial motions to dismiss filed by the defendants were denied by the court on September 4, 2019, and the matter is now in discovery. On December 18, 2020, the plaintiff and defendants selected 50 focus sites, none of which have any ties to Duke Energy Merchants, and discovery is likely to be specific to those sites. Duke Energy cannot predict the outcome of this matter.

ITEM 4. MINE SAFETY DISCLOSURES

This is not applicable for any of the Duke Energy Registrants.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The common stock of Duke Energy is listed and traded on the NYSE (ticker symbol DUK). As of January 31, 2021, there were 136,857 Duke Energy common stockholders of record. For information on dividends, see the "Dividend Payments" section of Management's Discussion and Analysis.

There is no market for the common equity securities of the Subsidiary Registrants, all of which are directly or indirectly owned by Duke Energy. See Note 1, "Summary of Significant Accounting Policies," to the Consolidated Financial Statements for information on the 2021 sale of a minority interest in Duke Energy Indiana.

Securities Authorized for Issuance Under Equity Compensation Plans

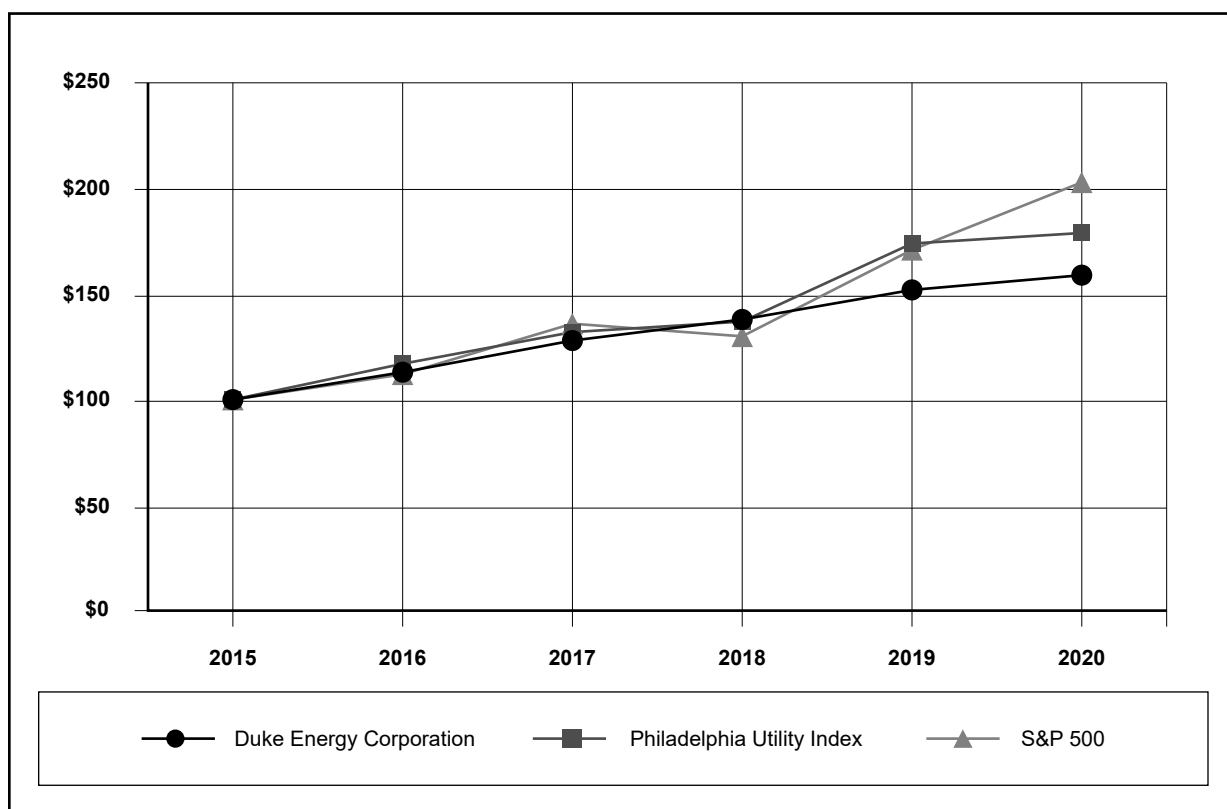
See Item 12 of Part III within this Annual Report for information regarding Securities Authorized for Issuance Under Equity Compensation Plans.

Issuer Purchases of Equity Securities for Fourth Quarter 2020

There were no repurchases of equity securities during the fourth quarter of 2020.

Stock Performance Graph

The following performance graph compares the cumulative TSR from Duke Energy Corporation common stock, as compared with the Standard & Poor's 500 Stock Index (S&P 500) and the Philadelphia Utility Index for the past five years. The graph assumes an initial investment of \$100 on December 31, 2015, in Duke Energy common stock, in the S&P 500 and in the Philadelphia Utility Index and that all dividends were reinvested. The stockholder return shown below for the five-year historical period may not be indicative of future performance.



NYSE CEO Certification

Duke Energy has filed the certification of its Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 as exhibits to this Annual Report on Form 10-K for the year ended December 31, 2020.

ITEM 6. SELECTED FINANCIAL DATA

This is not applicable for any of the Duke Energy Registrants.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis includes financial information prepared in accordance with GAAP in the U.S., as well as certain non-GAAP financial measures such as adjusted earnings and adjusted EPS discussed below. Generally, a non-GAAP financial measure is a numerical measure of financial performance, financial position or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP. The non-GAAP financial measures should be viewed as a supplement to, and not a substitute for, financial measures presented in accordance with GAAP. Non-GAAP measures as presented herein may not be comparable to similarly titled measures used by other companies.

The following combined Management's Discussion and Analysis of Financial Condition and Results of Operations is separately filed by Duke Energy Corporation and its subsidiaries. Duke Energy Carolinas, LLC, Progress Energy, Inc., Duke Energy Progress, LLC, Duke Energy Florida, LLC, Duke Energy Ohio, Inc., Duke Energy Indiana, LLC and Piedmont Natural Gas Company, Inc. However, none of the registrants make any representation as to information related solely to Duke Energy or the subsidiary registrants of Duke Energy other than itself.

Management's Discussion and Analysis should be read in conjunction with the Consolidated Financial Statements and Notes for the years ended December 31, 2020, 2019 and 2018.

See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," in Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on February 20, 2020, for a discussion of variance drivers for the year ended December 31, 2019, as compared to December 31, 2018.

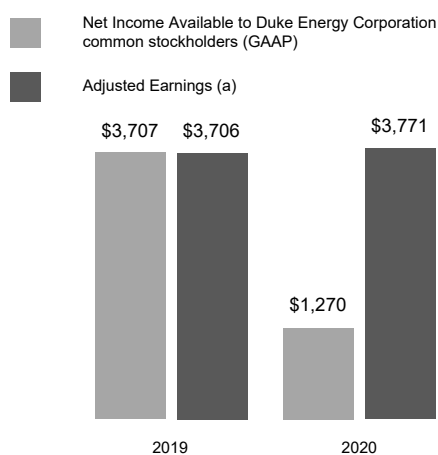
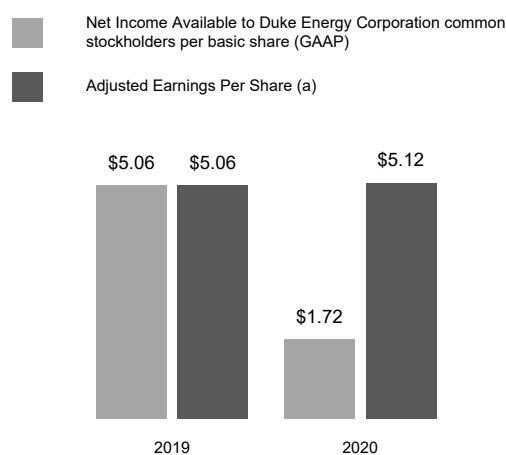
DUKE ENERGY

Duke Energy is an energy company headquartered in Charlotte, North Carolina. Duke Energy operates in the U.S. primarily through its wholly owned subsidiaries, Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont. When discussing Duke Energy's consolidated financial information, it necessarily includes the results of the Subsidiary Registrants, which along with Duke Energy, are collectively referred to as the Duke Energy Registrants.

Executive Overview

At Duke Energy the fundamentals of our business are strong and allow us to deliver growth in earnings and dividends in a low-risk, predictable and transparent way. In 2020, we met our near-term financial commitments and continued to provide safe and reliable service while managing the impacts of the COVID-19 pandemic.

In early 2021, we continued to position the company for sustainable long-term growth, executing an important coal ash settlement agreement in North Carolina and announcing the \$2 billion sale of a minority interest in Duke Energy Indiana, providing a source of efficient capital at an attractive valuation. We remain focused on a business portfolio that will deliver a reliable and growing dividend with 2020 representing the 94th consecutive year Duke Energy paid a cash dividend on its common stock. With these recent announcements, we also increased our long-term adjusted EPS growth rate to 5% to 7% through 2025. This growth is supported by our \$59 billion capital plan from 2021 to 2025, clean energy investments that benefit our customers, timely cost-recovery mechanisms in most jurisdictions and our ability to effectively manage our cost structure.

Financial Results**Annual Earnings (in millions)****Annual Earnings Per Share**

(a) See Results of Operations below for Duke Energy's definition of adjusted earnings and adjusted EPS as well as a reconciliation of this non-GAAP financial measure to net income available to Duke Energy and net income available to Duke Energy per basic share.

Duke Energy's 2020 Net Income Available to Duke Energy Corporation (GAAP Reported Earnings) were impacted by: regulatory settlements related to coal ash cost recovery in Electric Utilities and Infrastructure; the cancellation of the ACP pipeline in Gas Utilities and Infrastructure; and growth in project investments in Commercial Renewables. See "Results of Operations" below for a detailed discussion of the consolidated results of operations and a detailed discussion of financial results for each of Duke Energy's reportable business segments, as well as Other.

2020 Areas of Focus and Accomplishments

Clean Energy Transformation. Our industry has been undergoing an incredible transformation and 2020 was a milestone year for our company where we articulated a clear vision for the future and outlined investments to achieve a clean energy future for our customers. We continue to transform the customer experience by generating cleaner energy, modernizing the energy grid, and expanding natural gas infrastructure.

Generating Cleaner Energy

In October 2020, we held our first-ever Environmental, Social, and Governance (ESG) Day for investors, successfully outlining our climate strategy and highlighting our strong progress to date in reducing carbon (a greater than 40% reduction from 2005) and our commitment to do more (at least 50% reduction by 2030 and net-zero by 2050). In the Carolinas, we participated in extensive stakeholder processes focused on carbon reduction and regulatory reform and filed comprehensive IRP consistent with that strategy. Our planned coal retirements and transition to cleaner energy sources in the Carolinas are some of the largest in the industry. We also committed to an all-electric light-duty fleet and 50% of all medium- and heavy-duty vehicles by 2030 – a pledge that also leads our industry. Our commitment for 2030 includes retiring plants, operating our existing carbon-free resources and investing in renewables, our energy delivery system, and natural gas infrastructure. As we look beyond 2030, we will need additional tools to continue our progress. We will work actively to advocate for research and development of carbon-free, dispatchable resources. That includes longer-duration energy storage, advanced nuclear technologies, carbon capture and zero-carbon fuels.

Modernizing the Power Grid

Our grid improvement programs continue to be a key component of our growth strategy. Modernization of the electric grid, including smart meters, storm hardening, self-healing and targeted undergrounding, helps to ensure the system is better prepared for severe weather, improves the system's reliability and flexibility, and provides better information and services for customers. In 2020, 98% of our jurisdictions were equipped with smart meters and we remain on track to be fully deployed across all regions by the end of this year. We continue to expand our self-optimizing grid capabilities, and in 2020, smart, self-healing technologies helped to avoid more than 800,000 extended customer outages across our six-state electric service area, saving customers more than 1.8 million hours of lost outage time. Duke Energy also has a demonstrated track record of driving efficiencies and productivity into the business and we continue to leverage new technology, digital tools and data analytics across the business in response to a transforming landscape.

Expanding Natural Gas Infrastructure

In July 2020, Duke Energy and Dominion announced the cancellation of the ACP pipeline. Litigation risks and delays presented too much uncertainty on our ability to economically complete the project on schedule to meet our customers' needs. Additionally, Dominion reached a decision to exit their natural gas transmission business, further impeding our ability to consider ongoing investment in the project. The Company remains committed to pursuing natural

gas infrastructure investments and continues to explore additional resources in eastern North Carolina for the Piedmont system and securing more transport capacity to support power generation. Construction is expected to be completed this year on a liquefied natural gas facility in Robeson County, North Carolina, on property Piedmont owns. This investment will help Piedmont provide a reliable gas supply to customers during peak usage periods and protect customers from price volatility when there is a higher-than-normal demand for natural gas. In the fall of 2020, recognizing the continued importance of natural gas to our plans, we announced a net-zero methane emission goal by 2030 related to our gas distribution business, as well as our commitment to lead on reduction of upstream methane emissions through work with our natural gas supply chain.

Constructive Regulatory and Legislative Outcomes. One of our long-term strategic goals is to achieve modernized regulatory constructs in our jurisdictions. Modernized constructs provide benefits, which include improved earnings and cash flows through more timely recovery of investments, as well as stable pricing for customers.

In 2020, we conducted the bulk of proceedings related to our North Carolina rate cases for both Duke Energy Carolinas and Duke Energy Progress and achieved a partial settlement with the North Carolina Public Staff and ten other intervening parties. In January 2021, Duke Energy Carolinas and Duke Energy Progress reached an important settlement agreement, which subject to NCUC approval, resolves historical coal ash prudence and cost recovery issues and provides clarity on coal ash cost recovery for the next decade. In 2020, we also achieved constructive rate case outcomes in Indiana (our first rate base request in 15 years) and Kentucky (electric). We have a multiyear rate plan in Florida and in January 2021 reached a constructive settlement agreement with key consumer groups, subject to FPSC approval, to bring additional certainty to rates through 2024. In addition, grid investment riders in the Midwest enable more timely cost recovery and earnings growth.

Customer Satisfaction. Duke Energy continues to transform the customer experience through our use of customer data to better inform operational priorities and performance levels. This data-driven approach allows us to identify the investments that are the most important to the customer experience. Our work has been recognized by our customers with external measures showing Duke Energy is improving customer satisfaction at a rate greater than the utility industry. Additionally, in 2020, we surpassed our internal target that measures customer satisfaction by approximately 14%.

Operational Excellence, Safety and Reliability. The reliable and safe operation of our power plants, electric distribution system and natural gas infrastructure in our communities is foundational to our customers, our financial results and our credibility with stakeholders. Our regulated generation fleet and nuclear sites had strong performance throughout the year and our electric distribution system performed well. The safety of our workforce is a core value. Our employees delivered strong safety results in 2020, and we are at or near the top of our industry. Additionally, the 2020 Atlantic hurricane season was incredibly active and marked the fifth consecutive year of above-average damaging storms. Our ability to effectively handle all facets of the 2020 storm response efforts, including navigating COVID-19 protocols, is a testament to our team's extensive preparation and coordination, applying lessons learned from previous storms, and to on-the-ground management throughout the restoration efforts.

Leading Through COVID-19. COVID-19 impacted all that we accomplished in 2020 and demonstrated our resiliency and agility:

- As the pandemic spread, stay-at-home orders coupled with recessionary economic conditions caused overall retail electric sales to decline by approximately 2%. To offset this challenge, as well as mild weather and other COVID-related costs, we successfully achieved the high end of our goal of \$400 million to \$450 million of broad-based O&M reductions and other mitigating actions. The Company's results were within its adjusted EPS guidance range and we expect to sustain approximately \$200 million of the 2020 O&M cost mitigation into 2021 forward.

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- Duke Energy kept electricity and gas flowing while voluntarily making significant accommodations for our customers. We led the way in our sector nationally, suspending all nonpay disconnects in all jurisdictions and waiving late payment fees and other fees until the national state of emergency was lifted. In the fall, we began returning to normal business practices, ensuring diligent communication with our customers and providing flexible payment arrangements.
- We ensured the physical safety of our workers and provided support for our employees. As cases spiked nationally, we deployed COVID-19 safety protocols for our front-line essential workers and moved 18,000 colleagues to remote work. Our COVID-19 Case Management Team managed exposures of our workforce and IT ensured our networks could handle the remote work while strengthening cyber protection. Under our COVID-19 protocols, our front-line employees completed 150 fossil and nuclear outages, executed large major projects, restored service from storms and hurricanes, and managed high-water events. Overall, our operations continued, and our team completed their work with excellence.

Duke Energy Objectives – 2021 and Beyond

Duke Energy will continue to deliver exceptional value to customers, be an integral part of the communities in which we do business and provide attractive returns to investors. We have an achievable, long-term strategy in place, and it is producing tangible results, yet the industry in which we operate is becoming more and more dynamic. We are adjusting, where necessary, and accelerating our focus in key areas to ensure the company is well positioned to be successful for many decades into the future. As we look ahead to 2021, our plans include:

- Continuing to place the customer at the center of all that we do, which includes providing customized products and solutions
- Strengthening our relationships with all our vast stakeholders in the communities in which we operate and invest
- Generating cleaner energy and working to achieve net-zero carbon emissions by 2050 and net zero methane emissions by 2030
- Modernizing and strengthening a green-enabled energy grid
- Expanding our natural gas infrastructure
- Maintaining the safety of our communities and employees
- Deploying digital tools across our business

Matters Impacting Future Results

The matters discussed herein could materially impact the future operating results, financial condition and cash flows of the Duke Energy Registrants and Business Segments.

Regulatory Matters

Coal Ash Costs

As a result of the NCDEQ settlement on December 31, 2019, Duke Energy Carolinas and Duke Energy Progress agreed to excavate seven of the nine remaining coal ash basins in North Carolina with ash moved to on-site lined landfills. At the two remaining basins, uncapped basin ash will be excavated and moved to lined landfills. The majority of spend is expected to occur over the next 15-20 years. In January 2021, Duke Energy Carolinas and Duke Energy Progress reached a settlement agreement on recovery of coal ash costs as outlined in Note 3, "Regulatory Matters," which is subject to

review and approval of the NCUC. The company agreed not to seek recovery of approximately \$1 billion of deferred coal ash expenditures and Duke Energy Carolinas and Duke Energy Progress took a charge of approximately \$500 million each.

In 2019, Duke Energy Carolinas and Duke Energy Progress received orders from the PSCSC denying recovery of certain coal ash costs. Duke Energy Carolinas and Duke Energy Progress have appealed these decisions to the South Carolina Supreme Court and those appeals are pending. An order from regulatory or judicial authorities that rejects our proposed settlement or disallows recovery of costs related to closure of these ash basins could have an adverse impact on future results.

Duke Energy Indiana has interpreted the CCR rule to identify the coal ash basin sites impacted and has assessed the amounts of coal ash subject to the rule and a method of compliance. In 2020, the Hoosier Environmental Council filed a petition challenging the Indiana Department of Environmental Management's partial approval of Duke Energy Indiana's ash pond closure plans. Interpretation of the requirements of the CCR rule is subject to further legal challenges and regulatory approvals, which could result in additional ash basin closure requirements, higher costs of compliance and greater AROs. Additionally, Duke Energy Indiana has retired facilities that are not subject to the CCR rule. Duke Energy Indiana may incur costs at these facilities to comply with environmental regulations or to mitigate risks associated with on-site storage of coal ash.

Storm Costs

Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida's service territories were impacted by several named storms in 2018. Hurricane Florence, Hurricane Michael and Winter Storm Diego caused flooding, extensive damage and widespread power outages to the service territories of Duke Energy Carolinas and Duke Energy Progress. Duke Energy Florida's service territory was also impacted by Hurricane Michael, a Category 5 hurricane and the most powerful storm to hit the Florida Panhandle in recorded history. In September 2019, Hurricane Dorian impacted Duke Energy Progress and Duke Energy Florida's service territories. In 2020, Duke Energy Carolinas and Duke Energy Progress reached partial settlements in the 2019 North Carolina rates cases by filing a petition to securitize deferred storm costs, which is subject to review and approval of the NCUC. In January 2021, Duke Energy Florida filed a settlement agreement with the FPSC, which if approved, allows recovery of the remaining storm cost balance for hurricanes Michael and Dorian. An order from regulatory authorities disallowing the deferral and future recovery of storm restoration costs could have an adverse impact.

Grid Improvement Costs

Duke Energy Carolinas received an order from the NCUC in 2018, which denied the Grid Rider Stipulation and deferral treatment of grid improvement costs. Duke Energy Carolinas and Duke Energy Progress have petitioned for deferral of future grid improvement costs in their 2019 rate cases. Partial settlements filed with the NCUC in July 2020 included the allowance for deferral for certain grid projects placed in service from June 2020 through December 2022. There could be adverse impacts if grid improvement costs are not ultimately approved for recovery and/or deferral treatment.

Rate Cases

In 2019, Duke Energy Carolinas and Duke Energy Progress filed general rate cases with the NCUC. Several partial settlement agreements have been filed with the NCUC and are awaiting approval. The outcome of these rate cases could have a material impact.

MGP

The PUCO has issued an order authorizing recovery of MGP costs at certain sites in Ohio with a deadline to complete the MGP environmental investigation and remediation work prior to December 31, 2016. This deadline was subsequently extended to December 31, 2019. Duke Energy Ohio has filed for a request for extension of the deadline. A hearing on that request has not been scheduled. Disallowance of costs incurred, failure to complete the work by the deadline or failure to obtain an extension from the PUCO could result in an adverse impact.

For additional information, see Note 3 to the Consolidated Financial Statements, "Regulatory Matters."

Sale of Minority Interest in Duke Energy Indiana

In January 2021, Duke Energy entered into a definitive agreement providing for the sale of a 19.9% minority interest in Duke Energy Indiana with an affiliate of GIC, Singapore's sovereign wealth fund. The sale is subject to the satisfaction of certain customary conditions described in the investment agreement, including receipt of the approval of the FERC and completion of review by the Committee on Foreign Investments in the United States. Failure to obtain related approvals or satisfy the conditions in the investment agreement could result in the termination of the transaction and could result in an adverse impact. For additional information, see Note 1 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies."

Commercial Renewables

Duke Energy continues to monitor recoverability of renewable merchant plants located in the Electric Reliability Council of Texas West market and PJM, due to declining market pricing and declining long-term forecasted energy prices, primarily driven by lower forecasted natural gas prices. Based on the most recent recoverability test, the carrying value approximated the aggregate estimated future undiscounted cash flows for the assets under review. A continued decline in energy market pricing would likely result in a future impairment. Impairment of these assets could result in adverse impacts. For additional information, see Note 10 to the Consolidated Financial Statements, "Property, Plant and Equipment."

In February 2021, a severe winter storm impacted certain Commercial Renewables assets in Texas. Extreme weather conditions limited the ability for these solar and wind facilities to generate and sell electricity into the Electric Reliability Council of Texas market. Both lost revenues and higher than expected purchased power costs are expected to negatively impact the operating results of these generating units. The estimated financial impact of the storm is expected to have a material impact on the Commercial Renewables segment's 2021 operating results. See Note 25 to the Consolidated Financial Statements, "Subsequent Events."

COVID-19

Duke Energy cannot predict the extent to which the COVID-19 pandemic will impact its results of operations, financial position and cash flows in the future. Duke Energy will continue to actively monitor the impacts of COVID-19 including the economic slowdown caused by business closures or by reduced operations of businesses and governmental agencies. The pandemic and resultant economic slowdown continues to cause an increase in certain costs, such as bad debt, and a reduction in the demand for energy. Duke Energy

has mitigation plans in place to partially offset these impacts, and the ability to execute these plans is critical to preserving future financial results. The Company is in the process of reviewing the long-term real estate strategy due to a potential change of in-office work policies after the COVID-19 pandemic. The plan may result in a reduction of physical work space which could create accounting impacts starting in 2021. Accounting impacts may include reassessments of lease terms and lease modifications which could result in termination penalties, as well as, asset impairments on property, plant and equipment. See Item 1A. Risk Factors for discussion of risks associated with COVID-19 and Liquidity and Capital Resources within this section for a discussion of liquidity impacts of COVID-19.

Within this Item 7, see Liquidity and Capital Resources for a discussion on risks associated with the Tax Act.

Results of Operations**Non-GAAP Measures**

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings and adjusted EPS. These items represent income from continuing operations available to Duke Energy common stockholders in dollar and per-share amounts, adjusted for the dollar and per-share impact of special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance. Management believes the presentation of adjusted earnings and 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 these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the 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 measures for adjusted earnings and adjusted EPS are GAAP Reported Earnings and EPS Available to Duke Energy Corporation common stockholders (GAAP Reported EPS), respectively.

Special items included in the periods presented include the following, 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' CCR Settlement Agreement 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 OTTI on the remaining investment in Constitution.

Duke Energy's adjusted earnings and adjusted EPS may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

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Reconciliation of GAAP Reported Amounts to Adjusted Amounts

The following table presents a reconciliation of adjusted earnings and adjusted EPS to the most directly comparable GAAP measures.

| (in millions, except per share amounts) | Years Ended December 31, | | | |
|---|--------------------------|----------------|-----------------|----------------|
| | 2020 | | 2019 | |
| | Earnings | EPS | Earnings | EPS |
| GAAP Reported Earnings/EPS | \$ 1,270 | \$ 1.72 | \$ 3,707 | \$ 5.06 |
| Adjustments to Reported: | | | | |
| Gas Pipeline Investments ^(a) | 1,711 | 2.32 | — | — |
| Regulatory Settlements ^(b) | 872 | 1.19 | — | — |
| Severance ^(c) | (75) | (0.10) | — | — |
| Impairment Charges ^(d) | — | — | (8) | (0.01) |
| Discontinued Operations | (7) | (0.01) | 7 | 0.01 |
| Adjusted Earnings/Adjusted EPS | \$ 3,771 | \$ 5.12 | \$ 3,706 | \$ 5.06 |

(a) Net of tax benefit of \$399 million.

(b) Net of tax benefit of \$263 million.

(c) Net of tax expense of \$23 million.

(d) Net of tax expense of \$3 million.

Year Ended December 31, 2020, as compared to 2019

GAAP Reported EPS was \$1.72 for the year ended December 31, 2020, compared to \$5.06 for the year ended December 31, 2019. The decrease in GAAP Reported Earnings/EPS was primarily due to the cancellation of the ACP pipeline and the CCR Settlement Agreement filed with the NCUC.

As discussed and shown in the table above, management also evaluates financial performance based on adjusted EPS. Duke Energy's adjusted EPS was \$5.12 for the year ended December 31, 2020, compared to \$5.06 for the year ended December 31, 2019. The increase in Adjusted Earnings/Adjusted EPS was primarily due to positive rate case contributions, growth in wholesale, lower operations and maintenance expense in response to the pandemic and growth in Commercial Renewables, partially offset by higher depreciation expense from a growing asset base, impacts of the pandemic, mild weather and the loss of ACP earnings.

Electric Utilities and Infrastructure

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|-----------------|-----------------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 21,720 | \$ 22,831 | \$ (1,111) |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 6,128 | 6,904 | (776) |
| Operations, maintenance and other | 5,391 | 5,497 | (106) |
| Depreciation and amortization | 4,068 | 3,951 | 117 |
| Property and other taxes | 1,188 | 1,175 | 13 |
| Impairment charges | 971 | (8) | 979 |
| Total operating expenses | 17,746 | 17,519 | 227 |
| Gains on Sales of Other Assets and Other, net | 11 | 1 | 10 |
| Operating Income | 3,985 | 5,313 | (1,328) |
| Other Income and Expenses, net | 344 | 353 | (9) |
| Interest Expense | 1,320 | 1,345 | (25) |
| Income Before Income Taxes | 3,009 | 4,321 | (1,312) |
| Income Tax Expense | 340 | 785 | (445) |
| Segment Income | \$ 2,669 | \$ 3,536 | \$ (867) |
| Duke Energy Carolinas GWh sales | 84,574 | 89,920 | (5,346) |
| Duke Energy Progress GWh sales | 65,240 | 68,356 | (3,116) |
| Duke Energy Florida GWh sales | 42,490 | 42,173 | 317 |
| Duke Energy Ohio GWh sales | 23,484 | 24,729 | (1,245) |
| Duke Energy Indiana GWh sales | 30,528 | 31,886 | (1,358) |
| Total Electric Utilities and Infrastructure GWh sales | 246,316 | 257,064 | (10,748) |
| Net proportional MW capacity in operation | 50,419 | 50,070 | 349 |

SEGMENT RESULTS

The remaining information presented in this discussion of results of operations is on a GAAP basis. Management evaluates segment performance based on segment income. Segment income is defined as income from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income includes intercompany revenues and expenses that are eliminated in the Consolidated Financial Statements.

Duke Energy's segment structure includes the following segments: Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables. The remainder of Duke Energy's operations is presented as Other. See Note 2 to the Consolidated Financial Statements, "Business Segments," for additional information on Duke Energy's segment structure.

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Year Ended December 31, 2020, as compared to 2019

Electric Utilities and Infrastructure's variance is primarily due to impairment charges and revenue reductions related to the CCR settlement agreement filed with the NCUC to resolve coal ash cost recovery issues, unfavorable weather and lower volumes driven by impacts from the COVID-19 pandemic, partially offset by base rate adjustments in various jurisdictions. The following is a detailed discussion of the variance drivers by line item.

Operating Revenues. The variance was driven primarily by:

- an \$826 million decrease in fuel revenues driven by lower sales volumes as well as an accelerated refund of fuel costs at Duke Energy Florida in response to the COVID-19 pandemic;
- a \$237 million decrease in wholesale revenue primarily driven by the CCR Settlement Agreement filed with the NCUC in January 2021 and decreased volumes;
- a \$207 million decrease in retail sales, net of fuel revenues, due to unfavorable weather;
- a \$130 million decrease in rider revenues from EE programs;
- a \$44 million decrease in nuclear cost recovery rider revenue due to recovery of the Crystal River 3 uprate regulatory asset in 2019 at Duke Energy Florida; and
- a \$17 million decrease in weather-normal retail sale volumes driven by lower nonresidential customer demand due to impacts from the COVID-19 pandemic.

Partially offset by:

- a \$214 million increase due to higher pricing from the Indiana retail rate case, net of rider revenues;

- a \$92 million increase in retail pricing due to Duke Energy Florida's base rate adjustments related to annual increases from the 2017 Settlement Agreement and the Solar Base Rate Adjustment; and
- a \$32 million increase due to higher pricing from South Carolina retail rate cases, net of a return of EDIT to customers.

Operating Expenses. The variance was driven primarily by:

- a \$979 million increase in impairment charges primarily driven by the CCR Settlement Agreement filed with the NCUC in January 2021;
- a \$117 million increase in depreciation and amortization expense primarily due to additional plant in service and new depreciation rates from the Indiana retail rate cases; and
- a \$13 million increase in property and other taxes primarily due to prior year property tax reassessments.

Partially offset by:

- a \$776 million decrease in fuel used in electric generation and purchased power primarily due to lower generation demand and lower fuel and natural gas costs; and
- a \$106 million decrease in operation, maintenance and other expense primarily driven by cost mitigation efforts.

Interest Expense. The variance was primarily due to lower interest rates on outstanding debt.

Income Tax Expense. The ETRs for the years ended December 31, 2020, and 2019, were 11.3% and 18.2%, respectively. The decrease in the ETR was primarily due to an increase in the amortization of excess deferred taxes.

Gas Utilities and Infrastructure

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|-------------|--------------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 1,748 | \$ 1,866 | \$ (118) |
| Operating Expenses | | | |
| Cost of natural gas | 460 | 627 | (167) |
| Operation, maintenance and other | 430 | 446 | (16) |
| Depreciation and amortization | 258 | 256 | 2 |
| Property and other taxes | 112 | 106 | 6 |
| Impairment charges | 7 | — | 7 |
| Total operating expenses | 1,267 | 1,435 | (168) |
| Operating Income | 481 | 431 | 50 |
| Other Income and Expenses | | | |
| Equity in (losses) earnings of unconsolidated affiliates | (2,017) | 114 | (2,131) |
| Other Income and Expenses, net | 56 | 26 | 30 |
| Total other income and expenses | (1,961) | 140 | (2,101) |
| Interest Expense | 135 | 117 | 18 |
| (Loss) Income Before Income Taxes | (1,615) | 454 | (2,069) |
| Income Tax (Benefit) Expense | (349) | 22 | (371) |
| Segment (Loss) Income | \$ (1,266) | \$ 432 | \$ (1,698) |
| Piedmont Local Distribution Company (LDC) throughput (Dth) | 490,071,039 | 511,243,774 | (21,172,735) |
| Duke Energy Midwest LDC throughput (MCF) | 84,160,162 | 89,025,972 | (4,865,810) |

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Year Ended December 31, 2020, as compared to 2019

Gas Utilities and Infrastructure's results were impacted primarily by the cancellation of the ACP pipeline. The following is a detailed discussion of the variance drivers by line item.

Operating Revenues. The variance was driven primarily by:

- a \$167 million decrease due to lower natural gas costs passed through to customers, lower volumes, and decreased off-system sales natural gas costs; and
- a \$47 million decrease due to return of EDIT to customers.

Partially offset by:

- an \$87 million increase due to North Carolina base rate case increases.

Operating Expenses. The variance was driven primarily by:

- a \$167 million decrease in cost of natural gas due to lower natural gas prices, lower volumes and decreased off-system sales natural gas costs.

Equity in (losses) earnings of unconsolidated affiliates. The variance was driven primarily by the cancellation of the ACP pipeline.

Other Income and Expenses, net. The variance was driven primarily by AFUDC equity and other income related to Belews Creek and Marshall Power Generation contracts.

Income Tax (Benefit) Expense. The increase in tax benefit was primarily due to a decrease in pretax income driven by the impact of the cancellation of the ACP pipeline. The ETRs for the years ended December 31, 2020, and 2019, were 21.6% and 4.8%, respectively. The increase in the ETR was primarily due to an adjustment, recorded in the first quarter of 2019, related to the income tax recognition for equity method investments. The equity method investment adjustment was immaterial and relates to prior years.

Commercial Renewables

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|--------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 502 | \$ 487 | \$ 15 |
| Operating Expenses | | | |
| Operation, maintenance and other | 285 | 297 | (12) |
| Depreciation and amortization | 199 | 168 | 31 |
| Property and other taxes | 27 | 23 | 4 |
| Impairment charges | 6 | — | 6 |
| Total operating expenses | 517 | 488 | 29 |
| Losses on Sales of Other Assets and Other, net | (1) | (3) | 2 |
| Operating Loss | (16) | (4) | (12) |
| Other Income and Expenses, net | 7 | 5 | 2 |
| Interest Expense | 66 | 95 | (29) |
| Loss Before Income Taxes | (75) | (94) | 19 |
| Income Tax Benefit | (65) | (115) | 50 |
| Add: Loss Attributable to Noncontrolling Interests | 296 | 177 | 119 |
| Segment Income | \$ 286 | \$ 198 | \$ 88 |
| Renewable plant production, GWh | 10,204 | 8,574 | 1,630 |
| Net proportional MW capacity in operation ^(a) | 3,937 | 3,485 | 452 |

(a) Certain projects are included in tax-equity structures where investors have differing interests in the project's economic attributes. Amounts shown represent 100% of the tax-equity project's capacity.

Year Ended December 31, 2020, as compared to 2019

Commercial Renewables' results were favorable primarily due to growth of new project investments. Since December 31, 2019, Commercial Renewables has placed in service approximately 500 MW of capacity.

The following is a detailed discussion of the variance drivers by line item.

Operating Revenues. The variance was primarily driven by a \$39 million increase associated with the growth of new projects placed in service, partially offset by a \$24 million decrease primarily within the distributed energy portfolios for lower engineering and construction activities related to delays from COVID-19.

Operating Expenses. The variance was primarily driven by a \$52 million increase in operating expenses due to the growth of new projects placed in service. This was partially offset by a \$24 million decrease in operating expenses within the distributed energy portfolios for lower engineering and construction costs related to delays from COVID-19.

Interest Expense. The decrease was primarily driven by non-qualifying hedge activity in the prior year, higher capitalized interest in the current year for solar and wind projects in development and lower outstanding debt balances.

Income Tax Benefit. The decrease in the tax benefit was primarily driven by an increase in taxes associated with tax equity investments and a decrease in PTCs generated.

Loss Attributable to Noncontrolling Interests. The increase was driven primarily by the growth of new projects financed by tax equity.

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Other

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|----------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 97 | \$ 95 | \$ 2 |
| Operating Expenses | 12 | 117 | (105) |
| Losses on Sales of Other Assets and Other, net | — | (2) | 2 |
| Operating Income (Loss) | 85 | (24) | 109 |
| Other Income and Expenses, net | 92 | 145 | (53) |
| Interest Expense | 657 | 705 | (48) |
| Loss Before Income Taxes | (480) | (584) | 104 |
| Income Tax Benefit | (162) | (173) | 11 |
| Less: Net Income Attributable to Noncontrolling Interests | 1 | — | 1 |
| Less: Preferred Dividends | 107 | 41 | 66 |
| Net Loss | \$ (426) | \$ (452) | \$ 26 |

Year Ended December 31, 2020, as compared to 2019

The variance was primarily driven by a reversal of corporate allocated severance costs, obligations to the Duke Energy Foundation in 2019, and lower state income tax expense, partially offset by lower returns on investments, higher loss experience related to captive insurance claims, the declaration of preferred stock dividends, and lower earnings on the NMC investment. The following is a detailed discussion of the variance drivers by line item.

Operating Expenses. The decrease was primarily due to the deferral of 2018 corporate allocated severance costs due to the Duke Energy Carolinas and Duke Energy Progress partial settlements in the 2019 North Carolina retail rate case and obligations to the Duke Energy Foundation in 2019, partially offset by higher loss experience related to captive insurance claims and higher franchise tax expense.

Other Income and Expenses, net. The variance was primarily due to lower returns on investments that fund certain employee benefit obligations and lower earnings on the NMC investment primarily due to lower pricing.

Interest Expense. The variance was primarily due to lower outstanding short-term debt and lower interest rates.

Income Tax Benefit. The decrease in the tax benefit was primarily driven by a decrease in pretax losses, partially offset by an increase in state income tax benefits. The ETRs for the years ended December 31, 2020, and 2019, were 33.8% and 29.6%, respectively. The increase in the ETR was primarily due to an increase in state income tax benefits in 2020, in relation to pretax losses.

Preferred Dividends. The variance was driven by the declaration of preferred stock dividends on preferred stock issued in late 2019.

SUBSIDIARY REGISTRANTS

Basis of Presentation

The results of operations and variance discussion for the Subsidiary Registrants is presented in a reduced disclosure format in accordance with General Instruction (I)(2)(a) of Form 10-K.

DUKE ENERGY CAROLINAS

Results of Operations

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 7,015 | \$ 7,395 | \$ (380) |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 1,682 | 1,804 | (122) |
| Operation, maintenance and other | 1,743 | 1,868 | (125) |
| Depreciation and amortization | 1,462 | 1,388 | 74 |
| Property and other taxes | 299 | 292 | 7 |
| Impairment charges | 476 | 17 | 459 |
| Total operating expenses | 5,662 | 5,369 | 293 |
| Gains on Sales of Other Assets and Other, net | 1 | — | 1 |
| Operating Income | 1,354 | 2,026 | (672) |
| Other Income and Expenses, net | 177 | 151 | 26 |
| Interest Expense | 487 | 463 | 24 |
| Income Before Income Taxes | 1,044 | 1,714 | (670) |
| Income Tax Expense | 88 | 311 | (223) |
| Net Income | \$ 956 | \$ 1,403 | \$ (447) |

PART II

The following table shows the percent changes in GWh sales and average number of customers for Duke Energy Carolinas. The below percentages for retail customer classes represent billed sales only. Total sales includes billed and unbilled retail sales and wholesale sales to incorporated municipalities, public and private utilities and power marketers. Amounts are not weather-normalized.

| Increase (Decrease) over prior year | 2020 | 2019 |
|-------------------------------------|---------|---------|
| Residential sales | (3.1)% | (2.9)% |
| General service sales | (6.7)% | (0.1)% |
| Industrial sales | (8.0)% | (1.9)% |
| Wholesale power sales | (2.0)% | (13.6)% |
| Joint dispatch sales | (46.0)% | 4.7% |
| Total sales | (5.9)% | (2.6)% |
| Average number of customers | 1.9% | 2.1% |

Year Ended December 31, 2020, as compared to 2019

Operating Revenues. The variance was driven primarily by:

- a \$151 million decrease in fuel revenues due to lower prices and retail sales volumes;
- a \$149 million decrease in retail sales due to unfavorable weather in the current year;
- a \$73 million decrease in rider revenues primarily due to EE programs; and
- a \$50 million decrease in wholesale revenue primarily driven by the CCR Settlement Agreement filed with the NCUC in January 2021.

Partially offset by:

- a \$25 million increase due to higher pricing from the South Carolina retail rate case, net of a return of EDIT to customers; and
- a \$22 million increase in weather-normal retail sales volumes.

Operating Expenses. The variance was driven primarily by:

- a \$459 million increase in impairment charges primarily driven by the CCR Settlement Agreement filed with the NCUC in January 2021; and

- a \$74 million increase in depreciation and amortization expense primarily due to additional plant in service and new depreciation rates associated with the South Carolina rate case.

Partially offset by:

- a \$125 million decrease in operation, maintenance and other expense primarily driven by the deferral of 2018 severance costs due to the partial settlement agreement between Duke Energy Carolinas and the Public Staff of the NCUC related to the 2019 North Carolina retail rate case, and cost mitigation efforts, partially offset by higher storm restoration costs; and
- a \$122 million decrease in fuel used in electric generation and purchased power primarily due to lower retail sales volumes, net of a prior period true up.

Other Income and Expenses, net. The variance was primarily due to higher AFUDC equity in the current year.

Interest Expense. The variance was primarily due to higher debt outstanding in the current year.

Income Tax Expense. The decrease in tax expense was primarily due to a decrease in pretax income and an increase in the amortization of excess deferred taxes.

PROGRESS ENERGY

Results of Operations

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|-----------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 10,627 | \$ 11,202 | \$ (575) |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 3,479 | 4,024 | (545) |
| Operation, maintenance and other | 2,479 | 2,495 | (16) |
| Depreciation and amortization | 1,818 | 1,845 | (27) |
| Property and other taxes | 545 | 561 | (16) |
| Impairment charges | 495 | (24) | 519 |
| Total operating expenses | 8,816 | 8,901 | (85) |
| Gains on Sales of Other Assets and Other, net | 9 | — | 9 |
| Operating Income | 1,820 | 2,301 | (481) |
| Other Income and Expenses, net | 129 | 141 | (12) |
| Interest Expense | 790 | 862 | (72) |
| Income Before Income Taxes | 1,159 | 1,580 | (421) |
| Income Tax Expense | 113 | 253 | (140) |
| Net Income | 1,046 | 1,327 | (281) |
| Less: Net Income Attributable to Noncontrolling Interests | 1 | — | 1 |
| Net Income Attributable to Parent | \$ 1,045 | \$ 1,327 | \$ (282) |

Year Ended December 31, 2020, as compared to 2019

Operating Revenues. The variance was driven primarily by:

- a \$567 million decrease in fuel revenues driven by lower sales volumes as well as an accelerated refund of fuel costs in response to the COVID-19 pandemic at Duke Energy Florida and lower fuel prices, volumes and native load transfer sales in the current year at Duke Energy Progress;
- a \$169 million decrease in wholesale revenue primarily driven by the Duke Energy Progress' CCR Settlement Agreement filed with the NCUC in January 2021 and decreased volumes at Duke Energy Progress, partially offset by increased demand at Duke Energy Florida;
- a \$55 million decrease in rider revenues primarily due to the Crystal River 3 uprate regulatory asset being fully recovered in 2019 at Duke Energy Florida;
- a \$31 million decrease in retail sales, net of fuel revenues, due to unfavorable weather at Duke Energy Progress, partially offset by favorable weather in the current year at Duke Energy Florida; and
- a \$17 million decrease in weather-normal retail sales volumes.

Partially offset by:

- a \$147 million increase in storm revenues due to Hurricane Dorian collections at Duke Energy Florida;
- a \$92 million increase in retail pricing due to base rate adjustments related to annual increases from the 2017 Settlement Agreement and the Solar Base Rate Adjustment at Duke Energy Florida; and
- a \$16 million increase due to higher pricing from the South Carolina retail rate case, net of a return of EDIT to customers at Duke Energy Progress.

Operating Expenses. The variance was driven primarily by:

- a \$545 million decrease in fuel used in electric generation and purchased power primarily due to lower demand and changes in generation mix at Duke Energy Progress and lower demand and fuel costs at Duke Energy Florida;
- a \$27 million decrease in depreciation and amortization expense primarily driven by a decrease in coal ash amortization, partially offset by a higher depreciable base and impacts from North Carolina and the South Carolina rate cases at Duke Energy Progress;
- a \$16 million decrease in operation, maintenance and other expense at Duke Energy Progress primarily driven by the deferral of 2018 severance costs due to the partial settlement agreement between Duke Energy Progress and the Public Staff of the NCUC related to the 2019 North Carolina retail rate case, reduced outage costs and other cost mitigation efforts, partially offset by storm cost amortizations at Duke Energy Florida; and
- a \$16 million decrease in property and other taxes driven primarily by lower gross receipts taxes due to decreased fuel revenues at Duke Energy Florida.

Partially offset by:

- a \$519 million increase in impairment charges primarily driven by the Duke Energy Progress' CCR Settlement Agreement filed with the NCUC in January 2021, and the prior year's impairment reduction related to Citrus County CC at Duke Energy Florida.

Interest Expense. The variance was driven primarily by lower interest rates on outstanding debt at Duke Energy Progress.

Income Tax Expense. The decrease in tax expense was primarily due to a decrease in pretax income and an increase in the amortization of excess deferred taxes at Duke Energy Progress, partially offset by an increase in pretax income and a decrease in the amortization of excess deferred taxes at Duke Energy Florida.

DUKE ENERGY PROGRESS**Results of Operations**

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 5,422 | \$ 5,957 | \$ (535) |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 1,743 | 2,012 | (269) |
| Operation, maintenance and other | 1,332 | 1,446 | (114) |
| Depreciation and amortization | 1,116 | 1,143 | (27) |
| Property and other taxes | 167 | 176 | (9) |
| Impairment charges | 499 | 12 | 487 |
| Total operating expenses | 4,857 | 4,789 | 68 |
| Gains on Sales of Other Assets and Other, net | 8 | — | 8 |
| Operating Income | 573 | 1,168 | (595) |
| Other Income and Expenses, net | 75 | 100 | (25) |
| Interest Expense | 269 | 306 | (37) |
| Income Before Income Taxes | 379 | 962 | (583) |
| Income Tax (Benefit) Expense | (36) | 157 | (193) |
| Net Income | \$ 415 | \$ 805 | \$ (390) |

PART II

The following table shows the percent changes in GWh sales and average number of customers for Duke Energy Progress. The below percentages for retail customer classes represent billed sales only. Total sales includes billed and unbilled retail sales and wholesale sales to incorporated municipalities, public and private utilities and power marketers. Amounts are not weather-normalized.

| Increase (Decrease) over prior year | 2020 | 2019 |
|-------------------------------------|--------|--------|
| Residential sales | (3.2)% | (4.0)% |
| General service sales | (7.4)% | (1.6)% |
| Industrial sales | (3.9)% | 0.6% |
| Wholesale power sales | (9.1)% | (1.5)% |
| Joint dispatch sales | 9.9% | (0.8)% |
| Total sales | (4.6)% | (1.4)% |
| Average number of customers | 1.8% | 1.3% |

Year Ended December 31, 2020, as compared to 2019

Operating Revenues. The variance was driven primarily by:

- a \$272 million decrease in fuel cost recovery driven by lower fuel prices and volumes as well as less native load transfer sales in the current year;
- a \$180 million decrease in wholesale revenue primarily driven by the CCR Settlement Agreement filed with the NCUC in January 2021, and decreased volumes, partially offset by increased capacity rates;
- a \$77 million decrease in retail sales due to unfavorable weather; and
- a \$10 million decrease in weather-normal retail sales volumes.

Partially offset by:

- a \$16 million increase due to higher pricing from the South Carolina retail rate case, net of a return of EDIT to customers.

Operating Expenses. The variance was driven primarily by:

- a \$487 million increase in impairment charges primarily driven by the CCR Settlement Agreement filed with the NCUC in January 2021.

Partially Offset by:

- a \$269 million decrease in fuel used in electric generation and purchased power primarily due to lower demand and changes in generation mix;
- a \$114 million decrease in operation, maintenance and other expense primarily driven by the deferral of 2018 severance costs due to the partial settlement agreement between Duke Energy Progress and the Public Staff of the NCUC related to the 2019 North Carolina retail rate case, reduced outage costs and other costs mitigation efforts; and
- a \$27 million decrease in depreciation and amortization expense primarily driven by a decrease in coal ash amortization, partially offset by a higher depreciable base and impacts from the South Carolina rate cases.

Other Income and Expenses, net. The variance was primarily due to lower AFUDC equity in the current year.

Interest Expense. The variance was driven primarily by lower interest rates on outstanding debt.

Income Tax (Benefit) Expense. The decrease in tax expense was primarily due to a decrease in pretax income and an increase in the amortization of excess deferred taxes.

DUKE ENERGY FLORIDA

Results of Operations

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 5,188 | \$ 5,231 | \$ (43) |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 1,737 | 2,012 | (275) |
| Operation, maintenance and other | 1,131 | 1,034 | 97 |
| Depreciation and amortization | 702 | 702 | — |
| Property and other taxes | 381 | 392 | (11) |
| Impairment charges | (4) | (36) | 32 |
| Total operating expenses | 3,947 | 4,104 | (157) |
| Gains on Sales of Other Assets and Other, net | 1 | — | 1 |
| Operating Income | 1,242 | 1,127 | 115 |
| Other Income and Expenses, net | 53 | 48 | 5 |
| Interest Expense | 326 | 328 | (2) |
| Income Before Income Taxes | 969 | 847 | 122 |
| Income Tax Expense | 198 | 155 | 43 |
| Net Income | \$ 771 | \$ 692 | \$ 79 |

PART II

The following table shows the percent changes in GWh sales and average number of customers for Duke Energy Florida. The below percentages for retail customer classes represent billed sales only. Wholesale power sales include both billed and unbilled sales. Total sales includes billed and unbilled retail sales and wholesale sales to incorporated municipalities, public and private utilities and power marketers. Amounts are not weather-normalized.

| Increase (Decrease) over prior year | 2020 | 2019 |
|-------------------------------------|--------|--------|
| Residential sales | 3.3% | 0.7% |
| General service sales | (5.3)% | 0.3% |
| Industrial sales | 6.2% | (4.6)% |
| Wholesale power sales | (1.7)% | 28.8% |
| Total sales | 0.8% | 1.5% |
| Average number of customers | 1.8% | 1.6% |

Year Ended December 31, 2020, as compared to 2019

Operating Revenues. The variance was driven primarily by:

- a \$295 million decrease in fuel revenues driven by lower sales volumes as well as an accelerated refund of fuel costs to customers in response to the COVID-19 pandemic;
- a \$55 million decrease in rider revenues primarily due to full recovery of the Crystal River 3 uprate regulatory asset in 2019; and
- a \$7 million decrease in weather-normal retail sales volumes.

Partially offset by:

- a \$147 million increase in storm revenues due to recovery of Hurricane Dorian costs;
- a \$92 million increase in retail pricing due to base rate adjustments related to annual increases from the 2017 Settlement Agreement and the Solar Base Rate Adjustment;
- a \$46 million increase in retail sales, net of fuel revenues, due to favorable weather in the current year;
- an \$18 million increase in other revenues primarily due to increased transmission revenues and lighting equipment rentals, partially

offset by lower late payment and service charge revenues due to a moratorium during the COVID-19 pandemic; and

- an \$11 million increase in wholesale power revenues, net of fuel, primarily due to increased capacity charges.

Operating Expenses. The variance was driven primarily by:

- a \$275 million decrease in fuel used in electric generation and purchased power primarily due to lower fuel costs; and
- an \$11 million decrease in property and other taxes driven by lower gross receipts taxes due to decreased fuel revenues.

Partially offset by:

- a \$97 million increase in operation, maintenance and other expense primarily due to storm cost amortizations; and
- a \$32 million increase in impairment charges primarily due to the prior year's impairment reduction related to Citrus County CC.

Income Tax Expense. The increase in tax expense was primarily due to an increase in pretax income and a decrease in the amortization of excess deferred taxes.

DUKE ENERGY OHIO

Results of Operations

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | | | |
| Regulated electric | \$ 1,405 | \$ 1,456 | \$ (51) |
| Regulated natural gas | 453 | 484 | (31) |
| Total operating revenues | 1,858 | 1,940 | (82) |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power – regulated | 339 | 388 | (49) |
| Cost of natural gas | 73 | 95 | (22) |
| Operation, maintenance and other | 463 | 520 | (57) |
| Depreciation and amortization | 278 | 265 | 13 |
| Property and other taxes | 324 | 308 | 16 |
| Total operating expenses | 1,477 | 1,576 | (99) |
| Operating Income | 381 | 364 | 17 |
| Other Income and Expenses, net | 16 | 24 | (8) |
| Interest Expense | 102 | 109 | (7) |
| Income from Continuing Operations Before Income Taxes | 295 | 279 | 16 |
| Income Tax Expense from Continuing Operations | 43 | 40 | 3 |
| Income from Continuing Operations | 252 | 239 | 13 |
| Loss from Discontinued Operations, net of tax | — | (1) | 1 |
| Net Income | \$ 252 | \$ 238 | \$ 14 |

PART II

The following table shows the percent changes in GWh sales of electricity, MCF of natural gas delivered and average number of electric and natural gas customers for Duke Energy Ohio. The below percentages for retail customer classes represent billed sales only. Total sales includes billed and unbilled retail sales and wholesale sales to incorporated municipalities, public and private utilities and power marketers. Amounts are not weather-normalized.

| Increase (Decrease) over prior year | Electric | | Natural Gas | |
|-------------------------------------|----------|--------|-------------|--------|
| | 2020 | 2019 | 2020 | 2019 |
| Residential sales | (1.9)% | (3.9)% | (5.7)% | (3.7)% |
| General service sales | (7.7)% | (1.9)% | (8.4)% | (1.2)% |
| Industrial sales | (6.6)% | (2.1)% | (4.1)% | (0.4)% |
| Wholesale electric power sales | (21.3)% | (4.9)% | n/a | n/a |
| Other natural gas sales | n/a | n/a | (2.2)% | 0.7% |
| Total sales | (5.0)% | (2.4)% | (5.5)% | (1.7)% |
| Average number of customers | 1.3% | 0.7% | 1.1% | 0.7% |

Year Ended December 31, 2020, as compared to 2019

Operating Revenues. The variance was driven primarily by:

- a \$61 million decrease in fuel related revenues primarily due to lower prices and decreased volumes;
- a \$22 million decrease in retail revenue riders, primarily due to lower EE program revenues, volume impacts of the Distribution Decoupling rider, suspension of the MGP rider and higher taxes returned to customers via the Tax Cuts and Job Acts rider, partially offset by an increase in the Distribution Capital Investment rider due to increased capital investment;
- a \$15 million decrease in revenues due to unfavorable weather in the current year;
- an \$11 million decrease in other revenues due to lower OVEC sales into PJM;
- a \$5 million decrease in bulk power marketing sales, and
- a \$4 million decrease in weather-normal sales volumes.

Partially offset by:

- a \$23 million increase in retail pricing primarily due to rate case impacts in Kentucky; and

- an \$18 million increase in PJM transmission revenues as a result of increased capital spend.

Operating Expenses. The variance was driven primarily by:

- a \$71 million decrease in fuel expense, primarily driven by lower fuel prices, decreased volumes and lower OVEC costs; and
- a \$57 million decrease in operations, maintenance and other expense primarily due to a new customer program and other deferrals, the timing of EE programs and outage costs, lower employee benefit expenses and lower vegetation and pole maintenance costs.

Partially offset by:

- a \$16 million increase in property and other taxes primarily due to higher property taxes due to increased plant in service, partially offset by lower franchise and other taxes; and
- a \$13 million increase in depreciation and amortization primarily driven by an increase in distribution plant, partially offset by lower amortization due to the suspension of the MGP rider in Ohio and environmental surcharge mechanism amortization of deferred coal ash pond ARO.

DUKE ENERGY INDIANA

Results of Operations

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 2,795 | \$ 3,004 | \$ (209) |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 767 | 935 | (168) |
| Operation, maintenance and other | 762 | 790 | (28) |
| Depreciation and amortization | 569 | 525 | 44 |
| Property and other taxes | 81 | 69 | 12 |
| Total operating expenses | 2,179 | 2,319 | (140) |
| Operating Income | 616 | 685 | (69) |
| Other Income and Expenses, net | 37 | 41 | (4) |
| Interest Expense | 161 | 156 | 5 |
| Income Before Income Taxes | 492 | 570 | (78) |
| Income Tax Expense | 84 | 134 | (50) |
| Net Income | \$ 408 | \$ 436 | \$ (28) |

PART II

The following table shows the percent changes in GWh sales and average number of customers for Duke Energy Indiana. The below percentages for retail customer classes represent billed sales only. Total sales includes billed and unbilled retail sales and wholesale sales to incorporated municipalities, public and private utilities and power marketers. Amounts are not weather-normalized.

| Increase (Decrease) over prior year | 2020 | 2019 |
|-------------------------------------|--------|---------|
| Residential sales | (2.7)% | (3.9)% |
| General service sales | (7.0)% | (2.2)% |
| Industrial sales | (7.6)% | (2.6)% |
| Wholesale power sales | 3.8% | (27.7)% |
| Total sales | (4.3)% | (6.8)% |
| Average number of customers | 1.4% | 1.2% |

Year Ended December 31, 2020, as compared to 2019

Operating Revenues. The variance was driven primarily by:

- a \$193 million decrease in rider revenues primarily due to lower sales volumes and credit adjustment rider refunds;
- a \$179 million decrease in fuel revenues primarily due to lower fuel cost recovery driven by customer demand and fuel prices;
- a \$20 million decrease in weather-normal retail sales volumes driven by lower nonresidential customer demand;
- a \$16 million decrease in retail sales due to unfavorable weather in the current year; and
- a \$10 million decrease in wholesale revenues primarily related to the true up of wholesale transmission revenues and lower rates in the current year.

Partially offset by:

- a \$214 million increase primarily due to higher pricing from the Indiana retail rate case, net of certain rider revenues.

Operating Expenses. The variance was driven primarily by:

- a \$168 million decrease in fuel used in electric generation and purchased power expense primarily due to lower purchased power expense, lower amortization of deferred fuel costs and lower coal and natural gas costs; and
- a \$28 million decrease in operation, maintenance and other primarily due to lower storm restoration costs, training costs, employee related costs and a new customer program deferral.

Partially offset by:

- a \$44 million increase in depreciation and amortization primarily due to a change in depreciation rates from the Indiana retail rate case and additional plant in service; and
- a \$12 million increase in property and other taxes primarily due to additional plant in service and property tax true ups for prior periods.

Income Tax Expense. The decrease in income tax expense was primarily due to an increase in the amortization of excess deferred taxes and a decrease in pretax income.

PIEDMONT

Results of Operations

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|----------|----------|
| | 2020 | 2019 | Variance |
| Operating Revenues | \$ 1,297 | \$ 1,381 | \$ (84) |
| Operating Expenses | | | |
| Cost of natural gas | 386 | 532 | (146) |
| Operation, maintenance and other | 322 | 328 | (6) |
| Depreciation and amortization | 180 | 172 | 8 |
| Property and other taxes | 53 | 45 | 8 |
| Impairment charges | 7 | — | 7 |
| Total operating expenses | 948 | 1,077 | (129) |
| Operating Income | 349 | 304 | 45 |
| Equity in earnings of unconsolidated affiliates | 9 | 8 | 1 |
| Other income and expenses, net | 51 | 20 | 31 |
| Total other income and expenses | 60 | 28 | 32 |
| Interest Expense | 118 | 87 | 31 |
| Income Before Income Taxes | 291 | 245 | 46 |
| Income Tax Expense | 18 | 43 | (25) |
| Net Income | \$ 273 | \$ 202 | \$ 71 |

PART II

The following table shows the percent changes in Dth delivered and average number of customers. The percentages for all throughput deliveries represent billed and unbilled sales. Amounts are not weather-normalized.

| Increase (Decrease) over prior year | 2020 | 2019 |
|-------------------------------------|--------|---------|
| Residential deliveries | (3.5)% | (8.0)% |
| Commercial deliveries | (9.1)% | (4.6)% |
| Industrial deliveries | (2.9)% | 1.7% |
| Power generation deliveries | (3.7)% | (11.8)% |
| For resale | (9.7)% | 4.8% |
| Total throughput deliveries | (4.1)% | (8.2)% |
| Secondary market volumes | (9.1)% | (0.5)% |
| Average number of customers | 2.3% | 1.4% |

The margin decoupling mechanism adjusts for variations in residential and commercial use per customer, including those due to weather and conservation. The weather normalization adjustment mechanisms mostly offset the impact of weather on bills rendered, but do not ensure full recovery of approved margin during periods when winter weather is significantly warmer or colder than normal.

Year Ended December 31, 2020, as compared to 2019

Operating Revenues. The variance was driven primarily by:

- a \$146 million decrease due to lower natural gas costs passed through to customers, lower volumes, and decreased off-system sales natural gas costs;
- a \$47 million decrease due to return of EDIT to customers; and
- a \$7 million decrease due to NCUC approval related to tax reform accounting from fixed-rate contracts in the prior year.

Partially offset by:

- an \$87 million increase due to North Carolina base rate case increases;
- a \$20 million increase due to North Carolina IMR increases; and
- an \$18 million increase due to addition of Belews Creek and Marshall Power Generation capacity contracts.

Operating Expenses. The variance was driven primarily by:

- a \$146 million decrease in cost of natural gas due to lower natural gas prices, lower volumes, and decreased off-system sales natural gas costs.

Partially offset by:

- an \$8 million increase in depreciation and amortization due to additional plant in service and higher depreciation rates, partially offset by Belews Creek and Marshall Power Generation contracts and amortization of EDIT interest expense; and
- an \$8 million increase in property and other taxes due to prior year property tax true ups.

Other Income and Expenses, net. The variance was driven primarily by AFUDC equity and other income related to Belews Creek and Marshall Power Generation contracts.

Interest Expense. The variance was driven primarily by interest on tax reform related deferrals being returned to customers and higher debt outstanding in the current year.

Income Tax Expense. The decrease in income tax expense was primarily due to an increase in the amortization of excess deferred taxes and an increase in AFUDC Equity, partially offset by an increase in pretax income.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Preparation of financial statements requires the application of accounting policies, judgments, assumptions and estimates that can significantly affect the reported results of operations, cash flows or the amounts of assets and liabilities recognized in the financial statements. Judgments made include the likelihood of success of particular projects, possible legal and regulatory challenges, earnings assumptions on pension and other benefit fund investments and anticipated recovery of costs, especially through regulated operations.

Management discusses these policies, estimates and assumptions with senior members of management on a regular basis and provides periodic updates on management decisions to the Audit Committee. Management believes the areas described below require significant judgment in the application of accounting policy or in making estimates and assumptions that are inherently uncertain and that may change in subsequent periods.

For further information, see Note 1 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies."

Regulated Operations Accounting

Substantially all of Duke Energy's regulated operations meet the criteria for application of regulated operations accounting treatment. As a result, Duke Energy is required to record assets and liabilities that would not be recorded for nonregulated entities. Regulatory assets generally represent incurred costs that have been deferred because such costs are probable of future recovery in customer rates. Regulatory liabilities are recorded when it is probable that a regulator will require Duke Energy to make refunds to customers or reduce rates to customers for previous collections or deferred revenue for costs that have yet to be incurred.

Management continually assesses whether recorded regulatory assets are probable of future recovery by considering factors such as:

- applicable regulatory environment changes;
- historical regulatory treatment for similar costs in Duke Energy's jurisdictions;
- litigation of rate orders;
- recent rate orders to other regulated entities;
- levels of actual return on equity compared to approved rates of return on equity; and
- the status of any pending or potential deregulation legislation.

If future recovery of costs ceases to be probable, asset write-offs would be recognized in operating income. Additionally, regulatory agencies can provide flexibility in the manner and timing of the depreciation of property, plant and equipment, recognition of asset retirement costs and amortization of regulatory assets, or may disallow recovery of all or a portion of certain assets.

As required by regulated operations accounting rules, significant judgment can be required to determine if an otherwise recognizable incurred cost qualifies to be deferred for future recovery as a regulatory asset. Significant judgment can also be required to determine if revenues previously recognized are for entity specific costs that are no longer expected to be incurred or have not yet been incurred and are therefore a regulatory liability.

Goodwill Impairment Assessments

Duke Energy performed its annual goodwill impairment tests for all reporting units as of August 31, 2020. Additionally, Duke Energy monitors all relevant events and circumstances during the year to determine if an interim impairment test is required. Such events and circumstances include an adverse regulatory outcome, declining financial performance and deterioration of industry or market conditions. As of August 31, 2020, all of the reporting units' estimated fair value of equity substantially exceeded the carrying value of equity. The fair values of the reporting units were calculated using a weighted combination of the income approach, which estimates fair value based on discounted cash flows, and the market approach, which estimates fair value based on market comparables within the utility and energy industries.

Estimated future cash flows under the income approach are based on Duke Energy's internal business plan. Significant assumptions used are growth rates, future rates of return expected to result from ongoing rate regulation and discount rates. Management determines the appropriate discount rate for each of its reporting units based on the WACC for each individual reporting unit. The WACC takes into account both the after-tax cost of debt and cost of equity. A major component of the cost of equity is the current risk-free rate on 20-year U.S. Treasury bonds. In the 2020 impairment tests, Duke Energy considered implied WACCs for certain peer companies in determining the appropriate WACC rates to use in its analysis. As each reporting unit has a different risk profile based on the nature of its operations, including factors such as regulation, the WACC for each reporting unit may differ. Accordingly, the WACCs were adjusted, as appropriate, to account for company specific risk premiums. The discount rates used for calculating the fair values as of August 31, 2020, for each of Duke Energy's reporting units ranged from 5.2% to 5.7%. The underlying assumptions and estimates are made as of a point in time. Subsequent changes, particularly changes in the discount rates, authorized regulated rates of return or growth rates inherent in management's estimates of future cash flows, could result in future impairment charges.

One of the most significant assumptions utilized in determining the fair value of reporting units under the market approach is implied market multiples for certain peer companies. Management selects comparable peers based on each peer's primary business mix, operations, and market capitalization compared to the applicable reporting unit and calculates implied market multiples based on available projected earnings guidance and peer company market values as of August 31.

Duke Energy primarily operates in environments that are rate-regulated. In such environments, revenue requirements are adjusted periodically by regulators based on factors including levels of costs, sales volumes and costs of capital. Accordingly, Duke Energy's regulated utilities operate to some degree with a buffer from the direct effects, positive or negative, of significant swings in market or economic conditions. However, significant changes in discount rates over a prolonged period may have a material impact on the fair value of equity.

For further information, see Note 11 to the Consolidated Financial Statements, "Goodwill and Intangible Assets."

Asset Retirement Obligations

AROs are recognized for legal obligations associated with the retirement of property, plant and equipment at the present value of the projected liability in the period in which it is incurred, if a reasonable estimate of fair value can be made.

The present value of the initial obligation and subsequent updates are based on discounted cash flows, which include estimates regarding timing of future cash flows, selection of discount rates and cost escalation rates, among other factors. These estimates are subject to change.

Obligations for nuclear decommissioning are based on site-specific cost studies. Duke Energy Carolinas and Duke Energy Progress assume prompt dismantlement of the nuclear facilities after operations are ceased. During 2020, Duke Energy Florida, closed an agreement for the accelerated decommissioning of the Crystal River Unit 3 nuclear power station after receiving approval from the NRC and FPSC. The retirement obligations for the decommissioning of Crystal River Unit 3 nuclear power station are measured based on accelerated decommissioning from 2020 continuing through 2027. Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida also assume that spent fuel will be stored on-site until such time that it can be transferred to a yet to be built DOE facility.

Obligations for closure of ash basins are based upon discounted cash flows of estimated costs for site-specific plans. During 2020, the Hoosier Environmental Council filed a Petition for Administrative Review with the Indiana Office of Environmental Adjudication challenging the Indiana Department of Environmental Management's partial approval of Duke Energy Indiana's ash pond closure plan. Due to these challenges, in 2020, Duke Energy Indiana remeasured and increased the closure estimates for certain coal ash impoundments.

For further information, see Notes 3, 4 and 9 to the Consolidated Financial Statements, "Regulatory Matters," "Commitments and Contingencies" and "Asset Retirement Obligations."

Long-Lived Asset Impairment Assessments, Excluding Regulated Operations, and Equity Method Investments

Duke Energy evaluates property, plant and equipment for impairment when events or changes in circumstances (such as a significant change in cash flow projections or the determination that it is more likely than not that an asset or asset group will be sold) indicate the carrying value of such assets may not be recoverable. The determination of whether an impairment has occurred is based on an estimate of undiscounted future cash flows attributable to the assets, as compared with their carrying value.

Performing an impairment evaluation involves a significant degree of estimation and judgment in areas such as identifying circumstances that indicate an impairment may exist, identifying and grouping affected assets and developing the undiscounted future cash flows. If an impairment has occurred, the amount of the impairment recognized is determined by estimating the fair value and recording a loss if the carrying value is greater than the fair value. Additionally, determining fair value requires probability weighting future cash flows to reflect expectations about possible variations in their amounts or timing and the selection of an appropriate discount rate. Although cash flow estimates are based on relevant information available at the time the estimates are made, estimates of future cash flows are, by nature, highly uncertain and may vary significantly from actual results.

When determining whether an asset or asset group has been impaired, management groups assets at the lowest level that has discrete cash flows. Investments in affiliates that are not controlled by Duke Energy, but over which it has significant influence, are accounted for using the equity method. Equity method investments are assessed for impairment when conditions exist that indicate that the fair value of the investment is less than book value. If the decline in value is considered to be other than temporary, the investment is written down to its estimated fair value, which establishes a new cost basis in the investment.

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During 2020, Duke Energy evaluated recoverability of certain renewable merchant plants due to declining market pricing and declining long-term forecasted energy prices, primarily driven by lower forecasted natural gas prices, capital cost of new renewables and increase renewable penetration. It was determined the assets were all recoverable as the carrying value of the assets approximated or exceeded the aggregate estimated future cash flows.

For further information, see Notes 2, 10 and 12 to the Consolidated Financial Statements, "Business Segments," "Property, Plant and Equipment" and "Investments in Unconsolidated Affiliates."

Pension and Other Post-Retirement Benefits

The calculation of pension expense, other post-retirement benefit expense and net pension and other post-retirement assets or liabilities require the use of assumptions and election of permissible accounting alternatives. Changes in assumptions can result in different expense and reported asset or liability amounts and future actual experience can differ from the assumptions. Duke Energy believes the most critical assumptions for pension and other post-retirement benefits are the expected long-term rate of return on plan assets and the assumed discount rate applied to future projected benefit payments.

Duke Energy elects to amortize net actuarial gain or loss amounts that are in excess of 10% of the greater of the market-related value of plan assets or the plan's projected benefit obligation, into net pension or other post-retirement benefit expense over the average remaining service period of active participants expected to benefit under the plan. If all or almost all of a plan's participants are inactive, the average remaining life expectancy of the inactive participants is used instead of average remaining service period. Prior service cost or credit, which represents an increase or decrease in a plan's pension benefit obligation resulting from plan amendment, is amortized on a straight-line basis over the average expected remaining service period of active participants expected to benefit under the plan. If all or almost all of a plan's participants are inactive, the average remaining life expectancy of the inactive participants is used instead of average remaining service period.

As of December 31, 2020, Duke Energy assumes pension and other post-retirement plan assets will generate a long-term rate of return of 6.50%. The expected long-term rate of return was developed using a weighted average calculation of expected returns based primarily on future expected returns across asset classes considering the use of active asset managers, where applicable. The asset allocation targets were set after considering the investment objective and the risk profile. Equity securities are held for their higher expected returns. Debt securities are primarily held to hedge the qualified pension liability. Real assets, return-seeking fixed income, hedge funds and other global securities are held for diversification. Investments within asset classes are diversified to achieve broad market participation and reduce the impact of individual managers on investments.

Duke Energy discounted its future U.S. pension and other post-retirement obligations using a rate of 2.60% as of December 31, 2020. Discount rates used to measure benefit plan obligations for financial reporting purposes reflect rates at which pension benefits could be effectively settled. As of December 31, 2020, Duke Energy determined its discount rate for U.S. pension and other post-retirement obligations using a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high-quality corporate bonds that generate sufficient cash flow to provide for projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

Future changes in plan asset returns, assumed discount rates and various other factors related to the participants in Duke Energy's pension and post-retirement plans will impact future pension expense and liabilities. Duke Energy cannot predict with certainty what these factors will be in the future. The following table presents the approximate effect on Duke Energy's 2020 pretax pension expense, pretax other post-retirement expense, pension obligation and other post-retirement benefit obligation if a 0.25% change in rates were to occur.

| (in millions) | Qualified and Non-Qualified Pension Plans | | Other Post-Retirement Plans | |
|--|---|---------|-----------------------------|---------|
| | 0.25% | (0.25)% | 0.25% | (0.25)% |
| Effect on 2020 pretax pension and other post-retirement expense: | | | | |
| Expected long-term rate of return | \$ (21) | \$ 21 | \$ (1) | \$ 1 |
| Discount rate | (9) | 9 | — | (1) |
| Effect on pension and other post-retirement benefit obligation at December 31, 2020: | | | | |
| Discount rate | (208) | 213 | (13) | 14 |

Duke Energy's other post-retirement plan uses a health care cost trend rate covering both pre- and post-age 65 retired plan participants, which is comprised of a medical care cost trend rate, which reflects the near- and long-term expectation of increases in medical costs, and a prescription drug cost trend rate, which reflects the near- and long-term expectation of increases in prescription drug costs. As of December 31, 2020, the health care cost trend rate was 6.25%, trending down to 4.75% by 2028. These plans are closed to new employees.

For further information, see Note 22 to the Consolidated Financial Statements, "Employee Benefit Plans."

LIQUIDITY AND CAPITAL RESOURCES

Sources and Uses of Cash

Duke Energy relies primarily upon cash flows from operations, debt and equity issuances and its existing cash and cash equivalents to fund its liquidity and capital requirements. Duke Energy's capital requirements arise primarily from capital and investment expenditures, repaying long-term debt and paying dividends to shareholders.

Among other provisions, the Tax Act lowered the corporate federal income tax rate from 35% to 21% and eliminated bonus depreciation for regulated utilities. For Duke Energy's regulated operations, the reduction in federal income taxes will result in lower regulated customer rates. However, due to its existing NOL position and other tax credits, Duke Energy does not expect to

be a significant federal cash taxpayer through at least 2029. As a result, any reduction in customer rates could cause a material reduction in consolidated cash flows from operations in the short term. Over time, the reduction in deferred tax liabilities resulting from the Tax Act will increase Duke Energy's regulated rate base investments and customer rates. Impacts of the Tax Act to Duke Energy's cash flows and credit metrics are subject to the regulatory actions of its state commissions and the FERC. See Note 3 to the Consolidated Financial Statements, "Regulatory Matters," for additional information.

The Subsidiary Registrants generally maintain minimal cash balances and use short-term borrowings to meet their working capital needs and other cash

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requirements. The Subsidiary Registrants, excluding Progress Energy, support their short-term borrowing needs through participation with Duke Energy and certain of its other subsidiaries in a money pool arrangement. The companies with short-term funds may provide short-term loans to affiliates participating under this arrangement. See Note 6 to the Consolidated Financial Statements, "Debt and Credit Facilities," for additional discussion of the money pool arrangement.

Duke Energy and the Subsidiary Registrants, excluding Progress Energy, may also use short-term debt, including commercial paper and the money pool, as a bridge to long-term debt financings. The levels of borrowing may vary significantly over the course of the year due to the timing of long-term debt financings and the impact of fluctuations in cash flows from operations. From time to time, Duke Energy's current liabilities exceed current assets resulting from the use of short-term debt as a funding source to meet scheduled maturities of long-term debt, as well as cash needs, which can fluctuate due to the seasonality of its businesses.

During March 2020, in response to market volatility and the ongoing economic uncertainty related to COVID-19, Duke Energy took several actions to enhance the company's liquidity position including:

- Duke Energy drew down the remaining \$500 million of availability under the existing \$1 billion Three-Year Revolving Credit Facility. That additional borrowing was subsequently repaid during the second quarter of 2020; and
- Duke Energy entered into and borrowed the full amount under a \$1.5 billion, 364-day Term Loan Credit Agreement. The Term Loan Credit Agreement contained a provision for additional borrowing capacity of \$500 million. Duke Energy exercised the provision and borrowed an additional \$188 million, for a total borrowing of approximately \$1.7 billion. By November 2020, Duke Energy repaid the entire borrowing under the 364-day Term Loan.

Following March 2020, access to credit and equity markets has normalized. In addition to the March 2020 financings to address the company's liquidity position, for the year ended December 31, 2020, Duke Energy issued approximately \$5.6 billion in debt and raised approximately \$2.9 billion of common equity through equity forward agreements and the company's dividend reinvestment and ATM programs. A portion of the proceeds from the equity forward settlements will be used to fully repay Duke Energy's portion of the ACP construction loan of approximately \$860 million. Despite the recovery in capital markets, Duke Energy continues to monitor access to credit and equity markets amid the ongoing economic uncertainty related to COVID-19.

In addition to actions taken by the company, the CARES Act, enacted in March 2020, as an emergency economic stimulus package in response to the COVID-19 pandemic, included provisions providing relief to entities with remaining AMT credit refund allowances. Through the CARES Act, Duke Energy accelerated remaining AMT credit refund allowances and claimed a refund in full for any AMT credit carryforwards. As a result, in the third quarter of 2020, Duke Energy received \$572 million related to AMT credit carryforwards and \$19 million of interest income. See Note 23 to the Consolidated Financial Statements, "Income Taxes," for additional information.

As of December 31, 2020, Duke Energy had approximately \$259 million of cash on hand, \$5.6 billion available under its \$8 billion Master Credit Facility and \$500 million available under the \$1 billion Three-Year Revolving Credit Facility. Duke Energy expects to have sufficient liquidity in the form of cash on hand, cash from operations and available credit capacity to support its funding needs. Refer to Notes 6 and 19 to the Consolidated Financial Statements, "Debt and Credit Facilities" and "Stockholders' Equity," respectively, for information regarding Duke Energy's debt and equity issuances, debt maturities and available credit facilities including the Master Credit Facility.

Credit Facilities and Registration Statements

See Note 6 to the Consolidated Financial Statements, "Debt and Credit Facilities," for further information regarding credit facilities and shelf registration statements available to Duke Energy and the Duke Energy Registrants.

CAPITAL EXPENDITURES

Duke Energy continues to focus on reducing risk and positioning its business for future success and will invest principally in its strongest business sectors. Duke Energy's projected capital and investment expenditures, including AFUDC debt and capitalized interest, for the next three fiscal years are included in the table below.

| (in millions) | 2021 | 2022 | 2023 |
|---|-----------|-----------|-----------|
| New generation | \$ 60 | \$ 20 | \$ 85 |
| Regulated renewables | 665 | 710 | 755 |
| Environmental | 795 | 820 | 600 |
| Nuclear fuel | 425 | 400 | 380 |
| Major nuclear | 280 | 270 | 205 |
| Customer additions | 565 | 555 | 560 |
| Grid modernization and other transmission and distribution projects | 3,460 | 5,025 | 4,840 |
| Maintenance and other | 2,200 | 2,650 | 2,750 |
| Total Electric Utilities and Infrastructure | 8,450 | 10,450 | 10,175 |
| Gas Utilities and Infrastructure | 1,250 | 1,275 | 1,150 |
| Commercial Renewables and Other | 775 | 1,075 | 750 |
| Total projected capital and investment expenditures | \$ 10,475 | \$ 12,800 | \$ 12,075 |

DEBT MATURITIES

See Note 6 to the Consolidated Financial Statements, "Debt and Credit Facilities," for further information regarding significant components of Current Maturities of Long-Term Debt on the Consolidated Balance Sheets.

DIVIDEND PAYMENTS

In 2020, Duke Energy paid quarterly cash dividends for the 94th consecutive year and expects to continue its policy of paying regular cash dividends in the future. There is no assurance as to the amount of future dividends because they depend on future earnings, capital requirements, financial condition and are subject to the discretion of the Board of Directors.

Duke Energy targets a dividend payout ratio of between 65% and 75%, based upon adjusted EPS, and expects this trend to continue through 2025. Duke Energy increased the dividend by approximately 2% annually in both 2020 and 2019, and the company remains committed to continued growth of the dividend.

Dividend and Other Funding Restrictions of Duke Energy Subsidiaries

As discussed in Note 3 to the Consolidated Financial Statements, "Regulatory Matters," Duke Energy's wholly owned public utility operating companies have restrictions on the amount of funds that can be transferred to Duke Energy through dividends, advances or loans as a result of conditions imposed by various regulators in conjunction with merger transactions. Duke Energy Progress and Duke Energy Florida also have restrictions imposed by their first mortgage bond indentures and Articles of Incorporation, which in certain circumstances, limit their ability to make cash dividends or distributions on common stock. Additionally, certain other Duke Energy subsidiaries have other restrictions, such as minimum working capital and tangible net worth requirements pursuant to debt and other agreements that limit the amount of funds that can be transferred to Duke Energy. At December 31, 2020, the amount of restricted net assets of wholly owned subsidiaries of Duke Energy that may not be distributed to Duke Energy in the form of a loan or dividend does not exceed a material amount of Duke Energy's net assets. Duke Energy does not have any legal or other restrictions on paying common stock dividends to shareholders out of its consolidated equity accounts. Although these restrictions cap the amount of funding the various operating subsidiaries can provide to Duke Energy, management does not believe these restrictions will have a significant impact on Duke Energy's ability to access cash to meet its payment of dividends on common stock and other future funding obligations.

CASH FLOWS FROM OPERATING ACTIVITIES

Cash flows from operations of Electric Utilities and Infrastructure and Gas Utilities and Infrastructure are primarily driven by sales of electricity and natural gas, respectively, and costs of operations. These cash flows from operations are relatively stable and comprise a substantial portion of Duke Energy's operating cash flows. Weather conditions, working capital and commodity price fluctuations and unanticipated expenses including unplanned plant outages, storms, legal costs and related settlements can affect the timing and level of cash flows from operations.

As part of Duke Energy's continued effort to improve its cash flows from operations and liquidity, Duke Energy works with vendors to improve terms and conditions, including the extension of payment terms. To support this effort, Duke Energy established a supply chain finance program (the "program") in 2020, under which suppliers, at their sole discretion, may sell their receivables from Duke Energy to the participating financial institution. The financial institution administers the program. Duke Energy does not issue any guarantees with respect to the program and does not participate in negotiations between suppliers and the financial institution. Duke Energy does not have an economic interest in the supplier's decision to participate in the program and receives no interest, fees or other benefit from the financial institution based on supplier participation in the program. Suppliers' decisions on which invoices are sold do not impact Duke Energy's payment terms, which are based on commercial terms negotiated between Duke Energy and the supplier regardless of program participation. A significant deterioration in the credit quality of Duke Energy, economic downturn or changes in the financial markets could limit the financial institutions willingness to participate in the program. Duke Energy does not believe such risk would have a material impact on our cash flows from operations or liquidity, as substantially all our payments are made outside the program.

Duke Energy believes it has sufficient liquidity resources through the commercial paper markets, and ultimately, the Master Credit Facility, to support these operations. Cash flows from operations are subject to a number of other factors, including, but not limited to, regulatory constraints, economic trends and market volatility (see Item 1A, "Risk Factors," for additional information).

DEBT ISSUANCES

Depending on availability based on the issuing entity, the credit rating of the issuing entity, and market conditions, the Subsidiary Registrants prefer to issue first mortgage bonds and secured debt, followed by unsecured debt. This preference is the result of generally higher credit ratings for first mortgage bonds and secured debt, which typically result in lower interest costs. Duke Energy Corporation primarily issues unsecured debt.

In 2021, Duke Energy anticipates issuing additional securities of \$8 billion through debt capital markets. Additionally, Duke Energy may utilize other instruments, including equity-content securities, such as preferred stock. Proceeds will primarily be for the purpose of funding capital expenditures and debt maturities. See to Note 6 to the Consolidated Financial Statements, "Debt and Credit Facilities," for further information regarding significant debt issuances in 2020.

Duke Energy's capitalization is balanced between debt and equity as shown in the table below.

| | Projected 2021 | Actual 2020 | Actual 2019 |
|--------|----------------|-------------|-------------|
| Equity | 44% | 44% | 44% |
| Debt | 56% | 56% | 56% |

Restrictive Debt Covenants

Duke Energy's debt and credit agreements contain various financial and other covenants. Duke Energy's Master Credit Facility contains a covenant requiring the debt-to-total capitalization ratio to not exceed 65% for each borrower, excluding Piedmont, and 70% for Piedmont. Failure to meet those

covenants beyond applicable grace periods could result in accelerated due dates and/or termination of the agreements or sublimits thereto. As of December 31, 2020, each of the Duke Energy Registrants was in compliance with all covenants related to their debt agreements. In addition, some credit agreements may allow for acceleration of payments or termination of the agreements due to nonpayment, or acceleration of other significant indebtedness of the borrower or some of its subsidiaries. None of the debt or credit agreements contain material adverse change clauses.

Credit Ratings

Moody's Investors Service, Inc. and S&P provide credit ratings for various Duke Energy Registrants. During January 2021, S&P downgraded the issuer credit rating for Duke Energy (Parent) and all of its subsidiaries senior unsecured debt, excluding Progress Energy, from A- to BBB+. Additionally, S&P downgraded the credit rating for Duke Energy (Parent) and Progress Energy senior unsecured debt from BBB+ to BBB. As part of the credit rating report, S&P affirmed their credit rating on senior secured debt for Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio and Duke Energy Indiana, while also affirming the short-term and commercial paper credit ratings. These actions followed a December 2020, report by S&P to revise the credit rating outlook from stable to negative for Duke Energy and all its subsidiaries. As a result of the downgrade, credit rating outlooks returned to stable. Additionally, during October 2020, Moody's revised their credit rating outlook for Duke Energy (Parent), Duke Energy Carolinas and Duke Energy Progress from stable to negative and in February 2021, revised the credit rating outlook for these same registrants to review for downgrade. The following table includes Duke Energy and certain subsidiaries' credit ratings and ratings outlook as of February 2021.

| | Moody's | S&P |
|--------------------------------|----------------------|--------|
| Duke Energy Corporation | Review for Downgrade | Stable |
| Issuer Credit Rating | Baa1 | BBB+ |
| Senior Unsecured Debt | Baa1 | BBB |
| Commercial Paper | P-2 | A-2 |
| Duke Energy Carolinas | Review for Downgrade | Stable |
| Senior Secured Debt | Aa2 | A |
| Senior Unsecured Debt | A1 | BBB+ |
| Progress Energy | Stable | Stable |
| Senior Unsecured Debt | Baa1 | BBB |
| Duke Energy Progress | Review for Downgrade | Stable |
| Senior Secured Debt | Aa3 | A |
| Senior Unsecured Debt | A2 | BBB+ |
| Duke Energy Florida | Stable | Stable |
| Senior Secured Debt | A1 | A |
| Senior Unsecured Debt | A3 | BBB+ |
| Duke Energy Ohio | Stable | Stable |
| Senior Secured Debt | A2 | A |
| Senior Unsecured Debt | Baa1 | BBB+ |
| Duke Energy Indiana | Stable | Stable |
| Senior Secured Debt | Aa3 | A |
| Senior Unsecured Debt | A2 | BBB+ |
| Duke Energy Kentucky | Stable | Stable |
| Senior Unsecured Debt | Baa1 | BBB+ |
| Piedmont Natural Gas | Stable | Stable |
| Senior Unsecured | A3 | BBB+ |

Credit ratings are intended to provide credit lenders a framework for comparing the credit quality of securities and are not a recommendation to buy, sell or hold. The Duke Energy Registrants' credit ratings are dependent on the rating agencies' assessments of their ability to meet their debt principal and interest obligations when they come due. If, as a result of market conditions or other factors, the Duke Energy Registrants are unable to maintain current balance sheet strength, or if earnings and cash flow outlook materially deteriorates, credit ratings could be negatively impacted.

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Cash Flow Information

The following table summarizes Duke Energy's cash flows for the two most recently completed fiscal years.

| (in millions) | Years Ended December 31, | |
|---|--------------------------|----------|
| | 2020 | 2019 |
| Cash flows provided by (used in): | | |
| Operating activities | \$ 8,856 | \$ 8,209 |
| Investing activities | (10,604) | (11,957) |
| Financing activities | 1,731 | 3,730 |
| Net decrease in cash, cash equivalents and restricted cash | (17) | (18) |
| Cash, cash equivalents and restricted cash at beginning of period | 573 | 591 |
| Cash, cash equivalents and restricted cash at end of period | \$ 556 | \$ 573 |

OPERATING CASH FLOWS

The following table summarizes key components of Duke Energy's operating cash flows for the two most recently completed fiscal years.

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|----------|------------|
| | 2020 | 2019 | Variance |
| Net income | \$ 1,082 | \$ 3,571 | \$ (2,489) |
| Non-cash adjustments to net income | 8,343 | 5,737 | 2,606 |
| Payments for AROs | (610) | (746) | 136 |
| Refund of AMT credit carryforwards | 572 | 573 | (1) |
| Working capital | (531) | (926) | 395 |
| Net cash provided by operating activities | \$ 8,856 | \$ 8,209 | \$ 647 |

The variance was driven primarily by:

- a \$117 million increase in net income after adjustment for non-cash items primarily due to increases in current year non-cash adjustments, partially offset by decreases in revenues due to lower sales volumes, accelerated refund of fuel costs at Duke Energy Florida in response to the COVID-19 pandemic and lower wholesale revenue driven by the CCR Settlement Agreement;
- a \$395 million decrease in cash outflows from working capital primarily due to fluctuations in inventory levels, accounts payable levels and lower income taxes paid in the current year; and
- a \$136 million decrease in payments for AROs.

INVESTING CASH FLOWS

The following table summarizes key components of Duke Energy's investing cash flows for the two most recently completed fiscal years.

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|-------------|----------|
| | 2020 | 2019 | Variance |
| Capital, investment and acquisition expenditures, net of return of investment capital | \$ (10,144) | \$ (11,435) | \$ 1,291 |
| Debt and equity securities, net | (62) | (5) | (57) |
| Other investing items | (398) | (517) | 119 |
| Net cash used in investing activities | \$ (10,604) | \$ (11,957) | \$ 1,353 |

The primary use of cash related to investing activities is capital, investment and acquisition expenditures, net of return of investment capital detailed by reportable business segment in the following table. The decrease relates primarily to decreases in capital expenditures due to lower overall investments in the Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables segments.

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|-----------|------------|
| | 2020 | 2019 | Variance |
| Electric Utilities and Infrastructure | \$ 7,629 | \$ 8,258 | \$ (629) |
| Gas Utilities and Infrastructure | 1,309 | 1,533 | (224) |
| Commercial Renewables | 1,075 | 1,423 | (348) |
| Other | 264 | 221 | 43 |
| Total capital, investment and acquisition expenditures, net of return of investment capital | \$ 10,277 | \$ 11,435 | \$ (1,158) |

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FINANCING CASH FLOWS

The following table summarizes key components of Duke Energy's financing cash flows for the two most recently completed fiscal years.

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|----------|------------|
| | 2020 | 2019 | Variance |
| Issuance of common stock | \$ 2,745 | \$ 384 | \$ 2,361 |
| Issuance of preferred stock | — | 1,962 | (1,962) |
| Issuances of long-term debt, net | 1,824 | 3,615 | (1,791) |
| Notes payable and commercial paper | (319) | (380) | 61 |
| Dividends paid | (2,812) | (2,668) | (144) |
| Contributions from noncontrolling interests | 426 | 843 | (417) |
| Other financing items | (133) | (26) | (107) |
| Net cash provided by financing activities | \$ 1,731 | \$ 3,730 | \$ (1,999) |

The variance was driven primarily by:

- a \$1,962 million decrease in proceeds from the issuance of preferred stock;
- a \$1,791 million net decrease in proceeds from issuances of long-term debt primarily due to timing of issuances and redemptions of long-term debt; and
- a \$417 million decrease in contributions from noncontrolling interests, primarily due to \$415 million related to the sale of a noncontrolling interest in the Commercial Renewables segment in 2019.

Partially offset by:

- a \$2,361 million increase in proceeds from the issuance of common stock, primarily from the settlement of equity forwards.

Off-Balance Sheet Arrangements

Duke Energy and certain of its subsidiaries enter into guarantee arrangements in the normal course of business to facilitate commercial transactions with third parties. These arrangements include performance guarantees, standby letters of credit, debt guarantees, surety bonds and indemnifications.

Most of the guarantee arrangements entered into by Duke Energy enhance the credit standing of certain subsidiaries, non-consolidated entities or less than wholly owned entities, enabling them to conduct business. As such, these guarantee arrangements involve elements of performance and credit risk, which are not always included on the Consolidated Balance Sheets. The possibility of Duke Energy, either on its own or on behalf of Spectra Capital through indemnification agreements entered into as part of the January 2, 2007, spin-off of Spectra Energy Corp, having to honor its contingencies is largely dependent upon the future operations of the subsidiaries, investees and other third parties, or the occurrence of certain future events.

Duke Energy performs ongoing assessments of its respective guarantee obligations to determine whether any liabilities have been incurred as a result of potential increased nonperformance risk by third parties for which Duke Energy has issued guarantees. See Note 7 to the Consolidated Financial Statements, "Guarantees and Indemnifications," for further details of the guarantee arrangements. Issuance of these guarantee arrangements is not required for the majority of Duke Energy's operations. Thus, if Duke Energy discontinued issuing these guarantees, there would not be a material impact to the consolidated results of operations, cash flows or financial position.

Other than the guarantee arrangements discussed above and off-balance sheet debt related to non-consolidated VIEs, Duke Energy does not have any material off-balance sheet financing entities or structures. For additional information, see Note 17 to the Consolidated Financial Statements, "Variable Interest Entities."

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Contractual Obligations

Duke Energy enters into contracts that require payment of cash at certain specified periods, based on certain specified minimum quantities and prices. The following table summarizes Duke Energy's contractual cash obligations as of December 31, 2020.

| (in millions) | Total | Payments Due By Period | | | |
|---|-------------------|-------------------------------|-------------------------------|-------------------------------|--|
| | | Less than
1 year
(2021) | 2-3 years
(2022 &
2023) | 4-5 years
(2024 &
2025) | More than
5 years
(2026 &
beyond) |
| Long-term debt ^(a) | \$ 58,134 | \$ 4,110 | \$ 8,011 | \$ 4,408 | \$ 41,605 |
| Interest payments on long-term debt ^(b) | 33,858 | 2,099 | 3,898 | 3,577 | 24,284 |
| Finance leases ^(c) | 1,465 | 186 | 347 | 170 | 762 |
| Operating leases ^(c) | 1,861 | 229 | 414 | 348 | 870 |
| Purchase obligations: ^(d) | | | | | |
| Fuel and purchased power ^{(e)(f)} | 16,591 | 3,489 | 4,248 | 2,998 | 5,856 |
| Other purchase obligations ^(d) | 9,916 | 8,850 | 974 | 52 | 40 |
| Nuclear decommissioning trust annual funding ^(h) | 363 | 20 | 40 | 40 | 263 |
| Land easements ⁽ⁱ⁾ | 400 | 12 | 24 | 24 | 340 |
| Total contractual cash obligations^{(j)(k)} | \$ 122,588 | \$ 18,995 | \$ 17,956 | \$ 11,617 | \$ 74,020 |

(a) See Note 6 to the Consolidated Financial Statements, "Debt and Credit Facilities."

(b) Interest payments on variable rate debt instruments were calculated using December 31, 2020, interest rates and holding them constant for the life of the instruments.

(c) See Note 5 to the Consolidated Financial Statements, "Leases." Amounts in the table above include the interest component of finance leases based on the interest rates stated in the lease agreements and exclude certain related executory costs. Amounts exclude contingent lease obligations.

(d) Current liabilities, except for current maturities of long-term debt, and purchase obligations reflected on the Consolidated Balance Sheets have been excluded from the above table.

(e) Includes firm capacity payments that provide Duke Energy with uninterrupted firm access to electricity transmission capacity and natural gas transportation contracts, as well as undesignated contracts and contracts that qualify as NPNS. For contracts where the price paid is based on an index, the amount is based on market prices at December 31, 2020, or the best projections of the index. For certain of these amounts, Duke Energy may settle on a net cash basis since Duke Energy has entered into payment netting arrangements with counterparties that permit Duke Energy to offset receivables and payables with such counterparties.

(f) Amounts exclude obligations under the OVEC PPA. See Note 17 to the Consolidated Financial Statements, "Variable Interest Entities," for additional information.

(g) Includes contracts for software, telephone, data and consulting or advisory services. Amount also includes contractual obligations for EPC costs for new generation plants, wind and solar facilities, plant refurbishments, maintenance and day-to-day contract work and commitments to buy certain products. Amount excludes certain open purchase orders for services that are provided on demand for which the timing of the purchase cannot be determined.

(h) Related to future annual funding obligations to NDTF through nuclear power stations' relicensing dates. See Note 9 to the Consolidated Financial Statements, "Asset Retirement Obligations."

(i) Related to Commercial Renewables wind facilities.

(j) Unrecognized tax benefits of \$125 million are not reflected in this table as Duke Energy cannot predict when open income tax years will close with completed examinations. See Note 23 to the Consolidated Financial Statements, "Income Taxes."

(k) The table above excludes reserves for litigation, environmental remediation, asbestos-related injuries and damages claims and self-insurance claims (see Note 4 to the Consolidated Financial Statements, "Commitments and Contingencies") because Duke Energy is uncertain as to the timing and amount of cash payments that will be required. Additionally, the table above excludes annual insurance premiums that are necessary to operate the business, including nuclear insurance (see Note 4 to the Consolidated Financial Statements, "Commitments and Contingencies"), funding of pension and other post-retirement benefit plans (see Note 22 to the Consolidated Financial Statements, "Employee Benefit Plans"), AROs, including ash management expenditures (see Note 9 to the Consolidated Financial Statements, "Asset Retirement Obligations") and regulatory liabilities (see Note 3 to the Consolidated Financial Statements, "Regulatory Matters") because the amount and timing of the cash payments are uncertain. Also excluded are Deferred Income Taxes and ITCs recorded on the Consolidated Balance Sheets since cash payments for income taxes are determined based primarily on taxable income for each discrete fiscal year.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Risk Management Policies

The Enterprise Risk Management policy framework at Duke Energy includes strategy, operational, project execution and financial or transaction related risks. Enterprise Risk Management includes market risk as part of the financial and transaction related risks in its framework.

Duke Energy is exposed to market risks associated with commodity prices, interest rates and equity prices. Duke Energy has established comprehensive risk management policies to monitor and manage these market risks. Duke Energy's Chief Executive Officer and Chief Financial Officer are responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The Finance and Risk Management Committee of the Board of Directors receives periodic updates from the Chief Risk Officer and other members of management on market risk positions, corporate exposures and overall risk management activities. The Chief Risk Officer is responsible for the overall governance of managing commodity price risk, including monitoring exposure limits.

The following disclosures about market risk contain forward-looking statements that involve estimates, projections, goals, forecasts, assumptions, risks and uncertainties that could cause actual results or outcomes to differ

materially from those expressed in the forward-looking statements. See Item 1A, "Risk Factors," and "Cautionary Statement Regarding Forward-Looking Information" for a discussion of the factors that may impact any such forward-looking statements made herein.

Commodity Price Risk

Duke Energy is exposed to the impact of market fluctuations in the prices of electricity, coal, natural gas and other energy-related products marketed and purchased as a result of its ownership of energy-related assets. Duke Energy's exposure to these fluctuations is primarily limited by the cost-based regulation of its regulated operations as these operations are typically allowed to recover substantially all of these costs through various cost-recovery clauses, including fuel clauses, formula-based contracts, or other cost-sharing mechanisms. While there may be a delay in timing between when these costs are incurred and when they are recovered through rates, changes from year to year generally do not have a material impact on operating results of these regulated operations. Within Duke Energy's Commercial Renewables segment, the company has limited exposure to market price fluctuations in prices of energy-related products as a result of its ownership of renewable assets.

Price risk represents the potential risk of loss from adverse changes in the market price of electricity or other energy commodities. Duke Energy's exposure to commodity price risk is influenced by a number of factors, including contract

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size, length, market liquidity, market conditions, location and unique or specific contract terms. Duke Energy employs established policies and procedures to manage risks associated with these market fluctuations, which may include using various commodity derivatives, such as swaps, futures, forwards and options. For additional information, see Note 14 to the Consolidated Financial Statements, "Derivatives and Hedging."

Hedging Strategies

Duke Energy closely monitors risks associated with commodity price changes on its future operations and, where appropriate, uses various commodity instruments such as electricity, coal and natural gas forward contracts and options to mitigate the effect of such fluctuations on operations. Duke Energy's primary use of energy commodity derivatives is to hedge against exposure to the prices of power, fuel for generation and natural gas for customers. Additionally, Duke Energy's Commercial Renewables business may enter into short-term or long-term hedge agreements to manage price risk associated with project output.

The majority of instruments used to manage Duke Energy's commodity price exposure are either not designated as hedges or do not qualify for hedge accounting. These instruments are referred to as undesignated contracts. Mark-to-market changes for undesignated contracts entered into by regulated businesses are reflected as regulatory assets or liabilities on the Consolidated Balance Sheets. Undesignated contracts entered into by nonregulated businesses are marked-to-market each period, with changes in the fair value of the derivative instruments reflected in earnings.

Duke Energy may also enter into other contracts that qualify for the NPNS exception. When a contract meets the criteria to qualify as NPNS, Duke Energy applies such exception. Income recognition and realization related to NPNS contracts generally coincide with the physical delivery of the commodity. For contracts qualifying for the NPNS exception, no recognition of the contract's fair value in the Consolidated Financial Statements is required until settlement of the contract as long as the transaction remains probable of occurring.

Generation Portfolio Risks

The Duke Energy Registrants optimize the value of their generation portfolios, which include generation assets, fuel and emission allowances. Modeled forecasts of future generation output and fuel requirements are based on forward power and fuel markets. The component pieces of the portfolio are bought and sold based on models and forecasts of generation in order to manage the economic value of the portfolio in accordance with the strategies of the business units.

For the Electric Utilities and Infrastructure segment, the generation portfolio not utilized to serve retail operations or committed load is subject to commodity price fluctuations. However, the impact on the Consolidated Statements of Operations is partially offset by mechanisms in these regulated jurisdictions that result in the sharing of net profits from these activities with retail customers.

Interest Rate Risk

Duke Energy is exposed to risk resulting from changes in interest rates as a result of its issuance or anticipated issuance of variable and fixed-rate debt and commercial paper. Duke Energy manages interest rate exposure by limiting variable-rate exposures to a percentage of total debt and by monitoring the effects of market changes in interest rates. Duke Energy also enters into financial derivative instruments, which may include instruments such as, but not limited to, interest rate swaps, swaptions and U.S. Treasury lock agreements to manage and mitigate interest rate risk exposure. See Notes 1, 6, 14 and 16 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies," "Debt and Credit Facilities," "Derivatives and Hedging," and "Fair Value Measurements."

Duke Energy had \$7.6 billion of unhedged long- and short-term floating interest rate exposure at December 31, 2020. The impact of a 100-basis point change in interest rates on pretax income is approximately \$76 million at

December 31, 2020. This amount was estimated by considering the impact of the hypothetical interest rates on variable-rate securities outstanding, adjusted for interest rate hedges as of December 31, 2020.

Certain Duke Energy Registrants have variable-rate debt and manage interest rate risk by entering into financial contracts including interest rate swaps. See Notes 6 and 14 to the Consolidated Financial Statements, "Debt and Credit Facilities" and "Derivatives and Hedging." Such financial arrangements generally are indexed based upon LIBOR, which is expected to be phased out by the end of 2021. The Secured Overnight Financing Rate (SOFR) has been identified by regulators and industry participants as the preferred successor rate for U.S. dollar-based LIBOR at that time. Impacted financial arrangements extending beyond 2021 may require contractual amendment or termination and renegotiation to fully adapt to a post-LIBOR environment, and there may be uncertainty regarding the effectiveness of any such alternative index methodologies. Alternative index provisions are being assessed and incorporated into new financial arrangements that extend beyond 2021. Additionally, the progress of the phaseout is being monitored, including proposed transition relief from the FASB.

Credit Risk

Credit risk represents the loss that the Duke Energy Registrants would incur if a counterparty fails to perform under its contractual obligations. Where exposed to credit risk, the Duke Energy Registrants analyze the counterparty's financial condition prior to entering into an agreement and monitor exposure on an ongoing basis. The Duke Energy Registrants establish credit limits where appropriate in the context of contractual arrangements and monitor such limits.

To reduce credit exposure, the Duke Energy Registrants seek to include netting provisions with counterparties, which permit the offset of receivables and payables with such counterparties. The Duke Energy Registrants also frequently use master agreements with credit support annexes to further mitigate certain credit exposures. The master agreements provide for a counterparty to post cash or letters of credit to the exposed party for exposure in excess of an established threshold. The threshold amount represents a negotiated unsecured credit limit for each party to the agreement, determined in accordance with the Duke Energy Registrants' internal corporate credit practices and standards. Collateral agreements generally also provide that the failure to post collateral when required is sufficient cause to terminate transactions and liquidate all positions.

The Duke Energy Registrants also obtain cash, letters of credit, or surety bonds from certain counterparties to provide credit support outside of collateral agreements, where appropriate, based on a financial analysis of the counterparty and the regulatory or contractual terms and conditions applicable to each transaction. See Note 14 to the Consolidated Financial Statements, "Derivatives and Hedging," for additional information regarding credit risk related to derivative instruments.

The Duke Energy Registrants' principal counterparties for its electric and natural gas businesses are RTOs, distribution companies, municipalities, electric cooperatives and utilities located throughout the U.S. Exposure to these entities consists primarily of amounts due to Duke Energy Registrants for delivered electricity. Additionally, there may be potential risks associated with remarketing of energy and capacity in the event of default by wholesale power customers. The Duke Energy Registrants have concentrations of receivables from certain of such entities that may affect the Duke Energy Registrants' credit risk.

The Duke Energy Registrants are also subject to credit risk from transactions with their suppliers that involve prepayments or milestone payments in conjunction with outsourcing arrangements, major construction projects and certain commodity purchases. The Duke Energy Registrants' credit exposure to such suppliers may take the form of increased costs or project delays in the event of nonperformance. The Duke Energy Registrants' frequently require guarantees or letters of credit from suppliers to mitigate this credit risk.

Credit risk associated with the Duke Energy Registrants' service to residential, commercial and industrial customers is generally limited to outstanding accounts receivable. The Duke Energy Registrants mitigate this credit risk by requiring tariff customers to provide a cash deposit, letter of credit or surety bond until a satisfactory payment history is established, subject to the rules and regulations in effect in each retail jurisdiction at which time the deposit is typically refunded. Charge-offs for retail customers have historically been insignificant to the operations of the Duke Energy Registrants and are typically recovered through retail rates. Management continually monitors customer charge-offs, payment patterns and the impact of current economic conditions on customers' ability to pay their outstanding balance to ensure the adequacy of bad debt reserves.

In response to the COVID-19 pandemic, in March 2020, the Duke Energy Registrants announced a suspension of disconnections for nonpayment to be effective throughout the national emergency. While disconnections have resumed, the company continues to offer flexible options to customers struggling with the pandemic and the economic fallout, including extended payment arrangements to satisfy delinquent balances. In addition, the Duke Energy Registrants are monitoring the effects of the resultant economic slowdown on counterparties' abilities to perform under their contractual obligations. The Duke Energy Registrants have observed a significant increase in utility account arrears, which were roughly double historical levels as of December 31, 2020. There is an expectation of an increase in charge-offs in the future. See Notes 1, 3 and 18 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies," "Regulatory Matters" and "Revenue," respectively, for more information. Duke Energy Ohio and Duke Energy Indiana sell certain of their accounts receivable and related collections through CRC, a Duke Energy consolidated VIE. Losses on collection are first absorbed by the equity of CRC and next by the subordinated retained interests held by Duke Energy Ohio, Duke Energy Kentucky and Duke Energy Indiana. See Note 17 to the Consolidated Financial Statements, "Variable Interest Entities."

The Duke Energy Registrants provide certain non-tariff services, primarily to large commercial and industrial customers in which incurred costs, including invested capital, are intended to be recovered from the individual customer and therefore are not subject to rate recovery in the event of customer default. Customer creditworthiness is assessed prior to entering into these transactions. Credit concentration related to these transactions exists for certain of these customers.

Duke Energy's Commercial Renewables segment enters into long-term agreements with certain creditworthy buyers that may not include the right to call for collateral in the event of a credit rating downgrade. Credit concentration exists to certain counterparties on these agreements, including entities that could be subject to wildfire liability. Additionally, Commercial Renewables may invest in projects for which buyers are below investment grade, although such buyers are required to post negotiated amounts of credit support. Also, power sales agreements and/or hedges of project output are generally for an initial term that does not cover the entire life of the asset. As a result, Commercial Renewables is exposed to market price risk and credit risk related to these agreements.

Duke Energy Carolinas has third-party insurance to cover certain losses related to asbestos-related injuries and damages above an aggregate self-insured retention. See Note 4 to the Consolidated Financial Statements, "Commitments and Contingencies" for information on asbestos-related injuries and damages claims.

The Duke Energy Registrants also have credit risk exposure through issuance of performance and financial guarantees, letters of credit and surety bonds on behalf of less than wholly owned entities and third parties. Where the Duke Energy Registrants have issued these guarantees, it is possible that they could be required to perform under these guarantee obligations in the event the obligor under the guarantee fails to perform. Where the Duke Energy Registrants have issued guarantees related to assets or operations that have been disposed of via sale, they attempt to secure indemnification from the buyer against all future performance obligations under the guarantees. See Note 7 to

the Consolidated Financial Statements, "Guarantees and Indemnifications," for further information on guarantees issued by the Duke Energy Registrants.

Based on the Duke Energy Registrants' policies for managing credit risk, their exposures and their credit and other reserves, the Duke Energy Registrants do not currently anticipate a materially adverse effect on their consolidated financial position or results of operations as a result of nonperformance by any counterparty.

Marketable Securities Price Risk

As described further in Note 15 to the Consolidated Financial Statements, "Investments in Debt and Equity Securities," Duke Energy invests in debt and equity securities as part of various investment portfolios to fund certain obligations. The vast majority of investments in equity securities are within the NDTF and assets of the various pension and other post-retirement benefit plans.

Pension Plan Assets

Duke Energy maintains investments to facilitate funding the costs of providing non-contributory defined benefit retirement and other post-retirement benefit plans. These investments are exposed to price fluctuations in equity markets and changes in interest rates. The equity securities held in these pension plans are diversified to achieve broad market participation and reduce the impact of any single investment, sector or geographic region. Duke Energy has established asset allocation targets for its pension plan holdings, which take into consideration the investment objectives and the risk profile with respect to the trust in which the assets are held. See Note 22 to the Consolidated Financial Statements, "Employee Benefit Plans," for additional information regarding investment strategy of pension plan assets.

A significant decline in the value of plan asset holdings could require Duke Energy to increase funding of its pension plans in future periods, which could adversely affect cash flows in those periods. Additionally, a decline in the fair value of plan assets, absent additional cash contributions to the plan, could increase the amount of pension cost required to be recorded in future periods, which could adversely affect Duke Energy's results of operations in those periods.

Nuclear Decommissioning Trust Funds

As required by the NRC, NCUC, PSCSC and FPSC, subsidiaries of Duke Energy maintain trust funds to fund the costs of nuclear decommissioning. As of December 31, 2020, these funds were invested primarily in domestic and international equity securities, debt securities, cash and cash equivalents and short-term investments. Per the NRC, Internal Revenue Code, NCUC, PSCSC and FPSC requirements, these funds may be used only for activities related to nuclear decommissioning. These investments are exposed to price fluctuations in equity markets and changes in interest rates. Duke Energy actively monitors its portfolios by benchmarking the performance of its investments against certain indices and by maintaining, and periodically reviewing, target allocation percentages for various asset classes.

Accounting for nuclear decommissioning recognizes that costs are recovered through retail and wholesale rates; therefore, fluctuations in investment prices do not materially affect the Consolidated Statements of Operations, as changes in the fair value of these investments are primarily deferred as regulatory assets or regulatory liabilities pursuant to Orders by the NCUC, PSCSC, FPSC and FERC. Earnings or losses of the funds will ultimately impact the amount of costs recovered through retail and wholesale rates. See Note 9 to the Consolidated Financial Statements, "Asset Retirement Obligations," for additional information regarding nuclear decommissioning costs. See Note 15 to the Consolidated Financial Statements, "Investments in Debt and Equity Securities," for additional information regarding NDTF assets.

OTHER MATTERS

Environmental Regulations

The Duke Energy Registrants are subject to federal, state and local regulations regarding air and water quality, hazardous and solid waste disposal, coal ash and other environmental matters. These regulations can be changed from time to time and result in new obligations of the Duke Energy Registrants.

On May 14, 2020, the five-year probation period following the Dan River coal ash spill ended. The court-appointed monitor confirmed in U.S. District Court for the Eastern District of North Carolina that Duke Energy met or exceeded every obligation throughout the process. Separately, in a final report to the EPA, it was noted that the company made significant enhancements to its Ethics and Compliance Program and its environmental compliance programs.

The following sections outline various proposed and recently enacted legislation and regulations that may impact the Duke Energy Registrants. Refer to Note 3 to the Consolidated Financial Statements, "Regulatory Matters," for further information regarding potential plant retirements and regulatory filings related to the Duke Energy Registrants.

Coal Combustion Residuals

In April 2015, EPA published a rule to regulate the disposal of CCR from electric utilities as solid waste. The federal regulation classifies CCR as nonhazardous waste and allows for beneficial use of CCR with some restrictions. The regulation applies to all new and existing landfills, new and existing surface impoundments receiving CCR and existing surface impoundments located at stations generating electricity (regardless of fuel source), which were no longer receiving CCR but contained liquids as of the effective date of the rule. The rule establishes requirements regarding landfill design, structural integrity design and assessment criteria for surface impoundments, groundwater monitoring, protection and remedial procedures and other operational and reporting procedures to ensure the safe disposal and management of CCR.

On July 17, 2018, EPA issued a final rule (Phase 1, Part 1) revising certain closure deadlines and groundwater protection standards in the CCR rule. The rule does not change the primary requirements for groundwater monitoring, corrective action, inspections and maintenance, and closure, and thus does not materially affect Duke Energy's coal ash basin closure plans or compliance obligations under the CCR rule. On October 22, 2018, a coalition of environmental groups filed a petition for review in the U.S. Court of Appeals for the District of Columbia (D.C. Circuit Court) challenging EPA's final Phase 1, Part 1 revisions to the CCR rule. On March 13, 2019, the D.C. Circuit Court issued an order in the Phase 1, Part 1 litigation granting EPA's motion to remand the rule without vacatur. To date, EPA has finalized two notice-and-comment rulemakings to implement the court's decision on remand. The "Part A" rule, which was promulgated on August 28, 2020, establishes an April 11, 2021 deadline to cease placement of CCR and non-CCR waste streams into unlined ash basins and initiate closure, and the "Part B" rule, which was promulgated on November 12, 2020, establishes procedures to allow facilities to request approval to operate an existing CCR surface impoundment with an alternate liner. A future rulemaking is expected to address legacy impoundments. Duke Energy does not expect these rulemakings to have a material impact in light of its progress in closing CCR units across the enterprise.

In addition to the requirements of the federal CCR rule, CCR landfills and surface impoundments will continue to be regulated by the states. Cost recovery for future expenditures will be pursued through the normal ratemaking process with federal and state utility commissions and via wholesale contracts, which permit recovery of necessary and prudently incurred costs associated with Duke Energy's regulated operations. For more information, see Notes 3 and 9 to the Consolidated Financial Statements, "Regulatory Matters" and "Asset Retirement Obligations," respectively.

Coal Ash Management Act of 2014

AROs recorded on the Duke Energy Carolinas and Duke Energy Progress Consolidated Balance Sheets at December 31, 2020, and December 31, 2019, include the legal obligation for closure of coal ash basins and the disposal of related ash as a result of the Coal Ash Act, the EPA CCR rule and other agreements. The Coal Ash Act includes a variance procedure for compliance deadlines and other issues surrounding the management of CCR and CCR surface impoundments and prohibits cost recovery in customer rates for unlawful discharge of ash impoundment waters occurring after January 1, 2014. The Coal Ash Act leaves the decision on cost recovery determinations related to closure of ash impoundments to the normal ratemaking processes before utility regulatory commissions.

Consistent with the requirements of the Coal Ash Act, Duke Energy previously submitted comprehensive site assessments and groundwater corrective plans to NCDEQ. In addition, on December 31, 2019, Duke Energy submitted updated groundwater corrective action plans and site-specific coal ash impoundment closure plans to NCDEQ.

On April 1, 2019, NCDEQ issued a closure determination requiring Duke Energy Carolinas and Duke Energy Progress to excavate all remaining coal ash impoundments at the Allen, Belews Creek, Rogers, Marshall, Mayo and Roxboro facilities in North Carolina. On April 26, 2019, Duke Energy Carolinas and Duke Energy Progress filed Petitions for Contested Case Hearings in the Office of Administrative Hearings to challenge NCDEQ's April 1 Order. On December 31, 2019, Duke Energy Carolinas and Duke Energy Progress entered into a settlement agreement with NCDEQ and certain community groups under which Duke Energy Carolinas and Duke Energy Progress agreed to excavate seven of the nine remaining coal ash basins at these sites with ash moved to on-site lined landfills, including two at Allen, one at Belews Creek, one at Mayo, one at Roxboro, and two at Rogers. At the two remaining basins at Marshall and Roxboro, uncapped basin ash will be excavated and moved to lined landfills. Those portions of the basins at Marshall and Roxboro, which were previously filled with ash and on which permitted facilities were constructed, will not be disturbed and will be closed pursuant to other state regulations.

Following NCDEQ's April 1 Order, Duke Energy estimated the incremental undiscounted cost to close the nine remaining impoundments by excavation would be approximately \$4 billion to \$5 billion, potentially increasing the total estimated costs to permanently close all ash basins in North Carolina and South Carolina to \$9.5 billion to \$10.5 billion. The settlement lowers the estimated total undiscounted cost to close the nine remaining basins by excavation by approximately \$1.5 billion as compared to Duke Energy's original estimate that followed the order. As a result, the estimated total cost to permanently close all ash basins in North Carolina and South Carolina is approximately \$8 billion to \$9 billion of which approximately \$2.8 billion has been spent through 2020. The majority of the remaining spend is expected to occur over the next 15 to 20 years.

Duke Energy has completed excavation of all coal ash at the Riverbend, Dan River and Sutton plants.

For further information on ash basins and recovery, see Notes 3 and 9 to the Consolidated Financial Statements, "Regulatory Matters" and "Asset Retirement Obligations," respectively.

Other Environmental Regulations

The Duke Energy Registrants are also subject to various federal, state and local laws regarding air and water quality, hazardous and solid waste disposal and other environmental matters, including the following:

- CWA
- Steam Effluent Limitation Guidelines
- Cross-State Air Pollution Rule

Duke Energy continues to comply with enacted environmental statutes and regulations even as certain of these regulations are in various stages of clarification, revision or legal challenge. The Duke Energy Registrants cannot predict the outcome of these matters.

Section 126 Petitions

On November 16, 2016, the state of Maryland filed a petition with EPA under Section 126 of the Clean Air Act alleging that 19 power plants, including two plants (three units) that Duke Energy Registrants own and operate, contribute to violations of EPA's National Ambient Air Quality Standards (NAAQS) for ozone in the state of Maryland. On March 12, 2018, the state of New York filed a petition with EPA, also under Section 126 of the Clean Air Act, alleging that over 60 power plants, including five that Duke Energy Registrants own and operate, contribute to violations of EPA's ozone NAAQS in the state of New York. Both Maryland and New York sought EPA orders requiring the states in which the named power plants operate impose more stringent nitrogen oxide emission limitations on the plants. On October 5, 2018, EPA denied the Maryland petition. That same day, Maryland appealed EPA's denial. On October 18, 2019, EPA denied the New York petition, and New York appealed that decision on October 29, 2019. On May 19, 2020, the U.S. Court of Appeals for the D.C. Circuit issued its decision, finding, with one exception, that EPA reasonably denied the Maryland petition. The court remanded one issue to EPA regarding target sources lacking catalytic controls. All of the Duke Energy units targeted have selective catalytic reduction, so the decision is favorable for these units.

A different panel of the same court heard oral argument in New York's appeal of EPA's denial of its Section 126 Petition on May 7, 2020, and on July 14, 2020, the panel issued its decision remanding the Petition to EPA for further review. The Duke Energy Registrants cannot predict the outcome of this matter.

North Carolina Clean Energy Plan (NCCEP)

On October 29, 2018, Governor Roy Cooper signed an executive order calling for a 40% reduction in statewide greenhouse gas emissions by 2025. The order tasked the NCDEQ with developing a clean energy plan for North Carolina. In October 2019, the NCDEQ published its plan, which includes the reduction of electric power sector greenhouse gas emissions by 70% below 2005 levels by 2030 and attainment of carbon neutrality by 2050, fostering long-term energy affordability and price stability for North Carolina's residents and businesses by modernizing regulatory and planning processes, and acceleration of clean energy innovation to create economic opportunities for both rural and urban areas. Duke Energy Carolinas and Duke Energy Progress are significant stakeholders in this process. The magnitude and timing of investment in response to the NCCEP will depend on the speed of adoption and consensus developed by other stakeholders on how best to successfully transition to this clean energy future while establishing a regulatory model that incentivizes business decisions that benefit both the utilities and the public. The Duke Energy Registrants cannot predict the outcome of this matter.

Global Climate Change

On September 17, 2019, Duke Energy announced an updated climate strategy with new goals of at least 50% reduction in carbon emissions from electric generation by 2030 and net-zero carbon emissions from electric generation by 2050. On October 9, 2020, Duke Energy announced a new goal to achieve net-zero methane emissions from its natural gas distribution system by 2030. Timelines and initiatives, as well as implementation of new technologies, will vary in each state in which the company operates and will involve collaboration with regulators, customers and other stakeholders.

The Duke Energy Registrants' GHG emissions consist primarily of CO₂ and result primarily from operating a fleet of coal-fired and natural gas-fired power plants. Future levels of CO₂ emissions will be influenced by variables that include economic conditions that affect electricity demand, fuel prices, market prices, compliance with new or existing regulations and the technologies deployed to generate the electricity necessary to meet customer demand.

The Duke Energy Registrants have taken actions that have resulted in a reduction of CO₂ emissions over time. Actions have included the retirement of 51 coal-fired electric generating units with a combined generating capacity of 6,539 MW. Much of that capacity has been replaced with state-of-the-art highly efficient natural gas-fired generation that produces far fewer CO₂ emissions per unit of electricity generated. Duke Energy also has made investments to expand its portfolio of wind and solar projects, increase EE offerings and ensure continued operations of its zero-CO₂ emissions hydropower and nuclear plants. These efforts have diversified its system and significantly reduced CO₂ emissions. Between 2005 and 2020, the Duke Energy Registrants have collectively lowered the CO₂ emissions from their electricity generation by more than 40%, which potentially lowers the exposure to any future mandatory CO₂ emission reduction requirements or carbon tax, whether as a result of federal legislation, EPA regulation, state regulation or other as yet unknown emission reduction requirement. Duke Energy will continue to explore the use of currently available and commercially demonstrated technology to reduce CO₂ emissions, including EE, wind, solar, storage, carbon capture, utilization and sequestration, the use of hydrogen and other low-carbon fuels and advanced nuclear. Duke Energy will adjust to evolving and innovative technologies in a way that balances the reliability and affordability that meet regulatory requirements and customer demands. Under any future scenario involving mandatory CO₂ limitations, the Duke Energy Registrants would plan to seek recovery of their compliance costs through appropriate regulatory mechanisms.

The Duke Energy Registrants recognize that scientists associate severe weather events with increasing levels of GHGs in the atmosphere and forecast the possibility these weather events could have a material impact on future results of operations should they occur more frequently and with greater severity. However, the uncertain nature of potential changes in extreme weather events (such as increased frequency, duration and severity), the long period of time over which any potential changes might take place and the inability to predict potential changes with any degree of accuracy, make estimating with any certainty any potential future financial risk to the Duke Energy Registrants' operations difficult.

The Duke Energy Registrants annually, biennially or triennially prepare lengthy, forward-looking IRPs. These detailed, highly technical plans are based on the company's thorough analysis of numerous factors that can impact the cost of producing and delivering electricity that influence long-term resource planning decisions. The IRP process helps to evaluate a range of options, taking into account stakeholder input as well as forecasts of future electricity demand, fuel prices, transmission improvements, new generating capacity, integration of renewables, energy storage, EE and demand response initiatives. The IRP process also helps evaluate potential environmental and regulatory scenarios to better mitigate policy and economic risks. The IRPs we file with regulators look out 10 to 20 years depending on the jurisdiction.

For a number of years, the Duke Energy Registrants have included a price on CO₂ emissions in their IRP planning process to account for the potential regulation of CO₂ emissions. Incorporating a price on CO₂ emissions in the IRPs allows for the evaluation of existing and future resource needs against potential climate change policy risk in the absence of policy certainty. One of the challenges with using a CO₂ price, especially in the absence of a clear and certain policy, is determining the appropriate price to use. To address this uncertainty and ensure the company remains agile, the Duke Energy Registrants typically use a range of potential CO₂ prices to reflect a range of potential policy outcomes.

The Duke Energy Registrants routinely take steps to reduce the potential impact of severe weather events on their electric transmission and distribution systems and natural gas facilities. The steps include modernizing the electric grid through smart meters, storm hardening, self-healing and targeted undergrounding and applying lessons learned from previous storms to restoration efforts. The Duke Energy Registrants' electric generating facilities and natural gas facilities are designed to withstand extreme weather events without significant damage. The Duke Energy Registrants maintain inventories of coal, oil and liquefied natural gas to mitigate the effects of any potential short-term disruption in fuel supply so they can continue to provide customers with an uninterrupted supply of electricity and/or natural gas.

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State Legislation

In 2017, the North Carolina General Assembly passed House Bill 589, and it was subsequently signed into law by the governor. The law includes, among other things, overall reform of the application of PURPA for new solar projects in the state, a requirement for the utility to procure renewable energy through a competitive bidding process administered by an independent third party and recovery of costs related to the competitive bidding process through a competitive procurement rider. The process used was approved by the NCUC to select projects that would deliver the lowest cost of renewable energy for customers.

In accordance with the provisions of House Bill 589, Duke Energy estimates the total competitive procurement will be approximately 1,185 to 1,385 MW. Duke Energy will own or purchase at least 1,185 MW of energy from renewable energy projects under the North Carolina's CPRE program. Two tranches of the CPRE process have been completed with contracts executed

for winning proposals. Five Duke Energy projects, totaling about 190 MW, were selected during the first tranche and none were selected during the second tranche. Two of the Duke Energy winning projects achieved commercial operation in December 2020 and the remaining three will be online by the third quarter 2021. The need for a third tranche of CPRE will be determined prior to November 2021.

In various states, legislation is being considered to allow third-party sales of electricity. Deregulation or restructuring in the electric industry may result in increased competition and unrecovered costs. The Duke Energy Registrants cannot predict the outcome of these initiatives.

New Accounting Standards

See Note 1 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies," for a discussion of the impact of new accounting standards.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See "Management's Discussion and Analysis of Results of Operations and Financial Condition – Quantitative and Qualitative Disclosures About Market Risk."

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of
Duke Energy Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Duke Energy Corporation and subsidiaries (the “Company”) as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 25, 2021, expressed an unqualified opinion on the Company’s internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Impact of Rate Regulation on the Financial Statements — Refer to Notes 1, 3, and 9 to the financial statements.*Critical Audit Matter Description*

The Company is subject to regulation by federal and state utility regulatory agencies (the “Commissions”), which have jurisdiction with respect to the rates of the Company’s electric and natural gas distribution companies. Management has determined it meets the criteria for the application of regulated operations accounting in preparing its financial statements under accounting principles generally accepted in the United States of America. Significant judgment can be required to determine if otherwise recognizable incurred costs qualify to be presented as a regulatory asset and deferred because such costs are probable of future recovery in customer rates. As of December 31, 2020, the Company has approximately \$14 billion recorded as regulatory assets.

The Company’s rates are subject to regulatory rate-setting processes and annual earnings oversight. Rates charged to customers are determined and approved in regulatory proceedings based on an analysis of the Company’s costs to provide utility service and a return on the Company’s investment in the utility business. Regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investment and the timing and amount of assets to be recovered by rates. The regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. As discussed in Note 3, regulatory proceedings in recent years in North Carolina and South Carolina have focused on the recoverability of asset retirement obligations specific to coal ash. As a result, assessing the potential outcomes of future regulatory orders in North Carolina and South Carolina requires significant management judgment.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management, including assumptions regarding the outcome of future decisions by the Commissions; to support its assertions on the likelihood of future recovery for deferred costs. As such, auditing these judgments required specialized knowledge of accounting for rate regulation due to its inherent complexities, a high degree of auditor judgment, and an increased extent of effort.

PART II

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the recovery of regulatory assets included the following, among others:

- We tested the effectiveness of management’s controls over the evaluation of the likelihood of the recovery in future rates of regulatory assets and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates.
- We evaluated the Company’s disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the Commissions, regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates based on precedents of the Commissions’ treatment of similar costs under similar circumstances. We evaluated the external information and compared it to management’s recorded regulatory asset balances for completeness.
- For regulatory matters in process, we inspected the Company’s and intervenors’ filings with the Commissions, that may impact the Company’s future rates, for any evidence that might contradict management’s assertions.
- We evaluated the reasonableness of management’s judgments regarding the recoverability of regulatory asset balances by performing the following:
 - We inquired of management regarding changes in regulatory orders and regulatory asset balances during the year.
 - We evaluated the reasonableness of such changes based on our knowledge of commission-approved amortization, expected incurred costs, and recently approved regulatory orders, as applicable.
 - We utilized trend analyses to evaluate the historical consistency of regulatory asset balances.
 - We compared the recorded regulatory asset balance to an independently developed expectation of the corresponding balance.
- We obtained an analysis from management and letters from internal legal counsel for asset retirement obligations specific to coal ash costs, regarding probability of recovery for deferred costs not yet addressed in a regulatory order to assess management’s assertion that amounts are probable of recovery.
- We obtained representation from management asserting that regulatory assets recorded on the financial statements are probable of recovery.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina

February 25, 2021

We have served as the Company’s auditor since 1947.

PART II

DUKE ENERGY CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

| (in millions, except per share amounts) | Years Ended December 31, | | |
|--|--------------------------|-----------|----------|
| | 2020 | 2019 | 2018 |
| Operating Revenues | | | |
| Regulated electric | \$ 21,461 | \$22,615 | \$22,097 |
| Regulated natural gas | 1,642 | 1,759 | 1,773 |
| Nonregulated electric and other | 765 | 705 | 651 |
| Total operating revenues | 23,868 | 25,079 | 24,521 |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 6,051 | 6,826 | 6,831 |
| Cost of natural gas | 460 | 627 | 697 |
| Operation, maintenance and other | 5,788 | 6,066 | 6,463 |
| Depreciation and amortization | 4,705 | 4,548 | 4,074 |
| Property and other taxes | 1,337 | 1,307 | 1,280 |
| Impairment charges | 984 | (8) | 402 |
| Total operating expenses | 19,325 | 19,366 | 19,747 |
| Gains (Losses) on Sales of Other Assets and Other, net | 10 | (4) | (89) |
| Operating Income | 4,553 | 5,709 | 4,685 |
| Other Income and Expenses | | | |
| Equity in (losses) earnings of unconsolidated affiliates | (2,005) | 162 | 83 |
| Other income and expenses, net | 453 | 430 | 399 |
| Total other income and expenses | (1,552) | 592 | 482 |
| Interest Expense | 2,162 | 2,204 | 2,094 |
| Income From Continuing Operations Before Income Taxes | 839 | 4,097 | 3,073 |
| Income Tax (Benefit) Expense From Continuing Operations | (236) | 519 | 448 |
| Income From Continuing Operations | 1,075 | 3,578 | 2,625 |
| Income (Loss) From Discontinued Operations, net of tax | 7 | (7) | 19 |
| Net Income | 1,082 | 3,571 | 2,644 |
| Add: Net Loss Attributable to Noncontrolling Interests | 295 | 177 | 22 |
| Net Income Attributable to Duke Energy Corporation | 1,377 | 3,748 | 2,666 |
| Less: Preferred Dividends | 107 | 41 | — |
| Net Income Available to Duke Energy Corporation Common Stockholders | \$ 1,270 | \$ 3,707 | \$ 2,666 |
| Earnings Per Share – Basic and Diluted | | | |
| Income from continuing operations available to Duke Energy Corporation common stockholders | | | |
| Basic and Diluted | \$ 1.71 | \$ 5.07 | \$ 3.73 |
| Income (Loss) from discontinued operations attributable to Duke Energy Corporation common stockholders | | | |
| Basic and Diluted | \$ 0.01 | \$ (0.01) | \$ 0.03 |
| Net income available to Duke Energy Corporation common stockholders | | | |
| Basic and Diluted | \$ 1.72 | \$ 5.06 | \$ 3.76 |
| Weighted average shares outstanding | | | |
| Basic | 737 | 729 | 708 |
| Diluted | 738 | 729 | 708 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|----------------|-----------------|
| | 2020 | 2019 | 2018 |
| Net Income | \$1,082 | \$3,571 | \$2,644 |
| Other Comprehensive (Loss) Income, net of tax^(a) | | | |
| Pension and OPEB adjustments | 6 | 9 | (6) |
| Net unrealized losses on cash flow hedges | (138) | (47) | (10) |
| Reclassification into earnings from cash flow hedges | 11 | 6 | 6 |
| Unrealized gains (losses) on available-for-sale securities | 3 | 8 | (3) |
| Other Comprehensive Loss, net of tax | (118) | (24) | (13) |
| Comprehensive Income | 964 | 3,547 | 2,631 |
| Add: Comprehensive Loss Attributable to Noncontrolling Interests | 306 | 177 | 22 |
| Comprehensive Income Attributable to Duke Energy Corporation | 1,270 | 3,724 | 2,653 |
| Less: Preferred Dividends | 107 | 41 | — |
| Comprehensive Income Available to Duke Energy Corporation Common Stockholders | \$1,163 | \$3,683 | \$ 2,653 |

(a) Net of income tax impacts of approximately \$35 million for the year ended December 31, 2020. Tax impacts are immaterial for other periods presented.

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CORPORATION

CONSOLIDATED BALANCE SHEETS

| (in millions) | December 31, | |
|--|------------------|------------------|
| | 2020 | 2019 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 259 | \$ 311 |
| Receivables (net of allowance for doubtful accounts of \$29 at 2020 and \$22 at 2019) | 1,009 | 1,066 |
| Receivables of VIEs (net of allowance for doubtful accounts of \$117 at 2020 and \$54 at 2019) | 2,144 | 1,994 |
| Inventory | 3,167 | 3,232 |
| Regulatory assets (includes \$53 at 2020 and \$52 at 2019 related to VIEs) | 1,641 | 1,796 |
| Other (includes \$296 at 2020 and \$242 at 2019 related to VIEs) | 462 | 764 |
| Total current assets | 8,682 | 9,163 |
| Property, Plant and Equipment | | |
| Cost | 155,580 | 147,654 |
| Accumulated depreciation and amortization | (48,827) | (45,773) |
| Generation facilities to be retired, net | 29 | 246 |
| Net property, plant and equipment | 106,782 | 102,127 |
| Other Noncurrent Assets | | |
| Goodwill | 19,303 | 19,303 |
| Regulatory assets (includes \$937 at 2020 and \$989 at 2019 related to VIEs) | 12,421 | 13,222 |
| Nuclear decommissioning trust funds | 9,114 | 8,140 |
| Operating lease right-of-use assets, net | 1,524 | 1,658 |
| Investments in equity method unconsolidated affiliates | 961 | 1,936 |
| Other (includes \$81 at 2020 and \$110 at 2019 related to VIEs) | 3,601 | 3,289 |
| Total other noncurrent assets | 46,924 | 47,548 |
| Total Assets | \$162,388 | \$158,838 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CORPORATION

CONSOLIDATED BALANCE SHEETS – (Continued)

| (in millions) | December 31, | |
|---|------------------|------------------|
| | 2020 | 2019 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | \$ 3,144 | \$ 3,487 |
| Notes payable and commercial paper | 2,873 | 3,135 |
| Taxes accrued | 482 | 392 |
| Interest accrued | 537 | 565 |
| Current maturities of long-term debt (includes \$472 at 2020 and \$216 at 2019 related to VIEs) | 4,238 | 3,141 |
| Asset retirement obligations | 718 | 881 |
| Regulatory liabilities | 1,377 | 784 |
| Other | 2,936 | 2,367 |
| Total current liabilities | 16,305 | 14,752 |
| Long-Term Debt (includes \$3,535 at 2020 and \$3,997 at 2019 related to VIEs) | 55,625 | 54,985 |
| Other Noncurrent Liabilities | | |
| Deferred income taxes | 9,244 | 8,878 |
| Asset retirement obligations | 12,286 | 12,437 |
| Regulatory liabilities | 15,029 | 15,264 |
| Operating lease liabilities | 1,340 | 1,432 |
| Accrued pension and other post-retirement benefit costs | 969 | 934 |
| Investment tax credits | 687 | 624 |
| Other (includes \$316 at 2020 and \$228 at 2019 related to VIEs) | 1,719 | 1,581 |
| Total other noncurrent liabilities | 41,274 | 41,150 |
| Commitments and Contingencies | | |
| Equity | | |
| Preferred stock, Series A, \$0.001 par value, 40 million depositary shares authorized and outstanding at 2020 and 2019 | 973 | 973 |
| Preferred stock, Series B, \$0.001 par value, 1 million shares authorized and outstanding at 2020 and 2019 | 989 | 989 |
| Common stock, \$0.001 par value, 2 billion shares authorized; 769 million shares outstanding at 2020 and 733 million shares outstanding at 2019 | 1 | 1 |
| Additional paid-in capital | 43,767 | 40,881 |
| Retained earnings | 2,471 | 4,108 |
| Accumulated other comprehensive loss | (237) | (130) |
| Total Duke Energy Corporation stockholders' equity | 47,964 | 46,822 |
| Noncontrolling interests | 1,220 | 1,129 |
| Total equity | 49,184 | 47,951 |
| Total Liabilities and Equity | \$162,388 | \$158,838 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|----------|----------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 1,082 | \$ 3,571 | \$ 2,644 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation, amortization and accretion (including amortization of nuclear fuel) | 5,486 | 5,176 | 4,696 |
| Equity in losses (earnings) of unconsolidated affiliates | 2,005 | (162) | (83) |
| Equity component of AFUDC | (154) | (139) | (221) |
| (Gains) Losses on sales of other assets | (10) | 4 | 88 |
| Impairment charges | 984 | (8) | 402 |
| Deferred income taxes | 54 | 806 | 1,079 |
| Payments for asset retirement obligations | (610) | (746) | (533) |
| Payment for the disposal of other assets | — | — | (105) |
| Provision for rate refunds | (22) | 60 | 425 |
| Refund of AMT credit carryforwards | 572 | 573 | — |
| (Increase) decrease in | | | |
| Net realized and unrealized mark-to-market and hedging transactions | 63 | (48) | 22 |
| Receivables | (56) | 78 | (345) |
| Inventory | 66 | (122) | 156 |
| Other current assets | 205 | 10 | (721) |
| Increase (decrease) in | | | |
| Accounts payable | (21) | (164) | 479 |
| Taxes accrued | 117 | (224) | 23 |
| Other current liabilities | (65) | 172 | 270 |
| Other assets | (398) | (559) | (1,062) |
| Other liabilities | (442) | (69) | (28) |
| Net cash provided by operating activities | 8,856 | 8,209 | 7,186 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditures | (9,907) | (11,122) | (9,389) |
| Contributions to equity method investments | (370) | (324) | (416) |
| Return of investment capital | 133 | 11 | 137 |
| Purchases of debt and equity securities | (8,011) | (3,348) | (3,762) |
| Proceeds from sales and maturities of debt and equity securities | 7,949 | 3,343 | 3,747 |
| Other | (398) | (517) | (377) |
| Net cash used in investing activities | (10,604) | (11,957) | (10,060) |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS – (Continued)

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|---------------|---------------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the: | | | |
| Issuance of long-term debt | \$ 6,330 | \$ 7,091 | \$ 5,299 |
| Issuance of preferred stock | — | 1,962 | — |
| Issuance of common stock | 2,745 | 384 | 1,838 |
| Payments for the redemption of long-term debt | (4,506) | (3,476) | (2,906) |
| Proceeds from the issuance of short-term debt with original maturities greater than 90 days | 3,009 | 397 | 472 |
| Payments for the redemption of short-term debt with original maturities greater than 90 days | (2,147) | (479) | (282) |
| Notes payable and commercial paper | (1,181) | (298) | 981 |
| Contributions from noncontrolling interests | 426 | 843 | 41 |
| Dividends paid | (2,812) | (2,668) | (2,471) |
| Other | (133) | (26) | (12) |
| Net cash provided by financing activities | 1,731 | 3,730 | 2,960 |
| Net (decrease) increase in cash, cash equivalents, and restricted cash | (17) | (18) | 86 |
| Cash, cash equivalents, and restricted cash at beginning of period | 573 | 591 | 505 |
| Cash, cash equivalents, and restricted cash at end of period | \$ 556 | \$ 573 | \$ 591 |
| Supplemental Disclosures: | | | |
| Cash paid for interest, net of amount capitalized | \$ 2,186 | \$ 2,195 | \$ 2,086 |
| Cash received from income taxes | (585) | (651) | (266) |
| Significant non-cash transactions: | | | |
| Accrued capital expenditures | 1,116 | 1,356 | 1,112 |
| Non-cash dividends | 110 | 108 | 107 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (in millions) | Duke Energy Corporation Stockholders' Accumulated Other Comprehensive Income (Loss) | | | | | | | | | | |
|--|---|---------------------|--------------|----------------------------|-------------------|--------------------------------|--|------------------------------|--|--------------------------|--------------|
| | Preferred Stock | Common Stock Shares | Common Stock | Additional Paid-in Capital | Retained Earnings | Net Losses on Cash Flow Hedges | Net Unrealized Gains (Losses) on Available-for-Sale Securities | Pension and OPEB Adjustments | Total Duke Energy Corporation Stockholders' Equity | Noncontrolling Interests | Total Equity |
| Balance at December 31, 2017 | \$ — | 700 | \$ 1 | \$ 38,792 | \$ 3,013 | \$ (10) | \$ 12 | \$ (69) | \$ 41,739 | \$ (2) | \$ 41,737 |
| Net income | — | — | — | — | 2,666 | — | — | — | 2,666 | (22) | 2,644 |
| Other comprehensive loss | — | — | — | — | — | (4) | (3) | (6) | (13) | — | (13) |
| Common stock issuances, including dividend reinvestment and employee benefits | — | 27 | — | 2,003 | — | — | — | — | 2,003 | — | 2,003 |
| Common stock dividends | — | — | — | — | (2,578) | — | — | — | (2,578) | — | (2,578) |
| Distributions to noncontrolling interest in subsidiaries | — | — | — | — | — | — | — | — | — | (1) | (1) |
| Other ^(a) | — | — | — | — | 12 | — | (12) | — | — | 42 | 42 |
| Balance at December 31, 2018 | \$ — | 727 | \$ 1 | \$ 40,795 | \$ 3,113 | \$ (14) | \$ (3) | \$ (75) | \$ 43,817 | \$ 17 | \$ 43,834 |
| Net income | — | — | — | — | 3,707 | — | — | — | 3,707 | (177) | 3,530 |
| Other comprehensive (loss) | — | — | — | — | — | (41) | 8 | 9 | (24) | — | (24) |
| Preferred stock, Series A, issuances, net of issuance costs ^(b) | 973 | — | — | — | — | — | — | — | 973 | — | 973 |
| Preferred stock, Series B, issuances, net of issuance costs ^(b) | 989 | — | — | — | — | — | — | — | 989 | — | 989 |
| Common stock issuances, including dividend reinvestment and employee benefits | — | 6 | — | 552 | — | — | — | — | 552 | — | 552 |
| Common stock dividends | — | — | — | — | (2,735) | — | — | — | (2,735) | — | (2,735) |
| Sale of noncontrolling interest ^(c) | — | — | — | (466) | — | 10 | — | — | (456) | 863 | 407 |
| Contribution from noncontrolling interest ^(d) | — | — | — | — | — | — | — | — | — | 428 | 428 |
| Distributions to noncontrolling interest in subsidiaries | — | — | — | — | — | — | — | — | — | (4) | (4) |
| Other ^(d) | — | — | — | — | 23 | (6) | (2) | (16) | (1) | 2 | 1 |
| Balance at December 31, 2019 | \$ 1,962 | 733 | \$ 1 | \$ 40,881 | \$ 4,108 | \$ (51) | \$ 3 | \$ (82) | \$ 46,822 | \$ 1,129 | \$ 47,951 |
| Net income | — | — | — | — | 1,270 | — | — | — | 1,270 | (295) | 975 |
| Other comprehensive (loss) income | — | — | — | — | — | (116) | 3 | 6 | (107) | (11) | (118) |
| Common stock issuances, including dividend reinvestment and employee benefits | — | 36 | — | 2,902 | — | — | — | — | 2,902 | — | 2,902 |
| Common stock dividends | — | — | — | — | (2,815) | — | — | — | (2,815) | — | (2,815) |
| Contribution from noncontrolling interest, net of transaction costs ^(d) | — | — | — | (17) | — | — | — | — | (17) | 426 | 409 |
| Distributions to noncontrolling interests in subsidiaries | — | — | — | — | — | — | — | — | — | (30) | (30) |
| Other ^(e) | — | — | — | 1 | (92) | — | — | — | (91) | 1 | (90) |
| Balance at December 31, 2020 | \$ 1,962 | 769 | \$ 1 | \$ 43,767 | \$ 2,471 | \$ (167) | \$ 6 | \$ (76) | \$ 47,964 | \$ 1,220 | \$ 49,184 |

(a) Amounts in Retained Earnings and AOCI represent a cumulative-effect adjustment due to implementation of a new accounting standard related to Financial Instruments Classification and Measurement. See Note 1 for more information. Amount in Noncontrolling Interests primarily relates to tax equity financing activity in the Commercial Renewables segment.

(b) Duke Energy issued 40 million depository shares of preferred stock, Series A, in the first quarter of 2019 and 1 million shares of preferred stock, Series B, in the third quarter of 2019.

(c) See Note 1 for additional discussion of the transaction.

(d) Amounts in Retained Earnings and AOCI primarily represent impacts to accumulated other comprehensive income due to implementation of a new accounting standard related to Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income.

(e) Amounts in Retained earnings primarily represent impacts due to implementation of a new accounting standard related to Current Estimated Credit Losses. See Note 1 for additional discussion.

(f) Relates to tax equity financing activity in the Commercial Renewables segment.

See Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholder and the Board of Directors of
Duke Energy Carolinas, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Duke Energy Carolinas, LLC and subsidiaries (the “Company”) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Impact of Rate Regulation on the Financial Statements — Refer to Notes 1, 3, and 9 to the financial statements.***Critical Audit Matter Description***

The Company is subject to rate regulation by the North Carolina Utilities Commission and by the South Carolina Public Service Commission (collectively the “Commissions”), which have jurisdiction with respect to the electric rates of the Company. Management has determined it meets the criteria for the application of regulated operations accounting in preparing its financial statements under accounting principles generally accepted in the United States of America. Significant judgment can be required to determine if otherwise recognizable incurred costs qualify to be presented as a regulatory asset and deferred because such costs are probable of future recovery in customer rates. As of December 31, 2020, the Company has approximately \$3.5 billion recorded as regulatory assets.

The Company’s rates are subject to regulatory rate-setting processes and annual earnings oversight. Rates charged to customers are determined and approved in regulatory proceedings based on an analysis of the Company’s costs to provide utility service and a return on the Company’s investment in the utility business. Regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investment and the timing and amount of assets to be recovered by rates. The regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. As discussed in Note 3, regulatory proceedings in recent years in North Carolina and South Carolina have focused on the recoverability of asset retirement obligations specific to coal ash. As a result, assessing the potential outcomes of future regulatory orders in North Carolina and South Carolina requires significant management judgment.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management, including assumptions regarding the outcome of future decisions by the Commissions; to support its assertions on the likelihood of future recovery for deferred costs. As such, auditing these judgments required specialized knowledge of accounting for rate regulation due to its inherent complexities, a high degree of auditor judgment, and an increased extent of effort.

PART II

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the recovery of regulatory assets included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of the recovery in future rates of regulatory assets and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the Commissions, regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates based on precedents of the Commissions' treatment of similar costs under similar circumstances. We evaluated the external information and compared it to management's recorded regulatory asset balances for completeness.
- For regulatory matters in process, we inspected the Company's and intervenors' filings with the Commissions, that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We evaluated the reasonableness of management's judgments regarding the recoverability of regulatory asset balances by performing the following:
 - We inquired of management regarding changes in regulatory orders and regulatory asset balances during the year.
 - We evaluated the reasonableness of such changes based on our knowledge of commission-approved amortization, expected incurred costs, and recently approved regulatory orders, as applicable.
 - We utilized trend analyses to evaluate the historical consistency of regulatory asset balances.
 - We compared the recorded regulatory asset balance to an independently developed expectation of the corresponding balance.
- We obtained an analysis from management and letters from internal legal counsel for asset retirement obligations specific to coal ash costs, regarding probability of recovery for deferred costs not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery.
- We obtained representation from management asserting that regulatory assets recorded on the financial statements are probable of recovery.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina

February 25, 2021

We have served as the Company's auditor since 1947.

PART II

DUKE ENERGY CAROLINAS, LLC

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|-----------------|-----------------|
| | 2020 | 2019 | 2018 |
| Operating Revenues | \$ 7,015 | \$ 7,395 | \$ 7,300 |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 1,682 | 1,804 | 1,821 |
| Operation, maintenance and other | 1,743 | 1,868 | 2,130 |
| Depreciation and amortization | 1,462 | 1,388 | 1,201 |
| Property and other taxes | 299 | 292 | 295 |
| Impairment charges | 476 | 17 | 192 |
| Total operating expenses | 5,662 | 5,369 | 5,639 |
| Gains (Losses) on Sales of Other Assets and Other, net | 1 | — | (1) |
| Operating Income | 1,354 | 2,026 | 1,660 |
| Other Income and Expenses, net | 177 | 151 | 153 |
| Interest Expense | 487 | 463 | 439 |
| Income Before Income Taxes | 1,044 | 1,714 | 1,374 |
| Income Tax Expense | 88 | 311 | 303 |
| Net Income | \$ 956 | \$ 1,403 | \$ 1,071 |
| Other Comprehensive Income, net of tax | | | |
| Reclassification into earnings from cash flow hedges | — | — | 1 |
| Other Comprehensive Income, net of tax | — | — | 1 |
| Comprehensive Income | \$ 956 | \$ 1,403 | \$ 1,072 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CAROLINAS, LLC

CONSOLIDATED BALANCE SHEETS

| (in millions) | December 31, | |
|--|------------------|------------------|
| | 2020 | 2019 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 21 | \$ 18 |
| Receivables (net of allowance for doubtful accounts of \$1 at 2020 and \$3 at 2019) | 247 | 324 |
| Receivables of VIEs (net of allowance for doubtful accounts of \$22 at 2020 and \$7 at 2019) | 696 | 642 |
| Receivables from affiliated companies | 124 | 114 |
| Inventory | 1,010 | 996 |
| Regulatory assets | 473 | 550 |
| Other | 20 | 21 |
| Total current assets | 2,591 | 2,665 |
| Property, Plant and Equipment | | |
| Cost | 50,640 | 48,922 |
| Accumulated depreciation and amortization | (17,453) | (16,525) |
| Net property, plant and equipment | 33,187 | 32,397 |
| Other Noncurrent Assets | | |
| Regulatory assets | 2,996 | 3,360 |
| Nuclear decommissioning trust funds | 4,977 | 4,359 |
| Operating lease right-of-use assets, net | 110 | 123 |
| Other | 1,187 | 1,149 |
| Total other noncurrent assets | 9,270 | 8,991 |
| Total Assets | \$ 45,048 | \$ 44,053 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | \$ 1,000 | \$ 954 |
| Accounts payable to affiliated companies | 199 | 210 |
| Notes payable to affiliated companies | 506 | 29 |
| Taxes accrued | 76 | 46 |
| Interest accrued | 117 | 115 |
| Current maturities of long-term debt | 506 | 458 |
| Asset retirement obligations | 264 | 206 |
| Regulatory liabilities | 473 | 255 |
| Other | 546 | 611 |
| Total current liabilities | 3,687 | 2,884 |
| Long-Term Debt | 11,412 | 11,142 |
| Long-Term Debt Payable to Affiliated Companies | 300 | 300 |
| Other Noncurrent Liabilities | | |
| Deferred income taxes | 3,842 | 3,921 |
| Asset retirement obligations | 5,086 | 5,528 |
| Regulatory liabilities | 6,535 | 6,423 |
| Operating lease liabilities | 97 | 102 |
| Accrued pension and other post-retirement benefit costs | 73 | 84 |
| Investment tax credits | 236 | 231 |
| Other | 626 | 627 |
| Total other noncurrent liabilities | 16,495 | 16,916 |
| Commitments and Contingencies | | |
| Equity | | |
| Member's equity | 13,161 | 12,818 |
| Accumulated other comprehensive loss | (7) | (7) |
| Total equity | 13,154 | 12,811 |
| Total Liabilities and Equity | \$ 45,048 | \$ 44,053 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CAROLINAS, LLC

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|--------------|--------------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 956 | \$ 1,403 | \$ 1,071 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization (including amortization of nuclear fuel) | 1,731 | 1,671 | 1,487 |
| Equity component of AFUDC | (62) | (42) | (73) |
| (Gains) Losses on sales of other assets | (1) | — | 1 |
| Impairment charges | 476 | 17 | 192 |
| Deferred income taxes | (260) | 133 | 305 |
| Payments for asset retirement obligations | (162) | (278) | (230) |
| Provision for rate refunds | (5) | 36 | 182 |
| (Increase) decrease in | | | |
| Net realized and unrealized mark-to-market and hedging transactions | (4) | (8) | 2 |
| Receivables | 52 | (21) | (86) |
| Receivables from affiliated companies | (10) | 68 | (87) |
| Inventory | (14) | (48) | 25 |
| Other current assets | 209 | (73) | (161) |
| Increase (decrease) in | | | |
| Accounts payable | 55 | (50) | 168 |
| Accounts payable to affiliated companies | (11) | (20) | 21 |
| Taxes accrued | 30 | (127) | (65) |
| Other current liabilities | (56) | 127 | 89 |
| Other assets | (101) | (42) | (221) |
| Other liabilities | (47) | (37) | (90) |
| Net cash provided by operating activities | 2,776 | 2,709 | 2,530 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditures | (2,669) | (2,714) | (2,706) |
| Purchases of debt and equity securities | (1,602) | (1,658) | (1,810) |
| Proceeds from sales and maturities of debt and equity securities | 1,602 | 1,658 | 1,810 |
| Other | (164) | (204) | (147) |
| Net cash used in investing activities | (2,833) | (2,918) | (2,853) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the issuance of long-term debt | 998 | 886 | 1,983 |
| Payments for the redemption of long-term debt | (813) | (6) | (1,205) |
| Notes payable to affiliated companies | 477 | (410) | 335 |
| Distributions to parent | (600) | (275) | (750) |
| Other | (2) | (1) | (23) |
| Net cash provided by financing activities | 60 | 194 | 340 |
| Net increase (decrease) in cash and cash equivalents | 3 | (15) | 17 |
| Cash and cash equivalents at beginning of period | 18 | 33 | 16 |
| Cash and cash equivalents at end of period | \$ 21 | \$ 18 | \$ 33 |
| Supplemental Disclosures: | | | |
| Cash paid for interest, net of amount capitalized | \$ 481 | \$ 433 | \$ 452 |
| Cash paid for income taxes | 321 | 122 | 89 |
| Significant non-cash transactions: | | | |
| Accrued capital expenditures | 365 | 347 | 302 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY CAROLINAS, LLC

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (in millions) | Member's
Equity | Accumulated Other
Comprehensive
Loss | Total
Equity |
|-------------------------------------|--------------------|---|-----------------|
| | | Net Gains
(Losses) on
Cash Flow
Hedges | |
| Balance at December 31, 2017 | \$11,368 | \$ (7) | \$11,361 |
| Net income | 1,071 | — | 1,071 |
| Other comprehensive income | — | 1 | 1 |
| Distributions to parent | (750) | — | (750) |
| Balance at December 31, 2018 | \$11,689 | \$ (6) | \$11,683 |
| Net income | 1,403 | — | 1,403 |
| Distributions to parent | (275) | — | (275) |
| Other | 1 | (1) | — |
| Balance at December 31, 2019 | \$12,818 | \$ (7) | \$12,811 |
| Net income | 956 | — | 956 |
| Distributions to parent | (600) | — | (600) |
| Other ^(a) | (13) | — | (13) |
| Balance at December 31, 2020 | \$13,161 | \$ (7) | \$13,154 |

(a) Amounts primarily represent impacts due to implementation of a new accounting standard related to Credit Losses. See Note 1 for additional discussion.

See Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholder and the Board of
Directors of Progress Energy, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Progress Energy, Inc. and subsidiaries (the “Company”) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Impact of Rate Regulation on the Financial Statements — Refer to Notes 1, 3, and 9 to the financial statements.***Critical Audit Matter Description***

The Company is subject to rate regulation by the North Carolina Utilities Commission, South Carolina Public Service Commission and Florida Public Service Commission (collectively the “Commissions”), which have jurisdiction with respect to the electric rates of the Company. Management has determined it meets the criteria for the application of regulated operations accounting in preparing its financial statements under accounting principles generally accepted in the United States of America. Significant judgment can be required to determine if otherwise recognizable incurred costs qualify to be presented as a regulatory asset and deferred because such costs are probable of future recovery in customer rates. As of December 31, 2020, the Company has approximately \$6.5 billion recorded as regulatory assets.

The Company’s rates are subject to regulatory rate-setting processes and annual earnings oversight. Rates charged to customers are determined and approved in regulatory proceedings based on an analysis of the Company’s costs to provide utility service and a return on the Company’s investment in the utility business. Regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investment and the timing and amount of assets to be recovered by rates. The regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. As discussed in Note 3, regulatory proceedings in recent years in North Carolina and South Carolina have focused on the recoverability of asset retirement obligations specific to coal ash. As a result, assessing the potential outcomes of future regulatory orders in North Carolina and South Carolina requires significant management judgment.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management, including assumptions regarding the outcome of future decisions by the Commissions; to support its assertions on the likelihood of future recovery for deferred costs. As such, auditing these judgments required specialized knowledge of accounting for rate regulation due to its inherent complexities, a high degree of auditor judgment, and an increased extent of effort.

PART II

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the recovery of regulatory assets included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of the recovery in future rates of regulatory assets and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the Commissions, regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates based on precedents of the Commissions' treatment of similar costs under similar circumstances. We evaluated the external information and compared it to management's recorded regulatory asset balances for completeness.
- For regulatory matters in process, we inspected the Company's and intervenors' filings with the Commissions, that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We evaluated the reasonableness of management's judgments regarding the recoverability of regulatory asset balances by performing the following:
 - We inquired of management regarding changes in regulatory orders and regulatory asset balances during the year.
 - We evaluated the reasonableness of such changes based on our knowledge of commission-approved amortization, expected incurred costs, and recently approved regulatory orders, as applicable.
 - We utilized trend analyses to evaluate the historical consistency of regulatory asset balances.
 - We compared the recorded regulatory asset balance to an independently developed expectation of the corresponding balance.
- We obtained an analysis from management and letters from internal legal counsel for asset retirement obligations specific to coal ash costs, regarding probability of recovery for deferred costs not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery.
- We obtained representation from management asserting that regulatory assets recorded on the financial statements are probable of recovery.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina

February 25, 2021

We have served as the Company's auditor since 1930.

PART II

PROGRESS ENERGY, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|-----------------|-----------------|
| | 2020 | 2019 | 2018 |
| Operating Revenues | \$10,627 | \$11,202 | \$10,728 |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 3,479 | 4,024 | 3,976 |
| Operation, maintenance and other | 2,479 | 2,495 | 2,613 |
| Depreciation and amortization | 1,818 | 1,845 | 1,619 |
| Property and other taxes | 545 | 561 | 529 |
| Impairment charges | 495 | (24) | 87 |
| Total operating expenses | 8,816 | 8,901 | 8,824 |
| Gains on Sales of Other Assets and Other, net | 9 | — | 24 |
| Operating Income | 1,820 | 2,301 | 1,928 |
| Other Income and Expenses, net | 129 | 141 | 165 |
| Interest Expense | 790 | 862 | 842 |
| Income Before Income Taxes | 1,159 | 1,580 | 1,251 |
| Income Tax Expense | 113 | 253 | 218 |
| Net Income | 1,046 | 1,327 | 1,033 |
| Less: Net Income Attributable to Noncontrolling Interests | 1 | — | 6 |
| Net Income Attributable to Parent | \$ 1,045 | \$ 1,327 | \$ 1,027 |
| Net Income | \$ 1,046 | \$ 1,327 | \$ 1,033 |
| Other Comprehensive Income, net of tax | | | |
| Pension and OPEB adjustments | (1) | 2 | 5 |
| Net unrealized gain on cash flow hedges | 5 | 5 | 6 |
| Unrealized (losses) gains on available-for-sale securities | (1) | 1 | (1) |
| Other Comprehensive Income, net of tax | 3 | 8 | 10 |
| Comprehensive Income | 1,049 | 1,335 | 1,043 |
| Less: Comprehensive Income Attributable to Noncontrolling Interests | 1 | — | 6 |
| Comprehensive Income Attributable to Parent | \$ 1,048 | \$ 1,335 | \$ 1,037 |

See Notes to Consolidated Financial Statements

PART II

PROGRESS ENERGY, INC.

CONSOLIDATED BALANCE SHEETS

| (in millions) | December 31, | |
|--|------------------|------------------|
| | 2020 | 2019 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 59 | \$ 48 |
| Receivables (net of allowance for doubtful accounts of \$8 at 2020 and \$7 at 2019) | 228 | 220 |
| Receivables of VIEs (net of allowance for doubtful accounts of \$29 at 2020 and \$9 at 2019) | 901 | 830 |
| Receivables from affiliated companies | 157 | 76 |
| Notes receivable from affiliated companies | — | 164 |
| Inventory | 1,375 | 1,423 |
| Regulatory assets (includes \$53 at 2020 and \$52 at 2019 related to VIEs) | 758 | 946 |
| Other (includes \$39 at 2020 and 2019 related to VIEs) | 109 | 210 |
| Total current assets | 3,587 | 3,917 |
| Property, Plant and Equipment | | |
| Cost | 57,892 | 55,070 |
| Accumulated depreciation and amortization | (18,368) | (17,159) |
| Generation facilities to be retired, net | 29 | 246 |
| Net property, plant and equipment | 39,553 | 38,157 |
| Other Noncurrent Assets | | |
| Goodwill | 3,655 | 3,655 |
| Regulatory assets (includes \$937 at 2020 and \$989 at 2019 related to VIEs) | 5,775 | 6,346 |
| Nuclear decommissioning trust funds | 4,137 | 3,782 |
| Operating lease right-of-use assets, net | 690 | 788 |
| Other | 1,227 | 1,049 |
| Total other noncurrent assets | 15,484 | 15,620 |
| Total Assets | \$ 58,624 | \$ 57,694 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | \$ 919 | \$ 1,104 |
| Accounts payable to affiliated companies | 289 | 310 |
| Notes payable to affiliated companies | 2,969 | 1,821 |
| Taxes accrued | 121 | 46 |
| Interest accrued | 202 | 228 |
| Current maturities of long-term debt (includes \$305 at 2020 and \$54 at 2019 related to VIEs) | 1,426 | 1,577 |
| Asset retirement obligations | 283 | 485 |
| Regulatory liabilities | 640 | 330 |
| Other | 793 | 902 |
| Total current liabilities | 7,642 | 6,803 |
| Long-Term Debt (includes \$1,252 at 2020 and \$1,632 at 2019 related to VIEs) | 17,688 | 17,907 |
| Long-Term Debt Payable to Affiliated Companies | 150 | 150 |
| Other Noncurrent Liabilities | | |
| Deferred income taxes | 4,396 | 4,462 |
| Asset retirement obligations | 5,866 | 5,986 |
| Regulatory liabilities | 5,051 | 5,225 |
| Operating lease liabilities | 623 | 697 |
| Accrued pension and other post-retirement benefit costs | 505 | 488 |
| Other | 462 | 383 |
| Total other noncurrent liabilities | 16,903 | 17,241 |
| Commitments and Contingencies | | |
| Equity | | |
| Common stock, \$0.01 par value, 100 shares authorized and outstanding at 2020 and 2019 | — | — |
| Additional paid-in capital | 9,143 | 9,143 |
| Retained earnings | 7,109 | 6,465 |
| Accumulated other comprehensive loss | (15) | (18) |
| Total Progress Energy, Inc. stockholder's equity | 16,237 | 15,590 |
| Noncontrolling interests | 4 | 3 |
| Total equity | 16,241 | 15,593 |
| Total Liabilities and Equity | \$ 58,624 | \$ 57,694 |

See Notes to Consolidated Financial Statements

PART II

PROGRESS ENERGY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|---------------|---------------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 1,046 | \$ 1,327 | \$ 1,033 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation, amortization and accretion (including amortization of nuclear fuel) | 2,327 | 2,207 | 1,987 |
| Equity component of AFUDC | (42) | (66) | (104) |
| Gains on sales of other assets | (9) | — | (24) |
| Impairment charges | 495 | (24) | 87 |
| Deferred income taxes | (197) | 433 | 358 |
| Payments for asset retirement obligations | (384) | (412) | (230) |
| Provision for rate refunds | 2 | 15 | 122 |
| (Increase) decrease in | | | |
| Net realized and unrealized mark-to-market and hedging transactions | (9) | (34) | 18 |
| Receivables | (69) | 47 | (207) |
| Receivables from affiliated companies | (81) | 81 | (137) |
| Inventory | 49 | 62 | 121 |
| Other current assets | 223 | 184 | (12) |
| Increase (decrease) in | | | |
| Accounts payable | (62) | (4) | 217 |
| Accounts payable to affiliated companies | (21) | (50) | 109 |
| Taxes accrued | 75 | (74) | 8 |
| Other current liabilities | 139 | 25 | 129 |
| Other assets | (128) | (341) | (896) |
| Other liabilities | (177) | (167) | (35) |
| Net cash provided by operating activities | 3,177 | 3,209 | 2,544 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditures | (3,488) | (3,952) | (3,854) |
| Purchases of debt and equity securities | (5,998) | (1,511) | (1,753) |
| Proceeds from sales and maturities of debt and equity securities | 6,010 | 1,504 | 1,769 |
| Notes receivable from affiliated companies | 164 | (164) | 240 |
| Other | (160) | (190) | (162) |
| Net cash used in investing activities | (3,472) | (4,313) | (3,760) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the issuance of long-term debt | 1,791 | 2,187 | 1,833 |
| Payments for the redemption of long-term debt | (2,157) | (1,667) | (771) |
| Notes payable to affiliated companies | 1,148 | 586 | 430 |
| Dividends to parent | (400) | — | (250) |
| Other | (13) | 12 | (1) |
| Net cash provided by financing activities | 369 | 1,118 | 1,241 |
| Net increase in cash, cash equivalents, and restricted cash | 74 | 14 | 25 |
| Cash, cash equivalents, and restricted cash at beginning of period | 126 | 112 | 87 |
| Cash, cash equivalents, and restricted cash at end of period | \$ 200 | \$ 126 | \$ 112 |
| Supplemental Disclosures: | | | |
| Cash paid for interest, net of amount capitalized | \$ 819 | \$ 892 | \$ 798 |
| Cash paid for (received from) income taxes | 149 | (79) | (348) |
| Significant non-cash transactions: | | | |
| Accrued capital expenditures | 363 | 447 | 478 |

See Notes to Consolidated Financial Statements

PART II

PROGRESS ENERGY, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (in millions) | Accumulated Other Comprehensive Income (Loss) | | | | | | Total Progress Energy, Inc. Stockholder's Equity | Noncontrolling Interests | Total Equity |
|---|---|-------------------|--|--|------------------------------|-----------|--|--------------------------|--------------|
| | Additional Paid-in Capital | Retained Earnings | Net Gains (Losses) on Cash Flow Hedges | Net Unrealized Gains (Losses) on Available-for-Sale Securities | Pension and OPEB Adjustments | | | | |
| Balance at December 31, 2017 | \$ 9,143 | \$ 4,350 | \$ (18) | \$ 5 | \$ (12) | \$ 13,468 | \$ (3) | \$ 13,465 | |
| Net income | — | 1,027 | — | — | — | 1,027 | 6 | 1,033 | |
| Other comprehensive income (loss) | — | — | 6 | (1) | 5 | 10 | — | 10 | |
| Distributions to noncontrolling interests | — | — | — | — | — | — | (1) | (1) | |
| Dividends to parent | — | (250) | — | — | — | (250) | — | (250) | |
| Other ^(a) | — | 4 | — | (5) | — | (1) | 1 | — | |
| Balance at December 31, 2018 | \$ 9,143 | \$ 5,131 | \$ (12) | \$ (1) | \$ (7) | \$ 14,254 | \$ 3 | \$ 14,257 | |
| Net income | — | 1,327 | — | — | — | 1,327 | — | 1,327 | |
| Other comprehensive income | — | — | 5 | 1 | 2 | 8 | — | 8 | |
| Other ^(b) | — | 7 | (3) | (1) | (2) | 1 | — | 1 | |
| Balance at December 31, 2019 | \$ 9,143 | \$ 6,465 | \$ (10) | \$ (1) | \$ (7) | \$ 15,590 | \$ 3 | \$ 15,593 | |
| Net income | — | 1,045 | — | — | — | 1,045 | 1 | 1,046 | |
| Other comprehensive income (loss) | — | — | 5 | (1) | (1) | 3 | — | 3 | |
| Dividends to parent | — | (400) | — | — | — | (400) | — | (400) | |
| Other | — | (1) | — | — | — | (1) | — | (1) | |
| Balance at December 31, 2020 | \$ 9,143 | \$ 7,109 | \$ (5) | \$ (2) | \$ (8) | \$ 16,237 | \$ 4 | \$ 16,241 | |

(a) Amounts in Retained Earnings and AOCI represent a cumulative-effect adjustment due to implementation of a new accounting standard related to Financial Instruments Classification and Measurement. See Note 1 for more information.

(b) Amounts in Retained Earnings and AOCI primarily represent impacts to accumulated other comprehensive income due to implementation of a new accounting standard related to Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income.

See Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholder and the Board of
Directors of Duke Energy Progress, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Duke Energy Progress, LLC and subsidiaries (the “Company”) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Impact of Rate Regulation on the Financial Statements — Refer to Notes 1, 3, and 9 to the financial statements.***Critical Audit Matter Description***

The Company is subject to rate regulation by the North Carolina Utilities Commission and by the South Carolina Public Service Commission (collectively the “Commissions”), which have jurisdiction with respect to the electric rates of the Company. Management has determined it meets the criteria for the application of regulated operations accounting in preparing its financial statements under accounting principles generally accepted in the United States of America. Significant judgment can be required to determine if otherwise recognizable incurred costs qualify to be presented as a regulatory asset and deferred because such costs are probable of future recovery in customer rates. As of December 31, 2020, the Company has approximately \$4.5 billion recorded as regulatory assets.

The Company’s rates are subject to regulatory rate-setting processes and annual earnings oversight. Rates charged to customers are determined and approved in regulatory proceedings based on an analysis of the Company’s costs to provide utility service and a return on the Company’s investment in the utility business. Regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investment and the timing and amount of assets to be recovered by rates. The regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. As discussed in Note 3, regulatory proceedings in recent years in North Carolina and South Carolina have focused on the recoverability of asset retirement obligations specific to coal ash. As a result, assessing the potential outcomes of future regulatory orders in North Carolina and South Carolina requires significant management judgment.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management, including assumptions regarding the outcome of future decisions by the Commissions; to support its assertions on the likelihood of future recovery for deferred costs. As such, auditing these judgments required specialized knowledge of accounting for rate regulation due to its inherent complexities, a high degree of auditor judgment, and an increased extent of effort.

PART II

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the recovery of regulatory assets included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of the recovery in future rates of regulatory assets and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the Commissions, regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates based on precedents of the Commissions' treatment of similar costs under similar circumstances. We evaluated the external information and compared it to management's recorded regulatory asset balances for completeness.
- For regulatory matters in process, we inspected the Company's and intervenors' filings with the Commissions, that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We evaluated the reasonableness of management's judgments regarding the recoverability of regulatory asset balances by performing the following:
 - We inquired of management regarding changes in regulatory orders and regulatory asset balances during the year.
 - We evaluated the reasonableness of such changes based on our knowledge of commission-approved amortization, expected incurred costs, and recently approved regulatory orders, as applicable.
 - We utilized trend analyses to evaluate the historical consistency of regulatory asset balances.
 - We compared the recorded regulatory asset balance to an independently developed expectation of the corresponding balance.
- We obtained an analysis from management and letters from internal legal counsel for asset retirement obligations specific to coal ash costs, regarding probability of recovery for deferred costs not yet addressed in a regulatory order to assess management's assertion that amounts are probable of recovery.
- We obtained representation from management asserting that regulatory assets recorded on the financial statements are probable of recovery.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina

February 25, 2021

We have served as the Company's auditor since 1930.

PART II

DUKE ENERGY PROGRESS, LLC

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|-----------------|-----------------|
| | 2020 | 2019 | 2018 |
| Operating Revenues | \$ 5,422 | \$ 5,957 | \$ 5,699 |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 1,743 | 2,012 | 1,892 |
| Operation, maintenance and other | 1,332 | 1,446 | 1,578 |
| Depreciation and amortization | 1,116 | 1,143 | 991 |
| Property and other taxes | 167 | 176 | 155 |
| Impairment charges | 499 | 12 | 33 |
| Total operating expenses | 4,857 | 4,789 | 4,649 |
| Gains on Sales of Other Assets and Other, net | 8 | — | 9 |
| Operating Income | 573 | 1,168 | 1,059 |
| Other Income and Expenses, net | 75 | 100 | 87 |
| Interest Expense | 269 | 306 | 319 |
| Income Before Income Taxes | 379 | 962 | 827 |
| Income Tax (Benefit) Expense | (36) | 157 | 160 |
| Net Income and Comprehensive Income | \$ 415 | \$ 805 | \$ 667 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY PROGRESS, LLC

CONSOLIDATED BALANCE SHEETS

| (in millions) | December 31, | |
|--|-----------------|-----------------|
| | 2020 | 2019 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 39 | \$ 22 |
| Receivables (net of allowance for doubtful accounts of \$4 at 2020 and \$3 at 2019) | 132 | 123 |
| Receivables of VIEs (net of allowance for doubtful accounts of \$19 at 2020 and \$5 at 2019) | 500 | 489 |
| Receivables from affiliated companies | 50 | 52 |
| Inventory | 911 | 934 |
| Regulatory assets | 492 | 526 |
| Other | 60 | 60 |
| Total current assets | 2,184 | 2,206 |
| Property, Plant and Equipment | | |
| Cost | 35,759 | 34,603 |
| Accumulated depreciation and amortization | (12,801) | (11,915) |
| Generation facilities to be retired, net | 29 | 246 |
| Net property, plant and equipment | 22,987 | 22,934 |
| Other Noncurrent Assets | | |
| Regulatory assets | 3,976 | 4,152 |
| Nuclear decommissioning trust funds | 3,500 | 3,047 |
| Operating lease right-of-use assets, net | 346 | 387 |
| Other | 740 | 651 |
| Total other noncurrent assets | 8,562 | 8,237 |
| Total Assets | \$33,733 | \$33,377 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | \$ 454 | \$ 629 |
| Accounts payable to affiliated companies | 215 | 203 |
| Notes payable to affiliated companies | 295 | 66 |
| Taxes accrued | 85 | 17 |
| Interest accrued | 99 | 110 |
| Current maturities of long-term debt | 603 | 1,006 |
| Asset retirement obligations | 283 | 485 |
| Regulatory liabilities | 530 | 236 |
| Other | 411 | 478 |
| Total current liabilities | 2,975 | 3,230 |
| Long-Term Debt | 8,505 | 7,902 |
| Long-Term Debt Payable to Affiliated Companies | 150 | 150 |
| Other Noncurrent Liabilities | | |
| Deferred income taxes | 2,298 | 2,388 |
| Asset retirement obligations | 5,352 | 5,408 |
| Regulatory liabilities | 4,394 | 4,232 |
| Operating lease liabilities | 323 | 354 |
| Accrued pension and other post-retirement benefit costs | 242 | 238 |
| Investment tax credits | 132 | 137 |
| Other | 102 | 92 |
| Total other noncurrent liabilities | 12,843 | 12,849 |
| Commitments and Contingencies | | |
| Equity | | |
| Member's Equity | 9,260 | 9,246 |
| Total Liabilities and Equity | \$33,733 | \$33,377 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY PROGRESS, LLC

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|--------------|--------------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 415 | \$ 805 | \$ 667 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization (including amortization of nuclear fuel) | 1,299 | 1,329 | 1,183 |
| Equity component of AFUDC | (29) | (60) | (57) |
| Gains on sales of other assets | (8) | — | (9) |
| Impairment charges | 499 | 12 | 33 |
| Deferred income taxes | (234) | 197 | 236 |
| Payments for asset retirement obligations | (304) | (390) | (195) |
| Provisions for rate refunds | 2 | 12 | 122 |
| (Increase) decrease in | | | |
| Net realized and unrealized mark-to-market and hedging transactions | 1 | (6) | 5 |
| Receivables | (4) | 21 | (107) |
| Receivables from affiliated companies | 2 | (29) | (20) |
| Inventory | 23 | 20 | 63 |
| Other current assets | 98 | 101 | (201) |
| Increase (decrease) in | | | |
| Accounts payable | (127) | 32 | 219 |
| Accounts payable to affiliated companies | 12 | (75) | 99 |
| Taxes accrued | 68 | (46) | (11) |
| Other current liabilities | 157 | 68 | 46 |
| Other assets | (207) | (205) | (465) |
| Other liabilities | 3 | 37 | 20 |
| Net cash provided by operating activities | 1,666 | 1,823 | 1,628 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditures | (1,581) | (2,108) | (2,220) |
| Purchases of debt and equity securities | (1,555) | (842) | (1,236) |
| Proceeds from sales and maturities of debt and equity securities | 1,516 | 810 | 1,206 |
| Other | (57) | (119) | (95) |
| Net cash used in investing activities | (1,677) | (2,259) | (2,345) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the issuance of long-term debt | 1,296 | 1,269 | 845 |
| Payments for the redemption of long-term debt | (1,085) | (605) | (3) |
| Notes payable to affiliated companies | 229 | (228) | 54 |
| Distributions to parent | (400) | — | (175) |
| Other | (12) | (1) | (1) |
| Net cash provided by financing activities | 28 | 435 | 720 |
| Net increase (decrease) in cash and cash equivalents | 17 | (1) | 3 |
| Cash and cash equivalents at beginning of period | 22 | 23 | 20 |
| Cash and cash equivalents at end of period | \$ 39 | \$ 22 | \$ 23 |
| Supplemental Disclosures: | | | |
| Cash paid for interest, net of amount capitalized | \$ 301 | \$ 331 | \$ 303 |
| Cash paid for (received from) income taxes | 123 | (30) | (112) |
| Significant non-cash transactions: | | | |
| Accrued capital expenditures | 149 | 175 | 220 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY PROGRESS, LLC

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (in millions) | Member's
Equity |
|-------------------------------------|--------------------|
| Balance at December 31, 2017 | \$ 7,949 |
| Net income | 667 |
| Distribution to parent | (175) |
| Balance at December 31, 2018 | \$ 8,441 |
| Net income | 805 |
| Balance at December 31, 2019 | \$ 9,246 |
| Net income | 415 |
| Distribution to parent | (400) |
| Other | (1) |
| Balance at December 31, 2020 | \$ 9,260 |

See Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholder and the Board of Directors of
Duke Energy Florida, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Duke Energy Florida, LLC and subsidiaries (the “Company”) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Impact of Rate Regulation on the Financial Statements — Refer to Notes 1 and 3 to the financial statements.

Critical Audit Matter Description

The Company is subject to rate regulation by the Florida Public Service Commission (the “Commission”), which has jurisdiction with respect to the electric rates of the Company. Management has determined it meets the criteria for the application of regulated operations accounting in preparing its financial statements under accounting principles generally accepted in the United States of America. Significant judgment can be required to determine if otherwise recognizable incurred costs qualify to be presented as a regulatory asset and deferred because such costs are probable of future recovery in customer rates. As of December 31, 2020, the Company has approximately \$2.1 billion recorded as regulatory assets.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management, including assumptions regarding the outcome of future decisions by the Commission; to support its assertions on the likelihood of future recovery for deferred costs. Given that management’s accounting judgments are based on assumptions about the outcome of future decisions by the Commission, auditing these judgments required specialized knowledge of accounting for rate regulation and the ratemaking process due to its inherent complexities.

PART II

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the recovery of regulatory assets included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of the recovery in future rates of regulatory assets and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the Commission, regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates based on precedents of the Commission's treatment of similar costs under similar circumstances. We evaluated the external information and compared it to management's recorded regulatory asset balances for completeness.
- For regulatory matters in process, we inspected the Company's and intervenors' filings with the Commission, including the settlement agreement filed with the Commission subsequent to December 31, 2020, that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We evaluated the reasonableness of management's judgments regarding the recoverability of regulatory asset balances by performing the following:
 - We inquired of management regarding changes in regulatory orders and regulatory asset balances during the year.
 - We evaluated the reasonableness of such changes based on our knowledge of commission-approved amortization, expected incurred costs, and recently approved regulatory orders, as applicable.
 - We utilized trend analyses to evaluate the historical consistency of regulatory asset balances.
 - We compared the recorded regulatory asset balance to an independently developed expectation of the corresponding balance.
- We obtained representation from management asserting that regulatory assets recorded on the financial statements are probable of recovery.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina

February 25, 2021

We have served as the Company's auditor since 2001.

PART II

DUKE ENERGY FLORIDA, LLC

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|-----------------|-----------------|
| | 2020 | 2019 | 2018 |
| Operating Revenues | \$ 5,188 | \$ 5,231 | \$ 5,021 |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 1,737 | 2,012 | 2,085 |
| Operation, maintenance and other | 1,131 | 1,034 | 1,025 |
| Depreciation and amortization | 702 | 702 | 628 |
| Property and other taxes | 381 | 392 | 374 |
| Impairment charges | (4) | (36) | 54 |
| Total operating expenses | 3,947 | 4,104 | 4,166 |
| Gains on Sales of Other Assets and Other, net | 1 | — | 1 |
| Operating Income | 1,242 | 1,127 | 856 |
| Other Income and Expenses, net | 53 | 48 | 86 |
| Interest Expense | 326 | 328 | 287 |
| Income Before Income Taxes | 969 | 847 | 655 |
| Income Tax Expense | 198 | 155 | 101 |
| Net Income | \$ 771 | \$ 692 | \$ 554 |
| Other Comprehensive Income (Loss), net of tax | | | |
| Unrealized (losses) gains on available-for-sale securities | (1) | 1 | (1) |
| Other Comprehensive (Loss) Income, net of tax | (1) | 1 | (1) |
| Comprehensive Income | \$ 770 | \$ 693 | \$ 553 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY FLORIDA, LLC

CONSOLIDATED BALANCE SHEETS

| (in millions) | December 31, | |
|--|------------------|------------------|
| | 2020 | 2019 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 11 | \$ 17 |
| Receivables (net of allowance for doubtful accounts of \$4 at 2020 and \$3 at 2019) | 94 | 96 |
| Receivables of VIEs (net of allowance for doubtful accounts of \$10 at 2020 and \$4 at 2019) | 401 | 341 |
| Receivables from affiliated companies | 3 | — |
| Notes receivable from affiliated companies | — | 173 |
| Inventory | 464 | 489 |
| Regulatory assets (includes \$53 at 2020 and \$52 at 2019 related to VIEs) | 265 | 419 |
| Other (includes \$39 at 2020 and 2019 related to VIEs) | 41 | 58 |
| Total current assets | 1,279 | 1,593 |
| Property, Plant and Equipment | | |
| Cost | 22,123 | 20,457 |
| Accumulated depreciation and amortization | (5,560) | (5,236) |
| Net property, plant and equipment | 16,563 | 15,221 |
| Other Noncurrent Assets | | |
| Regulatory assets (includes \$937 at 2020 and \$989 at 2019 related to VIEs) | 1,799 | 2,194 |
| Nuclear decommissioning trust funds | 637 | 734 |
| Operating lease right-of-use assets, net | 344 | 401 |
| Other | 335 | 311 |
| Total other noncurrent assets | 3,115 | 3,640 |
| Total Assets | \$ 20,957 | \$ 20,454 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | \$ 465 | \$ 474 |
| Accounts payable to affiliated companies | 85 | 131 |
| Notes payable to affiliated companies | 196 | — |
| Taxes accrued | 82 | 43 |
| Interest accrued | 69 | 75 |
| Current maturities of long-term debt (includes \$305 at 2020 and \$54 at 2019 related to VIEs) | 823 | 571 |
| Regulatory liabilities | 110 | 94 |
| Other | 374 | 415 |
| Total current liabilities | 2,204 | 1,803 |
| Long-Term Debt (includes \$1,002 at 2020 and \$1,307 at 2019 related to VIEs) | 7,092 | 7,416 |
| Other Noncurrent Liabilities | | |
| Deferred income taxes | 2,191 | 2,179 |
| Asset retirement obligations | 514 | 578 |
| Regulatory liabilities | 658 | 993 |
| Operating lease liabilities | 300 | 343 |
| Accrued pension and other post-retirement benefit costs | 231 | 218 |
| Other | 209 | 136 |
| Total other noncurrent liabilities | 4,103 | 4,447 |
| Commitments and Contingencies | | |
| Equity | | |
| Member's equity | 7,560 | 6,789 |
| Accumulated other comprehensive loss | (2) | (1) |
| Total equity | 7,558 | 6,788 |
| Total Liabilities and Equity | \$ 20,957 | \$ 20,454 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY FLORIDA, LLC

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|--------------|--------------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 771 | \$ 692 | \$ 554 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation, amortization and accretion | 1,019 | 869 | 793 |
| Equity component of AFUDC | (12) | (6) | (47) |
| Gains on sales of other assets | (1) | — | (1) |
| Impairment charges | (4) | (36) | 54 |
| Deferred income taxes | 27 | 180 | 159 |
| Payments for asset retirement obligations | (80) | (22) | (35) |
| (Increase) decrease in | | | |
| Net realized and unrealized mark-to-market and hedging transactions | (14) | (33) | 7 |
| Receivables | (64) | 26 | (100) |
| Receivables from affiliated companies | (3) | 17 | (26) |
| Inventory | 26 | 42 | 58 |
| Other current assets | 40 | 156 | 59 |
| Increase (decrease) in | | | |
| Accounts payable | 66 | (36) | (1) |
| Accounts payable to affiliated companies | (46) | 40 | 17 |
| Taxes accrued | 39 | (31) | 40 |
| Other current liabilities | (7) | (36) | 82 |
| Other assets | 85 | (131) | (429) |
| Other liabilities | (181) | (213) | (75) |
| Net cash provided by operating activities | 1,661 | 1,478 | 1,109 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditures | (1,907) | (1,844) | (1,634) |
| Purchases of debt and equity securities | (4,443) | (669) | (517) |
| Proceeds from sales and maturities of debt and equity securities | 4,495 | 695 | 563 |
| Notes receivable from affiliated companies | 173 | (173) | 313 |
| Other | (103) | (67) | (65) |
| Net cash used in investing activities | (1,785) | (2,058) | (1,340) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the issuance of long-term debt | 495 | 918 | 988 |
| Payments for the redemption of long-term debt | (572) | (262) | (769) |
| Notes payable to affiliated companies | 196 | (108) | 108 |
| Distribution to parent | — | — | (75) |
| Other | (1) | 13 | 1 |
| Net cash provided by financing activities | 118 | 561 | 253 |
| Net (decrease) increase in cash, cash equivalents, and restricted cash | (6) | (19) | 22 |
| Cash, cash equivalents, and restricted cash at beginning of period | 56 | 75 | 53 |
| Cash, cash equivalents, and restricted cash at end of period | \$ 50 | \$ 56 | \$ 75 |
| Supplemental Disclosures: | | | |
| Cash paid for interest, net of amount capitalized | \$ 321 | \$ 332 | \$ 270 |
| Cash paid for (received from) income taxes | 138 | 1 | (120) |
| Significant non-cash transactions: | | | |
| Accrued capital expenditures | 214 | 272 | 258 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY FLORIDA, LLC

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (in millions) | Accumulated Other Comprehensive Income (Loss) | | |
|-------------------------------------|---|--|--------------|
| | Member's Equity | Net Unrealized Gains (Losses) on Available-for-Sale Securities | Total Equity |
| Balance at December 31, 2017 | \$ 5,614 | \$ 4 | \$ 5,618 |
| Net income | 554 | — | 554 |
| Other comprehensive loss | — | (1) | (1) |
| Distribution to parent | (75) | — | (75) |
| Other ^(a) | 4 | (5) | (1) |
| Balance at December 31, 2018 | \$ 6,097 | \$ (2) | \$ 6,095 |
| Net income | 692 | — | 692 |
| Other comprehensive income | — | 1 | 1 |
| Balance at December 31, 2019 | \$ 6,789 | \$ (1) | \$ 6,788 |
| Net income | 771 | — | 771 |
| Other comprehensive loss | — | (1) | (1) |
| Balance at December 31, 2020 | \$ 7,560 | \$ (2) | \$ 7,558 |

(a) Amounts represent a cumulative-effect adjustment due to implementation of a new accounting standard related to Financial Instruments Classification and Measurement. See Note 1 for more information.

See Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholder and the Board of Directors of
Duke Energy Ohio, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Duke Energy Ohio, Inc. and subsidiaries (the “Company”) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Impact of Rate Regulation on the Financial Statements — Refer to Notes 1 and 3 to the financial statements.

Critical Audit Matter Description

The Company is subject to rate regulation by the Public Utilities Commission of Ohio and by the Kentucky Public Service Commission (collectively the “Commissions”), which have jurisdiction with respect to the electric and gas rates of the Company. Management has determined it meets the criteria for the application of regulated operations accounting in preparing its financial statements under accounting principles generally accepted in the United States of America. Significant judgment can be required to determine if otherwise recognizable incurred costs qualify to be presented as a regulatory asset and deferred because such costs are probable of future recovery in customer rates. As of December 31, 2020, the Company has approximately \$650 million recorded as regulatory assets.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management, including assumptions regarding the outcome of future decisions by the Commissions; to support its assertions on the likelihood of future recovery for deferred costs. Given that management’s accounting judgments are based on assumptions about the outcome of future decisions by the Commissions, auditing these judgments required specialized knowledge of accounting for rate regulation and the ratemaking process due to its inherent complexities.

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How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the recovery of regulatory assets included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of the recovery in future rates of regulatory assets and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the Commissions, regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates based on precedents of the Commissions' treatment of similar costs under similar circumstances. We evaluated the external information and compared it to management's recorded regulatory asset balances for completeness.
- For regulatory matters in process, we inspected the Company's and intervenors' filings with the Commissions, that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We evaluated the reasonableness of management's judgments regarding the recoverability of regulatory asset balances by performing the following:
 - We inquired of management regarding changes in regulatory orders and regulatory asset balances during the year.
 - We evaluated the reasonableness of such changes based on our knowledge of commission-approved amortization, expected incurred costs, and recently approved regulatory orders, as applicable.
 - We utilized trend analyses to evaluate the historical consistency of regulatory asset balances.
 - We compared the recorded regulatory asset balance to an independently developed expectation of the corresponding balance.
- We obtained representation from management asserting that regulatory assets recorded on the financial statements are probable of recovery.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina

February 25, 2021

We have served as the Company's auditor since 2002.

PART II

DUKE ENERGY OHIO, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2020 | 2019 | 2018 |
| Operating Revenues | | | |
| Regulated electric | \$ 1,405 | \$ 1,456 | \$ 1,450 |
| Regulated natural gas | 453 | 484 | 506 |
| Nonregulated electric and other | — | — | 1 |
| Total operating revenues | 1,858 | 1,940 | 1,957 |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power – regulated | 339 | 388 | 412 |
| Cost of natural gas | 73 | 95 | 113 |
| Operation, maintenance and other | 463 | 520 | 480 |
| Depreciation and amortization | 278 | 265 | 268 |
| Property and other taxes | 324 | 308 | 290 |
| Total operating expenses | 1,477 | 1,576 | 1,563 |
| Losses on Sales of Other Assets and Other, net | — | — | (106) |
| Operating Income | 381 | 364 | 288 |
| Other Income and Expenses, net | 16 | 24 | 23 |
| Interest Expense | 102 | 109 | 92 |
| Income From Continuing Operations Before Income Taxes | 295 | 279 | 219 |
| Income Tax Expense From Continuing Operations | 43 | 40 | 43 |
| Income From Continuing Operations | 252 | 239 | 176 |
| Loss From Discontinued Operations, net of tax | — | (1) | — |
| Net Income and Comprehensive Income | \$ 252 | \$ 238 | \$ 176 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY OHIO, INC.

CONSOLIDATED BALANCE SHEETS

| (in millions) | December 31, | |
|---|------------------|-----------------|
| | 2020 | 2019 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 14 | \$ 17 |
| Receivables (net of allowance for doubtful accounts of \$4 at 2020 and \$4 at 2019) | 98 | 84 |
| Receivables from affiliated companies | 102 | 92 |
| Inventory | 110 | 135 |
| Regulatory assets | 39 | 49 |
| Other | 31 | 21 |
| Total current assets | 394 | 398 |
| Property, Plant and Equipment | | |
| Cost | 11,022 | 10,241 |
| Accumulated depreciation and amortization | (3,013) | (2,843) |
| Net property, plant and equipment | 8,009 | 7,398 |
| Other Noncurrent Assets | | |
| Goodwill | 920 | 920 |
| Regulatory assets | 610 | 549 |
| Operating lease right-of-use assets, net | 20 | 21 |
| Other | 72 | 52 |
| Total other noncurrent assets | 1,622 | 1,542 |
| Total Assets | \$ 10,025 | \$ 9,338 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | \$ 279 | \$ 288 |
| Accounts payable to affiliated companies | 68 | 68 |
| Notes payable to affiliated companies | 169 | 312 |
| Taxes accrued | 247 | 219 |
| Interest accrued | 31 | 30 |
| Current maturities of long-term debt | 50 | — |
| Asset retirement obligations | 3 | 1 |
| Regulatory liabilities | 65 | 64 |
| Other | 70 | 75 |
| Total current liabilities | 982 | 1,057 |
| Long-Term Debt | 3,014 | 2,594 |
| Long-Term Debt Payable to Affiliated Companies | 25 | 25 |
| Other Noncurrent Liabilities | | |
| Deferred income taxes | 981 | 922 |
| Asset retirement obligations | 108 | 79 |
| Regulatory liabilities | 748 | 763 |
| Operating lease liabilities | 20 | 21 |
| Accrued pension and other post-retirement benefit costs | 113 | 100 |
| Other | 99 | 94 |
| Total other noncurrent liabilities | 2,069 | 1,979 |
| Commitments and Contingencies | | |
| Equity | | |
| Common stock, \$8.50 par value, 120 million shares authorized; 90 million shares outstanding at 2020 and 2019 | 762 | 762 |
| Additional paid-in capital | 2,776 | 2,776 |
| Retained earnings | 397 | 145 |
| Total equity | 3,935 | 3,683 |
| Total Liabilities and Equity | \$ 10,025 | \$ 9,338 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY OHIO, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|--------------|--------------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 252 | \$ 238 | \$ 176 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation, amortization and accretion | 283 | 269 | 271 |
| Equity component of AFUDC | (7) | (13) | (11) |
| Losses on sales of other assets | — | — | 106 |
| Deferred income taxes | 31 | 81 | 25 |
| Payments for asset retirement obligations | (2) | (8) | (3) |
| Provision for rate refunds | 14 | 7 | 24 |
| (Increase) decrease in | | | |
| Receivables | (13) | 20 | (33) |
| Receivables from affiliated companies | 9 | 22 | 19 |
| Inventory | 25 | (9) | 7 |
| Other current assets | (18) | (5) | 16 |
| Increase (decrease) in | | | |
| Accounts payable | 2 | (17) | (19) |
| Accounts payable to affiliated companies | — | (10) | 16 |
| Taxes accrued | 30 | 17 | 12 |
| Other current liabilities | 3 | 1 | 14 |
| Other assets | (32) | (26) | (24) |
| Other liabilities | (2) | (41) | (26) |
| Net cash provided by operating activities | 575 | 526 | 570 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditures | (834) | (952) | (827) |
| Notes receivable from affiliated companies | (19) | — | 14 |
| Other | (48) | (68) | (89) |
| Net cash used in investing activities | (901) | (1,020) | (902) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the issuance of long-term debt | 467 | 1,003 | 99 |
| Payments for the redemption of long-term debt | — | (551) | (3) |
| Notes payable to affiliated companies | (144) | 38 | 245 |
| Net cash provided by financing activities | 323 | 490 | 341 |
| Net (decrease) increase in cash and cash equivalents | (3) | (4) | 9 |
| Cash and cash equivalents at beginning of period | 17 | 21 | 12 |
| Cash and cash equivalents at end of period | \$ 14 | \$ 17 | \$ 21 |
| Supplemental Disclosures: | | | |
| Cash paid for interest, net of amount capitalized | \$ 97 | \$ 97 | \$ 87 |
| Cash received from income taxes | — | (37) | (6) |
| Significant non-cash transactions: | | | |
| Accrued capital expenditures | 104 | 109 | 95 |
| Non-cash equity contribution from parent | — | — | 106 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY OHIO, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (in millions) | Common
Stock | Additional
Paid-in
Capital | Retained
Earnings
(Deficit) | Total
Equity |
|-------------------------------------|-----------------|----------------------------------|-----------------------------------|-----------------|
| Balance at December 31, 2017 | \$ 762 | \$ 2,670 | \$ (269) | \$ 3,163 |
| Net income | — | — | 176 | 176 |
| Contribution from parent | — | 106 | — | 106 |
| Balance at December 31, 2018 | \$ 762 | \$ 2,776 | \$ (93) | \$ 3,445 |
| Net income | — | — | 238 | 238 |
| Balance at December 31, 2019 | \$ 762 | \$ 2,776 | \$ 145 | \$ 3,683 |
| Net income | — | — | 252 | 252 |
| Balance at December 31, 2020 | \$ 762 | \$ 2,776 | \$ 397 | \$ 3,935 |

See Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholder and the Board of Directors of
Duke Energy Indiana, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Duke Energy Indiana, LLC and subsidiaries (the “Company”) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Regulatory Matters — Impact of Rate Regulation on the Financial Statements — Refer to Notes 1 and 3 to the financial statements.*Critical Audit Matter Description*

The Company is subject to rate regulation by the Indiana Utility Regulatory Commission (the “Commission”), which has jurisdiction with respect to the electric rates of the Company. Management has determined it meets the criteria for the application of regulated operations accounting in preparing its financial statements under accounting principles generally accepted in the United States of America. Significant judgment can be required to determine if otherwise recognizable incurred costs qualify to be presented as a regulatory asset and deferred because such costs are probable of future recovery in customer rates. As of December 31, 2020, the Company has approximately \$1.3 billion recorded as regulatory assets.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management, including assumptions regarding the outcome of future decisions by the Commission; to support its assertions on the likelihood of future recovery for deferred costs. Given that management’s accounting judgments are based on assumptions about the outcome of future decisions by the Commission, auditing these judgments required specialized knowledge of accounting for rate regulation and the ratemaking process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the recovery of regulatory assets included the following, among others:

- We tested the effectiveness of management’s controls over the evaluation of the likelihood of the recovery in future rates of regulatory assets and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates.
- We evaluated the Company’s disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.

PART II

- We read relevant regulatory orders issued by the Commission, regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates based on precedents of the Commission's treatment of similar costs under similar circumstances. We evaluated the external information and compared it to management's recorded regulatory asset balances for completeness.
- For regulatory matters in process, we inspected the Company's and intervenors' filings with the Commission, that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We evaluated the reasonableness of management's judgments regarding the recoverability of regulatory asset balances by performing the following:
 - We inquired of management regarding changes in regulatory orders and regulatory asset balances during the year.
 - We evaluated the reasonableness of such changes based on our knowledge of commission-approved amortization, expected incurred costs, and recently approved regulatory orders, as applicable.
 - We utilized trend analyses to evaluate the historical consistency of regulatory asset balances.
 - We compared the recorded regulatory asset balance to an independently developed expectation of the corresponding balance.
- We obtained representation from management asserting that regulatory assets recorded on the financial statements are probable of recovery.

Duke Energy Indiana Coal Ash Asset Retirement Obligations – Refer to Notes 3, 4, and 9 to the financial statements

Critical Audit Matter Description

Duke Energy Indiana has asset retirement obligations associated with coal ash impoundments at operating and retired coal generation facilities. These legal obligations are the result of Indiana state and federal regulations. There is significant judgment in determining the assumptions used in estimating the closure costs for each site since Duke Energy Indiana does not have approved closure plans for certain sites. Potential changes to the projected closure costs for each site as well as probability weightings for the cash flows associated with the different potential closure methods ("probability weightings") creates estimation uncertainty. The liability for coal ash asset retirement obligations at Duke Energy Indiana was \$1,140 million at December 31, 2020.

We identified the asset retirement obligations associated with coal ash impoundments at Duke Energy Indiana as a critical audit matter because of the significant management estimates and assumptions, including projected closure costs as well as the different potential closure methods. The audit procedures to evaluate the reasonableness of management's estimates and assumptions related to potential changes to the projected closure costs for each site as well as probability weightings for the cash flows associated with the different potential closure methods required a high degree of auditor judgment and an increased extent of effort, including the need to involve our environmental specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the underlying estimated closure costs for coal ash asset retirement obligations at Duke Energy Indiana included the following, among others:

- We tested the effectiveness of controls over management's coal ash asset retirement obligation estimate, including those over management's determination of the estimated closure costs and probability weightings.
- We evaluated management's ability to accurately estimate future closure costs by comparing actual closure costs to management's historical estimates.
- We tested the mathematical accuracy of management's coal ash asset retirement obligation calculations, including the application of probability weightings.
- We made inquiries of internal and external legal counsel regarding the status of the legal matters associated with the probability weightings.
- We inspected the opinions from internal and external legal counsel supporting the probability weightings.
- We inspected the Company's filings with and orders from the Indiana Department of Environmental Management, for evidence that might contradict management's assertions regarding the estimated closure costs and probability weightings.
- With the assistance of our environmental specialists, we evaluated the reasonableness of management's estimated closure costs by comparing the costs to actual costs incurred at comparable coal ash impoundments, underlying contracts, and publicly available industry cost data, as applicable.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina

February 25, 2021

We have served as the Company's auditor since 2002.

PART II

DUKE ENERGY INDIANA, LLC

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|-----------------|-----------------|
| | 2020 | 2019 | 2018 |
| Operating Revenues | \$ 2,795 | \$ 3,004 | \$ 3,059 |
| Operating Expenses | | | |
| Fuel used in electric generation and purchased power | 767 | 935 | 1,000 |
| Operation, maintenance and other | 762 | 790 | 788 |
| Depreciation and amortization | 569 | 525 | 520 |
| Property and other taxes | 81 | 69 | 78 |
| Impairment charges | — | — | 30 |
| Total operating expenses | 2,179 | 2,319 | 2,416 |
| Operating Income | 616 | 685 | 643 |
| Other Income and Expenses, net | 37 | 41 | 45 |
| Interest Expense | 161 | 156 | 167 |
| Income Before Income Taxes | 492 | 570 | 521 |
| Income Tax Expense | 84 | 134 | 128 |
| Net Income and Comprehensive Income | \$ 408 | \$ 436 | \$ 393 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY INDIANA, LLC

CONSOLIDATED BALANCE SHEETS

| (in millions) | December 31, | |
|---|------------------|------------------|
| | 2020 | 2019 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 7 | \$ 25 |
| Receivables (net of allowance for doubtful accounts of \$3 at 2020 and \$3 at 2019) | 55 | 60 |
| Receivables from affiliated companies | 112 | 79 |
| Inventory | 473 | 517 |
| Regulatory assets | 125 | 90 |
| Other | 37 | 60 |
| Total current assets | 809 | 831 |
| Property, Plant and Equipment | | |
| Cost | 17,382 | 16,305 |
| Accumulated depreciation and amortization | (5,661) | (5,233) |
| Net property, plant and equipment | 11,721 | 11,072 |
| Other Noncurrent Assets | | |
| Regulatory assets | 1,203 | 1,082 |
| Operating lease right-of-use assets, net | 55 | 57 |
| Other | 253 | 234 |
| Total other noncurrent assets | 1,511 | 1,373 |
| Total Assets | \$ 14,041 | \$ 13,276 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | \$ 188 | \$ 201 |
| Accounts payable to affiliated companies | 88 | 87 |
| Notes payable to affiliated companies | 131 | 30 |
| Taxes accrued | 62 | 49 |
| Interest accrued | 51 | 58 |
| Current maturities of long-term debt | 70 | 503 |
| Asset retirement obligations | 168 | 189 |
| Regulatory liabilities | 111 | 55 |
| Other | 83 | 112 |
| Total current liabilities | 952 | 1,284 |
| Long-Term Debt | 3,871 | 3,404 |
| Long-Term Debt Payable to Affiliated Companies | 150 | 150 |
| Other Noncurrent Liabilities | | |
| Deferred income taxes | 1,228 | 1,150 |
| Asset retirement obligations | 1,008 | 643 |
| Regulatory liabilities | 1,627 | 1,685 |
| Operating lease liabilities | 53 | 55 |
| Accrued pension and other post-retirement benefit costs | 171 | 148 |
| Investment tax credits | 168 | 164 |
| Other | 30 | 18 |
| Total other noncurrent liabilities | 4,285 | 3,863 |
| Commitments and Contingencies | | |
| Equity | | |
| Member's Equity | 4,783 | 4,575 |
| Total Liabilities and Equity | \$ 14,041 | \$ 13,276 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY INDIANA, LLC

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|--------------|--------------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 408 | \$ 436 | \$ 393 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation, amortization, and accretion | 572 | 531 | 524 |
| Equity component of AFUDC | (23) | (18) | (32) |
| Impairment charges | — | — | 30 |
| Deferred income taxes | 29 | 156 | 95 |
| Payments for asset retirement obligations | (63) | (48) | (69) |
| Provision for rate refunds | — | — | 53 |
| (Increase) decrease in | | | |
| Receivables | 8 | (8) | 7 |
| Receivables from affiliated companies | — | 41 | 3 |
| Inventory | 44 | (95) | 28 |
| Other current assets | (3) | 76 | (25) |
| Increase (decrease) in | | | |
| Accounts payable | (12) | (10) | 37 |
| Accounts payable to affiliated companies | 1 | 4 | 5 |
| Taxes accrued | 13 | (25) | (52) |
| Other current liabilities | 6 | 15 | 14 |
| Other assets | (68) | (74) | 26 |
| Other liabilities | 26 | 16 | (31) |
| Net cash provided by operating activities | 938 | 997 | 1,006 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditures | (888) | (876) | (832) |
| Purchases of debt and equity securities | (37) | (26) | (48) |
| Proceeds from sales and maturities of debt and equity securities | 22 | 20 | 44 |
| Notes receivable from affiliated companies | (33) | — | — |
| Other | 48 | (49) | 18 |
| Net cash used in investing activities | (888) | (931) | (818) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the issuance of long-term debt | 544 | 485 | — |
| Payments for the redemption of long-term debt | (513) | (213) | (3) |
| Notes payable to affiliated companies | 101 | (137) | 6 |
| Distributions to parent | (200) | (200) | (175) |
| Other | — | — | (1) |
| Net cash used in financing activities | (68) | (65) | (173) |
| Net (decrease) increase in cash and cash equivalents | (18) | 1 | 15 |
| Cash and cash equivalents at beginning of period | 25 | 24 | 9 |
| Cash and cash equivalents at end of period | \$ 7 | \$ 25 | \$ 24 |
| Supplemental Disclosures: | | | |
| Cash paid for interest, net of amount capitalized | \$ 164 | \$ 150 | \$ 162 |
| Cash paid for (received from) income taxes | 36 | (6) | 75 |
| Significant non-cash transactions: | | | |
| Accrued capital expenditures | 101 | 102 | 88 |

See Notes to Consolidated Financial Statements

PART II

DUKE ENERGY INDIANA, LLC

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (in millions) | Member's
Equity |
|-------------------------------------|--------------------|
| Balance at December 31, 2017 | \$ 4,121 |
| Net income | 393 |
| Distributions to parent | (175) |
| Balance at December 31, 2018 | \$ 4,339 |
| Net income | 436 |
| Distributions to parent | (200) |
| Balance at December 31, 2019 | \$ 4,575 |
| Net income | 408 |
| Distributions to parent | (200) |
| Balance at December 31, 2020 | \$ 4,783 |

See Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholder and the Board of Directors of
Piedmont Natural Gas Company, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Piedmont Natural Gas Company, Inc. and subsidiaries (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Impact of Rate Regulation on the Financial Statements — Refer to Notes 1 and 3 to the financial statements.***Critical Audit Matter Description***

The Company is subject to rate regulation by the North Carolina Utilities Commission, the Public Service Commission of South Carolina, and the Tennessee Public Utility Commission (collectively the "Commissions"), which have jurisdiction with respect to the gas rates of the Company. Management has determined it meets the criteria for the application of regulated operations accounting in preparing its financial statements under accounting principles generally accepted in the United States of America. Significant judgment can be required to determine if otherwise recognizable incurred costs qualify to be presented as a regulatory asset and deferred because such costs are probable of future recovery in customer rates. As of December 31, 2020, the Company has approximately \$450 million recorded as regulatory assets.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management, including assumptions regarding the outcome of future decisions by the Commissions; to support its assertions on the likelihood of future recovery for deferred costs. Given that management's accounting judgments are based on assumptions about the outcome of future decisions by the Commissions, auditing these judgments required specialized knowledge of accounting for rate regulation and the ratemaking process due to its inherent complexities.

PART II

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the recovery of regulatory assets included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of the recovery in future rates of regulatory assets and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering costs in future rates.
- We evaluated the Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments.
- We read relevant regulatory orders issued by the Commissions, regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates based on precedents of the Commissions' treatment of similar costs under similar circumstances. We evaluated the external information and compared it to management's recorded regulatory asset balances for completeness.
- For regulatory matters in process, we inspected the Company's and intervenors' filings with the Commissions, that may impact the Company's future rates, for any evidence that might contradict management's assertions.
- We evaluated the reasonableness of management's judgments regarding the recoverability of regulatory asset balances by performing the following:
 - We inquired of management regarding changes in regulatory orders and regulatory asset balances during the year.
 - We evaluated the reasonableness of such changes based on our knowledge of commission-approved amortization, expected incurred costs, and recently approved regulatory orders, as applicable.
 - We utilized trend analyses to evaluate the historical consistency of regulatory asset balances.
 - We compared the recorded regulatory asset balance to an independently developed expectation of the corresponding balance.
- We obtained representation from management asserting that regulatory assets recorded on the financial statements are probable of recovery.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina

February 25, 2021

We have served as the Company's auditor since 1951.

PART II

PIEDMONT NATURAL GAS COMPANY, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|----------|----------|
| | 2020 | 2019 | 2018 |
| Operating Revenues | | | |
| Regulated natural gas | \$ 1,286 | \$ 1,369 | \$ 1,365 |
| Nonregulated natural gas and other | 11 | 12 | 10 |
| Total operating revenues | 1,297 | 1,381 | 1,375 |
| Operating Expenses | | | |
| Cost of natural gas | 386 | 532 | 584 |
| Operation, maintenance and other | 322 | 328 | 357 |
| Depreciation and amortization | 180 | 172 | 159 |
| Property and other taxes | 53 | 45 | 49 |
| Impairment charges | 7 | — | — |
| Total operating expenses | 948 | 1,077 | 1,149 |
| Operating Income | 349 | 304 | 226 |
| Equity in earnings of unconsolidated affiliates | 9 | 8 | 7 |
| Other income and expense, net | 51 | 20 | 14 |
| Total other income and expenses | 60 | 28 | 21 |
| Interest Expense | 118 | 87 | 81 |
| Income Before Income Taxes | 291 | 245 | 166 |
| Income Tax Expense | 18 | 43 | 37 |
| Net Income and Comprehensive Income | \$ 273 | \$ 202 | \$ 129 |

See Notes to Consolidated Financial Statements

PART II

PIEDMONT NATURAL GAS COMPANY, INC.

CONSOLIDATED BALANCE SHEETS

| (in millions) | December 31, | |
|--|-----------------|-----------------|
| | 2020 | 2019 |
| ASSETS | | |
| Current Assets | | |
| Receivables (net of allowance for doubtful accounts of \$12 at 2020 and \$6 at 2019) | \$ 250 | \$ 241 |
| Receivables from affiliated companies | 10 | 10 |
| Inventory | 68 | 72 |
| Regulatory assets | 153 | 73 |
| Other | 20 | 28 |
| Total current assets | 501 | 424 |
| Property, Plant and Equipment | | |
| Cost | 9,134 | 8,446 |
| Accumulated depreciation and amortization | (1,749) | (1,681) |
| Net property, plant and equipment | 7,385 | 6,765 |
| Other Noncurrent Assets | | |
| Goodwill | 49 | 49 |
| Regulatory assets | 302 | 290 |
| Operating lease right-of-use assets, net | 20 | 24 |
| Investments in equity method unconsolidated affiliates | 88 | 83 |
| Other | 270 | 121 |
| Total other noncurrent assets | 729 | 567 |
| Total Assets | \$ 8,615 | \$ 7,756 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | \$ 230 | \$ 215 |
| Accounts payable to affiliated companies | 79 | 3 |
| Notes payable to affiliated companies | 530 | 476 |
| Taxes accrued | 23 | 24 |
| Interest accrued | 34 | 33 |
| Current maturities of long-term debt | 160 | — |
| Regulatory liabilities | 88 | 81 |
| Other | 69 | 67 |
| Total current liabilities | 1,213 | 899 |
| Long-Term Debt | 2,620 | 2,384 |
| Other Noncurrent Liabilities | | |
| Deferred income taxes | 821 | 708 |
| Asset retirement obligations | 20 | 17 |
| Regulatory liabilities | 1,044 | 1,131 |
| Operating lease liabilities | 19 | 23 |
| Accrued pension and other post-retirement benefit costs | 8 | 3 |
| Other | 155 | 148 |
| Total other noncurrent liabilities | 2,067 | 2,030 |
| Commitments and Contingencies | | |
| Equity | | |
| Common stock, 0 par value: 100 shares authorized and outstanding at 2020 and 2019 | 1,310 | 1,310 |
| Retained earnings | 1,405 | 1,133 |
| Total equity | 2,715 | 2,443 |
| Total Liabilities and Equity | \$ 8,615 | \$ 7,756 |

See Notes to Consolidated Financial Statements

PART II

PIEDMONT NATURAL GAS COMPANY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|---------|--------|
| | 2020 | 2019 | 2018 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 273 | \$ 202 | \$ 129 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 182 | 174 | 161 |
| Equity component of AFUDC | (19) | — | — |
| Impairment charges | 7 | — | — |
| Deferred income taxes | 53 | 136 | (31) |
| Equity in (earnings) losses from unconsolidated affiliates | (9) | (8) | (7) |
| Provision for rate refunds | (33) | 2 | 43 |
| (Increase) decrease in | | | |
| Receivables | 10 | 28 | 7 |
| Receivables from affiliated companies | — | 12 | (15) |
| Inventory | 3 | (2) | (4) |
| Other current assets | (66) | (25) | 71 |
| Increase (decrease) in | | | |
| Accounts payable | 16 | (7) | 15 |
| Accounts payable to affiliated companies | 76 | (35) | 25 |
| Taxes accrued | 3 | (60) | 65 |
| Other current liabilities | (11) | 1 | 21 |
| Other assets | (11) | 1 | 3 |
| Other liabilities | 7 | (10) | (5) |
| Net cash provided by operating activities | 481 | 409 | 478 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditures | (901) | (1,053) | (721) |
| Contributions to equity method investments | — | (16) | — |
| Other | (28) | (14) | (10) |
| Net cash used in investing activities | (929) | (1,083) | (731) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from the issuance of long-term debt | 394 | 596 | 100 |
| Payments for the redemption of long-term debt | — | (350) | — |
| Notes payable to affiliated companies | 54 | 278 | (166) |
| Capital contribution from parent | — | 150 | 300 |
| Net cash provided by financing activities | 448 | 674 | 234 |
| Net decrease in cash and cash equivalents | — | — | (19) |
| Cash and cash equivalents at beginning of period | — | — | 19 |
| Cash and cash equivalents at end of period | \$ — | \$ — | \$ — |
| Supplemental Disclosures: | | | |
| Cash paid for interest, net of amount capitalized | \$ 115 | \$ 84 | \$ 79 |
| Cash received from income taxes | (36) | (31) | (16) |
| Significant non-cash transactions: | | | |
| Accrued capital expenditures | 106 | 109 | 96 |

See Notes to Consolidated Financial Statements

PART II

PIEDMONT NATURAL GAS COMPANY, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (in millions) | Common
Stock | Retained
Earnings | Total
Equity |
|-------------------------------------|-----------------|----------------------|-----------------|
| Balance at December 31, 2017 | \$ 860 | \$ 802 | \$ 1,662 |
| Net income | — | 129 | 129 |
| Contribution from parent | 300 | — | 300 |
| Balance at December 31, 2018 | \$ 1,160 | \$ 931 | \$ 2,091 |
| Net income | — | 202 | 202 |
| Contribution from parent | 150 | — | 150 |
| Balance at December 31, 2019 | \$ 1,310 | \$ 1,133 | \$ 2,443 |
| Net income | — | 273 | 273 |
| Other | — | (1) | (1) |
| Balance at December 31, 2020 | \$ 1,310 | \$ 1,405 | \$ 2,715 |

See Notes to Consolidated Financial Statements

Combined Notes to Consolidated Financial Statements

For the Years Ended December 31, 2020, 2019 and 2018

Index to Combined Notes To Consolidated Financial Statements

The notes to the consolidated financial statements are a combined presentation. The following table indicates the registrants to which the notes apply.

| Registrant | Applicable Notes | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------------|------------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| Duke Energy | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |
| Duke Energy Carolinas | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |
| Progress Energy | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |
| Duke Energy Progress | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |
| Duke Energy Florida | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |
| Duke Energy Ohio | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |
| Duke Energy Indiana | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |
| Piedmont | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |

Tables within the notes may not sum across due to (i) Progress Energy's consolidation of Duke Energy Progress, Duke Energy Florida and other subsidiaries that are not registrants and (ii) subsidiaries that are not registrants but included in the consolidated Duke Energy balances.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**NATURE OF OPERATIONS AND BASIS OF CONSOLIDATION**

Duke Energy is an energy company headquartered in Charlotte, North Carolina, subject to regulation by the FERC and other regulatory agencies listed below. Duke Energy operates in the U.S. primarily through its direct and indirect subsidiaries. Certain Duke Energy subsidiaries are also subsidiary registrants, including Duke Energy Carolinas; Progress Energy; Duke Energy Progress; Duke Energy Florida; Duke Energy Ohio; Duke Energy Indiana and Piedmont. When discussing Duke Energy's consolidated financial information, it necessarily includes the results of its separate Subsidiary Registrants, which along with Duke Energy, are collectively referred to as the Duke Energy Registrants.

The information in these combined notes relates to each of the Duke Energy Registrants as noted in the Index to Combined Notes to Consolidated Financial Statements. However, none of the Subsidiary Registrants make any representation as to information related solely to Duke Energy or the Subsidiary Registrants of Duke Energy other than itself.

These Consolidated Financial Statements include, after eliminating intercompany transactions and balances, the accounts of the Duke Energy Registrants and subsidiaries or VIEs where the respective Duke Energy Registrants have control. See Note 17 for additional information on VIEs. These Consolidated Financial Statements also reflect the Duke Energy Registrants' proportionate share of certain jointly owned generation and transmission facilities. See Note 8 for additional information on joint ownership. Substantially all of the Subsidiary Registrants' operations qualify for regulatory accounting.

Duke Energy Carolinas is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of North Carolina and South Carolina. Duke Energy Carolinas is subject to the regulatory provisions of the NCUC, PSCSC, NRC and FERC.

Progress Energy is a public utility holding company, which conducts operations through its wholly owned subsidiaries, Duke Energy Progress and Duke Energy Florida. Progress Energy is subject to regulation by FERC and other regulatory agencies listed below.

Duke Energy Progress is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of North Carolina and South Carolina. Duke Energy Progress is subject to the regulatory provisions of the NCUC, PSCSC, NRC and FERC.

Duke Energy Florida is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of Florida. Duke Energy Florida is subject to the regulatory provisions of the FPSC, NRC and FERC.

Duke Energy Ohio is a regulated public utility primarily engaged in the transmission and distribution of electricity in portions of Ohio and Kentucky, the generation and sale of electricity in portions of Kentucky and the transportation and sale of natural gas in portions of Ohio and Kentucky. Duke Energy Ohio conducts competitive auctions for retail electricity supply in Ohio whereby the energy price is recovered from retail customers and recorded in Operating Revenues on the Consolidated Statements of Operations and Comprehensive Income. Operations in Kentucky are conducted through its wholly owned subsidiary, Duke Energy Kentucky. References herein to Duke Energy Ohio collectively include Duke Energy Ohio and its subsidiaries, unless otherwise noted. Duke Energy Ohio is subject to the regulatory provisions of the PUCO, KPSC and FERC.

Duke Energy Indiana is a regulated public utility primarily engaged in the generation, transmission, distribution and sale of electricity in portions of Indiana. Duke Energy Indiana is subject to the regulatory provisions of the IURC and FERC.

Piedmont is a regulated public utility primarily engaged in the distribution of natural gas in portions of North Carolina, South Carolina and Tennessee. Piedmont is subject to the regulatory provisions of the NCUC, PSCSC, TPUC and FERC.

Certain prior year amounts have been reclassified to conform to the current year presentation.

COVID-19

The COVID-19 pandemic is having a significant impact on global health and economic environments. In March 2020, the World Health Organization declared COVID-19 a global pandemic, and the federal government proclaimed that the COVID-19 outbreak in the United States constitutes a national emergency. The Duke Energy Registrants are monitoring developments closely and responding appropriately. The company incurred approximately \$112 million of incremental COVID-19 costs before deferral for the year ended December 31, 2020, included in Operation, maintenance and other on the Consolidated

Combined Notes to Consolidated Financial Statements – (Continued)

Statements of Operations. Further, the company waived approximately \$64 million of late payment fees for the year ended December 31, 2020. The company has deferred approximately \$76 million of the incremental costs, which were primarily bad debt expense, personal protective equipment and cleaning supplies, and a cost component of late payment fees. See Notes 3, 6, 17, 18 and 23 for additional information as well as steps taken to mitigate the impacts to our business and customers from the COVID-19 pandemic.

Other Current Assets and Liabilities

The following table provides a description of amounts included in Other within Current Assets or Current Liabilities that exceed 5% of total Current Assets or Current Liabilities on the Duke Energy Registrants' Consolidated Balance Sheets at either December 31, 2020, or 2019.

| (in millions) | Location | December 31, | |
|------------------------------|---------------------|--------------|--------|
| | | 2020 | 2019 |
| Duke Energy | | | |
| Other accrued liabilities | Current Liabilities | \$ 1,455 | \$ 604 |
| Accrued compensation | Current Liabilities | 662 | 862 |
| Duke Energy Carolinas | | | |
| Accrued compensation | Current Liabilities | \$ 213 | \$ 271 |
| Other accrued liabilities | Current Liabilities | 178 | 147 |
| Progress Energy | | | |
| Customer deposits | Current Liabilities | \$ 347 | \$ 354 |
| Duke Energy Florida | | | |
| Customer deposits | Current Liabilities | \$ 203 | \$ 209 |
| Duke Energy Ohio | | | |
| Gas Storage | Current Assets | \$ 21 | \$ — |
| Duke Energy Indiana | | | |
| Income taxes receivable | Current Assets | \$ 9 | \$ 44 |

Discontinued Operations

Duke Energy has elected to present cash flows of discontinued operations combined with cash flows of continuing operations. Unless otherwise noted, the notes to these consolidated financial statements exclude amounts related to discontinued operations for all periods presented. For the years ended December 31, 2020, 2019 and 2018, the Income (Loss) From Discontinued Operations, net of tax on Duke Energy's Consolidated Statements of Operations is entirely attributable to controlling interest.

Noncontrolling Interest

Duke Energy maintains a controlling financial interest in certain less than wholly owned nonregulated subsidiaries. As a result, Duke Energy consolidates these subsidiaries and presents the third-party investors' portion of Duke Energy's net income (loss), net assets and comprehensive income (loss) as noncontrolling interest. Noncontrolling interest is included as a component of equity on the Consolidated Balance Sheet.

Several operating agreements of Duke Energy's subsidiaries with noncontrolling interest are subject to allocations of tax attributes and cash flows in accordance with contractual agreements that vary throughout the lives of the subsidiaries. Therefore, Duke Energy and the other investors' (the owners) interests in the subsidiaries are not fixed, and the subsidiaries apply the HLBV method in allocating income or loss and other comprehensive income or loss (all measured on a pretax basis) to the owners. The HLBV method measures the amounts that each owner would hypothetically claim at each balance sheet reporting date, including tax benefits realized by the owners, most of which is over the IRS recapture period, upon a hypothetical liquidation of the subsidiary at the net book value of its underlying assets. The change in the amount that each owner would hypothetically receive at the reporting date compared to the amount it would have received on the previous reporting date represents the amount of income or loss allocated to each owner for the reporting period.

Other operating agreements of Duke Energy's subsidiaries with noncontrolling interest allocate profit and loss based on their pro rata shares of the ownership interest in the respective subsidiary. Therefore, Duke Energy allocates net income or loss and other comprehensive income or loss of these subsidiaries to the owners based on their pro rata shares.

During the third quarter of 2019, Duke Energy completed a sale of minority interest in a portion of certain renewable assets within the Commercial Renewables Segment for pretax proceeds to Duke Energy of \$415 million. The portion of Duke Energy's commercial renewables energy portfolio sold includes 49% of 37 operating wind, solar and battery storage assets and 33% of 11 operating solar assets across the U.S. Duke Energy retained control of these assets, and, therefore, no gain or loss was recognized on the Consolidated Statements of Operations. The difference between the consideration received and the carrying value of the noncontrolling interest claim on net assets is \$466 million, net of tax benefit of \$8 million, and was recorded to equity.

The following table presents cash received for the sale of noncontrolling interest and allocated losses to noncontrolling interest for the years ended December 31, 2020, and 2019.

| (in millions) | December 31, | |
|--|---------------|---------------|
| | 2020 | 2019 |
| Noncontrolling Interest Capital Contributions | | |
| Cash received for the sale of noncontrolling interest to tax equity members | \$ 426 | \$ 428 |
| Cash received for the sale of noncontrolling interest to pro rata share members | — | 415 |
| Total Noncontrolling Interest Capital Contributions | \$ 426 | \$ 843 |
| Noncontrolling Interest Allocation of Income | | |
| Allocated losses to noncontrolling tax equity members utilizing the HLBV method | \$ 271 | \$ 165 |
| Allocated losses to noncontrolling members based on pro rata shares of ownership | 24 | 12 |
| Total Noncontrolling Interest Allocated Losses | \$ 295 | \$ 177 |

Combined Notes to Consolidated Financial Statements – (Continued)**2021 Sale of Minority Interest in Duke Energy Indiana**

In January 2021, Duke Energy entered into a definitive agreement providing for the sale of a 19.9% minority interest in Duke Energy Indiana with an affiliate of GIC, Singapore's sovereign wealth fund and an experienced investor in U.S. infrastructure. To facilitate the transaction, Duke Energy will issue and sell membership interests in Duke Energy Indiana Holdco, LLC, a newly created holding company that will own 100% of the issued and outstanding membership interests in Duke Energy Indiana. The transaction will be completed following two closings for an aggregate purchase price of approximately \$2 billion. The first closing is expected to be completed in the second quarter of 2021 and Duke Energy will issue and sell 11.1% of the membership interests in exchange for 50% of the purchase price. Under the terms of the agreement, Duke Energy has the discretion to determine the timing of the second closing, but it will occur no later than January 2023. At the second closing, Duke Energy will issue and sell additional membership interests such that GIC will own 19.9% of the membership interests for the remaining 50% of the purchase price. Duke Energy will continue to operate and retain control of Duke Energy Indiana and, therefore, no gain or loss is expected to be recognized in the Consolidated Statements of Operations. Additionally, the transaction will be reflected within Duke Energy Corporations' stockholders' equity as a sale of a noncontrolling interest.

Acquisitions

The Duke Energy Registrants consolidate assets and liabilities from acquisitions as of the purchase date and include earnings from acquisitions in consolidated earnings after the purchase date.

SIGNIFICANT ACCOUNTING POLICIES**Use of Estimates**

In preparing financial statements that conform to GAAP, the Duke Energy Registrants must make estimates and assumptions that affect the reported amounts of assets and liabilities, the reported amounts of revenues and expenses and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Regulatory Accounting

The majority of the Duke Energy Registrants' operations are subject to price regulation for the sale of electricity and natural gas by state utility commissions or FERC. When prices are set on the basis of specific costs of the regulated operations and an effective franchise is in place such that sufficient natural gas or electric services can be sold to recover those costs,

the Duke Energy Registrants apply regulatory accounting. Regulatory accounting changes the timing of the recognition of costs or revenues relative to a company that does not apply regulatory accounting. As a result, regulatory assets and regulatory liabilities are recognized on the Consolidated Balance Sheets. Regulatory assets and liabilities are amortized consistent with the treatment of the related cost in the ratemaking process. Regulatory assets are reviewed for recoverability each reporting period. If a regulatory asset is no longer deemed probable of recovery, the deferred cost is charged to earnings. See Note 3 for further information.

Regulatory accounting rules also require recognition of a disallowance (also called "impairment") loss if it becomes probable that part of the cost of a plant under construction (or a recently completed plant or an abandoned plant) will be disallowed for ratemaking purposes and a reasonable estimate of the amount of the disallowance can be made. For example, if a cost cap is set for a plant still under construction, the amount of the disallowance is a result of a judgment as to the ultimate cost of the plant. These disallowances can require judgments on allowed future rate recovery.

When it becomes probable that regulated generation, transmission or distribution assets will be abandoned, the cost of the asset is removed from plant in service. The value that may be retained as a regulatory asset on the balance sheet for the abandoned property is dependent upon amounts that may be recovered through regulated rates, including any return. As such, an impairment charge could be partially or fully offset by the establishment of a regulatory asset if rate recovery is probable. The impairment charge for a disallowance of costs for regulated plants under construction, recently completed or abandoned is based on discounted cash flows.

The Duke Energy Registrants utilize cost-tracking mechanisms, commonly referred to as fuel adjustment clauses or PGA clauses. These clauses allow for the recovery of fuel and fuel-related costs, portions of purchased power, natural gas costs and hedging costs through surcharges on customer rates. The difference between the costs incurred and the surcharge revenues is recorded either as an adjustment to Operating Revenues, Operating Expenses – Fuel used in electric generation or Operating Expenses – Cost of natural gas on the Consolidated Statements of Operations, with an off-setting impact on regulatory assets or liabilities.

Cash, Cash Equivalents and Restricted Cash

All highly liquid investments with maturities of three months or less at the date of acquisition are considered cash equivalents. Duke Energy, Progress Energy and Duke Energy Florida have restricted cash balances related primarily to collateral assets, escrow deposits and VIEs. See Note 17 for additional information. Restricted cash amounts are included in Other within Current Assets and Other Noncurrent Assets on the Consolidated Balance Sheets. The following table presents the components of cash, cash equivalents and restricted cash included in the Consolidated Balance Sheets.

| | December 31, 2020 | | | December 31, 2019 | | |
|---|-------------------|-----------------|---------------------|-------------------|-----------------|---------------------|
| | Duke Energy | Progress Energy | Duke Energy Florida | Duke Energy | Progress Energy | Duke Energy Florida |
| Current Assets | | | | | | |
| Cash and cash equivalents | \$ 259 | \$ 59 | \$ 11 | \$ 311 | \$ 48 | \$ 17 |
| Other | 194 | 39 | 39 | 222 | 39 | 39 |
| Other Noncurrent Assets | | | | | | |
| Other | 103 | 102 | — | 40 | 39 | — |
| Total cash, cash equivalents and restricted cash | \$ 556 | \$ 200 | \$ 50 | \$ 573 | \$ 126 | \$ 56 |

Combined Notes to Consolidated Financial Statements – (Continued)**Inventory**

Inventory related to regulated operations is valued at historical cost. Inventory related to nonregulated operations is valued at the lower of cost or market. Inventory is charged to expense or capitalized to property, plant and equipment when issued, primarily using the average cost method. Excess or obsolete inventory is written down to the lower of cost or net realizable value. Once inventory has been written down, it creates a new cost basis for the inventory that is not subsequently written up. Provisions for inventory write-offs were not material at December 31, 2020, and 2019, respectively. The components of inventory are presented in the tables below.

| (in millions) | December 31, 2020 | | | | | | | |
|----------------------------|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Materials and supplies | \$ 2,312 | \$ 785 | \$ 999 | \$ 673 | \$ 325 | \$ 78 | \$ 307 | \$ 12 |
| Coal | 561 | 186 | 193 | 131 | 63 | 16 | 165 | — |
| Natural gas, oil and other | 294 | 39 | 183 | 107 | 76 | 16 | 1 | 56 |
| Total inventory | \$ 3,167 | \$ 1,010 | \$ 1,375 | \$ 911 | \$ 464 | \$ 110 | \$ 473 | \$ 68 |

| (in millions) | December 31, 2019 | | | | | | | |
|----------------------------|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Materials and supplies | \$ 2,297 | \$ 768 | \$ 1,038 | \$ 686 | \$ 351 | \$ 79 | \$ 318 | \$ 5 |
| Coal | 586 | 187 | 186 | 138 | 48 | 15 | 198 | — |
| Natural gas, oil and other | 349 | 41 | 199 | 110 | 90 | 41 | 1 | 67 |
| Total inventory | \$ 3,232 | \$ 996 | \$ 1,423 | \$ 934 | \$ 489 | \$ 135 | \$ 517 | \$ 72 |

Investments in Debt and Equity Securities

The Duke Energy Registrants classify investments in equity securities as FV-NI and investments in debt securities as AFS. Both categories are recorded at fair value on the Consolidated Balance Sheets. Realized and unrealized gains and losses on securities classified as FV-NI are reported through net income. Unrealized gains and losses for debt securities classified as AFS are included in AOCI until realized, unless it is determined the carrying value of an investment has a credit loss. For certain investments of regulated operations, such as substantially all of the NDTF, realized and unrealized gains and losses (including any credit losses) on debt securities are recorded as a regulatory asset or liability. The credit loss portion of debt securities of nonregulated operations are included in earnings. Investments in debt and equity securities are classified as either current or noncurrent based on management's intent and ability to sell these securities, taking into consideration current market liquidity. See Note 15 for further information.

Goodwill

Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont perform annual goodwill impairment tests as of August 31 each year at the reporting unit level, which is determined to be a business segment or one level below. Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont update these tests between annual tests if events or circumstances occur that would more likely than not reduce the fair value of a reporting unit below its carrying value. See Note 11 for further information.

Intangible Assets

Intangible assets are included in Other in Other Noncurrent Assets on the Consolidated Balance Sheets. Generally, intangible assets are amortized using

an amortization method that reflects the pattern in which the economic benefits of the intangible asset are consumed or on a straight-line basis if that pattern is not readily determinable. Amortization of intangibles is reflected in Depreciation and amortization on the Consolidated Statements of Operations. Intangible assets are subject to impairment testing and if impaired, the carrying value is accordingly reduced.

RECs are used to measure compliance with renewable energy standards and are held primarily for consumption. See Note 11 for further information.

Long-Lived Asset Impairments

The Duke Energy Registrants evaluate long-lived assets, excluding goodwill, for impairment when circumstances indicate the carrying value of those assets may not be recoverable. An impairment exists when a long-lived asset's carrying value exceeds the estimated undiscounted cash flows expected to result from the use and eventual disposition of the asset. The estimated cash flows may be based on alternative expected outcomes that are probability weighted. If the carrying value of the long-lived asset is not recoverable based on these estimated future undiscounted cash flows, the carrying value of the asset is written down to its then current estimated fair value and an impairment charge is recognized.

The Duke Energy Registrants assess fair value of long-lived assets using various methods, including recent comparable third-party sales, internally developed discounted cash flow analysis and analysis from outside advisors. Triggering events to reassess cash flows may include, but are not limited to, significant changes in commodity prices, the condition of an asset or management's interest in selling the asset.

Combined Notes to Consolidated Financial Statements – (Continued)**Equity Method Investment Impairments**

Investments in affiliates that are not controlled by Duke Energy, but over which it has significant influence, are accounted for using the equity method. Equity method investments are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If the decline in value is considered to be other than temporary, the investment is written down to its estimated fair value, which establishes a new cost basis in the investment.

Impairment assessments use a discounted cash flow income approach and include consideration of the severity and duration of any decline in the fair value of the investments. The estimated cash flows may be based on alternative expected outcomes that are probability weighted. Key inputs that involve estimates and significant management judgment include cash flow projections, selection of a discount rate, probability weighting of potential outcomes, and whether any decline in value is considered temporary.

Property, Plant and Equipment

Property, plant and equipment are stated at the lower of depreciated historical cost net of any disallowances or fair value, if impaired. The Duke Energy Registrants capitalize all construction-related direct labor and material costs, as well as indirect construction costs such as general engineering, taxes and financing costs. See "Allowance for Funds Used During Construction and Interest Capitalized" for information on capitalized financing costs. Costs of renewals and betterments that extend the useful life of property, plant and equipment are also capitalized. The cost of repairs, replacements and major maintenance projects, which do not extend the useful life or increase the expected output of the asset, are expensed as incurred. Depreciation is generally computed over the estimated useful life of the asset using the composite straight-line method. Depreciation studies are conducted periodically to update composite rates and are approved by state utility commissions and/or the FERC when required. The composite weighted average depreciation rates, excluding nuclear fuel, are included in the table that follows.

| | Years Ended December 31, | | |
|-----------------------|--------------------------|------|------|
| | 2020 | 2019 | 2018 |
| Duke Energy | 3.0% | 3.1% | 3.0% |
| Duke Energy Carolinas | 2.8% | 2.8% | 2.8% |
| Progress Energy | 3.2% | 3.1% | 2.9% |
| Duke Energy Progress | 3.1% | 3.1% | 2.9% |
| Duke Energy Florida | 3.3% | 3.1% | 3.0% |
| Duke Energy Ohio | 2.9% | 2.6% | 2.8% |
| Duke Energy Indiana | 3.5% | 3.3% | 3.3% |
| Piedmont | 2.3% | 2.4% | 2.5% |

In general, when the Duke Energy Registrants retire regulated property, plant and equipment, the original cost plus the cost of retirement, less salvage value and any depreciation already recognized, is charged to accumulated depreciation. However, when it becomes probable the asset will be retired substantially in advance of its original expected useful life or is abandoned, the cost of the asset and the corresponding accumulated depreciation is recognized as a separate asset. If the asset is still in operation, the net amount is classified as Generation facilities to be retired, net on the Consolidated Balance Sheets. If the asset is no longer operating, the net amount is classified in Regulatory assets on the Consolidated Balance Sheets if deemed recoverable (see discussion of long-lived asset impairments above). The carrying value of the asset is based on historical cost if the Duke Energy Registrants are allowed

to recover the remaining net book value and a return equal to at least the incremental borrowing rate. If not, an impairment is recognized to the extent the net book value of the asset exceeds the present value of future revenues discounted at the incremental borrowing rate.

When the Duke Energy Registrants sell entire regulated operating units, or retire or sell nonregulated properties, the original cost and accumulated depreciation and amortization balances are removed from Property, Plant and Equipment on the Consolidated Balance Sheets. Any gain or loss is recorded in earnings, unless otherwise required by the applicable regulatory body. See Note 10 for additional information.

Leases

Duke Energy determines if an arrangement is a lease at contract inception based on whether the arrangement involves the use of a physically distinct identified asset and whether Duke Energy has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period as well as the right to direct the use of the asset. As a policy election, Duke Energy does not evaluate arrangements with initial contract terms of less than one year as leases.

Operating leases are included in Operating lease ROU assets, net, Other current liabilities and Operating lease liabilities on the Consolidated Balance Sheets. Finance leases are included in Property, plant and equipment, Current maturities of long-term debt and Long-Term Debt on the Consolidated Balance Sheets.

For lessee and lessor arrangements, Duke Energy has elected a policy to not separate lease and non-lease components for all asset classes. For lessor arrangements, lease and non-lease components are only combined under one arrangement and accounted for under the lease accounting framework if the non-lease components are not the predominant component of the arrangement and the lease component would be classified as an operating lease.

Nuclear Fuel

Nuclear fuel is classified as Property, Plant and Equipment on the Consolidated Balance Sheets.

Nuclear fuel in the front-end fuel processing phase is considered work in progress and not amortized until placed in service. Amortization of nuclear fuel is included within Fuel used in electric generation and purchased power on the Consolidated Statements of Operations. Amortization is recorded using the units-of-production method.

Allowance for Funds Used During Construction and Interest Capitalized

For regulated operations, the debt and equity costs of financing the construction of property, plant and equipment are reflected as AFUDC and capitalized as a component of the cost of property, plant and equipment. AFUDC equity is reported on the Consolidated Statements of Operations as non-cash income in Other income and expenses, net. AFUDC debt is reported as a non-cash offset to Interest Expense. After construction is completed, the Duke Energy Registrants are permitted to recover these costs through their inclusion in rate base and the corresponding subsequent depreciation or amortization of those regulated assets.

AFUDC equity, a permanent difference for income taxes, reduces the ETR when capitalized and increases the ETR when depreciated or amortized. See Note 23 for additional information.

For nonregulated operations, interest is capitalized during the construction phase with an offsetting non-cash credit to Interest Expense on the Consolidated Statements of Operations.

Combined Notes to Consolidated Financial Statements – (Continued)**Asset Retirement Obligations**

AROs are recognized for legal obligations associated with the retirement of property, plant and equipment. Substantially all AROs are related to regulated operations. When recording an ARO, the present value of the projected liability is recognized in the period in which it is incurred, if a reasonable estimate of fair value can be made. The liability is accreted over time. For operating plants, the present value of the liability is added to the cost of the associated asset and depreciated over the remaining life of the asset. For retired plants, the present value of the liability is recorded as a regulatory asset unless determined not to be probable of recovery.

The present value of the initial obligation and subsequent updates are based on discounted cash flows, which include estimates regarding timing of future cash flows, selection of discount rates and cost escalation rates, among other factors. These estimates are subject to change. Depreciation expense is adjusted prospectively for any changes to the carrying amount of the associated asset. The Duke Energy Registrants receive amounts to fund the cost of the ARO for regulated operations through a combination of regulated revenues and earnings on the NDTF. As a result, amounts recovered in regulated revenues, earnings on the NDTF, accretion expense and depreciation of the associated asset are netted and deferred as a regulatory asset or liability.

Accounts Payable

During 2020, Duke Energy established a supply chain finance program (the “program”) with a global financial institution. The program is voluntary and allows Duke Energy suppliers, at their sole discretion, to sell their receivables from Duke Energy to the financial institution at a rate that leverages Duke Energy’s credit rating and, which may result in favorable terms compared to the rate available to the supplier on their own credit rating. Suppliers participating in the program, determine at their sole discretion which invoices they will sell to the financial institution. Suppliers’ decisions on which invoices are sold do not impact Duke Energy’s payment terms, which are based on commercial terms negotiated between Duke Energy and the supplier regardless of program participation. The commercial terms negotiated between Duke Energy and its suppliers are consistent regardless of whether the supplier elects to participate in the program. Duke Energy does not issue any guarantees with respect to the program and does not participate in negotiations between suppliers and the financial institution. Duke Energy does not have an economic interest in the supplier’s decision to participate in the program and receives no interest, fees or other benefit from the financial institution based on supplier participation in the program.

At December 31, 2020, \$15 million, \$1 million and \$14 million of the outstanding Accounts payable balance for Duke Energy, Duke Energy Ohio and Piedmont, respectively, was sold to the financial institution by our suppliers. Suppliers invoices sold to the financial institution under the program totaled \$45 million, \$9 million and \$36 million for the year ended December 31, 2020, for Duke Energy, Duke Energy Ohio and Piedmont, respectively. All activity related to amounts due to suppliers who elected to participate in the program are included within Net cash provided by operating activities on the Consolidated Statements of Cash Flows.

Revenue Recognition

Duke Energy recognizes revenue as customers obtain control of promised goods and services in an amount that reflects consideration expected in exchange for those goods or services. Generally, the delivery of electricity

and natural gas results in the transfer of control to customers at the time the commodity is delivered and the amount of revenue recognized is equal to the amount billed to each customer, including estimated volumes delivered when billings have not yet occurred. See Note 18 for further information.

Derivatives and Hedging

Derivative and non-derivative instruments may be used in connection with commodity price and interest rate activities, including swaps, futures, forwards and options. All derivative instruments, except those that qualify for the NPNS exception, are recorded on the Consolidated Balance Sheets at fair value. Qualifying derivative instruments may be designated as either cash flow hedges or fair value hedges. Other derivative instruments (undesignated contracts) either have not been designated or do not qualify as hedges. The effective portion of the change in the fair value of cash flow hedges is recorded in AOCI. The effective portion of the change in the fair value of a fair value hedge is offset in net income by changes in the hedged item. For activity subject to regulatory accounting, gains and losses on derivative contracts are reflected as regulatory assets or liabilities and not as other comprehensive income or current period income. As a result, changes in fair value of these derivatives have no immediate earnings impact.

Formal documentation, including transaction type and risk management strategy, is maintained for all contracts accounted for as a hedge. At inception and at least every three months thereafter, the hedge contract is assessed to see if it is highly effective in offsetting changes in cash flows or fair values of hedged items.

See Note 14 for further information.

Captive Insurance Reserves

Duke Energy has captive insurance subsidiaries that provide coverage, on an indemnity basis, to the Subsidiary Registrants as well as certain third parties, on a limited basis, for financial losses, primarily related to property, workers’ compensation and general liability. Liabilities include provisions for estimated losses incurred but not reported (IBNR), as well as estimated provisions for known claims. IBNR reserve estimates are primarily based upon historical loss experience, industry data and other actuarial assumptions. Reserve estimates are adjusted in future periods as actual losses differ from experience.

Duke Energy, through its captive insurance entities, also has reinsurance coverage with third parties for certain losses above a per occurrence and/or aggregate retention. Receivables for reinsurance coverage are recognized when realization is deemed probable.

Unamortized Debt Premium, Discount and Expense

Premiums, discounts and expenses incurred with the issuance of outstanding long-term debt are amortized over the term of the debt issue. The gain or loss on extinguishment associated with refinancing higher-cost debt obligations in the regulated operations is amortized over the remaining life of the original instrument. Amortization expense is recorded as Interest Expense in the Consolidated Statements of Operations and is reflected as Depreciation, amortization and accretion within Net cash provided by operating activities on the Consolidated Statements of Cash Flows.

Premiums, discounts and expenses are presented as an adjustment to the carrying value of the debt amount and included in Long-Term Debt on the Consolidated Balance Sheets presented.

Combined Notes to Consolidated Financial Statements – (Continued)**Preferred Stock**

Preferred stock is reviewed to determine the appropriate balance sheet classification and embedded features, such as call options, are evaluated to determine if they should be bifurcated and accounted for separately. Costs directly related to the issuance of preferred stock is recorded as a reduction of the proceeds received. The liability for the dividend is recognized when declared. The accumulated dividends on the cumulative preferred stock is recognized to net income available to Duke Energy Corporation in the EPS calculation. See Note 19 for further information.

Loss Contingencies and Environmental Liabilities

Contingent losses are recorded when it is probable a loss has occurred and can be reasonably estimated. When a range of the probable loss exists and no amount within the range is a better estimate than any other amount, the minimum amount in the range is recorded. Unless otherwise required by GAAP, legal fees are expensed as incurred.

Environmental liabilities are recorded on an undiscounted basis when environmental remediation or other liabilities become probable and can be reasonably estimated. Environmental expenditures related to past operations that do not generate current or future revenues are expensed. Environmental expenditures related to operations that generate current or future revenues are expensed or capitalized, as appropriate. Certain environmental expenditures receive regulatory accounting treatment and are recorded as regulatory assets. See Notes 3 and 4 for further information.

Pension and Other Post-Retirement Benefit Plans

Duke Energy maintains qualified, non-qualified and other post-retirement benefit plans. Eligible employees of the Subsidiary Registrants participate in the respective qualified, non-qualified and other post-retirement benefit plans and the Subsidiary Registrants are allocated their proportionate share of benefit costs. See Note 22 for further information, including significant accounting policies associated with these plans.

Severance and Special Termination Benefits

Duke Energy has severance plans under which in general, the longer a terminated employee worked prior to termination the greater the amount of severance benefits. A liability for involuntary severance is recorded once an involuntary severance plan is committed to by management if involuntary severances are probable and can be reasonably estimated. For involuntary severance benefits incremental to its ongoing severance plan benefits, the fair value of the obligation is expensed at the communication date if there are no future service requirements or over the required future service period. Duke Energy also offers special termination benefits under voluntary severance programs. Special termination benefits are recorded immediately upon employee acceptance absent a significant retention period. Otherwise, the cost is recorded over the remaining service period. Employee acceptance of voluntary severance benefits is determined by management based on the facts and circumstances of the benefits being offered. See Note 20 for further information.

Guarantees

If necessary, liabilities are recognized at the time of issuance or material modification of a guarantee for the estimated fair value of the obligation it assumes. Fair value is estimated using a probability weighted approach. The obligation is reduced over the term of the guarantee or related contract in a systematic and rational method as risk is reduced. Duke Energy recognizes

a liability for the best estimate of its loss due to the nonperformance of the guaranteed party. This liability is recognized at the inception of a guarantee and is updated periodically. See Note 7 for further information.

Stock-Based Compensation

Stock-based compensation represents costs related to stock-based awards granted to employees and Board of Directors members. Duke Energy recognizes stock-based compensation based upon the estimated fair value of awards, net of estimated forfeitures at the date of issuance. The recognition period for these costs begins at either the applicable service inception date or grant date and continues throughout the requisite service period. Compensation cost is recognized as expense or capitalized as a component of property, plant and equipment. See Note 21 for further information.

Income Taxes

Duke Energy and its subsidiaries file a consolidated federal income tax return and other state and foreign jurisdictional returns. The Subsidiary Registrants are parties to a tax-sharing agreement with Duke Energy. Income taxes recorded represent amounts the Subsidiary Registrants would incur as separate C-Corporations. Deferred income taxes have been provided for temporary differences between GAAP and tax bases of assets and liabilities because the differences create taxable or tax-deductible amounts for future periods. ITCs associated with regulated operations are deferred and amortized as a reduction of income tax expense over the estimated useful lives of the related properties. For ITCs associated with nonregulated operations see "Accounting for Renewable Energy Tax Credits."

Accumulated deferred income taxes are valued using the enacted tax rate expected to apply to taxable income in the periods in which the deferred tax asset or liability is expected to be settled or realized. In the event of a change in tax rates, deferred tax assets and liabilities are remeasured as of the enactment date of the new rate. To the extent that the change in the value of the deferred tax represents an obligation to customers, the impact of the remeasurement is deferred to a regulatory liability. Remaining impacts are recorded in income from continuing operations. Duke Energy's results of operations could be impacted if the estimate of the tax effect of reversing temporary differences is not reflective of actual outcomes, is modified to reflect new developments or interpretations of the tax law, revised to incorporate new accounting principles, or changes in the expected timing or manner of a reversal.

Tax-related interest and penalties are recorded in Interest Expense and Other Income and Expenses, net in the Consolidated Statements of Operations.

See Note 23 for further information.

Accounting for Renewable Energy Tax Credits

When Duke Energy receives ITCs on wind or solar facilities associated with its nonregulated operations, it reduces the basis of the property recorded on the Consolidated Balance Sheets by the amount of the ITC and, therefore, the ITC benefit is ultimately recognized in the statement of operations through reduced depreciation expense. Additionally, certain tax credits and government grants result in an initial tax depreciable base in excess of the book carrying value by an amount equal to one half of the ITC. Deferred tax benefits are recorded as a reduction to income tax expense in the period that the basis difference is created.

When Duke Energy receives ITCs on wind or solar facilities associated with its regulated operations, the ITC is deferred and amortized as a reduction of income tax expense over the estimated useful lives of the related properties.

Duke Energy receives PTCs on wind facilities that are recognized as electricity is produced and records related amounts as a reduction of income tax expense.

Combined Notes to Consolidated Financial Statements – (Continued)

Excise Taxes

Certain excise taxes levied by state or local governments are required to be paid even if not collected from the customer. These taxes are recognized on a gross basis. Taxes for which Duke Energy operates merely as a collection agent for the state and local government are accounted for on a net basis. Excise taxes accounted for on a gross basis within both Operating Revenues and Property and other taxes in the Consolidated Statements of Operations were as follows.

| (in millions) | Years Ended December 31, | | |
|-----------------------|--------------------------|--------|--------|
| | 2020 | 2019 | 2018 |
| Duke Energy | \$ 415 | \$ 421 | \$ 405 |
| Duke Energy Carolinas | 43 | 39 | 35 |
| Progress Energy | 249 | 256 | 241 |
| Duke Energy Progress | 26 | 21 | 19 |
| Duke Energy Florida | 223 | 235 | 222 |
| Duke Energy Ohio | 96 | 101 | 105 |
| Duke Energy Indiana | 25 | 23 | 22 |
| Piedmont | 2 | 2 | 2 |

Dividend Restrictions and Unappropriated Retained Earnings

Duke Energy does not have any current legal, regulatory or other restrictions on paying common stock dividends to shareholders. However, if Duke Energy were to defer dividend payments on the preferred stock, the declaration of common stock dividends would be prohibited. See Note 19 for more information. Additionally, as further described in Note 3, Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, Duke Energy Indiana and Piedmont have restrictions on paying dividends or otherwise advancing funds

Duke Energy recorded an adjustment for the cumulative effect of a change in accounting principle due to the adoption of this standard on January 1, 2020, as shown in the table below:

| (in millions) | December 31, 2020 | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Piedmont |
| Total pretax impact to Retained Earnings | \$ 120 | \$ 16 | \$ 2 | \$ 1 | \$ 1 | \$ 1 |

The following new accounting standard has been issued but not yet adopted by the Duke Energy Registrants as of December 31, 2020.

Reference Rate Reform. In March 2020, the FASB issued new accounting guidance for reference rate reform. This guidance is elective and provides expedients to facilitate financial reporting for the anticipated transition away from the London Inter-bank Offered Rate (LIBOR) and other interbank reference rates by the end of 2021. The optional expedients are effective for modification of existing contracts or new arrangements executed between March 12, 2020, through December 31, 2022.

to Duke Energy due to conditions established by regulators in conjunction with merger transaction approvals. At December 31, 2020, and 2019, an insignificant amount of Duke Energy's consolidated Retained earnings balance represents undistributed earnings of equity method investments.

New Accounting Standards

The following new accounting standard was adopted by Duke Energy Registrants in 2020.

Credit Losses. In June 2016, the FASB issued new accounting guidance for credit losses. Duke Energy adopted the new accounting guidance for credit losses effective January 1, 2020, using the modified retrospective method of adoption, which does not require restatement of prior year results. Duke Energy did not adopt any practical expedients.

Duke Energy recognizes allowances for credit losses based on management's estimate of losses expected to be incurred over the lives of certain assets or guarantees. Management monitors credit quality, changes in expected credit losses and the appropriateness of the allowance for credit losses on a forward-looking basis. Management reviews the risk of loss periodically as part of the existing assessment of collectability of receivables.

Duke Energy reviews the credit quality of its counterparties as part of its regular risk management process and requires credit enhancements, such as deposits or letters of credit, as appropriate and as allowed by regulators.

Duke Energy recorded cumulative effects of changes in accounting principles related to the adoption of new credit loss standard, for allowances and credit losses of trade and other receivables, insurance receivables and financial guarantees. These amounts are included in the Condensed Consolidated Balance Sheets in Receivables, Receivables of VIEs, Other Noncurrent Assets and Other Noncurrent Liabilities. See Notes 7 and 18 for more information.

Duke Energy has variable-rate debt and manages interest rate risk by entering into financial contracts including interest rate swaps that are generally indexed to LIBOR. Impacted financial arrangements extending beyond 2021 may require contractual amendment or termination to fully adapt to a post-LIBOR environment. Duke Energy is assessing these financial arrangements and is evaluating the use of optional expedients outlined in the new accounting guidance. Alternative index provisions are also being assessed and incorporated into new financial arrangements that extend beyond 2021. The full outcome of the transition away from LIBOR cannot be determined at this time, but is not expected to have a material impact on the financial statements.

Combined Notes to Consolidated Financial Statements – (Continued)

2. BUSINESS SEGMENTS

Reportable segments are determined based on information used by the chief operating decision-maker in deciding how to allocate resources and evaluate the performance of the business. Duke Energy evaluates segment performance based on segment income. Segment income is defined as income from continuing operations net of income attributable to noncontrolling interests and preferred stock dividends. Segment income, as discussed below, includes intercompany revenues and expenses that are eliminated on the Consolidated Financial Statements. Certain governance costs are allocated to each segment. In addition, direct interest expense and income taxes are included in segment income.

Products and services are sold between affiliate companies and reportable segments of Duke Energy at cost. Segment assets as presented in the tables that follow exclude all intercompany assets.

Duke Energy

Duke Energy's segment structure includes the following segments: Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

Business segment information is presented in the following tables. Segment assets presented exclude intercompany assets.

| (in millions) | Year Ended December 31, 2020 | | | | | | Total |
|--|---------------------------------------|----------------------------------|-----------------------|---------------------------|--------|--------------|-----------|
| | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Total Reportable Segments | Other | Eliminations | |
| Unaffiliated Revenues | \$ 21,687 | \$ 1,653 | \$ 502 | \$ 23,842 | \$ 26 | \$ — | \$ 23,868 |
| Intersegment Revenues | 33 | 95 | — | 128 | 71 | (199) | — |
| Total Revenues | \$ 21,720 | \$ 1,748 | \$ 502 | \$ 23,970 | \$ 97 | \$ (199) | \$ 23,868 |
| Interest Expense | \$ 1,320 | \$ 135 | \$ 66 | \$ 1,521 | \$ 657 | \$ (16) | \$ 2,162 |
| Depreciation and amortization | 4,068 | 258 | 199 | 4,525 | 209 | (29) | 4,705 |
| Equity in earnings (losses) of unconsolidated affiliates | (1) | (2,017) | — | (2,018) | 13 | — | (2,005) |
| Income tax expense (benefit) | 340 | (349) | (65) | (74) | (162) | — | (236) |
| Segment income (loss) ^{(a)(b)(c)} | 2,669 | (1,266) | 286 | 1,689 | (426) | — | 1,263 |
| Less noncontrolling interest | | | | | | | 295 |
| Add back preferred stock dividend | | | | | | | 107 |
| Income from discontinued operations, net of tax | | | | | | | 7 |
| Net income | | | | | | | \$ 1,082 |
| Capital investments expenditures and acquisitions | \$ 7,629 | \$ 1,309 | \$ 1,219 | \$ 10,157 | \$ 264 | \$ — | \$ 10,421 |
| Segment assets | 138,225 | 13,849 | 6,716 | 158,790 | 3,598 | — | 162,388 |

(a) Electric Utilities and Infrastructure includes \$948 million of Impairment charges and a reversal of \$152 million included in Regulated electric operating revenue related to the CCR Settlement Agreement filed with the NCUC. Additionally, Electric Utilities and Infrastructure includes \$19 million of Impairment charges related to the Clemson University Combined Heat and Power Plant, \$5 million of Impairment charges related to the gas pipeline assets and \$16 million of shareholder contributions within Operations, maintenance and other related to Duke Energy Carolinas' and Duke Energy Progress' 2019 North Carolina rate cases. See Note 3 for additional information.

(b) Gas Utilities and Infrastructure includes \$2.1 billion recorded within Equity in (losses) earnings of unconsolidated affiliates and \$7 million of Impairment charges related to gas pipeline investments. See Notes 3 and 12 for additional information.

(c) Other includes a \$98 million reversal of 2018 severance costs due to a partial settlement in the Duke Energy Carolinas' 2019 North Carolina rate case. See Note 3 and 20 for additional information.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | Year Ended December 31, 2019 | | | | | | Total |
|--|---------------------------------------|----------------------------------|-----------------------|---------------------------|--------------|-----------------|------------------|
| | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Total Reportable Segments | Other | Eliminations | |
| Unaffiliated Revenues | \$ 22,798 | \$ 1,770 | \$ 487 | \$ 25,055 | \$ 24 | \$ — | \$ 25,079 |
| Intersegment Revenues | 33 | 96 | — | 129 | 71 | (200) | — |
| Total Revenues | \$ 22,831 | \$ 1,866 | \$ 487 | \$ 25,184 | \$ 95 | \$ (200) | \$ 25,079 |
| Interest Expense | \$ 1,345 | \$ 117 | \$ 95 | \$ 1,557 | \$ 705 | \$ (58) | \$ 2,204 |
| Depreciation and amortization | 3,951 | 256 | 168 | 4,375 | 178 | (5) | 4,548 |
| Equity in earnings (losses) of unconsolidated affiliates | 9 | 114 | (4) | 119 | 43 | — | 162 |
| Income tax expense (benefit) | 785 | 22 | (115) | 692 | (173) | — | 519 |
| Segment income (loss) ^{(a)(b)} | 3,536 | 432 | 198 | 4,166 | (452) | — | 3,714 |
| Less noncontrolling interest | | | | | | | 177 |
| Add back preferred stock dividend | | | | | | | 41 |
| Loss from discontinued operations, net of tax | | | | | | | (7) |
| Net income | | | | | | | \$ 3,571 |
| Capital investments expenditures and acquisitions | \$ 8,263 | \$ 1,539 | \$ 1,423 | \$ 11,225 | \$ 221 | \$ — | \$ 11,446 |
| Segment assets | 135,561 | 13,921 | 6,020 | 155,502 | 3,148 | 188 | 158,838 |

(a) Electric Utilities and Infrastructure includes a \$27 million reduction of a prior year impairment at Citrus County CC related to the plant's cost cap. See Note 3 for additional information.

(b) Gas Utilities and Infrastructure includes an after-tax impairment charge of \$19 million for the remaining investment in Constitution. See Note 12 for additional information.

| (in millions) | Year Ended December 31, 2018 | | | | | | Total |
|--|---------------------------------------|----------------------------------|-----------------------|---------------------------|--------------|-----------------|------------------|
| | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Commercial Renewables | Total Reportable Segments | Other | Eliminations | |
| Unaffiliated Revenues | \$ 22,242 | \$ 1,783 | \$ 477 | \$ 24,502 | \$ 19 | \$ — | \$ 24,521 |
| Intersegment Revenues | 31 | 98 | — | 129 | 70 | (199) | — |
| Total Revenues | \$ 22,273 | \$ 1,881 | \$ 477 | \$ 24,631 | \$ 89 | \$ (199) | \$ 24,521 |
| Interest Expense | \$ 1,288 | \$ 106 | \$ 88 | \$ 1,482 | \$ 657 | \$ (45) | \$ 2,094 |
| Depreciation and amortization | 3,523 | 245 | 155 | 3,923 | 152 | (1) | 4,074 |
| Equity in earnings (losses) of unconsolidated affiliates | 5 | 27 | (1) | 31 | 52 | — | 83 |
| Income tax expense (benefit) ^(a) | 799 | 78 | (147) | 730 | (282) | — | 448 |
| Segment income (loss) ^{(b)(c)(d)(e)} | 3,058 | 274 | 9 | 3,341 | (694) | — | 2,647 |
| Less noncontrolling interest | | | | | | | 22 |
| Income from discontinued operations, net of tax | | | | | | | 19 |
| Net income | | | | | | | \$ 2,644 |
| Capital investments expenditures and acquisitions | \$ 8,086 | \$ 1,133 | \$ 193 | \$ 9,412 | \$ 256 | \$ — | \$ 9,668 |
| Segment assets | 125,364 | 12,361 | 4,204 | 141,929 | 3,275 | 188 | 145,392 |

(a) All segments include adjustments to the December 31, 2017, estimate of the income tax effects of the Tax Act. Electric Utilities and Infrastructure includes a \$24 million expense, Gas Utilities and Infrastructure includes a \$1 million expense, Commercial Renewables includes a \$3 million benefit and Other includes a \$2 million benefit. See Note 23 for additional information.

(b) Electric Utilities and Infrastructure includes after-tax regulatory and legislative impairment charges of \$202 million related to rate case orders, settlements or other actions of regulators or legislative bodies and an after-tax impairment charge of \$46 million related to the Citrus County CC at Duke Energy Florida. See Note 3 for additional information.

(c) Gas Utilities and Infrastructure includes an after-tax impairment charge of \$42 million for the investment in Constitution. See Note 12 for additional information.

(d) Commercial Renewables includes an impairment charge of \$91 million, net of \$2 million Noncontrolling interests, related to goodwill. See Note 11 for additional information.

(e) Other includes \$65 million of after-tax costs to achieve the Piedmont merger, \$144 million of after-tax severance charges related to a companywide initiative and an \$82 million after-tax loss on the sale of Beckjord described below. For additional information, see Note 1 for the Piedmont merger and Note 20 for severance charges.

Combined Notes to Consolidated Financial Statements – (Continued)

In February 2018, Duke Energy sold Beckjord, a nonregulated facility retired during 2014, and recorded a pretax loss of \$106 million within Gains (Losses) on Sales of Other Assets and Other, net and \$1 million within Operation, maintenance and other on Duke Energy's Consolidated Statements of Operations for the year ended December 31, 2018. The sale included the transfer of coal ash basins and other real property and indemnification from any and all potential future claims related to the property, whether arising under environmental laws or otherwise.

Geographical Information

Substantially all assets and revenues from continuing operations are within the U.S.

Major Customers

For the year ended December 31, 2020, revenues from one customer of Duke Energy Progress are \$553 million. Duke Energy Progress has one reportable segment, Electric Utilities and Infrastructure. No other Subsidiary Registrant has an individual customer representing more than 10% of its revenues.

Products and Services

The following table summarizes revenues of the reportable segments by type.

| (in millions) | Retail
Electric | Wholesale
Electric | Retail
Natural Gas | Other | Total
Revenues |
|---------------------------------------|--------------------|-----------------------|-----------------------|----------|-------------------|
| 2020 | | | | | |
| Electric Utilities and Infrastructure | \$ 18,898 | \$ 1,878 | \$ — | \$ 944 | \$ 21,720 |
| Gas Utilities and Infrastructure | — | — | 1,691 | 57 | 1,748 |
| Commercial Renewables | — | 434 | — | 68 | 502 |
| Total Reportable Segments | \$ 18,898 | \$ 2,312 | \$ 1,691 | \$ 1,069 | \$ 23,970 |
| 2019 | | | | | |
| Electric Utilities and Infrastructure | \$ 19,745 | \$ 2,231 | \$ — | \$ 855 | \$ 22,831 |
| Gas Utilities and Infrastructure | — | — | 1,782 | 84 | 1,866 |
| Commercial Renewables | — | 389 | — | 98 | 487 |
| Total Reportable Segments | \$ 19,745 | \$ 2,620 | \$ 1,782 | \$ 1,037 | \$ 25,184 |
| 2018 | | | | | |
| Electric Utilities and Infrastructure | \$ 19,013 | \$ 2,345 | \$ — | \$ 915 | \$ 22,273 |
| Gas Utilities and Infrastructure | — | — | 1,817 | 64 | 1,881 |
| Commercial Renewables | — | 375 | — | 102 | 477 |
| Total Reportable Segments | \$ 19,013 | \$ 2,720 | \$ 1,817 | \$ 1,081 | \$ 24,631 |

Duke Energy Ohio

Duke Energy Ohio has two reportable segments, Electric Utilities and Infrastructure and Gas Utilities and Infrastructure.

Electric Utilities and Infrastructure transmits and distributes electricity in portions of Ohio and generates, distributes and sells electricity in portions of Northern Kentucky. Gas Utilities and Infrastructure transports and sells natural gas in portions of Ohio and Northern Kentucky. Both reportable segments conduct operations primarily through Duke Energy Ohio and its wholly owned subsidiary, Duke Energy Kentucky. The remainder of Duke Energy Ohio's operations is presented as Other.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

All Duke Energy Ohio assets and revenues from continuing operations are within the U.S.

| (in millions) | Year Ended December 31, 2020 | | | | | |
|----------------------------------|---------------------------------------|----------------------------------|---------------------------|-------|--------------|----------|
| | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Total Reportable Segments | Other | Eliminations | Total |
| Total revenues | \$ 1,405 | \$ 453 | \$ 1,858 | \$ — | \$ — | \$ 1,858 |
| Interest expense | \$ 85 | \$ 17 | \$ 102 | \$ — | \$ — | \$ 102 |
| Depreciation and amortization | 200 | 78 | 278 | — | — | 278 |
| Income tax expense (benefit) | 19 | 26 | 45 | (2) | — | 43 |
| Segment income (loss)/Net income | 162 | 96 | 258 | (6) | — | 252 |
| Capital expenditures | \$ 548 | \$ 286 | \$ 834 | \$ — | \$ — | \$ 834 |
| Segment assets | 6,615 | 3,380 | 9,995 | 32 | (2) | 10,025 |

| (in millions) | Year Ended December 31, 2019 | | | | | |
|---|---------------------------------------|----------------------------------|---------------------------|-------|--------------|----------|
| | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Total Reportable Segments | Other | Eliminations | Total |
| Total revenues | \$ 1,456 | \$ 484 | \$ 1,940 | \$ — | \$ — | \$ 1,940 |
| Interest expense | \$ 80 | \$ 29 | \$ 109 | \$ — | \$ — | \$ 109 |
| Depreciation and amortization | 182 | 83 | 265 | — | — | 265 |
| Income tax expense (benefit) | 20 | 21 | 41 | (1) | — | 40 |
| Segment income (loss) | 159 | 85 | 244 | (5) | — | 239 |
| Loss from discontinued operations, net of tax | | | | | | (1) |
| Net income | | | | | | \$ 238 |
| Capital expenditures | \$ 680 | \$ 272 | \$ 952 | \$ — | \$ — | \$ 952 |
| Segment assets | 6,188 | 3,116 | 9,304 | 34 | — | 9,338 |

| (in millions) | Year Ended December 31, 2018 | | | | | |
|---|---------------------------------------|----------------------------------|---------------------------|-------|--------------|----------|
| | Electric Utilities and Infrastructure | Gas Utilities and Infrastructure | Total Reportable Segments | Other | Eliminations | Total |
| Total revenues | \$ 1,450 | \$ 506 | \$ 1,956 | \$ 1 | \$ — | \$ 1,957 |
| Interest expense | \$ 67 | \$ 24 | \$ 91 | \$ 1 | \$ — | \$ 92 |
| Depreciation and amortization | 183 | 85 | 268 | — | — | 268 |
| Income tax expense (benefit) | 47 | 24 | 71 | (28) | — | 43 |
| Segment income (loss)/Net Income ^(a) | 186 | 93 | 279 | (103) | — | 176 |
| Capital expenditures | \$ 655 | \$ 172 | \$ 827 | \$ — | \$ — | \$ 827 |
| Segment assets | 5,643 | 2,874 | 8,517 | 38 | — | 8,555 |

(a) Other includes the loss on the sale of Beckjord, see discussion above.

Combined Notes to Consolidated Financial Statements – (Continued)

3. REGULATORY MATTERS

REGULATORY ASSETS AND LIABILITIES

The Duke Energy Registrants record regulatory assets and liabilities that result from the ratemaking process. See Note 1 for further information.

The following tables present the regulatory assets and liabilities recorded on the Consolidated Balance Sheets of Duke Energy and Progress Energy. See separate tables below for balances by individual registrant.

| (in millions) | Duke Energy | | Progress Energy | |
|--|--------------|----------|-----------------|----------|
| | December 31, | | December 31, | |
| | 2020 | 2019 | 2020 | 2019 |
| Regulatory Assets | | | | |
| AROs – coal ash | \$ 3,408 | \$ 4,084 | \$1,357 | \$ 1,843 |
| AROs – nuclear and other | 754 | 739 | 685 | 668 |
| Accrued pension and OPEB | 2,317 | 2,391 | 875 | 897 |
| Storm cost deferrals | 1,102 | 1,399 | 893 | 1,214 |
| Nuclear asset securitized balance, net | 991 | 1,042 | 991 | 1,042 |
| Debt fair value adjustment | 950 | 1,019 | — | — |
| Retired generation facilities | 417 | 331 | 363 | 266 |
| Post-in-service carrying costs (PISCC) and deferred operating expenses | 402 | 329 | 51 | 33 |
| Deferred asset – Lee and Harris COLA | 356 | 388 | 32 | 38 |
| Hedge costs deferrals | 351 | 356 | 148 | 129 |
| Advanced metering infrastructure (AMI) | 311 | 338 | 102 | 114 |
| Demand side management (DSM)/Energy Efficiency (EE) | 288 | 343 | 241 | 241 |
| Vacation accrual | 221 | 214 | 42 | 41 |
| Deferred fuel and purchased power | 213 | 528 | 162 | 305 |
| COR settlement | 128 | 133 | 33 | 35 |
| NCEMPA deferrals | 124 | 72 | 124 | 72 |
| Nuclear deferral | 123 | 107 | 35 | 40 |
| Derivatives – natural gas supply contracts | 122 | 117 | — | — |
| CEP deferral | 117 | 76 | — | — |
| Amounts due from customers | 110 | 36 | — | — |
| Qualifying facility contract buyouts | 107 | 121 | 107 | 121 |
| Customer connect project | 105 | 65 | 55 | 37 |
| Manufactured gas plant (MGP) | 104 | 102 | — | — |
| ABSAT, coal ash basin closure | 98 | 65 | 27 | 15 |
| Deferred pipeline integrity costs | 92 | 79 | — | — |
| Deferred severance charges | 86 | — | 29 | — |
| Incremental COVID-19 expenses | 76 | — | 23 | — |
| Other | 589 | 544 | 158 | 141 |
| Total regulatory assets | 14,062 | 15,018 | 6,533 | 7,292 |
| Less: current portion | 1,641 | 1,796 | 758 | 946 |
| Total noncurrent regulatory assets | \$12,421 | \$13,222 | \$5,775 | \$ 6,346 |
| Regulatory Liabilities | | | | |
| Net regulatory liability related to income taxes | \$ 7,368 | \$ 7,872 | \$2,411 | \$ 2,595 |
| Costs of removal | 5,883 | 5,756 | 2,666 | 2,561 |
| AROs – nuclear and other | 1,512 | 1,100 | — | — |
| Provision for rate refunds | 344 | 370 | 123 | 123 |
| Accrued pension and OPEB | 177 | 176 | — | — |
| Amounts to be refunded to customers | 51 | 34 | — | — |
| Deferred fuel and purchased power | 18 | 1 | — | 1 |
| Other | 1,053 | 739 | 491 | 275 |
| Total regulatory liabilities | 16,406 | 16,048 | 5,691 | 5,555 |
| Less: current portion | 1,377 | 784 | 640 | 330 |
| Total noncurrent regulatory liabilities | \$15,029 | \$15,264 | \$5,051 | \$ 5,225 |

Combined Notes to Consolidated Financial Statements – (Continued)

Descriptions of regulatory assets and liabilities summarized in the tables above and below follow. See tables below for recovery and amortization periods at the separate registrants.

AROs – coal ash. Represents deferred depreciation and accretion related to the legal obligation to close ash basins. The costs are deferred until recovery treatment has been determined. See Notes 1 and 9 for additional information.

AROs – nuclear and other. Represents regulatory assets or liabilities, including deferred depreciation and accretion, related to legal obligations associated with the future retirement of property, plant and equipment, excluding amounts related to coal ash. The AROs relate primarily to decommissioning nuclear power facilities. The amounts also include certain deferred gains and losses on NDTF investments. See Notes 1 and 9 for additional information.

Accrued pension and OPEB. Accrued pension and OPEB represent regulatory assets and liabilities related to each of the Duke Energy Registrants' respective shares of unrecognized actuarial gains and losses and unrecognized prior service cost and credit attributable to Duke Energy's pension plans and OPEB plans. The regulatory asset or liability is amortized with the recognition of actuarial gains and losses and prior service cost and credit to net periodic benefit costs for pension and OPEB plans. The accrued pension and OPEB regulatory assets are expected to be recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

Storm cost deferrals. Represents deferred incremental costs incurred related to major weather-related events.

Nuclear asset securitized balance, net. Represents the balance associated with Crystal River Unit 3 retirement approved for recovery by the FPSC on September 15, 2015, and the upfront financing costs securitized in 2016 with issuance of the associated bonds. The regulatory asset balance is net of the AFUDC equity portion.

Debt fair value adjustment. Purchase accounting adjustments recorded to state the carrying value of Progress Energy and Piedmont at fair value in connection with the 2012 and 2016 mergers, respectively. Amount is amortized over the life of the related debt.

Retired generation facilities. Represents amounts to be recovered for facilities that have been retired and are probable of recovery.

Post-in-service carrying costs (PISCC) and deferred operating expenses. Represents deferred depreciation and operating expenses as well as carrying costs on the portion of capital expenditures placed in service but not yet reflected in retail rates as plant in service.

Deferred asset – Lee and Harris COLA. Represents deferred costs incurred for the canceled Lee and Harris nuclear projects.

Hedge costs deferrals. Amounts relate to unrealized gains and losses on derivatives recorded as a regulatory asset or liability, respectively, until the contracts are settled.

AMI. Represents deferred costs related to the installation of AMI meters and remaining net book value of non-AMI meters to be replaced at Duke Energy Carolinas, net book value of existing meters at Duke Energy Florida, Duke Energy Progress and Duke Energy Ohio and future recovery of net book value of electromechanical meters that have been replaced with AMI meters at Duke Energy Indiana.

DSM/EE. Deferred costs related to various DSM and EE programs recoverable through various mechanisms.

Vacation accrual. Represents vacation entitlement, which is generally recovered in the following year.

Deferred fuel and purchased power. Represents certain energy-related costs that are recoverable or refundable as approved by the applicable regulatory body.

COR settlement. Represents approved COR settlements that are being amortized over the average remaining lives, at the time of approval, of the associated assets.

NCEMPA deferrals. Represents retail allocated cost deferrals and returns associated with the additional ownership interest in assets acquired from NCEMPA in 2015.

Nuclear deferral. Includes amounts related to leveling nuclear plant outage costs, which allows for the recognition of nuclear outage expenses over the refueling cycle rather than when the outage occurs, resulting in the deferral of operations and maintenance costs associated with refueling.

Derivatives – natural gas supply contracts. Represents costs for certain long-dated, fixed quantity forward gas supply contracts, which are recoverable through PGA clauses.

CEP deferral. Represents deferred depreciation, PISCC and deferred property tax for Duke Energy Ohio Gas capital assets for the Capital Expenditure Program (CEP).

Amounts due from customers. Relates primarily to margin decoupling and IMR recovery mechanisms.

Qualifying facility contract buyouts. Represents termination payments for regulatory recovery through the capacity clause.

Customer connect project. Represents incremental operating expenses and carrying costs on deferred amounts related to the deployment of the new customer information system known as the Customer Connect Project.

MGP. Represents remediation costs incurred at former MGP sites and the deferral of costs to be incurred at Duke Energy Ohio's East End and West End sites.

ABSAT, coal ash basin closure. Represents deferred depreciation and returns associated with Ash Basin Strategic Action Team (ABSAT) capital assets related to converting the ash handling system from wet to dry.

Deferred pipeline integrity costs. Represents pipeline integrity management costs in compliance with federal regulations recovered through a rider mechanism.

Deferred severance charges. Represents costs incurred for employees separation from Duke Energy.

Incremental COVID-19 expenses. Represents incremental costs related to ensuring continuity and quality of service in a safe manner during the COVID-19 pandemic.

Net regulatory liability related to income taxes. Amounts for all registrants include regulatory liabilities related primarily to impacts from the Tax Act. See Note 23 for additional information. Amounts have no immediate impact on rate base as regulatory assets are offset by deferred tax liabilities.

Costs of removal. Represents funds received from customers to cover the future removal of property, plant and equipment from retired or abandoned sites as property is retired. Also includes certain deferred gains on NDTF investments.

Provisions for rate refunds. Represents estimated amounts due to customers based on recording interim rates subject to refund.

Amounts to be refunded to customers. Represents required rate reductions to retail customers by the applicable regulatory body.

RESTRICTIONS ON THE ABILITY OF CERTAIN SUBSIDIARIES TO MAKE DIVIDENDS, ADVANCES AND LOANS TO DUKE ENERGY

As a condition to the approval of merger transactions, the NCUC, PSCSC, PUCO, KPSC and IURC imposed conditions on the ability of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, Duke Energy Kentucky, Duke Energy Indiana and Piedmont to transfer funds to Duke Energy through loans or advances, as well as restricted amounts available to pay dividends to

Combined Notes to Consolidated Financial Statements – (Continued)

Duke Energy. Certain subsidiaries may transfer funds to the Parent by obtaining approval of the respective state regulatory commissions. These conditions imposed restrictions on the ability of the public utility subsidiaries to pay cash dividends as discussed below.

Duke Energy Progress and Duke Energy Florida also have restrictions imposed by their first mortgage bond indentures, which in certain circumstances, limit their ability to make cash dividends or distributions on common stock. Amounts restricted as a result of these provisions were not material at December 31, 2020.

Duke Energy Indiana has certain dividend restrictions as a result of the agreement entered in January 2021 to sell a minority interest to GIC. Duke Energy Indiana will not declare a dividend prior to the first closing, which is expected to be completed in the second quarter of 2021, and will declare dividends between the first closing and the second closing, which is required to be completed no later than January 2023, in accordance with the sale agreement. See additional information in Note 1.

Additionally, certain other subsidiaries of Duke Energy have restrictions on their ability to dividend, loan or advance funds to Duke Energy due to specific legal or regulatory restrictions, including, but not limited to, minimum working capital and tangible net worth requirements.

The restrictions discussed below were not a material amount of Duke Energy's and Progress Energy's net assets at December 31, 2020.

Duke Energy Carolinas

Duke Energy Carolinas must limit cumulative distributions subsequent to mergers to (i) the amount of retained earnings on the day prior to the closing of the mergers, plus (ii) any future earnings recorded.

Duke Energy Progress

Duke Energy Progress must limit cumulative distributions subsequent to the mergers between Duke Energy and Progress Energy and Duke Energy and Piedmont to (i) the amount of retained earnings on the day prior to the closing of the respective mergers, plus (ii) any future earnings recorded.

Duke Energy Ohio

Duke Energy Ohio will not declare and pay dividends out of capital or unearned surplus without the prior authorization of the PUCO. Duke Energy Ohio received FERC and PUCO approval to pay dividends from its equity accounts that are reflective of the amount that it would have in its retained earnings account had push-down accounting for the Cinergy merger not been applied to Duke Energy Ohio's balance sheet. The conditions include a commitment from Duke Energy Ohio that equity, adjusted to remove the impacts of push-down accounting, will not fall below 30% of total capital.

Duke Energy Kentucky is required to pay dividends solely out of retained earnings and to maintain a minimum of 35% equity in its capital structure.

Duke Energy Indiana

Duke Energy Indiana must limit cumulative distributions subsequent to the merger between Duke Energy and Cinergy to (i) the amount of retained earnings on the day prior to the closing of the merger, plus (ii) any future earnings recorded. In addition, Duke Energy Indiana will not declare and pay dividends out of capital or unearned surplus without prior authorization of the IURC.

Piedmont

Piedmont must limit cumulative distributions subsequent to the acquisition of Piedmont by Duke Energy to (i) the amount of retained earnings on the day prior to the closing of the merger, plus (ii) any future earnings recorded.

RATE-RELATED INFORMATION

The NCUC, PSCSC, FPSC, IURC, PUCO, TPUC and KPSC approve rates for retail electric and natural gas services within their states. The FERC approves rates for electric sales to wholesale customers served under cost-based rates (excluding Ohio and Indiana), as well as sales of transmission service. The FERC also regulates certification and siting of new interstate natural gas pipeline projects.

Duke Energy Carolinas and Duke Energy Progress**2021 Coal Ash Settlement**

On January 22, 2021, Duke Energy Carolinas and Duke Energy Progress entered into the Coal Combustion Residuals Settlement Agreement (the "CCR Settlement Agreement") with the North Carolina Public Staff (Public Staff), the North Carolina Attorney General's Office and the Sierra Club (collectively, the "Settling Parties"), which was filed with the NCUC on January 25, 2021. The CCR Settlement Agreement resolves all coal ash prudence and cost recovery issues in connection with 2019 rate cases filed by Duke Energy Carolinas and Duke Energy Progress with the NCUC, as well as the equitable sharing issue on remand from the 2017 Duke Energy Carolinas and Duke Energy Progress North Carolina rate cases as a result of the December 11, 2020, North Carolina Supreme Court opinion. The settlement also provides clarity on coal ash cost recovery in North Carolina for Duke Energy Carolinas and Duke Energy Progress through January 2030 and February 2030 (the "Term"), respectively.

Duke Energy Carolinas and Duke Energy Progress agreed not to seek recovery of approximately \$1 billion of systemwide deferred coal ash expenditures, but will retain the ability to earn a debt and equity return during the amortization period, which shall be five years in the pending 2019 North Carolina rate cases and will be set by the NCUC in future rate case proceedings. The equity return and the amortization period on deferred coal ash costs under the 2017 Duke Energy Carolinas and Duke Energy Progress North Carolina rate cases will remain unaffected. The equity return on deferred coal ash costs under the 2019 North Carolina rate cases and future rate cases in North Carolina will be set at 150 basis points lower than the authorized return on equity then in effect, with a capital structure composed of 48% debt and 52% equity. Duke Energy Carolinas and Duke Energy Progress retain the ability to earn a full WACC return during the deferral period, which is the period from when costs are incurred until they are recovered in rates.

The Settling Parties agreed that execution by Duke Energy Carolinas and Duke Energy Progress of a settlement agreement between themselves and the NCDEQ dated December 31, 2019, (the "DEQ Settlement") and the coal ash management plans included therein or subsequently approved by DEQ are reasonable and prudent. The Settling Parties retain the right to challenge the reasonableness and prudence of actions taken by Duke Energy Carolinas and Duke Energy Progress and costs incurred to implement the scope of work agreed upon in the DEQ Settlement, after February 1, 2020, and March 1, 2020, for Duke Energy Carolinas and Duke Energy Progress, respectively. The Settling Parties further agreed to waive rights through the Term to challenge the reasonableness or prudence of Duke Energy Carolinas' and Duke Energy Progress' historical coal ash management practices, and to waive the right to assert any arguments that future coal ash costs, including financing costs, shall be shared between either company and customers through equitable sharing or any other rate base or return adjustment that shares the revenue requirement burden of coal ash costs not otherwise disallowed due to imprudence.

The Settling Parties agreed to a sharing arrangement for future coal ash insurance litigation proceeds between Duke Energy Carolinas and Duke Energy Progress and North Carolina customers, if achieved.

Combined Notes to Consolidated Financial Statements – (Continued)

The settlement is subject to the review and approval of the NCUC. The Settling Parties requested an expedited review by the NCUC and anticipate an order on the pending 2019 North Carolina rate cases for Duke Energy Carolinas and Duke Energy Progress by the second quarter of 2021. On January 29, 2021, Duke Energy Carolinas and Duke Energy Progress filed joint motions with the Settling Parties seeking approval of the CCR Settlement Agreement, along with supporting testimony and exhibits from Duke Energy Carolinas and Duke Energy Progress. On February 5, 2021, the Public Staff filed testimony and exhibits supporting the CCR Settlement Agreement.

As a result of the CCR Settlement Agreement, Duke Energy Carolinas and Duke Energy Progress recorded a pretax charge of approximately \$454 million and \$494 million, respectively, in the fourth quarter of 2020 to impairment charges and a reversal of approximately \$50 million and \$102 million, respectively, to Regulated electric operating revenues on the respective Consolidated Statements of Operations.

COVID-19 Filings**North Carolina**

On March 10, 2020, Governor Roy Cooper declared a state of emergency due to the COVID-19 pandemic. On March 19, 2020, the NCUC issued an order directing that utilities under its jurisdiction suspend disconnections for nonpayment of utility bills during the state of emergency and allow for customers to enter into payment arrangements to pay off arrearages accumulated during the state of emergency after the end of the state of emergency. Additionally, to help mitigate the financial impacts of the COVID-19 pandemic on their customers, on March 19, 2020, Duke Energy Carolinas and Duke Energy Progress filed a request with the NCUC seeking authorization to waive: (1) any late payment charges incurred by a residential or nonresidential customer, effective March 21, 2020; (2) the application of fees for checks returned for insufficient funds for residential and nonresidential customers; (3) the reconnection charge when a residential or nonresidential customer seeks to have service restored for those customers whose service was recently disconnected for nonpayment and to work with customers regarding the other requirements to restore service, including re-establishment of credit; and (4) the fees and charges associated with the use of credit cards or debit cards to pay residential electric utility bills, effective March 21, 2020. The NCUC granted the companies' request on March 20, 2020.

On July 29, 2020, the NCUC issued its Order Lifting Disconnection Moratorium and Allowing Collection of Arrearages Pursuant to Special Repayment Plans. The order contained the following: (1) public utilities may resume customer disconnections due to nonpayment for bills first rendered on or after September 1, 2020, after appropriate notice; (2) the late fee moratorium will continue through the end of the state of emergency or until further order of the Commission; (3) Duke Energy utilities may reinstate fees for checks returned for insufficient funds as well as transaction fees for use of credit cards or debit cards for bills first rendered on or after September 1, 2020; and (4) no sooner than September 1, 2020, the collection of past-due or delinquent accounts accrued up to and including August 31, 2020, may proceed subject to conditions. Duke Energy Carolinas and Duke Energy Progress resumed normal billing practices as of October 1, 2020, with the exception of the billing of late payment charges. Customers were notified of the resumption of normal billing practices, the option of deferred payment arrangements and where to find assistance, if necessary. Service disconnections for nonpayment for residential customers resumed on November 2, 2020.

Duke Energy Carolinas and Duke Energy Progress filed a joint petition on August 7, 2020, with the NCUC for deferral treatment of incremental costs and waived customer fees due to the COVID-19 pandemic. Comments on the joint petition were filed on November 5, 2020, and reply comments were filed on

November 30, 2020. Duke Energy Carolinas and Duke Energy Progress cannot predict the outcome of this matter.

South Carolina

On March 13, 2020, Governor Henry McMaster declared a state of emergency due to the COVID-19 pandemic. The governor also issued a letter on March 14, 2020, to the ORS Executive Director regarding the suspension of disconnection of essential utility services for nonpayment. On March 18, 2020, the PSCSC issued an order approving such waivers, and also approved waivers for regulations related to late fees and reconnect fees. The PSCSC's order also required utilities to track the financial impacts of actions taken pursuant to such waivers for possible reporting to the PSCSC.

On May 13, 2020, the ORS filed a letter with the PSCSC that included a request from Governor McMaster that utilities proceed with developing and implementing plans for phasing in normal business operations. On May 14, 2020, the PSCSC conditionally vacated the regulation waivers regarding termination of service and suspension of disconnect fees. Prior to termination, utilities are to refer past-due customers to local organizations for assistance and/or deferred payment arrangements. Duke Energy Carolinas and Duke Energy Progress filed a report on June 30, 2020, as required by PSCSC order, reporting revenue impact, costs and savings related to COVID-19 to date. On August 14, 2020, Duke Energy Carolinas and Duke Energy Progress filed a joint petition with the PSCSC for approval of an accounting order to defer incremental COVID-19 related costs incurred through June 30, 2020, and for the ongoing months during the duration of the COVID-19 pandemic. The deferral request did not include lost revenues. Updates on cost impacts were filed on September 30, 2020, and included financial impacts through the end of August 2020. On October 16, 2020, the ORS requested the PSCSC delay taking formal action on the deferral request until the ORS and any intervenors complete discovery. The PSCSC issued an order on October 21, 2020, to grant additional time to complete discovery until January 20, 2021, and to establish a procedural schedule. Updates on cost impacts were filed on December 30, 2020, and included financial impacts through November 30, 2020. On January 15, 2021, ORS requested the PSCSC suspend the dates for the ORS report and public hearing. The ORS conferred with the companies regarding the status of the docket, and the parties mutually agreed that recently enacted federal laws addressing COVID-19 aid and recovery should be studied before further action is taken in this docket. On January 27, 2021, the PSCSC voted to grant the ORS request to suspend the virtual public hearing. ORS is to file its report on or before March 29, 2021.

On August 17, 2020, Duke Energy Carolinas and Duke Energy Progress filed an update on their planned return to normal operations during the COVID-19 pandemic. Normal billing practices resumed in South Carolina as of October 1, 2020, and service disconnections for nonpayment resumed on October 12, 2020. Customers were notified of the resumption of normal billing practices, the option of payment arrangements and where to find assistance, if necessary. Duke Energy Carolinas and Duke Energy Progress cannot predict the outcome of this matter.

2020 North Carolina Storm Securitization Filings

On October 26, 2020, Duke Energy Carolinas and Duke Energy Progress filed a joint petition with the NCUC, as agreed to in partial settlements reached in the 2019 North Carolina Rate Cases for Duke Energy Carolinas and Duke Energy Progress, seeking authorization for the financing of the costs of each utility's storm recovery activities required as a result of Hurricane Florence, Hurricane Michael, Hurricane Dorian and Winter Storm Diego. Specifically, Duke Energy Carolinas and Duke Energy Progress requested that the NCUC find that their storm recovery costs and related financing costs are appropriately financed by debt secured by storm recovery property, and that the Commission issue financing orders by which each utility may accomplish such financing

Combined Notes to Consolidated Financial Statements – (Continued)

using a securitization structure. On January 27, 2021, Duke Energy Carolinas, Duke Energy Progress and the Public Staff filed an Agreement and Stipulation of Partial Settlement, which is subject to review and approval of the NCUC, resolving certain accounting issues, including agreement to support an 18- to 20-year bond period. The total revenue requirement over a proposed 20-year bond period for the storm recovery charges is approximately \$287 million for Duke Energy Carolinas and \$920 million for Duke Energy Progress.

A remote evidentiary hearing ended on January 29, 2021, and on February 1, 2021, the NCUC granted a motion by Duke Energy Carolinas and Duke Energy Progress for a temporary 30-day waiver of the 135-day time frame for the NCUC to issue orders on the joint petition, extending the deadline for the NCUC to issue an order to no later than April 9, 2021. Duke Energy Carolinas and Duke Energy Progress cannot predict the outcome of this matter.

Duke Energy Carolinas**Regulatory Assets and Liabilities**

The following tables present the regulatory assets and liabilities recorded on Duke Energy Carolinas' Consolidated Balance Sheets.

| (in millions) | December 31, | | Earns/Pays
a Return | Recovery/Refund
Period Ends |
|---|-----------------|-----------------|------------------------|--------------------------------|
| | 2020 | 2019 | | |
| Regulatory Assets^(a) | | | | |
| AROs – coal ash | \$ 1,414 | \$ 1,696 | (h) | (b) |
| Accrued pension and OPEB ^(c) | 427 | 477 | Yes | (i) |
| Storm cost deferrals | 205 | 178 | Yes | (b) |
| Retired generation facilities ^(c) | 11 | 16 | Yes | 2023 |
| PISCC ^(c) | 32 | 33 | Yes | (b) |
| Deferred asset – Lee COLA | 324 | 350 | | (b) |
| Hedge costs deferrals ^(c) | 174 | 198 | Yes | 2041 |
| AMI | 154 | 166 | Yes | (b) |
| DSM/EE | 46 | 100 | (e) | (e) |
| Vacation accrual | 84 | 80 | | 2021 |
| Deferred fuel and purchased power | 42 | 222 | (e) | 2022 |
| COR settlement | 95 | 98 | Yes | (b) |
| Nuclear deferral | 88 | 67 | | 2022 |
| Customer connect project | 50 | 28 | Yes | (b) |
| ABSAT, coal ash basin closure | 71 | 50 | Yes | (b) |
| Deferred severance charges | 57 | — | | 2022 |
| Incremental COVID-19 expenses | 31 | — | Yes | (b) |
| Other | 164 | 151 | | (b) |
| Total regulatory assets | 3,469 | 3,910 | | |
| Less: current portion | 473 | 550 | | |
| Total noncurrent regulatory assets | \$ 2,996 | \$ 3,360 | | |
| Regulatory Liabilities^(a) | | | | |
| Net regulatory liability related to income taxes ^(d) | \$ 2,874 | \$ 3,060 | | (b) |
| Costs of removal ^(c) | 1,975 | 1,936 | Yes | (i) |
| AROs – nuclear and other | 1,512 | 1,100 | | (b) |
| Provision for rate refunds ^(c) | 170 | 175 | Yes | |
| Accrued pension and OPEB ^(c) | 32 | 39 | Yes | (i) |
| Deferred fuel and purchased power | 18 | — | (e) | 2020 |
| Other | 427 | 368 | | (b) |
| Total regulatory liabilities | 7,008 | 6,678 | | |
| Less: current portion | 473 | 255 | | |
| Total noncurrent regulatory liabilities | \$ 6,535 | \$ 6,423 | | |

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.

(b) The expected recovery or refund period varies or has not been determined.

(c) Included in rate base.

(d) Includes regulatory liabilities related to the change in the federal tax rate as a result of the Tax Act and the change in the North Carolina tax rate, both discussed in Note 23. Portions are included in rate base.

(e) Pays interest on over-recovered costs in North Carolina. Includes certain purchased power costs in North Carolina and South Carolina and costs of distributed energy in South Carolina.

(f) Recovered over the life of the associated assets.

(g) Includes incentives on DSM/EE investments and is recovered through an annual rider mechanism.

(h) Earns a debt and equity return on coal ash expenditures for North Carolina and South Carolina retail customers as permitted by various regulatory orders.

(i) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

Combined Notes to Consolidated Financial Statements – (Continued)**2017 North Carolina Rate Case**

On August 25, 2017, Duke Energy Carolinas filed an application with the NCUC for a rate increase for retail customers of approximately \$647 million. On February 28, 2018, Duke Energy Carolinas and the Public Staff filed an Agreement and Stipulation of Partial Settlement resolving certain portions of the proceeding. Terms of the settlement included a return on equity of 9.9% and a capital structure of 52% equity and 48% debt. On June 22, 2018, the NCUC issued an order approving the Stipulation of Partial Settlement and requiring a revenue reduction. As a result of the June 22, 2018, order, Duke Energy Carolinas recorded a pretax charge of approximately \$150 million to Impairment charges and Operation, maintenance and other on the Consolidated Statements of Operations. The charge was primarily related to the denial of a return on the Lee Nuclear Project and the assessment of a \$70 million cost of service penalty by reducing the annual recovery of deferred coal ash costs by \$14 million per year over a five-year recovery period.

The North Carolina Attorney General and other parties separately filed Notices of Appeal to the North Carolina Supreme Court. The North Carolina Supreme Court consolidated the Duke Energy Carolinas and Duke Energy Progress appeals. On December 11, 2020, the North Carolina Supreme Court issued an opinion on the consolidated appeals of the 2018 Duke Energy Carolinas and Duke Energy Progress rate case orders which affirmed, in part, and reversed and remanded, in part, the NCUC's decisions. In the Opinion, the court upheld the NCUC's decision to include coal ash costs in the cost of service, as well as the NCUC's discretion to allow a return on the unamortized balance of coal ash costs. The court also remanded to the NCUC a single issue to consider the assessment of support for the Public Staff's equitable sharing argument. In response to a NCUC order seeking comments on the proposed procedure on remand, on January 11, 2021, Duke Energy Carolinas, Duke Energy Progress, the Public Staff, the North Carolina Attorney General, Sierra Club and Carolina Industrial Group for Fair Utility Rates II and III filed joint comments proposing that the NCUC not hold additional evidentiary hearings, but instead rely upon existing records in the 2017 North Carolina rate cases, or in the alternative the records in the 2019 North Carolina rate cases, in deciding the issue on remand. On January 22, 2021, Duke Energy Carolinas and Duke Energy Progress entered into the CCR Settlement Agreement with the Settling Parties, which was filed with the NCUC on January 25, 2021. For information on a proposed settlement pending before the NCUC, see "2021 Coal Ash Settlement." Duke Energy Carolinas cannot predict the outcome of this matter.

2019 North Carolina Rate Case

On September 30, 2019, Duke Energy Carolinas filed an application with the NCUC for a net rate increase for retail customers of approximately \$291 million, which represented an approximate 6% increase in annual base revenues. The gross rate case revenue increase request was \$445 million, which was offset by an EDIT rider of \$154 million to return to customers North Carolina and federal EDIT resulting from recent reductions in corporate tax rates. The request for a rate increase was driven by major capital investments subsequent to the previous base rate case, coal ash pond closure costs, accelerated coal plant depreciation and deferred 2018 storm costs. Duke Energy Carolinas requested rates be effective no later than August 1, 2020. The NCUC established a procedural schedule with an evidentiary hearing to begin on March 23, 2020. On March 16, 2020, in consideration of public health and safety as a result of the COVID-19 pandemic, Duke Energy Carolinas filed a motion with the NCUC seeking a suspension of the procedural schedule in

the rate case, including issuing discovery requests, and postponement of the evidentiary hearing for 60 days. Also on March 16, 2020, the NCUC issued an Order Postponing Hearing and Addressing Procedural Matters, which postponed the evidentiary hearing until further order by the Commission.

On March 25, 2020, Duke Energy Carolinas and the Public Staff filed an Agreement and Stipulation of Partial Settlement, which is subject to review and approval of the NCUC, resolving certain issues in the base rate proceeding. Major components of the settlement included:

- Removal of deferred storm costs from the rate case;
- Filing a petition seeking to securitize the deferred storm costs within 120 days of a commission order in this rate case regarding the reasonableness and prudence of the storm costs;
- Agreement of certain assumptions to demonstrate the quantifiable benefits to customers of a securitization financing; and
- Agreement on certain accounting matters, including recovery of employee incentives, severance, aviation costs and executive compensation.

On May 6, 2020, Duke Energy Carolinas, Duke Energy Progress and the Public Staff filed a joint motion requesting that the NCUC issue an order scheduling one consolidated evidentiary hearing to consider the companies' applications for net rate increases. On June 17, 2020, the NCUC issued an order adopting procedures for the expert witness hearings to take place in three phases: (1) a hearing on issues common to both rate cases conducted remotely; (2) a hearing on Duke Energy Carolinas specific rate case issues, followed immediately by; (3) a hearing on Duke Energy Progress specific rate case issues. On July 24, 2020, Duke Energy Carolinas filed its request for approval of its notice to customers required to implement temporary rates. On July 27, 2020, Duke Energy Carolinas filed a joint motion with Duke Energy Progress and the Public Staff notifying the Commission that the parties reached a joint partial settlement with the Public Staff. Also, on July 27, 2020, Duke Energy Carolinas filed a letter stating that it intended to update its temporary rates calculation to reflect the terms of the partial settlement.

On July 31, 2020, Duke Energy Carolinas and the Public Staff filed a Second Agreement and Stipulation of Partial Settlement (Second Partial Settlement), which is subject to review and approval of the NCUC, resolving certain remaining issues in the base rate proceeding. Major components of the Second Partial Settlement included:

- A return on equity of 9.6% and a capital structure of 52% equity and 48% debt;
- Agreement on amortization over a five-year period for unprotected federal EDIT flowbacks to customers;
- Agreement on the inclusion of plant in service and other revenue requirement updates through May 31, 2020, subject to Public Staff review. Annual revenue requirement associated with the May 31 update is estimated at \$45 million; and
- Settlement to allow the deferral of costs for certain grid projects placed in service between June 1, 2020, and December 31, 2022, totaling \$0.8 billion.

Combined Notes to Consolidated Financial Statements – (Continued)

The remaining items litigated at hearing included recovery of deferred coal ash compliance costs that are subject to asset retirement obligation accounting, implementation of new depreciation rates and the amortization period of the loss on the hydro station sale.

On August 4, 2020, Duke Energy Carolinas filed an amended motion for approval of its amended notice to customers, seeking to exercise its statutory right to implement temporary rates subject to refund on or after August 24, 2020. The revenue requirement to be recovered, subject to refund, through the temporary rates is based on and consistent with the base rate component of the Second Partial Settlement with the Public Staff and excludes the items to be litigated noted above. Duke Energy Carolinas will not begin the amortization or implementation of these items until a final order is issued in the rate case and new base rates are implemented. These items will also be excluded when determining whether a refund of amounts collected through these temporary rates is needed. In addition, Duke Energy Carolinas also seeks authorization to place a temporary decrement EDIT Rider into effect, concurrent with the temporary base rate change. The temporary rate changes are not final rates and remain subject to the NCUC's determination of the just and reasonable rates to be charged by Duke Energy Carolinas on a permanent basis. The NCUC approved the August 4, 2020 amended temporary rates motion on August 6, 2020, and temporary rates went into effect on August 24, 2020.

The Duke Energy Carolinas evidentiary hearing concluded on September 18, 2020, and post-hearing filings were made with the NCUC from all parties by November 4, 2020. On January 22, 2021, Duke Energy Carolinas and Duke Energy Progress entered into the CCR Settlement Agreement with the Settling Parties, which was filed with the NCUC on January 25, 2021. Duke Energy Carolinas expects the NCUC to issue an order on its net rate increase by the second quarter of 2021. For information on a proposed settlement pending before the NCUC, see "2021 Coal Ash Settlement." Duke Energy Carolinas cannot predict the outcome of this matter.

2018 South Carolina Rate Case

On November 8, 2018, Duke Energy Carolinas filed an application with the PSCSC for a rate increase for retail customers of approximately \$168 million.

After hearings in March 2019, the PSCSC issued an order on May 21, 2019, which included a return on equity of 9.5% and a capital structure of 53% equity and 47% debt. The order also included the following material components:

- Approval of cancellation of the Lee Nuclear Project, with Duke Energy Carolinas maintaining the Combined Operating License;
- Approval of recovery of \$125 million (South Carolina retail portion) of Lee Nuclear Project development costs (including AFUDC through December 2017) over a 12-year period, but denial of a return on the deferred balance of costs;
- Approval of recovery of \$96 million of coal ash costs over a five-year period with a return at Duke Energy Carolinas' WACC;

- Denial of recovery of \$115 million of certain coal ash costs deemed to be related to the Coal Ash Act and incremental to the federal CCR rule;
- Approval of a \$66 million decrease to base rates to reflect the change in ongoing tax expense, primarily the reduction in the federal income tax rate from 35% to 21%;
- Approval of a \$45 million decrease through the EDIT Rider to return EDIT resulting from the federal tax rate change and deferred revenues since January 2018 related to the change, to be returned in accordance with the Average Rate Assumption Method (ARAM) for protected EDIT, over a 20-year period for unprotected EDIT associated with Property, Plant and Equipment, over a five-year period for unprotected EDIT not associated with Property, Plant and Equipment and over a five-year period for the deferred revenues; and
- Approval of a \$17 million decrease through the EDIT Rider related to reductions in the North Carolina state income tax rate from 6.9% to 2.5% to be returned over a five-year period.

As a result of the order, revised customer rates were effective June 1, 2019. On May 31, 2019, Duke Energy Carolinas filed a Petition for Rehearing or Reconsideration of that order contending substantial rights of Duke Energy Carolinas were prejudiced by unlawful, arbitrary and capricious rulings by the PSCSC on certain issues presented in the proceeding. On June 19, 2019, the PSCSC issued a Directive denying Duke Energy Carolinas' request to rehear or reconsider the Commission's rulings on certain issues presented in the proceeding including coal ash remediation and disposal costs, return on equity and the recovery of a return on deferred operation and maintenance expenses. An order detailing the Commission's decision in the Directive was issued on October 18, 2019. Duke Energy Carolinas filed a notice of appeal on November 15, 2019, with the Supreme Court of South Carolina. On November 20, 2019, the South Carolina Energy Users Committee filed a Notice of Appeal and the ORS filed a Notice of Cross Appeal with the Supreme Court of South Carolina. On February 12, 2020, Duke Energy Carolinas and the ORS filed a joint motion to extend briefing schedule deadlines, which was approved by the Supreme Court of South Carolina on February 20, 2020. On March 10, 2020, the ORS filed a consent motion requesting withdrawal of their appeal, which was granted by the Supreme Court of South Carolina on April 30, 2020. Initial briefs were filed on April 21, 2020, which included the South Carolina Energy User's Committee brief arguing that the PSCSC erred in allowing Duke Energy Carolinas' recovery of costs related to the Lee Nuclear Station. Response briefs were filed on July 6, 2020, and reply briefs were filed on August 11, 2020. Oral arguments have not yet been scheduled by the Supreme Court of South Carolina. Based on legal analysis and the filing of the appeal, Duke Energy Carolinas has not recorded an adjustment for its deferred coal ash costs in this matter. Duke Energy Carolinas cannot predict the outcome of this matter.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

Duke Energy Progress

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Progress' Consolidated Balance Sheets.

| (in millions) | December 31, | | Earns/Pays
a Return | Recovery/Refund
Period Ends |
|---|-----------------|-----------------|------------------------|--------------------------------|
| | 2020 | 2019 | | |
| Regulatory Assets^(a) | | | | |
| AROs – coal ash | \$ 1,347 | \$ 1,834 | (h) | (b) |
| AROs – nuclear and other | 683 | 509 | | (c) |
| Accrued pension and OPEB | 393 | 423 | | (k) |
| Storm cost deferrals ^(d) | 785 | 801 | Yes | (b) |
| Retired generation facilities | 189 | 83 | Yes | (b) |
| PISCC and deferred operating expenses | 51 | 33 | Yes | 2054 |
| Deferred asset – Harris COLA | 32 | 38 | | (b) |
| Hedge costs deferrals | 89 | 85 | | (b) |
| AMI | 57 | 61 | Yes | (b) |
| DSM/EE ^(e) | 224 | 216 | (i) | (i) |
| Vacation accrual | 42 | 41 | | 2021 |
| Deferred fuel and purchased power | 158 | 266 | (f) | 2022 |
| COR settlement | 33 | 35 | Yes | (e) |
| NCEMPA deferrals | 124 | 72 | (g) | 2042 |
| Nuclear deferral | 35 | 40 | | 2022 |
| Customer connect project | 25 | 17 | Yes | (b) |
| ABSAT, coal ash basin closure | 27 | 15 | Yes | (b) |
| Deferred severance charges | 29 | — | | 2022 |
| Incremental COVID-19 expenses | 23 | — | Yes | (b) |
| Other | 122 | 109 | | (b) |
| Total regulatory assets | 4,468 | 4,678 | | |
| Less: current portion | 492 | 526 | | |
| Total noncurrent regulatory assets | \$ 3,976 | \$ 4,152 | | |
| Regulatory Liabilities^(a) | | | | |
| Net regulatory liability related to income taxes ^(l) | \$ 1,662 | \$ 1,802 | | (b) |
| Costs of removal | 2,666 | 2,294 | Yes | (i) |
| Provision for rate refunds | 123 | 123 | Yes | |
| Other | 473 | 249 | | (b) |
| Total regulatory liabilities | 4,924 | 4,468 | | |
| Less: current portion | 530 | 236 | | |
| Total noncurrent regulatory liabilities | \$ 4,394 | \$ 4,232 | | |

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.

(b) The expected recovery or refund period varies or has not been determined.

(c) Recovery period for costs related to nuclear facilities runs through the decommissioning period of each unit.

(d) South Carolina storm costs are included in rate base.

(e) Included in rate base.

(f) Pays interest on over-recovered costs in North Carolina. Includes certain purchased power costs in North Carolina and South Carolina and costs of distributed energy in South Carolina.

(g) South Carolina retail allocated costs are earning a return.

(h) Earns a debt and equity return on coal ash expenditures for North Carolina and South Carolina retail customers as permitted by various regulatory orders.

(i) Includes incentives on DSM/EE investments and is recovered through an annual rider mechanism.

(j) Recovered over the life of the associated assets.

(k) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

(l) Includes regulatory liabilities related to the change in the federal tax rate as a result of the Tax Act and the change in the North Carolina tax rate, both discussed in Note 23. Portions are included in rate base.

Combined Notes to Consolidated Financial Statements – (Continued)**2017 North Carolina Rate Case**

On June 1, 2017, Duke Energy Progress filed an application with the NCUC for a rate increase for retail customers of approximately \$477 million, which was subsequently adjusted to \$420 million. On November 22, 2017, Duke Energy Progress and the Public Staff filed an Agreement and Stipulation of Partial Settlement resolving certain portions of the proceeding. Terms of the settlement included a return on equity of 9.9% and a capital structure of 52% equity and 48% debt. On February 23, 2018, the NCUC issued an order approving the stipulation. The order also impacted certain amounts that were similarly recorded on Duke Energy Carolinas' Consolidated Balance Sheets. As a result of the order, Duke Energy Progress and Duke Energy Carolinas recorded pretax charges of \$68 million and \$14 million, respectively, in the first quarter of 2018 to Impairment charges, Operation, maintenance and other and Interest Expense on the Consolidated Statements of Operations. The Public Staff, the North Carolina Attorney General and the Sierra Club filed notices of appeal to the North Carolina Supreme Court.

The North Carolina Supreme Court consolidated the Duke Energy Carolinas and Duke Energy Progress appeals. On December 11, 2020, the North Carolina Supreme Court issued an opinion on the consolidated appeals of the 2018 Duke Energy Carolinas and Duke Energy Progress rate case orders which affirmed, in part, and reversed and remanded, in part, the NCUC's decisions. In the Opinion, the court upheld the NCUC's decision to include coal ash costs in the cost of service, as well as the NCUC's discretion to allow a return on the unamortized balance of coal ash costs. The court also remanded to the NCUC a single issue to consider the assessment of support for the Public Staff's equitable sharing argument. In response to a NCUC order seeking comments on the proposed procedure on remand, on January 11, 2021, Duke Energy Carolinas, Duke Energy Progress, the Public Staff, the North Carolina Attorney General, Sierra Club and Carolina Industrial Group for Fair Utility Rates II and III filed joint comments proposing that the NCUC not hold additional evidentiary hearings, but instead rely upon existing records in the 2017 North Carolina rate cases or in the alternative the records in the 2019 North Carolina rate cases, in deciding the issue on remand. On January 22, 2021, Duke Energy Progress and Duke Energy Carolinas entered into the CCR Settlement Agreement with the Settling Parties, which was filed with the NCUC on January 25, 2021. For information on the proposed settlement pending before the NCUC, see "2021 Coal Ash Settlement." Duke Energy Progress cannot predict the outcome of this matter.

2019 North Carolina Rate Case

On October 30, 2019, Duke Energy Progress filed an application with the NCUC for a net rate increase for retail customers of approximately \$464 million, which represented an approximate 12.3% increase in annual base revenues. The gross rate case revenue increase request was \$586 million, which was offset by riders of \$122 million, primarily an EDIT rider of \$120 million to return to customers North Carolina and federal EDIT resulting from recent reductions in corporate tax rates. The request for rate increase was driven by major capital investments subsequent to the previous base rate case, coal ash pond closure costs, accelerated coal plant depreciation and deferred 2018 storm costs. Duke Energy Progress seeks to defer and recover incremental Hurricane Dorian storm costs in this proceeding and requests rates be effective no later than September 1, 2020. As a result of the COVID-19 pandemic, on March 24, 2020, the NCUC suspended the procedural schedule and postponed the previously scheduled evidentiary hearing on this matter indefinitely. On April 7, 2020, the NCUC issued an order partially resuming the procedural schedule requiring intervenors to file direct testimony on April 13, 2020. Public Staff filed supplemental direct testimony on April 23, 2020. Duke Energy Progress filed rebuttal testimony on May 4, 2020.

On June 2, 2020, Duke Energy Progress and the Public Staff filed an Agreement and Stipulation of Partial Settlement, which is subject to review and approval of the NCUC, resolving certain issues in the base rate proceeding. Major components of the settlement included:

- Removal of deferred storm costs from the rate case;
- Filing a petition seeking to securitize the deferred storm costs within 120 days of a commission order in this rate case regarding the reasonableness and prudence of the storm costs;
- Agreement of certain assumptions to demonstrate the quantifiable benefits to customers of a securitization financing;
- Agreement that the Asheville CC project is complete and in service and agreement on the amount to be included in rate base; and
- Agreement on certain accounting matters, including recovery of employee incentives, severance, aviation costs and executive compensation.

On May 6, 2020, Duke Energy Progress, Duke Energy Carolinas and the Public Staff filed a joint motion requesting that the NCUC issue an order scheduling one consolidated evidentiary hearing to consider the companies' applications for net rate increases. On June 17, 2020, the NCUC issued an order adopting procedures for the expert witness hearings to take place in three phases: (1) a hearing on issues common to both rate cases conducted remotely; (2) a hearing on Duke Energy Carolinas specific rate case issues, followed immediately by; (3) a hearing on Duke Energy Progress specific rate case issues. On July 27, 2020, Duke Energy Progress filed a joint motion with Duke Energy Carolinas and the Public Staff notifying the Commission that the parties reached a joint partial settlement with the Public Staff.

On July 31, 2020, Duke Energy Progress and the Public Staff filed a Second Agreement and Stipulation of Partial Settlement (Second Partial Settlement), which is subject to review and approval of the NCUC, resolving certain remaining issues in the base rate proceeding. Major components of the Second Partial Settlement included:

- A return on equity of 9.6% and a capital structure of 52% equity and 48% debt;
- Agreement on amortization over a five-year period for unprotected federal EDIT flowbacks to customers;
- Agreement on the inclusion of plant in service and other revenue requirement updates through May 31, 2020, subject to Public Staff review. Annual revenue requirement associated with the May 31 update is estimated at \$25 million; and
- Settlement to allow the deferral of costs for certain grid projects placed in service between June 1, 2020, and December 31, 2022, of \$0.5 billion.

The remaining items litigated at hearing included recovery of deferred coal ash compliance costs that are subject to asset retirement obligation accounting and implementation of new depreciation rates.

On August 7, 2020, Duke Energy Progress filed a motion for approval of notice required to implement temporary rates, seeking to exercise its statutory right to implement temporary rates subject to refund on or after September 1, 2020. The revenue requirement to be recovered subject to refund through the temporary rates is based on and consistent with the terms of the base rate

Combined Notes to Consolidated Financial Statements – (Continued)

component of the settlement agreements with the Public Staff and excludes items to be litigated noted above. Duke Energy Progress will not begin the amortization or implementation of these items until a final determination is issued in the rate case and new base rates are implemented. These items will also be excluded when determining whether a refund of amounts collected through these temporary rates is needed. In addition, Duke Energy Progress also seeks authorization to place a temporary decrement EDIT Rider into effect, concurrent with the temporary base rate change. The temporary rate changes are not final rates and remain subject to the NCUC's determination of the just and reasonable rates to be charged by Duke Energy Progress on a permanent basis. The NCUC approved the August 7, 2020 temporary rates motion on August 11, 2020, and temporary rates went into effect on September 1, 2020.

The Duke Energy Progress evidentiary hearing concluded on October 6, 2020, and post-hearing filings were filed with the NCUC from all parties by December 4, 2020. On January 22, 2021, Duke Energy Progress and Duke Energy Carolinas entered into the CCR Settlement Agreement with the Settling Parties, which was filed with the NCUC on January 25, 2021. Duke Energy Progress expects the NCUC to issue an order on its net rate increase by the second quarter of 2021. For information on a proposed settlement pending before the NCUC, see "2021 Coal Ash Settlement." Duke Energy Progress cannot predict the outcome of this matter.

Hurricane Dorian

Hurricane Dorian reached the Carolinas in September 2019 as a Category 2 hurricane making landfall within Duke Energy Progress' service territory. Total estimated incremental operation and maintenance expenses incurred to repair and restore the system are approximately \$168 million with an additional \$4 million in capital investments made for restoration efforts. Approximately \$145 million and \$179 million of the operation and maintenance expenses are deferred in Regulatory assets within Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2020, and December 31, 2019, respectively. A request for an accounting order to defer incremental storm costs associated with Hurricane Dorian was included in Duke Energy Progress' October 30, 2019, general rate case filing with the NCUC. Terms of the June 2, 2020, Agreement and Stipulation of Partial Settlement removed incremental storm costs from the general rate case. A petition seeking to securitize these costs, along with costs from Hurricane Florence, Hurricane Michael and Winter Storm Diego, was filed on October 26, 2020, with the NCUC. For information on the securitization filing, see "2020 North Carolina Storm Securitization Filings." Duke Energy Progress cannot predict the outcome of this matter.

On February 7, 2020, a petition was filed with the PSCSC in the 2019 storm deferrals docket requesting deferral of approximately \$22 million in operation and maintenance expenses to an existing storm deferral balance previously approved by the PSCSC. The PSCSC voted to approve the request on March 4, 2020, and issued a final order on April 7, 2020. On July 1, 2020, Duke Energy Progress filed a supplemental true up reducing the actual costs to \$17 million.

2018 South Carolina Rate Case

On November 8, 2018, Duke Energy Progress filed an application with the PSCSC for a rate increase for retail customers of approximately \$59 million.

After hearings in April 2019, the PSCSC issued an order on May 21, 2019, which included a return on equity of 9.5% and a capital structure of 53% equity and 47% debt. The order also included the following material components:

- Approval of recovery of \$4 million of coal ash costs over a five-year period with a return at Duke Energy Progress' WACC;
- Denial of recovery of \$65 million of certain coal ash costs deemed to be related to the Coal Ash Act and incremental to the federal CCR rule;
- Approval of a \$17 million decrease to base rates to reflect the change in ongoing tax expense, primarily the reduction in the federal income tax rate from 35% to 21%;
- Approval of a \$12 million decrease through the EDIT Tax Savings Rider resulting from the federal tax rate change and deferred revenues since January 2018 related to the change, to be returned in accordance with ARAM for protected EDIT, over a 20-year period for unprotected EDIT associated with Property, Plant and Equipment, over a five-year period for unprotected EDIT not associated with Property, Plant and Equipment and over a three-year period for the deferred revenues; and
- Approval of a \$12 million increase due to the expiration of EDIT related to reductions in the North Carolina state income tax rate from 6.9% to 2.5%.

As a result of the order, revised customer rates were effective June 1, 2019. On May 31, 2019, Duke Energy Progress filed a Petition for Rehearing or Reconsideration of that order contending substantial rights of Duke Energy Progress were prejudiced by unlawful, arbitrary and capricious rulings by the PSCSC on certain issues presented in the proceeding. On June 19, 2019, the PSCSC issued a Directive denying Duke Energy Progress' request to rehear or reconsider the Commission's rulings on certain issues presented in the proceeding including coal ash remediation and disposal costs, return on equity and the recovery of a return on deferred operation and maintenance expenses, but allowing additional litigation-related costs. As a result of the Directive allowing litigation-related costs, customer rates were revised effective July 1, 2019. An order detailing the Commission's decision in the Directive was issued on October 18, 2019. Duke Energy Progress filed a notice of appeal on November 15, 2019, with the Supreme Court of South Carolina. The ORS filed a Notice of Cross Appeal on November 20, 2019. On February 12, 2020, Duke Energy Progress and the ORS filed a joint motion to extend briefing schedule deadlines, which was approved by the Supreme Court of South Carolina on February 20, 2020. On March 10, 2020, the ORS filed a consent motion requesting withdrawal of their appeal, which was granted by the Supreme Court of South Carolina on April 30, 2020. Initial briefs were filed on April 21, 2020. Response briefs were filed on July 6, 2020, and reply briefs were filed on August 11, 2020. Oral arguments have not yet been scheduled by the Supreme Court of South Carolina. Based on legal analysis and the filing of the appeal, Duke Energy Progress has not recorded an adjustment for its deferred coal ash costs in this matter. Duke Energy Progress cannot predict the outcome of this matter.

Western Carolinas Modernization Plan

Duke Energy Progress retired the 376-MW Asheville coal-fired plant on January 29, 2020, at which time the net book value, including associated ash basin closure costs, of \$214 million was transferred from Generation facilities to be retired, net to Regulatory assets within Current Assets and Other Noncurrent Assets on the Consolidated Balance Sheets.

On December 27, 2019, Asheville Combined Cycle Unit 5 Combustion Turbine and Unit 6 Steam Turbine Generator and the common systems that

Combined Notes to Consolidated Financial Statements – (Continued)

serve combined cycle units went into commercial operation. Duke Energy Progress placed the Unit 7 Combustion Turbine into commercial operation in simple-cycle mode on January 15, 2020. The Unit 8 Steam Turbine Generator went into commercial operation on April 5, 2020. On June 2, 2020, Duke Energy Progress filed a request with the PSCSC for an accounting order for the deferral of post-in-service costs incurred in connection with the addition of the Asheville combined-cycle generating plant. The petition requested the PSCSC issue an accounting order authorizing Duke Energy Progress to defer post-in-service costs including the Asheville combined-cycle's depreciation expense, property taxes, incremental operations and maintenance expenses and carrying costs at WACC of approximately \$8 million annually. On June 17, 2020, the PSCSC voted to approve the petition and issued its final order on July 6, 2020.

On October 8, 2018, Duke Energy Progress filed an application with the NCUC for a CPCN to construct the Hot Springs Microgrid Solar and Battery Storage Facility, which was approved with certain conditions on May 10, 2019. A hearing to update the NCUC on the status of the project was held on March 5, 2020. Construction began in May 2020 with commercial operation expected to begin in October 2021.

On July 27, 2020, Duke Energy Progress filed an application with the NCUC for a CPCN to construct the Woodfin Solar Facility, a 5-MW solar generating facility to be constructed on a closed landfill in Buncombe County. The expert hearing was held on November 18, 2020. Duke Energy Progress cannot predict the outcome of this matter.

FERC Return on Equity Complaints

On October 11, 2019, NCEMPA filed a complaint at the FERC against Duke Energy Progress pursuant to Section 206 of the Federal Power Act (FPA), alleging that the 11% stated return on equity (ROE) component contained in the demand formula rate in the Full Requirements Power Purchase Agreement (FRPPA) between NCEMPA and Duke Energy Progress is unjust and unreasonable. On July 16, 2020, the FERC set this matter for hearing and settlement judge procedures and established a refund effective date of October 11, 2019. In its order setting the matter for settlement, the FERC allowed for the consideration of variations to the base transmission-related ROE methodology developed in its Order No. 569-A, through the introduction of "specific facts and circumstances" involving issues specific to the case. It is Duke Energy Progress' view that, in consideration of the specific facts and circumstances of risks under the provisions of the FRPPA, the stated 11% ROE is just and reasonable. The parties are currently in FERC settlement procedures. Duke Energy Progress cannot predict the outcome of this matter.

On October 16, 2020, NCEMC filed a complaint at the FERC against Duke Energy Progress pursuant to Section 206 of the FPA, alleging that the 11% stated ROE component in the demand formula rate in the Power Supply and Coordination Agreement between NCEMC and Duke Energy Progress is unjust and unreasonable. Under FPA Section 206, the earliest refund effective date that the FERC can establish is the date of the filing of the complaint. Duke Energy Progress responded to the complaint on November 20, 2020, demonstrating that the 11% ROE is just and reasonable for the service provided. The parties have filed additional pleadings. The FERC has not issued an order, and there is no deadline for the FERC to act. Duke Energy Progress cannot predict the outcome of this matter.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
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Combined Notes to Consolidated Financial Statements – (Continued)

Duke Energy Florida

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Florida's Consolidated Balance Sheets.

| (in millions) | December 31, | | Earns/Pays
a Return | Recovery/Refund
Period Ends |
|---|-----------------|-----------------|------------------------|--------------------------------|
| | 2020 | 2019 | | |
| Regulatory Assets^(a) | | | | |
| AROs – coal ash ^(c) | \$ 10 | \$ 9 | | (b) |
| AROs – nuclear and other ^(c) | 2 | 159 | Yes | (b) |
| Accrued pension and OPEB ^(c) | 482 | 474 | Yes | (g) |
| Storm cost deferrals ^(c) | 108 | 413 | (e) | (b) |
| Nuclear asset securitized balance, net | 991 | 1,042 | | 2036 |
| Retired generation facilities ^(c) | 174 | 183 | Yes | (b) |
| Hedge costs deferrals | 59 | 44 | Yes | 2038 |
| AMI ^(c) | 45 | 53 | Yes | 2032 |
| DSM/EE ^(c) | 17 | 25 | Yes | 2025 |
| Deferred fuel and purchased power | 4 | 39 | (f) | 2022 |
| Qualifying facility contract buyouts | 107 | 121 | Yes | 2034 |
| Customer connect project | 30 | 20 | | 2037 |
| Other | 35 | 31 | (d) | (b) |
| Total regulatory assets | 2,064 | 2,613 | | |
| Less: current portion | 265 | 419 | | |
| Total noncurrent regulatory assets | \$ 1,799 | \$ 2,194 | | |
| Regulatory Liabilities^(a) | | | | |
| Net regulatory liability related to income taxes ^(c) | \$ 749 | \$ 793 | | (b) |
| Costs of removal ^(c) | — | 267 | (d) | (b) |
| Deferred fuel and purchased power ^(c) | — | 1 | (f) | |
| Other | 19 | 26 | (d) | (b) |
| Total regulatory liabilities | 768 | 1,087 | | |
| Less: current portion | 110 | 94 | | |
| Total noncurrent regulatory liabilities | \$ 658 | \$ 993 | | |

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.

(b) The expected recovery or refund period varies or has not been determined.

(c) Included in rate base.

(d) Certain costs earn/pay a return.

(e) Earns a debt return/interest once collections begin.

(f) Earns commercial paper rate.

(g) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

COVID-19 Filings

In March 2020, Governor Ron DeSantis directed the State Health Officer of Florida to declare a public health emergency in Florida related to the COVID-19 pandemic. The governor also issued an Executive Order on March 9, 2020, in which he declared a state of emergency in Florida and directed the Director of the Division of Emergency Management to implement the state's Comprehensive Emergency Management Plan. On March 19, 2020, Duke Energy Florida filed a request to modify its tariff to allow it to waive late fees for customers, and on April 6, 2020, the FPSC issued an order approving the request. Duke Energy Florida had already voluntarily waived reconnect fees and credit card fees and ceased disconnecting customers for nonpayment. On April 2, 2020, Duke Energy Florida filed a petition with the FPSC to accelerate a \$78 million fuel cost refund to customers in the month of May 2020. Typically, the refund would be made over the course of 2021. The FPSC approved the petition on April 28, 2020. Duke Energy Florida resumed normal billing practices as of August 24, 2020, with

the exception of the billing of late payment charges. Customers were notified of the resumption of normal billing practices, the option of deferred payment arrangements and where to find assistance, if necessary. Service disconnections for nonpayment for residential customers resumed on October 5, 2020.

2021 Settlement Agreement

On January 14, 2021, Duke Energy Florida filed a Settlement Agreement (the "Settlement") with the FPSC. The parties to the Settlement include Duke Energy Florida, the Office of Public Counsel (OPC), the Florida Industrial Power Users Group, White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate and NUCOR Steel Florida, Inc. (collectively, the "Parties").

Pursuant to the Settlement, the Parties agreed to a base rate stay-out provision that expires year-end 2024; however, Duke Energy Florida is allowed an increase to its base rates of an incremental \$67 million in 2022, \$49 million in 2023 and \$79 million in 2024, subject to adjustment in the event of tax

Combined Notes to Consolidated Financial Statements – (Continued)

reform during the years 2021, 2022 and 2023. The Parties also agreed to a return on equity (“ROE”) band of 8.85% to 10.85% with a midpoint of 9.85% based on a capital structure of 53% equity and 47% debt. The ROE band can be increased by 25 basis points if the average 30-year U.S. Treasury rate increases 50 basis points or more over a six-month period in which case the midpoint ROE would rise from 9.85% to 10.10%. Duke Energy Florida will also be able to retain the DOE award of \$173 million for spent nuclear fuel, which is expected to be received in 2022, in order to mitigate customer rates over the term of the Settlement. In return, Duke Energy Florida will be able to recognize the \$173 million into earnings from 2022 through 2024.

In addition to these terms, the Settlement contains provisions related to the accelerated depreciation of Crystal River Units 4-5, the approval of approximately \$1 billion in future investments in new cost effective solar power, the implementation of a new Electric Vehicle Charging Station Program and the deferral and recovery of costs in connection with the implementation of Duke Energy Florida’s Vision Florida program, which explores various emerging non-carbon emitting generation technology, distributed technologies and resiliency projects, among other things. The Settlement also resolves remaining unrecovered storm costs for hurricanes Dorian and Michael.

The Settlement is subject to the review and approval of the FPSC, which may occur in the second quarter of 2021. If the FPSC approves the Settlement, the new rates will be effective January 1, 2022, with subsequent base rate increases effective January 1, 2023, and January 1, 2024. Duke Energy Florida cannot predict the outcome of this matter.

Storm Restoration Cost Recovery

Duke Energy Florida filed a petition with the FPSC on April 30, 2019, to recover \$223 million of estimated retail incremental storm restoration costs for Hurricane Michael, consistent with the provisions in the 2017 Settlement, and the FPSC approved the petition on June 11, 2019. The FPSC also approved allowing Duke Energy Florida to use the tax savings resulting from the Tax Act to recover these storm costs in lieu of implementing a storm surcharge. Approved storm costs are currently expected to be fully recovered by approximately year-end 2021. On November 22, 2019, Duke Energy Florida filed a petition for approval of actual retail recoverable storm restoration costs related to Hurricane Michael in the amount of \$191 million plus interest. On May 19, 2020, Duke Energy Florida filed a supplemental true up reducing the actual retail recoverable storm restoration costs related to Hurricane Michael by approximately \$3 million, resulting in a total request to recover \$188 million actual retail recoverable storm restoration costs, plus interest. On November 12, 2020, Duke Energy Florida and OPC requested a 90 day abatement to engage in discussions to narrow the issues being litigated. The Prehearing Officer approved this request on November 16, 2020, and ordered Duke Energy Florida and OPC to update the commission on their discussions by February 12, 2021. Approximately \$80 million and \$204 million of these costs are included in Regulatory assets within Current Assets and Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2020, and December 31, 2019, respectively.

Duke Energy Florida filed a petition with the FPSC on December 19, 2019, to recover \$169 million of estimated retail incremental storm restoration costs for Hurricane Dorian, consistent with the provisions in the 2017 Settlement and the FPSC approved the petition on February 24, 2020. Approximately \$167 million of these costs are included in Regulatory assets within Current

Assets and Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2019, representing recoverable costs under the FPSC’s storm rule and Duke Energy Florida’s OATT formula rates. The amount at December 31, 2020 was immaterial. The final actual amount of \$145 million was filed on September 30, 2020. Pursuant to the 2021 Settlement Agreement filed for FPSC approval on January 14, 2021, all matters regarding storm cost recovery relating to hurricanes Michael and Dorian have been resolved.

Clean Energy Connection

On July 1, 2020, Duke Energy Florida petitioned the FPSC for approval of a voluntary solar program. The program consists of 10 new solar generating facilities with combined capacity of approximately 750 MW. The program allows participants to support cost-effective solar development in Florida by paying a subscription fee based on per kilowatt-subscriptions and receiving a credit on their bill based on the actual generation associated with their portion of the solar portfolio. The estimated cost of the 10 new solar generation facilities is approximately \$1 billion over the next four years, and this investment will be included in base rates offset by the revenue from the subscription fees. The credits will be included for recovery in the fuel cost recovery clause. A remote hearing was held on November 17, 2020, and post-hearing briefs were filed with the FPSC from all parties by December 9, 2020. The FPSC voted to approve the program on January 5, 2021, and issued its written order on January 26, 2021.

Crystal River Unit 3 Accelerated Decommissioning Filing

On May 29, 2019, Duke Energy Florida entered into a Decommissioning Services Agreement for the accelerated decommissioning of Crystal River Unit 3 located in Citrus County, Florida, with ADP CR3, LLC and ADP SF1, LLC, each of which is a wholly owned subsidiary of Accelerated Decommissioning Partners, LLC (ADP), a joint venture between NorthStar Group Services, Inc. and Orano USA LLC. The agreement will allow for completion of the decommissioning of Crystal River Unit 3 by 2027, rather than 2074 as originally planned. Duke Energy Florida will also sell and assign the spent nuclear fuel, storage canisters, high-level waste and existing dry spent fuel storage installation and certain related assets, together with certain associated liabilities and obligations to ADP SF1, LLC. Duke Energy Florida expects that the assets of the Nuclear Decommissioning Trust Fund as of December 31, 2020, will be sufficient to cover the contract price. The U.S. Nuclear Regulatory Commission approved the transaction on April 1, 2020, and the FPSC issued an order approving the transaction on August 27, 2020. The transaction closed on October 1, 2020.

Citrus County CC

Construction of the 1,640-MW combined-cycle natural gas plant in Citrus County, Florida, began in October 2015 with an estimated cost of \$1.5 billion, including AFUDC. Both units came online in the fourth quarter of 2018. The ultimate cost of the facility was estimated to be \$1.6 billion, and Duke Energy Florida recorded Impairment charges on Duke Energy’s Consolidated Statements of Operations of \$60 million in the fourth quarter of 2018 for the overrun. In the year ended December 31, 2019, Duke Energy Florida recorded a \$36 million reduction to the prior year impairment due to a decrease in the cost estimate of the Citrus County CC, primarily related to the settlement agreement with Fluor, the EPC contractor. This adjustment reduced the estimated cost of the facility to \$1.5 billion.

PART II

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Combined Notes to Consolidated Financial Statements – (Continued)

Duke Energy Ohio

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Ohio's Consolidated Balance Sheets.

| (in millions) | December 31, | | Earns/Pays
a Return | Recovery/Refund
Period Ends |
|--|---------------|---------------|------------------------|--------------------------------|
| | 2020 | 2019 | | |
| Regulatory Assets^(a) | | | | |
| AROs – coal ash | \$ 22 | \$ 16 | Yes | (b) |
| Accrued pension and OPEB | 149 | 155 | | (g) |
| Storm cost deferrals | 4 | 7 | | 2023 |
| PISCC and deferred operating expenses ^(c) | 16 | 17 | Yes | 2083 |
| Hedge costs deferrals | 7 | 6 | | (b) |
| AMI | 36 | 40 | | (b) |
| DSM/EE | 1 | 2 | (f) | (e) |
| Vacation accrual | 6 | 5 | | 2021 |
| Deferred fuel and purchased power | — | 1 | | 2021 |
| CEP deferral | 117 | 76 | Yes | (b) |
| MGP | 104 | 102 | | (b) |
| Deferred pipeline integrity costs | 21 | 17 | Yes | (b) |
| Other | 166 | 154 | | (b) |
| Total regulatory assets | 649 | 598 | | |
| Less: current portion | 39 | 49 | | |
| Total noncurrent regulatory assets | \$ 610 | \$ 549 | | |
| Regulatory Liabilities^(a) | | | | |
| Net regulatory liability related to income taxes | \$ 628 | \$ 654 | | (b) |
| Costs of removal | 68 | 86 | | (d) |
| Provision for rate refunds | 45 | 31 | | (b) |
| Accrued pension and OPEB | 17 | 16 | | (g) |
| Other | 55 | 40 | | (b) |
| Total regulatory liabilities | 813 | 827 | | |
| Less: current portion | 65 | 64 | | |
| Total noncurrent regulatory liabilities | \$ 748 | \$ 763 | | |

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.

(b) The expected recovery or refund period varies or has not been determined.

(c) Included in rate base.

(d) Recovery over the life of the associated assets.

(e) Recovered via a rider mechanism.

(f) Includes incentives on DSM/EE investments.

(g) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

Combined Notes to Consolidated Financial Statements – (Continued)***Duke Energy Ohio COVID-19 Filings***

In response to the COVID-19 pandemic, on March 9, 2020, Governor Mike DeWine declared a state of emergency in the state of Ohio. The PUCO issued an order directing utilities to cease disconnections for nonpayment and waive late payment and reconnection fees and to minimize direct customer contact. The PUCO also directed utilities to maintain flexible payment plans and tariff interpretations to assist customers during this crisis and to seek any regulatory waivers, if necessary. In response, Duke Energy Ohio ceased all disconnections except for safety-related concerns and waived late payment and reconnection fees. On March 19, 2020, Duke Energy Ohio filed its compliance plan with the PUCO and sought waiver of several regulations to minimize direct customer contact. On May 4, 2020, Duke Energy Ohio filed a motion to suspend payment rules to enable proactive outreach to residential customers offering additional options for managing their utility bills. PUCO found the proposal to address the state of emergency and the accompanying waivers reasonable and directed Duke Energy Ohio to work with the PUCO Staff on a comprehensive plan for resumption of activities and operations, to be filed 45 days before resumption of activities. The transition plan to resume normal operations to pre-COVID-19 levels was filed on June 26, 2020, and approved by the PUCO on July 29, 2020. Pursuant to the transition plan, suspended work and activities resumed beginning August 10, 2020, and disconnections resumed on September 8, 2020, for nonresidential customers and October 5, 2020, for residential customers.

On April 16, 2020, Duke Energy Ohio filed an application for a Reasonable Arrangement to temporarily lower the minimum bill for demand-metered commercial and industrial customers. On June 17, 2020, the PUCO denied Duke Energy Ohio's application for a reasonable arrangement and ordered Duke Energy Ohio to work with the PUCO Staff on payment arrangements for impacted nonresidential customers.

On May 11, 2020, Duke Energy Ohio filed with the PUCO a request seeking deferral of incremental costs incurred, as well as specific miscellaneous lost revenues using existing uncollectible riders already in place for both electric and natural gas operations. Duke Energy Ohio would subsequently file for rider recovery at a later date. On June 17, 2020, the PUCO approved Duke Energy Ohio's deferral application. The Commission denied the accrual of carrying costs and ordered Duke Energy Ohio to also track potential savings experienced as a result of COVID-19.

Duke Energy Kentucky COVID-19

In response to the COVID-19 pandemic, on March 6, 2020, Governor Andy Beshear declared a state of emergency in the commonwealth of Kentucky. The KPSC issued an order directing utilities to cease disconnections for nonpayment and waive late payment fees. The KPSC also directed utilities to maintain flexible payment plans and tariff interpretations to assist customers during this crisis and to seek any regulatory waivers, if necessary. In response, Duke Energy Kentucky ceased all disconnections except for safety-related concerns and waived late payment and reconnection fees. On September 21, 2020, the KPSC issued an order ending the disconnection moratorium for residential and nonresidential customers effective no earlier than October 20, 2020. Utilities are required to offer residential customers a default payment plan for any arrearages accumulated through the October 2020 billing cycle. Assessment of late payment charges for nonresidential customers resumed beginning October 20, 2020, and resumed for residential customers after December 31, 2020. Duke Energy Kentucky is following the order, as clarified on September 30, 2020, by the KPSC.

2017 Electric Security Plan Filing

On June 1, 2017, Duke Energy Ohio filed with the PUCO a request for a standard service offer in the form of an ESP. On April 13, 2018, Duke Energy Ohio, along with certain intervenors, filed a Stipulation and Recommendation (Stipulation) with the PUCO resolving that the term of the ESP would be from June 1, 2018, to May 31, 2025, and included continuation of market-based customer rates through competitive procurement processes for generation, continuation and expansion of existing rider mechanisms and approved new rider mechanisms relating to costs incurred to enhance the customer experience and transform the grid and a service reliability rider for vegetation management. On September 13, 2019, and September 16, 2019, Interstate Gas Supply/Retail Supply Association and the Ohio Consumers' Counsel (OCC), respectively, filed appeals to the Supreme Court of Ohio claiming the PUCO's order was in error. On March 13, 2020, the Supreme Court of Ohio dismissed OCC's appeal. On April 22, 2020, the Supreme Court of Ohio dismissed all remaining appeals of the PUCO's December 19, 2018 order approving the Stipulation. The case has been resolved.

Electric Base Rate Case

Duke Energy Ohio filed with the PUCO an electric distribution base rate case application and supporting testimony in March 2017. Duke Energy Ohio requested an estimated annual increase of approximately \$15 million and a return on equity of 10.4%. On April 13, 2018, Duke Energy Ohio, along with certain intervenors, filed the Stipulation with the PUCO including a \$19 million decrease in annual base distribution revenue with a return on equity unchanged from the current rate of 9.84% based upon a capital structure of 50.75% equity and 49.25% debt. Upon approval of new rates, Duke Energy Ohio's rider for recovering its initial SmartGrid implementation ended as these costs would be recovered through base rates. The Stipulation also renewed 14 existing riders, some of which were included in Duke Energy Ohio's ESP, and added two new riders including the Enhanced Service Reliability Rider to recover vegetation management costs not included in base rates, up to \$10 million per year (operation and maintenance only) and the Power Future Initiatives Rider (formerly PowerForward Rider) to recover costs incurred to enhance the customer experience and further transform the grid (operation and maintenance and capital). In addition to the changes in revenue attributable to the Stipulation, Duke Energy Ohio's capital-related riders, including the Distribution Capital Investments Rider, began to reflect the lower federal income tax rate associated with the Tax Act with updates to customers' bills beginning April 1, 2018. This change reduced electric revenue by approximately \$20 million on an annualized basis. On December 19, 2018, the PUCO approved the Stipulation without material modification. New base rates were implemented effective January 2, 2019. On September 13, 2019, and September 16, 2019, Interstate Gas Supply/Retail Supply Association and the OCC, respectively, filed appeals to the Supreme Court of Ohio claiming the PUCO's order was in error. On March 13, 2020, the Supreme Court of Ohio dismissed the OCC's appeal. On April 22, 2020, the Supreme Court of Ohio dismissed all remaining appeals of the PUCO's December 19, 2018 order approving the Stipulation. The case has been resolved.

Ohio Valley Electric Corporation

On March 31, 2017, Duke Energy Ohio filed for approval to adjust its existing Rider PSR to pass through net costs related to its contractual entitlement to capacity and energy from the generating assets owned by OVEC.

Combined Notes to Consolidated Financial Statements – (Continued)

Duke Energy Ohio sought deferral authority for net costs incurred from April 1, 2017, until the new rates under Rider PSR were put into effect. On April 13, 2018, Duke Energy Ohio, along with certain intervenors, filed a Stipulation with the PUCO resolving numerous issues including those related to Rider PSR. The Stipulation activated Rider PSR for recovery of net costs incurred from January 1, 2018, through May 2025. On December 19, 2018, the PUCO approved the Stipulation without material modification. The PSR rider became effective April 1, 2019. On September 13, 2019, and September 16, 2019, Interstate Gas Supply/Retail Supply Association and the OCC filed appeals to the Supreme Court of Ohio claiming the PUCO's order was in error. On March 13, 2020, the Supreme Court of Ohio dismissed OCC's appeal. On April 22, 2020, the Supreme Court of Ohio dismissed all remaining appeals of the PUCO's December 19, 2018 order approving the Stipulation. The case has been resolved.

On July 23, 2019, House Bill 6 (HB 6) was signed into law that became effective January 1, 2020. Among other things, the bill allows for funding through a rider mechanism referred to as the Clean Air Fund (Rider CAF), of two nuclear generating facilities located in Northern Ohio owned by Energy Harbor (f/k/a FirstEnergy Solutions), repeal of energy efficiency mandates and recovery of prudently incurred costs, net of any revenues, for Ohio investor-owned utilities that are participants under the OVEC power agreement. The recovery is through a non-bypassable rider that replaced any existing recovery mechanism approved by the PUCO and will remain in place through 2030. As such, Duke Energy Ohio created the Legacy Generation Rider (Rider LGR) that replaced Rider PSR effective January 1, 2020. The amounts recoverable from customers are subject to an annual cap, with incremental costs that exceed such cap eligible for deferral and recovery subject to review. See Note 17 for additional discussion of Duke Energy Ohio's ownership interest in OVEC. In July 2020, legislation to repeal HB 6 was proposed in both the Ohio House and Senate, with subsequent hearings to receive witness testimony. On December 21, 2020, the Franklin County Circuit Court issued an injunction against the PUCO's Order that approved the nuclear plant funding through Rider CAF set to become effective on January 1, 2021. On December 28, 2020, in a separate proceeding, the Ohio Supreme Court, ordered a temporary stay on the implementation of Rider CAF. Duke Energy Ohio is not impacted by any changes in Rider CAF. The General Assembly's session ended without addressing HB 6. Duke Energy Ohio cannot predict the outcome of this matter.

Tax Act – Ohio

On December 21, 2018, Duke Energy Ohio filed an application to change its base rate tariffs and establish a new rider to implement the benefits of the Tax Act for natural gas customers. Duke Energy Ohio requested commission approval to implement the changes and rider effective April 1, 2019. The new rider will flow through to customers the benefit of the lower statutory federal tax rate from 35% to 21% since January 1, 2018, all future benefits of the lower tax rates and a full refund of deferred income taxes collected at the higher tax rates in prior years. Deferred income taxes subject to normalization rules will be refunded consistent with federal law and deferred income taxes not subject to normalization rules will be refunded over a 10-year period. The PUCO established a procedural schedule and testimony was filed on July 31, 2019. An evidentiary hearing occurred on August 7, 2019. Initial briefs were filed on September 11, 2019. Reply briefs were filed on September 25, 2019. Duke Energy Ohio cannot predict the outcome of this matter.

Energy Efficiency Cost Recovery

On February 26, 2020, the PUCO issued an order directing utilities to wind down their demand-side management programs by September 30, 2020, and to terminate the programs by December 31, 2020, in response to changes in Ohio law that eliminated Ohio's energy efficiency mandates. On March 27, 2020, Duke Energy Ohio filed an Application for Rehearing seeking clarification on the final true up and reconciliation process after 2020. On April 22, 2020, the PUCO granted rehearing for further consideration. The PUCO issued two orders on November 18, 2020, on the application for rehearing. The first order was a Third Entry on Rehearing on the Duke Energy Ohio portfolio holding the cost cap previously imposed was unlawful, a shared savings cap of \$8 million pretax should be imposed and lost distribution revenues could not be recovered after December 31, 2020. The second order directs all utilities set the rider to zero effective January 1, 2021, and to file a separate application for final reconciliation of all energy efficiency costs prior to December 31, 2020. On December 18, 2020, Duke Energy Ohio filed an application for rehearing. On January 13, 2021, the application for rehearing was granted for further consideration. Duke Energy Ohio cannot predict the outcome of this matter.

On October 9, 2020, Duke Energy Ohio filed an application to implement a voluntary efficiency program portfolio to commence on January 1, 2021. The application proposes a mechanism for recovery of program costs and a benefit associated with avoided transmission and distribution costs. The application remains under review. As of January 1, 2021, Duke Energy Ohio suspended its energy efficiency programs due to changes in Ohio law. Duke Energy Ohio cannot predict the outcome of this matter.

Natural Gas Pipeline Extension

Duke Energy Ohio is proposing to install a new natural gas pipeline (the Central Corridor Project) in its Ohio service territory to increase system reliability and enable the retirement of older infrastructure. Duke Energy Ohio currently estimates the pipeline development costs and construction activities will range from \$163 million to \$245 million in direct costs (excluding overheads and AFUDC) and that construction of the pipeline extension is expected to be completed before the 2021/2022 winter season. An evidentiary hearing for a Certificate of Environmental Compatibility and Public Need concluded on April 11, 2019. On November 21, 2019, the Ohio Power Siting Board (OPSB) approved Duke Energy Ohio's application subject to 41 conditions on construction. Applications for rehearing were filed by several stakeholders on December 23, 2019, arguing that the OPSB approval was incorrect. On February 20, 2020, the OPSB denied the rehearing requests. On April 15, 2020, Joint Appellants filed a notice of appeal at the Supreme Court of Ohio of the OPSB's decision approving Duke Energy Ohio's Central Corridor application. On June 4, 2020, the OPSB filed a motion to dismiss claims raised by one of the Joint Appellants and on August 5, 2020, the Supreme Court of Ohio dismissed one of the Joint Appellants from the appeal. Joint Appellants filed their merit briefs on August 26, 2020. Appellee briefs were filed October 15, 2020. Appellants' briefs were filed on November 24, 2020. On September 22, 2020, Duke Energy Ohio filed an application with the OPSB for approval to amend the certificated pipeline route due to changes in the route negotiated with property owners and municipalities. The staff report was filed on December 21, 2020, recommending approval subject to three conditions that reaffirm previous conditions, and provide guidance regarding local permitting and construction supervision. On December 23, 2020, Duke Energy Ohio filed a letter indicating

Combined Notes to Consolidated Financial Statements – (Continued)

its acceptance of these conditions if required by the OPSB. On January 21, 2021, the OPSB approved the amended filing with the recommended conditions. On January 27, 2021, the Ohio Supreme Court set oral argument for March 31, 2021. Duke Energy Ohio cannot predict the outcome of this matter.

MGP Cost Recovery

As part of its 2012 natural gas base rate case, Duke Energy Ohio has approval to defer and recover costs related to environmental remediation at two sites (East End and West End) that housed former MGP operations. Duke Energy Ohio has collected approximately \$55 million in environmental remediation costs incurred between 2009 through 2012 through Rider MGP, which is currently suspended. Duke Energy Ohio has made annual applications with the PUCO to recover its incremental remediation costs consistent with the PUCO's directive in Duke Energy Ohio's 2012 natural gas base rate case. To date, the PUCO has not ruled on Duke Energy Ohio's annual applications for the calendar years 2013 through 2019. On September 28, 2018, the staff of the PUCO issued a report recommending a disallowance of approximately \$12 million of the \$26 million in MGP remediation costs incurred between 2013 through 2017 that staff believes are not eligible for recovery. Staff interprets the PUCO's 2012 Order granting Duke Energy Ohio recovery of MGP remediation as limiting the recovery to work directly on the East End and West End sites. On October 30, 2018, Duke Energy Ohio filed reply comments objecting to the staff's recommendations and explaining, among other things, the obligation Duke Energy Ohio has under Ohio law to remediate all areas impacted by the former MGPs and not just physical property that housed the former plants and equipment. On March 29, 2019, Duke Energy Ohio filed its annual application to recover incremental remediation expense for the calendar year 2018 seeking recovery of approximately \$20 million in remediation costs. On July 12, 2019, the staff recommended a disallowance of approximately \$11 million for work that staff believes occurred in areas not authorized for recovery. Additionally, staff recommended that any discussion pertaining to Duke Energy Ohio's recovery of ongoing MGP costs should be directly tied to or netted against insurance proceeds collected by Duke Energy Ohio. An evidentiary hearing concluded on November 21, 2019. Initial briefs were filed on January 17, 2020, and reply briefs were filed on February 14, 2020. Duke Energy Ohio cannot predict the outcome of this matter.

On March 31, 2020, Duke Energy Ohio filed its annual application to recover incremental remediation expense for the calendar year 2019 seeking recovery of approximately \$39 million in remediation costs incurred during 2019. On July 23, 2020, the staff recommended a disallowance of approximately \$4 million for work the staff believes occurred in areas not authorized for recovery. Additionally, the staff recommended insurance proceeds, net of litigation costs and attorney fees, should be reimbursed to customers and not be held by Duke Energy Ohio until all investigation and remediation is complete. Duke Energy Ohio filed comments in

The following table provides a reconciliation of the beginning and ending balance of Duke Energy Ohio's recorded liability for its exit obligation and share of MTEP costs recorded in Other within Current Liabilities and Other Noncurrent Liabilities on the Consolidated Balance Sheets. The retail portions of MTEP costs billed by MISO are recovered by Duke Energy Ohio through a non-bypassable rider. As of December 31, 2020, and 2019, \$37 million and \$40 million, respectively, are recorded in Regulatory assets on Duke Energy Ohio's Consolidated Balance Sheets.

| (in millions) | December 31, 2019 | Provisions/
Adjustments | Cash
Reductions | December 31, 2020 |
|------------------|-------------------|----------------------------|--------------------|-------------------|
| Duke Energy Ohio | \$ 54 | \$ (1) | \$ (3) | \$ 50 |

response to the staff report on August 21, 2020, and intervenor comments were filed on November 9, 2020. Duke Energy Ohio cannot predict the outcome of this matter.

The 2012 PUCO order also contained conditional deadlines for completing the MGP environmental remediation and the deferral of remediation costs at the MGP sites. Subsequent to the order, the deadline was extended to December 31, 2019. On May 10, 2019, Duke Energy Ohio filed an application requesting a continuation of its existing deferral authority for MGP remediation that must occur after December 31, 2019. On July 12, 2019, staff recommended the Commission deny the deferral authority request. On September 13, 2019, intervenor comments were filed opposing Duke Energy Ohio's request for continuation of existing deferral authority and on October 2, 2019, Duke Energy Ohio filed reply comments. Duke Energy Ohio cannot predict the outcome of this matter.

Duke Energy Kentucky Electric Base Rate Case

On September 3, 2019, Duke Energy Kentucky filed a rate case with the KPSC requesting an increase in electric base rates of approximately \$46 million. On January 31, 2020, Duke Energy Kentucky filed rebuttal testimony updating its rate increase request to approximately \$44 million. Hearings concluded on February 20, 2020, and briefing was completed March 20, 2020. On April 27, 2020, the KPSC issued its decision approving a \$24 million increase for Duke Energy Kentucky with a 9.25% return on equity. The KPSC denied Duke Energy Kentucky's major storm deferral mechanism and EV and battery storage pilots. The KPSC approved Duke Energy Kentucky's Green Source Advantage tariff. New customer rates were effective on May 1, 2020. On May 18, 2020, Duke Energy Kentucky filed its motion for rehearing and on June 4, 2020, the motion was granted in part and denied in part by the KPSC. On October 16, 2020, the KPSC issued an Order on Rehearing authorizing an additional \$4 million increase in revenue requirement bringing the total authorized revenue requirement increase to \$28 million. Revised customer rates took effect in November 2020. The case has been resolved.

Regional Transmission Organization Realignment

Duke Energy Ohio, including Duke Energy Kentucky, transferred control of its transmission assets from MISO to PJM, effective December 31, 2011. The PUCO approved a settlement related to Duke Energy Ohio's recovery of certain costs of the RTO realignment via a non-bypassable rider. Duke Energy Ohio is allowed to recover all MISO Transmission Expansion Planning (MTEP) costs directly or indirectly charged to Ohio customers. The KPSC also approved a request to effect the RTO realignment, subject to a commitment not to seek double recovery in a future rate case of the transmission expansion fees that may be charged by MISO and PJM in the same period or overlapping periods.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

Duke Energy Indiana

Regulatory Assets and Liabilities

The following tables present the regulatory assets and liabilities recorded on Duke Energy Indiana's Consolidated Balance Sheets.

| (in millions) | December 31, | | Earns/Pays
a Return | Recovery/Refund
Period Ends |
|--|--------------|----------|------------------------|--------------------------------|
| | 2020 | 2019 | | |
| Regulatory Assets^(a) | | | | |
| AROs – coal ash | \$ 615 | \$ 529 | Yes | (b) |
| Accrued pension and OPEB | 245 | 243 | | (e) |
| Retired generation facilities ^(c) | 43 | 49 | Yes | 2030 |
| PISCC and deferred operating expenses ^(c) | 303 | 246 | Yes | (b) |
| Hedge costs deferrals | 22 | 23 | | (b) |
| AMI | 19 | 18 | | 2031 |
| Vacation accrual | 12 | 12 | | 2021 |
| Deferred fuel and purchased power | 9 | — | | 2021 |
| Other | 60 | 52 | | (b) |
| Total regulatory assets | 1,328 | 1,172 | | |
| Less: current portion | 125 | 90 | | |
| Total noncurrent regulatory assets | \$ 1,203 | \$ 1,082 | | |
| Regulatory Liabilities^(a) | | | | |
| Net regulatory liability related to income taxes | \$ 956 | \$ 1,008 | | (b) |
| Costs of removal | 599 | 599 | | (d) |
| Accrued pension and OPEB | 100 | 90 | | (e) |
| Amounts to be refunded to customers | 17 | — | | (b) |
| Other | 66 | 43 | | (b) |
| Total regulatory liabilities | 1,738 | 1,740 | | |
| Less: current portion | 111 | 55 | | |
| Total noncurrent regulatory liabilities | \$ 1,627 | \$ 1,685 | | |

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.

(b) The expected recovery or refund period varies or has not been determined.

(c) Included in rate base.

(d) Refunded over the life of the associated assets.

(e) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

COVID-19 Filing

In response to the COVID-19 pandemic, on March 6, 2020, Governor Eric Holcomb declared a public health disaster emergency in the state of Indiana, which is currently still in effect. At that time, Duke Energy Indiana had already voluntarily suspended all disconnections and waived late payment fees and check return fees. The utility also waived credit card fees for residential customers. The Executive Order requiring utilities in the state to suspend disconnection of utility service expired July 1, 2020.

On May 8, 2020, Duke Energy Indiana, along with other Indiana utilities, filed a request with the IURC for approval of deferral treatment for costs and revenue reductions associated with the COVID-19 pandemic. The utilities requested initial deferral approval in July 2020, with individual subdockets for each utility to be established for consideration of utility-specific cost and revenue impacts, cost recovery timing and customer payment plans. On June 29, 2020, the IURC issued an order in Phase 1 wherein it extended the disconnection moratorium for jurisdictional utilities until August 14, 2020, along with requiring six-month payment arrangements, waiver of late fees, reconnection fees, convenience fees and deposits. The IURC permitted jurisdictional utilities to use regulatory accounting for any impacts associated with the prohibition on utility disconnections, waiver or exclusion of certain

utility fees (i.e., late fees, convenience fees, deposits, and reconnection fees), the use of expanded payment arrangements to aid customers, and for COVID-19 related uncollectible and incremental bad debt expense. The IURC did not permit recovery of lost revenues due to load reduction or carrying costs. In Phase 2 filings, individual utilities may choose to request regulatory accounting for other COVID-19 related operation and maintenance costs wherein evidence of the impact of any costs or offsetting savings can be presented and considered in an evidentiary hearing. On August 12, 2020, the IURC issued a supplemental order extending the requirement for six-month payment arrangements and waiver of certain customer fees for another 60 days but did not extend the disconnect moratorium. As such, Duke Energy Indiana resumed service disconnections for nonpayment in mid-September 2020. Normal billing practices resumed in mid-October 2020, except that Duke Energy Indiana has committed to provide extended payment arrangements into 2021 and to waive credit card and pay station fees for residential customers through the end of 2020. Customers were notified of the resumption of normal billing practices, the option of deferred payment arrangements and where to find assistance, if necessary. Duke Energy Indiana cannot predict the outcome of this matter.

Combined Notes to Consolidated Financial Statements – (Continued)**2019 Indiana Rate Case**

On July 2, 2019, Duke Energy Indiana filed a general rate case with the IURC for a rate increase for retail customers of approximately \$395 million. The rebuttal case, filed on December 4, 2019, updated the requested revenue requirement to result in a 15.6% or \$396 million average retail rate increase, including the impacts of the Utility Receipts Tax. Hearings concluded on February 7, 2020. On June 29, 2020, the IURC issued the order in the rate case approving a revenue increase of \$146 million before certain adjustments and ratemaking refinements. The order provided for an overall cost of capital of 5.7% based on a 9.7% return on equity and a 53% equity component of the capital structure, and approved Duke Energy Indiana's requested forecasted rate base of \$10.2 billion as of December 31, 2020, including the Edwardsport Integrated Gasification Combined Cycle (IGCC) Plant. The IURC reduced Duke Energy Indiana's request by slightly more than \$200 million, when accounting for the utility receipts tax and other adjustments. Approximately 50% of the reduction is due to a prospective change in depreciation and use of regulatory asset for the end-of-life inventory at retired generating plants, approximately 20% is due to the approved 9.7% return on equity versus requested 10.4% and approximately 20% is related to miscellaneous earnings neutral adjustments. Step one rates are estimated to be approximately 75% of the total and became effective on July 30, 2020. Step two rates are estimated to be the remaining

25% of the total rate increase and will be implemented in mid-2021. Several groups filed notices of appeal of the IURC order on July 29, 2020. Appellate briefs were filed on October 14, 2020, focusing on three issues: wholesale sales allocations, coal ash basin cost recovery and the Edwardsport IGCC operating and maintenance expense level approved. The appeal was fully briefed in January 2021, and a decision is expected in the first or second quarter of 2021. Duke Energy Indiana cannot predict the outcome of this matter.

2020 Indiana Coal Ash Recovery Case

In Duke Energy Indiana's rate case, the IURC approved coal ash basin closure costs expended through 2018 including financing costs as a regulatory asset and included in rate base. The IURC opened a subdocket to deal with the post-2018 coal ash related expenditures. Duke Energy Indiana filed testimony on April 15, 2020, in the coal ash subdocket requesting recovery for the post-2018 coal ash basin closure costs for plans that have been approved by the Indiana Department of Environmental Management as well as continuing deferral, with carrying costs, on the balance. An evidentiary hearing was held on September 14, 2020, and the parties have agreed on a delayed briefing schedule that allows for the Indiana Rate Case appeal to proceed. Briefing will be completed by mid-May 2021. Duke Energy Indiana cannot predict the outcome of this matter.

Piedmont**Regulatory Assets and Liabilities**

The following tables present the regulatory assets and liabilities recorded on Piedmont's Consolidated Balance Sheets.

| (in millions) | December 31, | | Earns/Pays
a Return | Recovery/Refund
Period Ends |
|---|--------------|----------|------------------------|--------------------------------|
| | 2020 | 2019 | | |
| Regulatory Assets^(a) | | | | |
| AROs – nuclear and other | \$ 20 | \$ 16 | | ^(d) |
| Accrued pension and OPEB ^(c) | 88 | 90 | | ^(f) |
| Vacation accrual | 12 | 12 | | 2021 |
| Derivatives – natural gas supply contracts ^(e) | 122 | 117 | | |
| Amounts due from customers | 110 | 36 | Yes | ^(b) |
| Deferred pipeline integrity costs ^(c) | 71 | 62 | | 2023 |
| Other | 32 | 30 | | ^(b) |
| Total regulatory assets | 455 | 363 | | |
| Less: current portion | 153 | 73 | | |
| Total noncurrent regulatory assets | \$ 302 | \$ 290 | | |
| Regulatory Liabilities^(a) | | | | |
| Net regulatory liability related to income taxes | \$ 499 | \$ 555 | | ^(b) |
| Costs of removal | 575 | 574 | | ^(d) |
| Provision for rate refunds | 6 | 41 | Yes | |
| Accrued pension and OPEB ^(c) | 3 | 3 | | ^(f) |
| Amounts to be refunded to customers | 34 | 34 | Yes | ^(b) |
| Other | 15 | 5 | | ^(b) |
| Total regulatory liabilities | 1,132 | 1,212 | | |
| Less: current portion | 88 | 81 | | |
| Total noncurrent regulatory liabilities | \$ 1,044 | \$ 1,131 | | |

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.

(b) The expected recovery or refund period varies or has not been determined.

(c) Included in rate base.

(d) Recovery over the life of the associated assets.

(e) Balance will fluctuate with changes in the market. Current contracts extend into 2031.

(f) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 22 for additional detail.

Combined Notes to Consolidated Financial Statements – (Continued)**COVID-19 Filings****North Carolina**

On March 10, 2020, Governor Roy Cooper declared a state of emergency due to the COVID-19 pandemic. On March 19, 2020, the NCUC issued an order directing that utilities under its jurisdiction suspend disconnections for nonpayment of utility bills during the state of emergency and allow for customers to enter into payment arrangements to pay off arrearages accumulated during the state of emergency after the end of the state of emergency. Additionally, to help mitigate the financial impacts of the COVID-19 pandemic on their customers, on March 19, 2020, Piedmont filed a request with the NCUC seeking authorization to waive: (1) any late payment charges incurred by a residential or nonresidential customer, effective March 21, 2020; (2) the application of fees for checks returned for insufficient funds for residential and nonresidential customers; (3) the reconnection charge when a residential or nonresidential customer seeks to have service restored for those customers whose service was recently disconnected for nonpayment and to work with customers regarding the other requirements to restore service, including re-establishment of credit; and (4) the fees and charges associated with the use of credit cards or debit cards to pay residential electric utility bills, effective March 21, 2020. The NCUC granted Piedmont's request on March 20, 2020.

On July 29, 2020, the NCUC issued its Order Lifting Disconnection Moratorium and Allowing Collection of Arrearages Pursuant to Special Repayment Plans. The order contained the following: (1) public utilities may resume customer disconnections due to nonpayment for bills first rendered on or after September 1, 2020, after appropriate notice; (2) the late fee moratorium will continue through the end of the state of emergency or until further order of the commission; (3) Duke Energy utilities may reinstate fees for checks returned for insufficient funds as well as transaction fees for use of credit cards or debit cards for bills first rendered on or after September 1, 2020; and (4) no sooner than September 1, 2020, the collection of past-due or delinquent accounts accrued up to and including August 31, 2020, may proceed subject to conditions.

Normal billing practices resumed as of October 1, 2020, with the exception of billing of late payment charges. Service disconnections for nonpayment resumed on November 4, 2020. Customers were notified of the resumption of normal billing practices, the option of payment arrangements and where to find assistance, if necessary. The NCUC's moratorium for the billing of late payment charges is still in effect until further order from the NCUC. Piedmont cannot predict the outcome of this matter.

South Carolina

On March 13, 2020, Governor Henry McMaster declared a state of emergency due to the COVID-19 pandemic. The governor also issued a letter on March 14, 2020, to the ORS Executive Director regarding the suspension of disconnection of essential utility services for nonpayment. On March 18, 2020, the PSCSC issued an order approving such waivers, and also approved waivers for regulations related to late fees and reconnect fees. The PSCSC's order also required utilities to track the financial impacts of actions taken pursuant to such waivers for possible reporting to the PSCSC.

On May 13, 2020, the ORS filed a letter with the PSCSC that included a request from Governor McMaster that utilities proceed with developing and implementing plans for phasing in normal business operations. On May 14, 2020, the PSCSC conditionally vacated the regulation waivers regarding termination of service and suspension of disconnect fees. Prior to termination, utilities are to refer past-due customers to local organizations for assistance

and/or deferred payment arrangements. Piedmont filed a report on June 30, 2020, as required by PSCSC order, reporting revenue impact, costs and savings related to COVID-19 to date. Updates on cost impacts were filed on September 30, 2020, and on December 31, 2020, and included financial impacts through the end of August 2020, and the end of November 2020, respectively.

On September 30, 2020, Piedmont filed an update on its planned return to normal operations during the COVID-19 pandemic. Normal billing practices resumed as of October 1, 2020, and service disconnections for nonpayment resumed on November 4, 2020. Customers were notified of the resumption of normal billing practices, the option of payment arrangements and where to find assistance, if necessary.

Tennessee

On March 12, 2020, Governor Bill Lee declared a state of emergency due to the COVID-19 pandemic. In an effort to help mitigate the financial impacts of the COVID-19 pandemic on their customers, on March 20, 2020, Piedmont filed a request with the TPUC seeking authorization to waive, effective March 21, 2020: (1) any late payment charges incurred by a residential or nonresidential customer; (2) the application of fees for checks returned for insufficient funds for residential and nonresidential customers; and (3) the reconnection charge when a residential or nonresidential customer seeks to have service restored for those customers whose service was recently disconnected for nonpayment and to work with customers regarding the other requirements to restore service, including re-establishment of credit. The TPUC granted Piedmont's request by Order issued March 31, 2020. The Order also stated that customers were not relieved of their obligation to pay for utility services received.

The TPUC held its regularly scheduled Commission Conference electronically on August 10, 2020, and on September 16, 2020, issued an Order Lifting Suspension of Disconnections of Service for Lack of Payment with Conditions, effective August 29, 2020. The conditions relate to required customer communications, payment plan options for past-due amounts and ongoing reporting to the TPUC. Potential recovery of costs related to the COVID-19 pandemic may be considered in future, individual docketed proceedings.

On October 15, 2020, Piedmont filed a report on its planned return to normal operations during the COVID-19 pandemic. Normal billing practices resumed as of October 1, 2020, and service disconnections for nonpayment resumed on November 4, 2020. Customers were notified of the resumption of normal billing practices, the option of payment arrangements and where to find assistance, if necessary.

2020 Tennessee Rate Case

On July 2, 2020, Piedmont filed an application with the TPUC, its first general rate case in Tennessee in nine years, for a rate increase for retail customers of approximately \$30 million, which represents an approximate 15% increase in annual revenues. The rate increase is driven by significant infrastructure upgrade investments since its previous rate case. Approximately half of the plant additions being added to rate base are categories of capital investment not covered under the IMR mechanism, which was approved in 2013. Piedmont amended its requested increase to approximately \$26 million in December 2020. As authorized under Tennessee law, Piedmont implemented interim rates on January 2, 2021, at the level requested in its adjusted request. A settlement reached with the Tennessee Consumer Advocate in mid-January was filed with the TPUC on February 2, 2021. The settlement results in an increase of revenues of approximately \$16 million and a ROE of 9.8%. At a hearing on February 16, 2021, the TPUC voted to accept the settlement, with

Combined Notes to Consolidated Financial Statements – (Continued)

new rates effective January 2, 2021. Piedmont must refund customers the difference between bills previously rendered under interim rates and such bills if rendered under approved rates, plus interest.

2021 North Carolina Rate Case

On February 19, 2021, Piedmont filed notice with the NCUC of its intent to file a general rate case on or about March 22, 2021. Piedmont's last general rate case in North Carolina was filed in April 2019, with rates effective November 2019.

2019 North Carolina Rate Case

On April 1, 2019, Piedmont filed an application with the NCUC, its first general rate case in North Carolina in six years. On August 13, 2019, Piedmont, the Public Staff, and two groups representing industrial customers filed an Agreement and Stipulation Settlement resolving issues in the base rate proceeding, which included a return on equity of 9.7% and a capital structure of 52% equity and 48% debt. Other major components of the Stipulation included:

- An annual increase in revenues of \$109 million before consideration of riders associated with federal and state tax reform;
- A decrease through a rider mechanism of \$23 million per year to return unprotected federal EDIT over a five-year period and deferred revenues related to the federal rate reduction of \$37 million to be returned over one year;
- A decrease through a rider mechanism of \$21 million per year related to reductions in the North Carolina state income tax rate to be returned over a three-year period;
- An overall cap on net revenue increase of \$83 million. This will impact Piedmont beginning November 1, 2022, only if the company does not file another general rate case in the interim;
- Continuation of the IMR mechanism; and
- Establishment of a new deferral mechanism for certain Distribution Integrity Management Program (DIMP) operations and maintenance expenses incurred effective November 1, 2019, and thereafter.

On October 31, 2019, the NCUC approved the Stipulation and the revised customer rates were effective November 1, 2019.

OTHER REGULATORY MATTERS**Atlantic Coast Pipeline, LLC**

Atlantic Coast Pipeline (ACP pipeline) was planned to be an approximately 600-mile interstate natural gas pipeline running from West Virginia to North Carolina. Duke Energy indirectly owns a 47% interest, which is accounted for as an equity method investment through its Gas Utilities and Infrastructure segment.

On April 15, 2020, the United States District Court for the District of Montana granted partial summary judgment in favor of the plaintiffs in Northern Plains Resource Council v. U.S. Army Corps of Engineers (USACE) (Northern Plains), vacating USACE's Nationwide Permit 12 (NWP 12) and remanding it

to USACE for consultation under the Endangered Species Act (ESA) of 1973. In Northern Plains, the court ruled that NWP 12 was unlawful because USACE did not consult under the ESA with the U.S. Fish and Wildlife Service and/or National Marine Fisheries Service prior to NWP 12's reissuance in 2017. Because NWP 12 has been vacated and its application enjoined, USACE currently has suspended verification of any new or pending applications under NWP 12 until further court action clarifies the situation.

On May 28, 2020, the U.S. Court of Appeals for the Ninth Circuit issued a ruling that limited the NWP 12 vacatur to energy infrastructure projects. In July 2020, the Supreme Court of the United States issued an order allowing other new oil and gas pipeline projects to use the NWP 12 process pending appeal to the U.S. Court of Appeals for the Ninth Circuit; however, that did not decrease the uncertainty associated with an eventual ruling. Together, these rulings indicated that the timeline to reinstate the necessary water crossing permits for ACP would likely cause further delays and cost increases.

On July 5, 2020, Dominion Energy, Inc. announced a sale of substantially all of its gas transmission and storage segment assets, operations core to the ACP pipeline project.

As a result of the uncertainty created by the NWP 12 rulings, the potential impact on the cost and schedule for the project, the ongoing legal challenges and the risk of additional legal challenges and delays through the construction period and Dominion's decision to sell substantially all of its gas transmission and storage segment assets, Duke Energy's Board of Directors and management decided that it was not prudent to continue to invest in the project. On July 5, 2020, Duke Energy and Dominion announced the cancellation of the ACP pipeline project.

As a result, Duke Energy recorded pretax charges to earnings of approximately \$2.1 billion for the year ended December 31, 2020, within Equity in (losses) earnings of unconsolidated affiliates on the Duke Energy Consolidated Statements of Operations. The tax benefit associated with this cancellation was \$393 million and is recorded in Income Tax Expense (Benefit) Expense on the Duke Energy Consolidated Statements of Operations. Additional charges of less than \$20 million are expected to be recorded within the next three years as ACP incurs obligations to exit operations.

As part of the pretax charges to earnings of approximately \$2.1 billion, Duke Energy has liabilities related to the cancellation of the ACP pipeline project of \$928 million and \$8 million within Other Current Liabilities and Other Noncurrent Liabilities, respectively, in the Gas Utilities and Infrastructure segment. The liability represents Duke Energy's obligation of approximately \$860 million to fund ACP's outstanding debt and \$76 million to satisfy remaining ARO requirements to restore construction sites.

See Notes 7 and 12 for additional information regarding this transaction.

Potential Coal Plant Retirements

The Subsidiary Registrants periodically file integrated resource plans (IRPs) with their state regulatory commissions. The IRPs provide a view of forecasted energy needs over a long term (10 to 20 years) and options being considered to meet those needs. IRPs filed by the Subsidiary Registrants included planning assumptions to potentially retire certain coal-fired generating facilities in North Carolina and Indiana earlier than their current estimated useful lives. Duke Energy continues to evaluate the potential need to retire these coal-fired generating facilities earlier than the current estimated useful lives and plans to seek regulatory recovery for amounts that would not be otherwise recovered when any of these assets are retired.

PART II

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Combined Notes to Consolidated Financial Statements – (Continued)

The table below contains the net carrying value of generating facilities planned for retirement or included in recent IRPs as evaluated for potential retirement. Dollar amounts in the table below are included in Net property, plant and equipment on the Consolidated Balance Sheets as of December 31, 2020, and exclude capitalized asset retirement costs.

| | Capacity
(in MW) | Remaining Net
Book Value
(in millions) |
|--|---------------------|--|
| Duke Energy Carolinas | | |
| Allen Steam Station Units 1-3 ^(a) | 604 | \$ 113 |
| Allen Steam Station Units 4-5 ^(b) | 526 | 338 |
| Cliffside Unit 5 ^(b) | 546 | 350 |
| Duke Energy Progress | | |
| Mayo Unit 1 ^(b) | 746 | 676 |
| Roxboro Units 3-4 ^(b) | 1,409 | 484 |
| Duke Energy Florida | | |
| Crystal River Units 4-5 ^(c) | 1,430 | 1,696 |
| Duke Energy Indiana | | |
| Gallagher Units 2 and 4 ^(d) | 280 | 102 |
| Gibson Units 1-5 ^(e) | 2,845 | 1,866 |
| Cayuga Units 1-2 ^(e) | 1,005 | 777 |
| Total Duke Energy | 9,391 | \$ 6,402 |

- (a) As part of the 2015 resolution of a lawsuit involving alleged New Source Review violations, Duke Energy Carolinas must retire Allen Steam Station Units 1 through 3 by December 31, 2024. The long-term energy options considered in the IRP could result in retirement of these units earlier than their current estimated useful lives. Unit 3 with a capacity of 270 MW and a net book value of \$26 million at December 31, 2020, is expected to be retired in March 2021.
- (b) These units are included in the IRP filed by Duke Energy Carolinas and Duke Energy Progress in North Carolina and South Carolina on September 1, 2020. The long-term energy options considered in the IRP could result in retirement of these units earlier than their current estimated useful lives. In 2019, Duke Energy Carolinas and Duke Energy Progress filed North Carolina rate cases that included depreciation studies that accelerate end-of-life dates for these plants. A decision by NCUC is expected by the end of the first quarter 2021.
- (c) On January 14, 2021, Duke Energy Florida filed a settlement agreement with the FPSC, which proposed depreciation rates reflecting retirement dates for Duke Energy Florida's last two coal-fired generating facilities, Crystal River Units 4-5, eight years ahead of schedule in 2034 rather than in 2042, in support of Duke Energy's carbon reduction goals. A request for the FPSC to hold a hearing has been made and a decision by the FPSC is expected in the second quarter 2021.
- (d) Duke Energy Indiana committed to either retire or stop burning coal at Gallagher Units 2 and 4 by December 31, 2022, as part of the 2016 settlement of Edwardsport IGCC matters. In February 2021, upon approval by MISO of a new retirement date, Duke Energy Indiana determined it would modify the retirement date to June 1, 2021.
- (e) On July 1, 2019, Duke Energy Indiana filed its 2018 IRP with the IURC. The 2018 IRP included scenarios evaluating the potential retirement of coal-fired generating units at Gibson and Cayuga. The rate case filed July 2, 2019, included proposed depreciation rates reflecting retirement dates from 2026 to 2038. The depreciation rates reflecting these updated retirement dates were approved by the IURC as part of the rate case order issued on June 29, 2020.

4. COMMITMENTS AND CONTINGENCIES

INSURANCE

General Insurance

The Duke Energy Registrants have insurance and reinsurance coverage either directly or through indemnification from Duke Energy's captive insurance company, Bison, and its affiliates, consistent with companies engaged in similar commercial operations with similar type properties. The Duke Energy Registrants' coverage includes (i) commercial general liability coverage for liabilities arising to third parties for bodily injury and property damage; (ii) workers' compensation; (iii) automobile liability coverage; and (iv) property coverage for all real and personal property damage. Real and personal property damage coverage excludes electric transmission and distribution lines, but includes damages arising from boiler and machinery breakdowns, earthquakes, flood damage and extra expense, but not outage or replacement power coverage. All coverage is subject to certain deductibles or retentions, sublimits, exclusions, terms and conditions common for companies with similar types of operations. The Duke Energy Registrants self-insure their electric transmission and distribution lines against loss due to storm damage and other natural disasters. As discussed further in Note 3, Duke Energy Florida maintains a

storm damage reserve and has a regulatory mechanism to recover the cost of named storms on an expedited basis.

The cost of the Duke Energy Registrants' coverage can fluctuate from year to year reflecting claims history and conditions of the insurance and reinsurance markets.

In the event of a loss, terms and amounts of insurance and reinsurance available might not be adequate to cover claims and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered by other sources, could have a material effect on the Duke Energy Registrants' results of operations, cash flows or financial position. Each company is responsible to the extent losses may be excluded or exceed limits of the coverage available.

Nuclear Insurance

Duke Energy Carolinas owns and operates McGuire and Oconee and operates and has a partial ownership interest in Catawba. McGuire and Catawba each have two reactors. Oconee has three reactors. The other joint owners of Catawba reimburse Duke Energy Carolinas for certain expenses associated with nuclear insurance per the Catawba joint owner agreements.

Combined Notes to Consolidated Financial Statements – (Continued)

Duke Energy Progress owns and operates Robinson, Brunswick and Harris. Robinson and Harris each have one reactor. Brunswick has two reactors.

Duke Energy Florida owns Crystal River Unit 3, which permanently ceased operation in 2013 and reached a SAFSTOR condition in January 2018 after the successful transfer of all used nuclear fuel assemblies to an on-site dry cask storage facility.

In the event of a loss, terms and amounts of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered by other sources, could have a material effect on Duke Energy Carolinas', Duke Energy Progress' and Duke Energy Florida's results of operations, cash flows or financial position. Each company is responsible to the extent losses may be excluded or exceed limits of the coverage available.

Nuclear Liability Coverage

The Price-Anderson Act requires owners of nuclear reactors to provide for public nuclear liability protection per nuclear incident up to a maximum total financial protection liability. The maximum total financial protection liability, which is approximately \$13.8 billion, is subject to change every five years for inflation and for the number of licensed reactors. Total nuclear liability coverage consists of a combination of private primary nuclear liability insurance coverage and a mandatory industry risk-sharing program to provide for excess nuclear liability coverage above the maximum reasonably available private primary coverage. The U.S. Congress could impose revenue-raising measures on the nuclear industry to pay claims.

Primary Liability Insurance

Duke Energy Carolinas and Duke Energy Progress have purchased the maximum reasonably available private primary nuclear liability insurance as required by law, which is \$450 million per station. Duke Energy Florida has purchased \$100 million primary nuclear liability insurance in compliance with the law.

Excess Liability Program

This program provides \$13.3 billion of coverage per incident through the Price-Anderson Act's mandatory industry-wide excess secondary financial protection program of risk pooling. This amount is the product of potential cumulative retrospective premium assessments of \$138 million times the current 97 licensed commercial nuclear reactors in the U.S. Under this program, licensees could be assessed retrospective premiums to compensate for public nuclear liability damages in the event of a nuclear incident at any licensed facility in the U.S. Retrospective premiums may be assessed at a rate not to exceed \$20.5 million per year per licensed reactor for each incident. The assessment may be subject to state premium taxes.

Nuclear Property and Accidental Outage Coverage

Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida are members of Nuclear Electric Insurance Limited (NEIL), an industry mutual insurance company, which provides property damage, nuclear accident decontamination and premature decommissioning insurance for each station for losses resulting from damage to its nuclear plants, either due to accidents or acts of terrorism. Additionally, NEIL provides accidental outage coverage for losses in the event of a major accidental outage at an insured nuclear station.

Pursuant to regulations of the NRC, each company's property damage insurance policies provide that all proceeds from such insurance be applied,

first, to place the plant in a safe and stable condition after a qualifying accident and second, to decontaminate the plant before any proceeds can be used for decommissioning, plant repair or restoration.

Losses resulting from acts of terrorism are covered as common occurrences, such that if terrorist acts occur against one or more commercial nuclear power plants insured by NEIL within a 12-month period, they would be treated as one event and the owners of the plants where the act occurred would share one full limit of liability. The full limit of liability is currently \$3.2 billion. NEIL submits the total aggregate for all of their policies for non-nuclear terrorist events to approximately \$1.8 billion.

Each nuclear facility has accident property damage, nuclear accident decontamination and premature decommissioning liability insurance from NEIL with limits of \$1.5 billion, except for Crystal River Unit 3. Crystal River Unit 3's limit is \$50 million and is on an actual cash value basis. All nuclear facilities except for Catawba and Crystal River Unit 3 also share an additional \$1.25 billion nuclear accident insurance limit above their dedicated underlying limit. This shared additional excess limit is not subject to reinstatement in the event of a loss. Catawba has a dedicated \$1.25 billion of additional nuclear accident insurance limit above its dedicated underlying limit. Catawba and Oconee also have an additional \$750 million of non-nuclear accident property damage limit. All coverages are subject to sublimits and significant deductibles.

NEIL's Accidental Outage policy provides some coverage, similar to business interruption, for losses in the event of a major accident property damage outage of a nuclear unit. Coverage is provided on a weekly limit basis after a significant waiting period deductible and at 100% of the applicable weekly limits for 52 weeks and 80% of the applicable weekly limits for up to the next 110 weeks. Coverage is provided until these applicable weekly periods are met, where the accidental outage policy limit will not exceed \$490 million for McGuire and Catawba, \$434 million for Harris, \$420 million for Brunswick, \$392 million for Oconee and \$336 million for Robinson. NEIL submits the accidental outage recovery up to the first 104 weeks of coverage not to exceed \$328 million from non-nuclear accidental property damage. Coverage amounts decrease in the event more than one unit at a station is out of service due to a common accident. All coverages are subject to sublimits and significant deductibles.

Potential Retroactive Premium Assessments

In the event of NEIL losses, NEIL's board of directors may assess member companies' retroactive premiums of amounts up to 10 times their annual premiums for up to six years after a loss. NEIL has never exercised this assessment. The maximum aggregate annual retrospective premium obligations for Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida are \$156 million, \$93 million and \$1 million, respectively. Duke Energy Carolinas' maximum assessment amount includes 100% of potential obligations to NEIL for jointly owned reactors. Duke Energy Carolinas would seek reimbursement from the joint owners for their portion of these assessment amounts.

ENVIRONMENTAL

The Duke Energy Registrants are subject to federal, state and local laws regarding air and water quality, hazardous and solid waste disposal, coal ash and other environmental matters. These laws can be changed from time to time, imposing new obligations on the Duke Energy Registrants. The following environmental matters impact all of the Duke Energy Registrants.

Combined Notes to Consolidated Financial Statements – (Continued)

Remediation Activities

In addition to the ARO recorded as a result of various environmental regulations, discussed in Note 9, the Duke Energy Registrants are responsible for environmental remediation at various sites. These include certain properties that are part of ongoing operations and sites formerly owned or used by Duke Energy entities. These sites are in various stages of investigation, remediation and monitoring. Managed in conjunction with relevant federal, state and local agencies, remediation activities vary based upon site conditions and location, remediation requirements, complexity and sharing of responsibility. If remediation activities involve joint and several liability provisions, strict liability, or cost recovery or contribution actions, the Duke Energy Registrants could potentially be held responsible for environmental impacts caused by other potentially responsible parties and may also benefit from insurance policies or contractual indemnities that cover some or all cleanup costs. Liabilities are recorded when losses become probable and are reasonably estimable. The total costs that may be incurred cannot be estimated because the extent of environmental impact, allocation among potentially responsible parties, remediation alternatives and/or regulatory decisions have not yet been determined at all sites. Additional costs associated with remediation activities are likely to be incurred in the future and could be significant. Costs are typically expensed as Operation, maintenance and other in the Consolidated Statements of Operations unless regulatory recovery of the costs is deemed probable.

The following tables contain information regarding reserves for probable and estimable costs related to the various environmental sites. These reserves are recorded in Other within Other Noncurrent Liabilities on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | December 31, 2019 |
|---|-------------------|-------------------|
| Reserves for Environmental Remediation | | |
| Duke Energy | \$ 75 | \$ 58 |
| Duke Energy Carolinas | 19 | 11 |
| Progress Energy | 19 | 16 |
| Duke Energy Progress | 6 | 4 |
| Duke Energy Florida | 12 | 9 |
| Duke Energy Ohio | 22 | 19 |
| Duke Energy Indiana | 6 | 4 |
| Piedmont | 10 | 8 |

Additional losses in excess of recorded reserves that could be incurred for the stages of investigation, remediation and monitoring for environmental sites that have been evaluated at this time are not material except as presented in the table below.

| (in millions) | |
|-----------------------|-------|
| Duke Energy | \$ 25 |
| Duke Energy Carolinas | 12 |
| Duke Energy Ohio | 4 |
| Piedmont | 2 |

LITIGATION**Duke Energy Carolinas and Duke Energy Progress****Coal Ash Insurance Coverage Litigation**

In March 2017, Duke Energy Carolinas and Duke Energy Progress filed a civil action in the North Carolina Business Court against various insurance providers. The lawsuit seeks payment for coal ash related liabilities covered by third-party liability insurance policies. The insurance policies were issued between 1971 and 1986 and provide third-party liability insurance for property damage. The civil action seeks damages for breach of contract and indemnification for costs arising from the Coal Ash Act and the EPA CCR rule at 15 coal-fired plants in North Carolina and South Carolina. Fact discovery has been completed. The parties filed dispositive pretrial motions relating to key legal issues on December 4, 2020. Hearings on these motions are scheduled to begin on February 24, 2021, and trial is scheduled for January 24, 2022. Duke Energy Carolinas and Duke Energy Progress cannot predict the outcome of this matter.

Duke Energy Carolinas**NTE Carolinas II, LLC Litigation**

In November 2017, Duke Energy Carolinas entered into a standard FERC large generator interconnection agreement (LGIA) with NTE Carolinas II, LLC (NTE), a company that proposed to build a combined-cycle natural gas plant in Rockingham County, North Carolina. On September 6, 2019, Duke Energy Carolinas filed a lawsuit in Mecklenburg County Superior Court against NTE for breach of contract and alleging that NTE's failure to pay benchmark payments for Duke Energy Carolinas' transmission system upgrades required under the interconnection agreement constituted a termination of the interconnection agreement. Duke Energy Carolinas is seeking a monetary judgment against NTE because NTE failed to make multiple milestone payments. The lawsuit was moved to federal court in North Carolina. NTE filed a motion to dismiss Duke Energy Carolinas' complaint and brought counterclaims alleging anti-competitive conduct and violations of state and federal statutes. Duke Energy Carolinas filed a motion to dismiss NTE's counterclaims.

On May 21, 2020, in response to a NTE petition challenging Duke Energy Carolinas' termination of the LGIA, FERC issued a ruling (i) that it has exclusive jurisdiction to determine whether a transmission provider may terminate a LGIA, (ii) FERC approval is required to terminate a conforming LGIA if objected to by the interconnection customer, and (iii) Duke Energy may not announce the termination of a conforming LGIA unless FERC has approved the termination.

On August 17, 2020, the court denied both NTE's and Duke Energy Carolinas' Motion to Dismiss. The parties are in active discovery and trial is scheduled for June 20, 2022. Duke Energy Carolinas cannot predict the outcome of this matter.

Combined Notes to Consolidated Financial Statements – (Continued)**Asbestos-related Injuries and Damages Claims**

Duke Energy Carolinas has experienced numerous claims for indemnification and medical cost reimbursement related to asbestos exposure. These claims relate to damages for bodily injuries alleged to have arisen from exposure to or use of asbestos in connection with construction and maintenance activities conducted on its electric generation plants prior to 1985. As of December 31, 2020, there were 145 asserted claims for non-malignant cases with the cumulative relief sought of up to \$39 million and 56 asserted claims for malignant cases with the cumulative relief sought of up to \$20 million. Based on Duke Energy Carolinas' experience, it is expected that the ultimate resolution of most of these claims likely will be less than the amount claimed.

Duke Energy Carolinas has recognized asbestos-related reserves of \$572 million and \$604 million at December 31, 2020, and 2019, respectively. These reserves are classified in Other within Other Noncurrent Liabilities and Other within Current Liabilities on the Consolidated Balance Sheets. These reserves are based upon Duke Energy Carolinas' best estimate for current and future asbestos claims through 2040 and are recorded on an undiscounted basis. In light of the uncertainties inherent in a longer-term forecast, management does not believe they can reasonably estimate the indemnity and medical costs that might be incurred after 2040 related to such potential claims. It is possible Duke Energy Carolinas may incur asbestos liabilities in excess of the recorded reserves.

Duke Energy Carolinas has third-party insurance to cover certain losses related to asbestos-related injuries and damages above an aggregate self-insured retention. Duke Energy Carolinas' cumulative payments began to exceed the self-insurance retention in 2008. Future payments up to the policy limit will be reimbursed by the third-party insurance carrier. The insurance policy limit for potential future insurance recoveries indemnification and medical cost claim payments is \$714 million in excess of the self-insured retention. Receivables for insurance recoveries were \$704 million and \$742 million at December 31, 2020, and 2019, respectively. These amounts are classified in Other within Other Noncurrent Assets and Receivables within Current Assets on the Consolidated Balance Sheets. Duke Energy Carolinas is not aware of any uncertainties regarding the legal sufficiency of insurance claims. Duke Energy Carolinas believes the insurance recovery asset is probable of recovery as the insurance carrier continues to have a strong financial strength rating.

As described in Note 1, Duke Energy adopted the new guidance for credit losses effective January 1, 2020, using the modified retrospective method of adoption, which does not require restatement of prior year reported results. The reserve for credit losses for insurance receivables for the asbestos-related injuries and damages based on adoption of the new standard is \$15 million for Duke Energy and Duke Energy Carolinas as of December 31, 2020. The insurance receivable is evaluated based on the risk of default and the historical losses, current conditions and expected conditions around collectability. Management evaluates the risk of default annually based on payment history, credit rating and changes in the risk of default from credit agencies.

Duke Energy Progress and Duke Energy Florida**Spent Nuclear Fuel Matters**

On June 18, 2018, Duke Energy Progress and Duke Energy Florida sued the U.S. in the U.S. Court of Federal Claims for damages incurred for the period 2014 through 2018. The lawsuit claimed the Department of Energy breached a contract in failing to accept spent nuclear fuel under the Nuclear Waste Policy Act of 1982 and asserted damages for the cost of on-site storage in the amount of \$100 million and \$200 million for Duke Energy Progress and Duke Energy Florida, respectively. Discovery is ongoing and a trial is expected to occur in 2021.

Duke Energy Florida**Power Purchase Dispute Arbitration**

Duke Energy Florida, on behalf of its customers, entered into a PPA for the purchase of firm capacity and energy from a qualifying facility under the Public Utilities Regulatory Policies Act of 1978. Duke Energy Florida determined the qualifying facility did not perform in accordance with the PPA, and Duke Energy Florida terminated the PPA. The qualifying facility counterparty filed a confidential American Arbitration Association (AAA) arbitration demand, challenging the termination of the PPA and seeking damages. Duke Energy Florida denies liability and is vigorously defending the arbitration claim.

The final arbitration hearing occurred during the week of December 7, 2020. An arbitral award has not yet been issued. Duke Energy Florida cannot predict the outcome of this matter.

Duke Energy Indiana**Coal Ash Basin Closure Plan Appeal**

On January 27, 2020, Hoosier Environmental Council filed a Petition for Administrative Review with the Indiana Office of Environmental Adjudication (the court) challenging the Indiana Department of Environmental Management's December 10, 2019, partial approval of Duke Energy Indiana's ash pond closure plan. On March 11, 2020, Duke Energy Indiana filed a Motion to Dismiss. On May 5, 2020, the court denied the motion. The parties have completed discovery and will now prepare to file dispositive motions. Summary judgment briefing will be completed by March 30, 2021. If these claims survive dispositive motions, a hearing is scheduled for April 26, 2021. Duke Energy Indiana cannot predict the outcome of this matter. See Note 9 for additional information.

Other Litigation and Legal Proceedings

The Duke Energy Registrants are involved in other legal, tax and regulatory proceedings arising in the ordinary course of business, some of which involve significant amounts. The Duke Energy Registrants believe the final disposition of these proceedings will not have a material effect on their results of operations, cash flows or financial position.

The table below presents recorded reserves based on management's best estimate of probable loss for legal matters, excluding asbestos-related reserves. Reserves are classified on the Consolidated Balance Sheets in Other within Other Noncurrent Liabilities and Other within Current Liabilities. The reasonably possible range of loss in excess of recorded reserves is not material, other than as described above.

| (in millions) | December 31, | |
|-----------------------------------|--------------|-------|
| | 2020 | 2019 |
| Reserves for Legal Matters | | |
| Duke Energy | \$ 68 | \$ 62 |
| Duke Energy Carolinas | 2 | 2 |
| Progress Energy | 61 | 55 |
| Duke Energy Progress | 13 | 12 |
| Duke Energy Florida | 28 | 22 |
| Piedmont | 1 | 1 |

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Combined Notes to Consolidated Financial Statements – (Continued)

OTHER COMMITMENTS AND CONTINGENCIES

General

As part of their normal business, the Duke Energy Registrants are party to various financial guarantees, performance guarantees and other contractual commitments to extend guarantees of credit and other assistance to various subsidiaries, investees and other third parties. These guarantees involve elements of performance and credit risk, which are not fully recognized on the Consolidated Balance Sheets and have uncapped maximum potential payments. See Note 7 for more information.

The following table presents executory purchased power contracts with terms exceeding one year, excluding contracts classified as leases.

| (in millions) | Contract Expiration | Minimum Purchase Amount at December 31, 2020 | | | | | | Total |
|-------------------------------------|---------------------|--|-------|-------|-------|-------|------------|--------|
| | | 2021 | 2022 | 2023 | 2024 | 2025 | Thereafter | |
| Duke Energy Progress ^(a) | 2025-2032 | \$ 66 | \$ 73 | \$ 66 | \$ 67 | \$ 69 | \$ 69 | \$ 410 |
| Duke Energy Florida ^(b) | 2023-2025 | 335 | 354 | 374 | 262 | 91 | — | 1,416 |
| Duke Energy Ohio ^{(c)(d)} | 2022 | 130 | 55 | — | — | — | — | 185 |

(a) Contracts represent either 100% of net plant output or vary.

(b) Contracts represent 100% of net plant output.

(c) Contracts represent between 1% and 11% of net plant output.

(d) Excludes PPA with OVEC. See Note 17 for additional information.

Gas Supply and Capacity Contracts

Duke Energy Ohio and Piedmont routinely enter into long-term natural gas supply commodity and capacity commitments and other agreements that commit future cash flows to acquire services needed in their businesses. These commitments include pipeline and storage capacity contracts and natural gas supply contracts to provide service to customers. Costs arising from the natural gas supply commodity and capacity commitments, while significant, are pass-through costs to customers and are generally fully recoverable through the fuel adjustment or PGA procedures and prudence reviews in North Carolina and South Carolina and under the Tennessee Incentive Plan in Tennessee. In the Midwest, these costs are recovered via the Gas Cost Recovery Rate in Ohio or the Gas Cost Adjustment Clause in Kentucky. The time periods for fixed payments under pipeline and storage capacity contracts are up to 15 years. The time periods for fixed payments under natural gas supply contracts are up to six years. The time period for the natural gas supply purchase commitments is up to 11 years.

Certain storage and pipeline capacity contracts require the payment of demand charges that are based on rates approved by the FERC in order to maintain rights to access the natural gas storage or pipeline capacity on a firm basis during the contract term. The demand charges that are incurred in each period are recognized in the Consolidated Statements of Operations and Comprehensive Income as part of natural gas purchases and are included in Cost of natural gas.

Purchase Obligations

Purchased Power

Duke Energy Progress, Duke Energy Florida and Duke Energy Ohio have ongoing purchased power contracts, including renewable energy contracts, with other utilities, wholesale marketers, co-generators and qualified facilities. These purchased power contracts generally provide for capacity and energy payments. In addition, Duke Energy Progress and Duke Energy Florida have various contracts to secure transmission rights.

The following table presents future unconditional purchase obligations under natural gas supply and capacity contracts as of December 31, 2020.

| (in millions) | Duke Energy | Duke Energy Ohio | Piedmont |
|---------------|-------------|------------------|----------|
| 2021 | \$ 311 | \$ 41 | \$ 270 |
| 2022 | 270 | 28 | 242 |
| 2023 | 197 | 20 | 177 |
| 2024 | 139 | 17 | 122 |
| 2025 | 125 | 14 | 111 |
| Thereafter | 662 | 60 | 602 |
| Total | \$ 1,704 | \$ 180 | \$ 1,524 |

Combined Notes to Consolidated Financial Statements – (Continued)

5. LEASES

As part of its operations, Duke Energy leases certain aircraft, space on communication towers, industrial equipment, fleet vehicles, fuel transportation (barges and railcars), land and office space under various terms and expiration dates. Additionally, Duke Energy Carolinas, Duke Energy Progress and Duke Energy Indiana have finance leases related to firm natural gas pipeline transportation capacity. Duke Energy Progress and Duke Energy Florida have entered into certain PPAs, which are classified as finance and operating leases.

Duke Energy has certain lease agreements, which include variable lease payments that are based on the usage of an asset. These variable lease payments are not included in the measurement of the ROU assets or operating lease liabilities on the Consolidated Financial Statements.

Certain Duke Energy lease agreements include options for renewal and early termination. The intent to renew a lease varies depending on the lease type and asset. Renewal options that are reasonably certain to be exercised are included in the lease measurements. The decision to terminate a lease early is dependent on various economic factors. No termination options have been included in any of the lease measurements.

Duke Energy Carolinas entered into a sale-leaseback arrangement in December 2019, to construct and occupy an office tower. The lease agreement was evaluated as a sale-leaseback of real estate and it was determined that the transaction did not qualify for sale-leaseback accounting. As a result, the transaction is being accounted for as a financing. For this transaction, Duke Energy Carolinas will continue to record the real estate on the Consolidated Balance Sheets within Property, Plant and Equipment as if it were the legal owner and will continue to recognize depreciation expense over the estimated useful life. In addition, a liability will be recorded for the failed sale-leaseback obligation within Long-Term Debt on the Consolidated Balance Sheets, with the monthly lease payments commencing after the construction phase being split between interest expense and principal pay down of the debt.

Duke Energy operates various renewable energy projects and sells the generated output to utilities, electric cooperatives, municipalities and commercial and industrial customers through long-term PPAs. In certain situations, these PPAs and the associated renewable energy projects qualify as operating leases. Rental income from these leases is accounted for as Nonregulated electric and other revenues in the Consolidated Statements of Operations. There are no minimum lease payments as all payments are contingent based on actual electricity generated by the renewable energy projects. Contingent lease payments were \$275 million, \$264 million and \$268 million for the years ended December 31, 2020, 2019, and 2018, respectively. Renewable energy projects owned by Duke Energy and accounted for as operating leases had a cost basis of \$3,335 million and \$3,349 million and accumulated depreciation of \$848 million and \$721 million at December 31, 2020, and 2019, respectively. These assets are principally classified as nonregulated electric generation and transmission assets.

Piedmont has certain agreements with Duke Energy Carolinas for the construction and transportation of natural gas pipelines to supply its natural gas plant needs. Piedmont accounts for these pipeline lateral contracts as sales-type leases since the present value of the sum of the lease payments equals the fair value of the assets. These pipeline lateral assets owned by Piedmont had a current net investment basis of \$2 million and \$4 million as of December 31, 2020, and 2019, respectively, and a long-term net investment basis of \$205 million and \$70 million as of December 31, 2020, and 2019, respectively. These assets are classified in Other, within Current Assets and Other Noncurrent Assets, respectively, on Piedmont's Consolidated Balance Sheets. Duke Energy Carolinas accounts for the contracts as finance leases. The activity for these contracts is eliminated in consolidation at Duke Energy.

The following tables present the components of lease expense.

| (in millions) | Year Ended December 31, 2020 | | | | | | | Piedmont |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | |
| Operating lease expense ^(a) | \$ 283 | \$ 53 | \$ 162 | \$ 72 | \$ 90 | \$ 11 | \$ 19 | \$ 7 |
| Short-term lease expense ^(a) | 4 | — | 2 | 1 | 1 | — | 1 | — |
| Variable lease expense ^(a) | 30 | 13 | 13 | 5 | 8 | — | 1 | 1 |
| Finance lease expense | | | | | | | | |
| Amortization of leased assets ^(b) | 119 | 8 | 24 | 6 | 18 | — | 1 | — |
| Interest on lease liabilities ^(c) | 61 | 30 | 44 | 37 | 7 | — | — | — |
| Total finance lease expense | 180 | 38 | 68 | 43 | 25 | — | 1 | — |
| Total lease expense | \$ 497 | \$ 104 | \$ 245 | \$ 121 | \$ 124 | \$ 11 | \$ 22 | \$ 8 |

(a) Included in Operations, maintenance and other or, for barges and railcars, Fuel used in electric generation and purchased power on the Consolidated Statements of Operations.

(b) Included in Depreciation and amortization on the Consolidated Statements of Operations.

(c) Included in Interest Expense on the Consolidated Statements of Operations.

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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Operating lease expense ^(a) | \$ 292 | \$ 47 | \$ 161 | \$ 69 | \$ 92 | \$ 11 | \$ 20 | \$ 5 |
| Short-term lease expense ^(a) | 16 | 5 | 9 | 4 | 5 | 1 | 2 | — |
| Variable lease expense ^(a) | 47 | 22 | 22 | 16 | 6 | — | 1 | 1 |
| Finance lease expense | | | | | | | | |
| Amortization of leased assets ^(b) | 111 | 6 | 21 | 5 | 16 | 1 | — | — |
| Interest on lease liabilities ^(c) | 61 | 15 | 42 | 33 | 9 | — | 1 | — |
| Total finance lease expense | 172 | 21 | 63 | 38 | 25 | 1 | 1 | — |
| Total lease expense | \$ 527 | \$ 95 | \$ 255 | \$ 127 | \$ 128 | \$ 13 | \$ 24 | \$ 6 |

(a) Included in Operations, maintenance and other or, for barges and railcars, Fuel used in electric generation and purchased power on the Consolidated Statements of Operations.

(b) Included in Depreciation and amortization on the Consolidated Statements of Operations.

(c) Included in Interest Expense on the Consolidated Statements of Operations.

The following table presents rental expense for operating leases, as reported under the former lease standard. These amounts are included in Operation, maintenance and other and Fuel used in electric generation and purchased power on the Consolidated Statements of Operations.

| (in millions) | Year Ended December 31, |
|-----------------------|-------------------------|
| | 2018 |
| Duke Energy | \$ 268 |
| Duke Energy Carolinas | 49 |
| Progress Energy | 143 |
| Duke Energy Progress | 75 |
| Duke Energy Florida | 68 |
| Duke Energy Ohio | 13 |
| Duke Energy Indiana | 21 |
| Piedmont | 11 |

The following table presents operating lease maturities and a reconciliation of the undiscounted cash flows to operating lease liabilities.

| (in millions) | December 31, 2020 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| 2021 | \$ 229 | \$ 24 | \$ 99 | \$ 44 | \$ 55 | \$ 2 | \$ 5 | \$ 5 |
| 2022 | 212 | 22 | 95 | 40 | 55 | 2 | 4 | 5 |
| 2023 | 202 | 20 | 95 | 41 | 54 | 2 | 4 | 5 |
| 2024 | 186 | 14 | 95 | 41 | 54 | 2 | 4 | 5 |
| 2025 | 162 | 10 | 85 | 31 | 54 | 2 | 4 | 5 |
| Thereafter | 870 | 51 | 376 | 252 | 124 | 20 | 59 | — |
| Total operating lease payments | 1,861 | 141 | 845 | 449 | 396 | 30 | 80 | 25 |
| Less: present value discount | (344) | (24) | (149) | (95) | (54) | (9) | (24) | (2) |
| Total operating lease liabilities ^(a) | \$ 1,517 | \$ 117 | \$ 696 | \$ 354 | \$ 342 | \$ 21 | \$ 56 | \$ 23 |

(a) Certain operating lease payments include renewal options that are reasonably certain to be exercised.

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Combined Notes to Consolidated Financial Statements – (Continued)

The following table presents finance lease maturities and a reconciliation of the undiscounted cash flows to finance lease liabilities.

| (in millions) | December 31, 2020 | | | | | |
|-------------------------------------|-------------------|-----------------------|-----------------|----------------------|---------------------|---------------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Indiana |
| 2021 | \$ 186 | \$ 38 | \$ 68 | \$ 43 | \$ 25 | \$ 1 |
| 2022 | 173 | 38 | 68 | 43 | 25 | 1 |
| 2023 | 174 | 38 | 68 | 43 | 25 | 1 |
| 2024 | 119 | 38 | 52 | 43 | 9 | 1 |
| 2025 | 51 | 38 | 48 | 43 | 5 | 1 |
| Thereafter | 762 | 502 | 481 | 475 | 6 | 26 |
| Total finance lease payments | 1,465 | 692 | 785 | 690 | 95 | 31 |
| Less: amounts representing interest | (620) | (398) | (408) | (394) | (14) | (21) |
| Total finance lease liabilities | \$ 845 | \$ 294 | \$ 377 | \$ 296 | \$ 81 | \$ 10 |

The following tables contain additional information related to leases.

| (in millions) | Classification | December 31, 2020 | | | | | | | |
|-------------------------|--------------------------------------|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Assets | | | | | | | | | |
| Operating | Operating lease ROU assets, net | \$ 1,524 | \$ 110 | \$ 690 | \$ 346 | \$ 344 | \$ 20 | \$ 55 | \$ 20 |
| Finance | Net property, plant and equipment | 797 | 312 | 416 | 297 | 119 | — | 7 | — |
| Total lease assets | | \$ 2,321 | \$ 422 | \$ 1,106 | \$ 643 | \$ 463 | \$ 20 | \$ 62 | \$ 20 |
| Liabilities | | | | | | | | | |
| Current | | | | | | | | | |
| Operating | Other current liabilities | \$ 177 | \$ 20 | \$ 73 | \$ 31 | \$ 42 | \$ 1 | \$ 3 | \$ 4 |
| Finance | Current maturities of long-term debt | 129 | 5 | 26 | 7 | 19 | — | — | — |
| Noncurrent | | | | | | | | | |
| Operating | Operating lease liabilities | 1,340 | 97 | 623 | 323 | 300 | 20 | 53 | 19 |
| Finance | Long-Term Debt | 716 | 289 | 351 | 289 | 62 | — | 10 | — |
| Total lease liabilities | | \$ 2,362 | \$ 411 | \$ 1,073 | \$ 650 | \$ 423 | \$ 21 | \$ 66 | \$ 23 |

| (in millions) | Classification | December 31, 2019 | | | | | | | |
|-------------------------|--------------------------------------|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Assets | | | | | | | | | |
| Operating | Operating lease ROU assets, net | \$ 1,658 | \$ 123 | \$ 788 | \$ 387 | \$ 401 | \$ 21 | \$ 57 | \$ 24 |
| Finance | Net property, plant and equipment | 926 | 198 | 443 | 308 | 135 | — | 7 | — |
| Total lease assets | | \$ 2,584 | \$ 321 | \$ 1,231 | \$ 695 | \$ 536 | \$ 21 | \$ 64 | \$ 24 |
| Liabilities | | | | | | | | | |
| Current | | | | | | | | | |
| Operating | Other current liabilities | \$ 208 | \$ 27 | \$ 95 | \$ 37 | \$ 58 | \$ 1 | \$ 3 | \$ 4 |
| Finance | Current maturities of long-term debt | 119 | 7 | 24 | 6 | 18 | — | — | — |
| Noncurrent | | | | | | | | | |
| Operating | Operating lease liabilities | 1,432 | 102 | 697 | 354 | 343 | 21 | 55 | 23 |
| Finance | Long-Term Debt | 850 | 172 | 381 | 301 | 80 | — | 10 | — |
| Total lease liabilities | | \$ 2,609 | \$ 308 | \$ 1,197 | \$ 698 | \$ 499 | \$ 22 | \$ 68 | \$ 27 |

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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Cash paid for amounts included in the measurement of lease liabilities^(a) | | | | | | | | |
| Operating cash flows from operating leases | \$ 271 | \$ 31 | \$ 124 | \$ 52 | \$ 72 | \$ 2 | \$ 6 | \$ 5 |
| Operating cash flows from finance leases | 61 | 30 | 44 | 37 | 7 | — | — | — |
| Financing cash flows from finance leases | 119 | 8 | 24 | 6 | 18 | — | 1 | — |
| Lease assets obtained in exchange for new lease liabilities (non-cash) | | | | | | | | |
| Operating ^(b) | \$ 116 | \$ 17 | \$ — | \$ — | \$ — | \$ — | \$ 1 | \$ — |
| Finance | 125 | 125 | — | — | — | — | — | — |

(a) No amounts were classified as investing cash flows from operating leases for the year ended December 31, 2020.

(b) Does not include ROU assets recorded as a result of the adoption of the new lease standard.

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Cash paid for amounts included in the measurement of lease liabilities^(a) | | | | | | | | |
| Operating cash flows from operating leases | \$ 285 | \$ 34 | \$ 131 | \$ 53 | \$ 78 | \$ 2 | \$ 7 | \$ 7 |
| Operating cash flows from finance leases | 61 | 15 | 42 | 33 | 9 | — | 1 | — |
| Financing cash flows from finance leases | 111 | 6 | 21 | 5 | 16 | 1 | — | — |
| Lease assets obtained in exchange for new lease liabilities (non-cash) | | | | | | | | |
| Operating ^(b) | \$ 194 | \$ 44 | \$ 30 | \$ 30 | \$ — | \$ — | \$ — | \$ 1 |
| Finance | 251 | 76 | 175 | 175 | — | — | — | — |

(a) No amounts were classified as investing cash flows from operating leases for the year ended December 31, 2019.

(b) Does not include ROU assets recorded as a result of the adoption of the new lease standard.

| | December 31, 2020 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Weighted average remaining lease term (years) | | | | | | | | |
| Operating leases | 10 | 9 | 10 | 12 | 8 | 17 | 18 | 5 |
| Finance leases | 13 | 19 | 15 | 17 | 11 | — | 25 | — |
| Weighted average discount rate^(a) | | | | | | | | |
| Operating leases | 3.8% | 3.4% | 3.8% | 3.9% | 3.8% | 4.2% | 4.2% | 3.6% |
| Finance leases | 8.4% | 11.6% | 11.9% | 12.4% | 8.2% | —% | 11.9% | —% |

(a) The discount rate is calculated using the rate implicit in a lease if it is readily determinable. Generally, the rate used by the lessor is not provided to Duke Energy and in these cases the incremental borrowing rate is used. Duke Energy will typically use its fully collateralized incremental borrowing rate as of the commencement date to calculate and record the lease. The incremental borrowing rate is influenced by the lessee's credit rating and lease term and as such may differ for individual leases, embedded leases or portfolios of leased assets.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
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Combined Notes to Consolidated Financial Statements – (Continued)

| | December 31, 2019 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Weighted average remaining lease term (years) | | | | | | | | |
| Operating leases | 11 | 9 | 10 | 12 | 8 | 17 | 18 | 6 |
| Finance leases | 13 | 19 | 16 | 18 | 11 | — | 26 | — |
| Weighted average discount rate^(a) | | | | | | | | |
| Operating leases | 3.9% | 3.5% | 3.8% | 3.9% | 3.8% | 4.2% | 4.1% | 3.6% |
| Finance leases | 8.1% | 11.8% | 11.9% | 12.4% | 8.3% | —% | 11.9% | —% |

(a) The discount rate is calculated using the rate implicit in a lease if it is readily determinable. Generally, the rate used by the lessor is not provided to Duke Energy and in these cases the incremental borrowing rate is used. Duke Energy will typically use its fully collateralized incremental borrowing rate as of the commencement date to calculate and record the lease. The incremental borrowing rate is influenced by the lessee's credit rating and lease term and as such may differ for individual leases, embedded leases or portfolios of leased assets.

6. DEBT AND CREDIT FACILITIES

Summary of Debt and Related Terms

The following tables summarize outstanding debt.

| (in millions) | December 31, 2020 | | | | | | | | |
|---|--------------------------------|------------------|-----------------------|------------------|----------------------|---------------------|------------------|---------------------|-----------------|
| | Weighted Average Interest Rate | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Unsecured debt, maturing 2021-2078 | 3.71% | \$ 23,669 | \$ 1,150 | \$ 3,150 | \$ 700 | \$ 350 | \$ 1,180 | \$ 403 | \$ 2,800 |
| Secured debt, maturing 2021-2052 | 2.67% | 4,270 | 543 | 1,584 | 252 | 1,332 | — | — | — |
| First mortgage bonds, maturing 2021-2050 ^(a) | 4.00% | 29,177 | 10,008 | 14,100 | 7,875 | 6,225 | 1,850 | 3,219 | — |
| Finance leases, maturing 2022-2051 ^(b) | 6.96% | 845 | 294 | 377 | 296 | 81 | — | 10 | — |
| Tax-exempt bonds, maturing 2027-2041 ^(c) | 0.75% | 477 | — | 48 | 48 | — | 77 | 352 | — |
| Notes payable and commercial paper ^(d) | 0.51% | 3,407 | — | — | — | — | — | — | — |
| Money pool/intercompany borrowings | — | — | 806 | 3,119 | 445 | 196 | 194 | 281 | 530 |
| Fair value hedge carrying value adjustment | — | 4 | 4 | — | — | — | — | — | — |
| Unamortized debt discount and premium, net ^(e) | — | 1,217 | (20) | (31) | (19) | (11) | (29) | (18) | (5) |
| Unamortized debt issuance costs ^(f) | — | (330) | (62) | (113) | (44) | (62) | (14) | (25) | (15) |
| Total debt | 3.62% | \$ 62,736 | \$ 12,723 | \$ 22,234 | \$ 9,553 | \$ 8,111 | \$ 3,258 | \$ 4,222 | \$ 3,310 |
| Short-term notes payable and commercial paper | — | (2,873) | — | — | — | — | — | — | — |
| Short-term money pool/intercompany borrowings | — | — | (506) | (2,969) | (295) | (196) | (169) | (131) | (530) |
| Current maturities of long-term debt ^(g) | — | (4,238) | (506) | (1,426) | (603) | (823) | (50) | (70) | (160) |
| Total long-term debt^(g) | — | \$ 55,625 | \$ 11,711 | \$ 17,839 | \$ 8,655 | \$ 7,092 | \$ 3,039 | \$ 4,021 | \$ 2,620 |

(a) Substantially all electric utility property is mortgaged under mortgage bond indentures.

(b) Duke Energy includes \$24 million and \$341 million of finance lease purchase accounting adjustments related to Duke Energy Progress and Duke Energy Florida, respectively, related to PPAs that are not accounted for as finance leases in their respective financial statements because of grandfathering provisions in GAAP.

(c) Substantially all tax-exempt bonds are secured by first mortgage bonds, letters of credit or the Master Credit Facility.

(d) Includes \$625 million classified as Long-Term Debt on the Consolidated Balance Sheets due to the existence of long-term credit facilities that backstop these commercial paper balances, along with Duke Energy's ability and intent to refinance these balances on a long-term basis. The weighted average days to maturity for Duke Energy's commercial paper program was 23 days.

(e) Duke Energy includes \$1,196 million and \$117 million in purchase accounting adjustments related to Progress Energy and Piedmont, respectively.

(f) Duke Energy includes \$33 million in purchase accounting adjustments primarily related to the merger with Progress Energy.

(g) Refer to Note 17 for additional information on amounts from consolidated VIEs.

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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | December 31, 2019 | | | | | | | | |
|---|--------------------------------|------------------|-----------------------|------------------|----------------------|---------------------|------------------|---------------------|----------------------|
| | Weighted Average Interest Rate | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Duke Energy Piedmont |
| Unsecured debt, maturing 2020-2078 | 4.02% | \$ 22,477 | \$ 1,150 | \$ 3,650 | \$ 700 | \$ 350 | \$ 1,110 | \$ 405 | \$ 2,399 |
| Secured debt, maturing 2020-2052 | 3.30% | 4,537 | 544 | 1,722 | 335 | 1,387 | — | — | — |
| First mortgage bonds, maturing 2020-2049 ^(a) | 4.13% | 27,977 | 9,557 | 13,800 | 7,575 | 6,225 | 1,449 | 3,169 | — |
| Finance leases, maturing 2022-2051 ^(b) | 6.60% | 969 | 179 | 405 | 307 | 98 | — | 10 | — |
| Tax-exempt bonds, maturing 2022-2041 ^(c) | 2.90% | 730 | 243 | 48 | 48 | — | 77 | 362 | — |
| Notes payable and commercial paper ^(d) | 1.98% | 3,588 | — | — | — | — | — | — | — |
| Money pool/intercompany borrowings | — | — | 329 | 1,970 | 216 | — | 337 | 180 | 476 |
| Fair value hedge carrying value adjustment | — | 5 | 5 | — | — | — | — | — | — |
| Unamortized debt discount and premium, net ^(e) | — | 1,294 | (23) | (29) | (17) | (11) | (30) | (19) | (2) |
| Unamortized debt issuance costs ^(f) | — | (316) | (55) | (111) | (40) | (62) | (12) | (20) | (13) |
| Total debt | 3.92% | \$ 61,261 | \$ 11,929 | \$ 21,455 | \$ 9,124 | \$ 7,987 | \$ 2,931 | \$ 4,087 | \$ 2,860 |
| Short-term notes payable and commercial paper | — | (3,135) | — | — | — | — | — | — | — |
| Short-term money pool/intercompany borrowings | — | — | (29) | (1,821) | (66) | — | (312) | (30) | (476) |
| Current maturities of long-term debt ^(g) | — | (3,141) | (458) | (1,577) | (1,006) | (571) | — | (503) | — |
| Total long-term debt^(g) | — | \$ 54,985 | \$ 11,442 | \$ 18,057 | \$ 8,052 | \$ 7,416 | \$ 2,619 | \$ 3,554 | \$ 2,384 |

(a) Substantially all electric utility property is mortgaged under mortgage bond indentures.

(b) Duke Energy includes \$44 million and \$419 million of finance lease purchase accounting adjustments related to Duke Energy Progress and Duke Energy Florida, respectively, related to PPAs that are not accounted for as finance leases in their respective financial statements because of grandfathering provisions in GAAP.

(c) Substantially all tax-exempt bonds are secured by first mortgage bonds, letters of credit or the Master Credit Facility.

(d) Includes \$625 million that was classified as Long-Term Debt on the Consolidated Balance Sheets due to the existence of long-term credit facilities that backstop these commercial paper balances, along with Duke Energy's ability and intent to refinance these balances on a long-term basis. The weighted average days to maturity for Duke Energy's commercial paper programs was 14 days.

(e) Duke Energy includes \$1,275 million and \$137 million in purchase accounting adjustments related to Progress Energy and Piedmont, respectively.

(f) Duke Energy includes \$37 million in purchase accounting adjustments primarily related to the merger with Progress Energy.

(g) Refer to Note 17 for additional information on amounts from consolidated VIEs.

Current Maturities of Long-Term Debt

The following table shows the significant components of Current maturities of Long-Term Debt on the Consolidated Balance Sheets. The Duke Energy Registrants currently anticipate satisfying these obligations with cash on hand and proceeds from additional borrowings.

| (in millions) | Maturity Date | Interest Rate | December 31, 2020 |
|---|----------------|-----------------------|-------------------|
| Unsecured Debt^(a) | | | |
| Duke Energy (Parent) | May 2021 | 0.721% ^(b) | \$ 500 |
| Piedmont | June 2021 | 4.240% | 160 |
| Duke Energy (Parent) | September 2021 | 3.550% | 500 |
| Duke Energy (Parent) | September 2021 | 1.800% | 750 |
| Duke Energy Florida | November 2021 | 0.482% ^(b) | 200 |
| Secured Debt | | | |
| Duke Energy Florida | April 2021 | 0.972% ^(b) | 250 |
| First Mortgage Bonds | | | |
| Duke Energy Carolinas | June 2021 | 3.900% | 500 |
| Duke Energy Florida | August 2021 | 3.100% | 300 |
| Duke Energy Progress | September 2021 | 3.000% | 500 |
| Duke Energy Progress | September 2021 | 8.625% | 100 |
| Other^(c) | | | 478 |
| Current maturities of long-term debt | | | \$ 4,238 |

(a) During October 2020, Progress Energy early retired \$500 million of unsecured debt with an original maturity of January 15, 2021.

(b) Debt has a floating interest rate.

(c) Includes finance lease obligations, amortizing debt and small bullet maturities.

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Combined Notes to Consolidated Financial Statements – (Continued)

Maturities and Call Options

The following table shows the annual maturities of long-term debt for the next five years and thereafter. Amounts presented exclude short-term notes payable, commercial paper and money pool borrowings and debt issuance costs for the Subsidiary Registrants.

| (in millions) | December 31, 2020 | | | | | | | Piedmont |
|--|----------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy ^(a) | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | |
| 2021 | \$ 4,238 | \$ 506 | \$ 1,426 | \$ 603 | \$ 823 | \$ 50 | \$ 70 | \$ 160 |
| 2022 | 4,905 | 721 | 1,736 | 1,208 | 78 | — | 84 | — |
| 2023 | 3,356 | 1,008 | 638 | 561 | 77 | 325 | 3 | 45 |
| 2024 | 1,344 | 9 | 76 | 10 | 66 | — | 4 | 40 |
| 2025 | 3,153 | 310 | 725 | 661 | 64 | 270 | 154 | 205 |
| Thereafter | 41,983 | 9,745 | 14,802 | 6,274 | 6,878 | 2,486 | 3,818 | 2,350 |
| Total long-term debt, including current maturities | \$ 58,979 | \$ 12,299 | \$ 19,403 | \$ 9,317 | \$ 7,986 | \$ 3,131 | \$ 4,133 | \$ 2,800 |

(a) Excludes \$1,346 million in purchase accounting adjustments related to the Progress Energy merger and the Piedmont acquisition.

The Duke Energy Registrants have the ability under certain debt facilities to call and repay the obligation prior to its scheduled maturity. Therefore, the actual timing of future cash repayments could be materially different than as presented above.

Short-Term Obligations Classified as Long-Term Debt

Tax-exempt bonds that may be put to the Duke Energy Registrants at the option of the holder and certain commercial paper issuances and money pool borrowings are classified as Long-Term Debt on the Consolidated Balance Sheets. These tax-exempt bonds, commercial paper issuances and money pool borrowings, which are short-term obligations by nature, are classified as long-term due to Duke Energy's intent and ability to utilize such borrowings as long-term financing. As Duke Energy's Master Credit Facility and other bilateral letter of credit agreements have non-cancelable terms in excess of one year as of the balance sheet date, Duke Energy has the ability to refinance these short-term obligations on a long-term basis. The following tables show short-term obligations classified as long-term debt.

| (in millions) | December 31, 2020 | | | | |
|---------------------------------|-------------------|-----------------------|----------------------|------------------|---------------------|
| | Duke Energy | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Ohio | Duke Energy Indiana |
| Tax-exempt bonds | \$ 312 | \$ — | \$ — | \$ 27 | \$ 285 |
| Commercial paper ^(a) | 625 | 300 | 150 | 25 | 150 |
| Total | \$ 937 | \$ 300 | \$ 150 | \$ 52 | \$ 435 |

| (in millions) | December 31, 2019 | | | | |
|---------------------------------|-------------------|-----------------------|----------------------|------------------|---------------------|
| | Duke Energy | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Ohio | Duke Energy Indiana |
| Tax-exempt bonds | \$ 312 | \$ — | \$ — | \$ 27 | \$ 285 |
| Commercial paper ^(a) | 625 | 300 | 150 | 25 | 150 |
| Total | \$ 937 | \$ 300 | \$ 150 | \$ 52 | \$ 435 |

(a) Progress Energy amounts are equal to Duke Energy Progress amounts.

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Combined Notes to Consolidated Financial Statements – (Continued)

Summary of Significant Debt Issuances

The following tables summarize significant debt issuances (in millions).

| Issuance Date | Maturity Date | Interest Rate | Year Ended December 31, 2020 | | | | | | | |
|-------------------------------|---------------|-----------------------|------------------------------|----------------------|-----------------------|----------------------|---------------------|------------------|---------------------|---------------|
| | | | Duke Energy | Duke Energy (Parent) | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Unsecured Debt | | | | | | | | | | |
| May 2020 ^(a) | Jun 2030 | 2.450% | \$ 500 | \$ 500 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| May 2020 ^(b) | Jun 2050 | 3.350% | 400 | — | — | — | — | — | — | 400 |
| August 2020 ^(c) | Feb 2022 | 0.400% ^(d) | 700 | — | — | 700 | — | — | — | — |
| September 2020 ^(e) | Sep 2025 | 0.900% | 650 | 650 | — | — | — | — | — | — |
| September 2020 ^(e) | Jun 2030 | 2.450% | 350 | 350 | — | — | — | — | — | — |
| First Mortgage Bonds | | | | | | | | | | |
| January 2020 ^(f) | Feb 2030 | 2.450% | 500 | — | 500 | — | — | — | — | — |
| January 2020 ^(f) | Aug 2049 | 3.200% | 400 | — | 400 | — | — | — | — | — |
| March 2020 ^(g) | Apr 2050 | 2.750% | 550 | — | — | — | — | — | 550 | — |
| May 2020 ^(b) | Jun 2030 | 2.125% | 400 | — | — | — | — | 400 | — | — |
| June 2020 ^(b) | Jun 2030 | 1.750% | 500 | — | — | — | 500 | — | — | — |
| August 2020 ^(h) | Aug 2050 | 2.500% | 600 | — | — | 600 | — | — | — | — |
| Total issuances | | | \$ 5,550 | \$ 1,500 | \$ 900 | \$ 1,300 | \$ 500 | \$ 400 | \$ 550 | \$ 400 |

(a) Debt issued to repay \$500 million borrowing made under Duke Energy (Parent) revolving credit facility in March 2020, and for general corporate purposes.

(b) Debt issued to repay short-term debt and for general corporate purposes.

(c) Debt issued to repay \$700 million term loan due December 2020.

(d) Debt issuance has a floating interest rate.

(e) Debt issued to repay a portion of outstanding commercial paper, to repay a portion of Duke Energy (Parent)'s outstanding \$1.7 billion term loan due March 2021 and for general corporate purposes.

(f) Debt issued to repay at maturity \$450 million first mortgage bonds due June 2020 and for general corporate purposes.

(g) Debt issued to repay at maturity \$500 million first mortgage bonds due July 2020 and to pay down short-term debt.

(h) Debt issued to repay at maturity \$300 million first mortgage bonds due September 2020 and for general corporate purposes.

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Combined Notes to Consolidated Financial Statements – (Continued)

| Issuance Date | Maturity Date | Interest Rate | Year Ended December 31, 2019 | | | | | | | |
|-------------------------------|---------------|-----------------------|------------------------------|----------------------|-----------------------|----------------------|---------------------|------------------|---------------------|---------------|
| | | | Duke Energy | Duke Energy (Parent) | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Unsecured Debt | | | | | | | | | | |
| March 2019 ^(a) | Mar 2022 | 2.538% ^(b) | \$ 300 | \$ 300 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| March 2019 ^(a) | Mar 2022 | 3.227% | 300 | 300 | — | — | — | — | — | — |
| May 2019 ^(e) | Jun 2029 | 3.500% | 600 | — | — | — | — | — | — | 600 |
| June 2019 ^(a) | Jun 2029 | 3.400% | 600 | 600 | — | — | — | — | — | — |
| June 2019 ^(a) | Jun 2049 | 4.200% | 600 | 600 | — | — | — | — | — | — |
| July 2019 ^(d) | Jul 2049 | 4.320% | 40 | — | — | — | — | 40 | — | — |
| September 2019 ^(e) | Oct 2025 | 3.230% | 95 | — | — | — | — | 95 | — | — |
| September 2019 ^(e) | Oct 2029 | 3.560% | 75 | — | — | — | — | 75 | — | — |
| November 2019 ^(h) | Nov 2021 | 2.167% ^(b) | 200 | — | — | — | 200 | — | — | — |
| First Mortgage Bonds | | | | | | | | | | |
| January 2019 ^(c) | Feb 2029 | 3.650% | 400 | — | — | — | — | 400 | — | — |
| January 2019 ^(c) | Feb 2049 | 4.300% | 400 | — | — | — | — | 400 | — | — |
| March 2019 ^(d) | Mar 2029 | 3.450% | 600 | — | — | 600 | — | — | — | — |
| August 2019 ^(a) | Aug 2029 | 2.450% | 450 | — | 450 | — | — | — | — | — |
| August 2019 ^(a) | Aug 2049 | 3.200% | 350 | — | 350 | — | — | — | — | — |
| September 2019 ^(f) | Oct 2049 | 3.250% | 500 | — | — | — | — | — | 500 | — |
| November 2019 ⁽ⁱ⁾ | Dec 2029 | 2.500% | 700 | — | — | — | 700 | — | — | — |
| Total issuances | | | \$ 6,210 | \$ 1,800 | \$ 800 | \$ 600 | \$ 900 | \$ 1,010 | \$ 500 | \$ 600 |

(a) Debt issued to pay down short-term debt and for general corporate purposes.

(b) Debt issuance has a floating interest rate.

(c) Debt issued to repay at maturity \$450 million first mortgage bonds due April 2019, pay down short-term debt and for general corporate purposes.

(d) Debt issued to fund eligible green energy projects in the Carolinas.

(e) Debt issued to repay in full the outstanding \$350 million Piedmont unsecured term loan due September 2019, pay down short-term debt and for general corporate purposes.

(f) Debt issued to retire \$150 million of pollution control bonds, pay down short-term debt and for general corporate purposes.

(g) Debt issued to repay at maturity \$100 million debentures due October 2019, pay down short-term debt and for general corporate purposes.

(h) Debt issued to fund storm restoration costs and for general corporate purposes.

(i) Debt issued to reimburse the payment of existing and new Eligible Green Expenditures in Florida.

Combined Notes to Consolidated Financial Statements – (Continued)**AVAILABLE CREDIT FACILITIES****Master Credit Facility**

In March 2020, Duke Energy amended its existing \$8 billion Master Credit Facility to extend the termination date to March 2025. The Duke Energy Registrants, excluding Progress Energy, have borrowing capacity under the Master Credit Facility up to a specified sublimit for each borrower. Duke Energy

has the unilateral ability at any time to increase or decrease the borrowing sublimits of each borrower, subject to a maximum sublimit for each borrower. The amount available under the Master Credit Facility has been reduced to backstop issuances of commercial paper, certain letters of credit and variable-rate demand tax-exempt bonds that may be put to the Duke Energy Registrants at the option of the holder.

The table below includes the current borrowing sublimits and available capacity under these credit facilities.

| (in millions) | December 31, 2020 | | | | | | | |
|---------------------------------|-------------------|----------------------|-----------------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy (Parent) | Duke Energy Carolinas | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Facility size ^(a) | \$ 8,000 | \$ 2,650 | \$ 1,475 | \$ 1,250 | \$ 800 | \$ 625 | \$ 600 | \$ 600 |
| Reduction to backstop issuances | | | | | | | | |
| Commercial paper ^(b) | (2,239) | — | (736) | (407) | (179) | (176) | (257) | (484) |
| Outstanding letters of credit | (40) | (34) | (4) | (2) | — | — | — | — |
| Tax-exempt bonds | (81) | — | — | — | — | — | (81) | — |
| Available capacity | \$ 5,640 | \$ 2,616 | \$ 735 | \$ 841 | \$ 621 | \$ 449 | \$ 262 | \$ 116 |

(a) Represents the sublimit of each borrower.

(b) Duke Energy issued \$625 million of commercial paper and loaned the proceeds through the money pool to Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio and Duke Energy Indiana. The balances are classified as Long-Term Debt Payable to Affiliated Companies in the Consolidated Balance Sheets.

Term Loan Facility

In response to market volatility and ongoing liquidity impacts from COVID-19, in March 2020, Duke Energy (Parent) entered into a \$1.5 billion, 364-day Term Loan Credit Agreement, borrowing the full \$1.5 billion available on March 19, 2020. The term loan contained a provision for increasing the amount available for borrowing by up to \$500 million. Duke Energy (Parent) exercised this provision on March 27, 2020, borrowing an additional \$188 million. Proceeds were used to reduce outstanding commercial paper and for general corporate purposes. The loan was repaid by Duke Energy (Parent) as of December 31, 2020. Refer to Note 1 for additional information on the COVID-19 pandemic.

Three-Year Revolving Credit Facility

Duke Energy (Parent) has a \$1 billion revolving credit facility. The facility had an initial termination date of June 2020, but in May 2019, Duke Energy extended the termination date of the facility to May 2022. Borrowings under this facility will be used for general corporate purposes. As of December 31, 2020, \$500 million has been drawn under this facility. This balance is classified as Long-term debt on Duke Energy's Consolidated Balance Sheets. Any undrawn commitments can be drawn, and borrowings can be prepaid, at any time throughout the term of the facility. During the first quarter of 2020, an additional \$500 million was drawn under this facility to manage liquidity impacts from COVID-19. The additional \$500 million was paid down during the second quarter of 2020. The terms and conditions of the facility are generally consistent with those governing Duke Energy's Master Credit Facility.

Duke Energy Progress Term Loan Facility

In December 2018, Duke Energy Progress entered into a two-year term loan facility with commitments totaling \$700 million. Borrowings under the facility were used to pay storm-related costs, pay down commercial paper and

to partially finance an upcoming bond maturity. As of December 31, 2019, the entire \$700 million had been drawn under the term loan and was classified as Current maturities of long-term debt on Duke Energy Progress' Consolidated Balance Sheets. In August 2020, Duke Energy Progress repaid its \$700 million two-year term loan facility.

Other Debt Matters

In September 2019, Duke Energy filed a Form S-3 with the SEC. Under this Form S-3, which is uncapped, the Duke Energy Registrants, excluding Progress Energy, may issue debt and other securities, including preferred stock, in the future at amounts, prices and with terms to be determined at the time of future offerings. The registration statement was filed to replace a similar prior filing upon expiration of its three-year term and also allows for the issuance of common and preferred stock by Duke Energy.

Duke Energy has an effective Form S-3 with the SEC to sell up to \$3 billion of variable denomination floating-rate demand notes, called PremierNotes. The Form S-3 states that no more than \$1.5 billion of the notes will be outstanding at any particular time. The notes are offered on a continuous basis and bear interest at a floating rate per annum determined by the Duke Energy PremierNotes Committee, or its designee, on a weekly basis. The interest rate payable on notes held by an investor may vary based on the principal amount of the investment. The notes have no stated maturity date, are non-transferable and may be redeemed in whole or in part by Duke Energy or at the investor's option at any time. The balance as of December 31, 2020, and 2019, was \$1,168 million and \$1,049 million, respectively. The notes are short-term debt obligations of Duke Energy and are reflected as Notes payable and commercial paper on Duke Energy's Consolidated Balance Sheets.

Combined Notes to Consolidated Financial Statements – (Continued)**Money Pool**

The Subsidiary Registrants, excluding Progress Energy, are eligible to receive support for their short-term borrowing needs through participation with Duke Energy and certain of its subsidiaries in a money pool arrangement. Under this arrangement, those companies with short-term funds may provide short-term loans to affiliates participating in this arrangement. The money pool is structured such that the Subsidiary Registrants, excluding Progress Energy, separately manage their cash needs and working capital requirements. Accordingly, there is no net settlement of receivables and payables between money pool participants. Duke Energy (Parent), may loan funds to its participating subsidiaries, but may not borrow funds through the money pool. Accordingly, as the money pool activity is between Duke Energy and its wholly owned subsidiaries, all money pool balances are eliminated within Duke Energy's Consolidated Balance Sheets.

Money pool receivable balances are reflected within Notes receivable from affiliated companies on the Subsidiary Registrants' Consolidated Balance Sheets. Money pool payable balances are reflected within either Notes payable to affiliated companies or Long-Term Debt Payable to Affiliated Companies on the Subsidiary Registrants' Consolidated Balance Sheets.

Restrictive Debt Covenants

The Duke Energy Registrants' debt and credit agreements contain various financial and other covenants. Duke Energy's Master Credit Facility contains a covenant requiring the debt-to-total capitalization ratio not to exceed 65% for each borrower, excluding Piedmont, and 70% for Piedmont. Failure to meet those covenants beyond applicable grace periods could result in accelerated due dates and/or termination of the agreements. As of December 31, 2020, each of the Duke Energy Registrants was in compliance with all covenants related to their debt agreements. In addition, some credit agreements may allow for acceleration of payments or termination of the agreements due to nonpayment, or acceleration of other significant indebtedness of the borrower or some of its subsidiaries. None of the debt or credit agreements contain material adverse change clauses.

Other Loans

As of December 31, 2020, and 2019, Duke Energy had loans outstanding of \$817 million, including \$35 million at Duke Energy Progress and \$777 million, including \$36 million at Duke Energy Progress, respectively, against the cash surrender value of life insurance policies it owns on the lives of its executives. The amounts outstanding were carried as a reduction of the related cash surrender value that is included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets.

7. GUARANTEES AND INDEMNIFICATIONS

Duke Energy has various financial and performance guarantees and indemnifications with non-consolidated entities, which are issued in the normal course of business. As discussed below, these contracts include performance guarantees, standby letters of credit, debt guarantees and indemnifications. Duke Energy enters into these arrangements to facilitate commercial transactions with third parties by enhancing the value of the transaction to the third party. At December 31, 2020, Duke Energy does not believe conditions are likely for significant performance under these guarantees, except for ACP as described below. To the extent liabilities are incurred as a result of the activities covered by the guarantees, such liabilities are included on the accompanying Consolidated Balance Sheets.

On January 2, 2007, Duke Energy completed the spin-off of its previously wholly owned natural gas businesses to shareholders. Guarantees issued by Duke Energy or its affiliates, or assigned to Duke Energy prior to the spin-off, remained with Duke Energy subsequent to the spin-off. Guarantees issued by Spectra Capital or its affiliates prior to the spin-off remained with Spectra Capital subsequent to the spin-off, except for guarantees that were later assigned to Duke Energy. Duke Energy has indemnified Spectra Capital against any losses incurred under certain of the guarantee obligations that remain with Spectra Capital. At December 31, 2020, the maximum potential amount of future payments associated with these guarantees were \$56 million, the majority of which expires by 2028.

In October 2017, ACP executed a \$3.4 billion revolving credit facility with a stated maturity date of October 2021. Duke Energy entered into a guarantee agreement to support its share of the ACP revolving credit facility. In July 2020, ACP reduced the size of the credit facility to \$1.9 billion. Duke Energy's maximum exposure to loss under the terms of the guarantee is \$860 million as of December 31, 2020. This amount represents 47% of the outstanding borrowings under the credit facility.

Duke Energy recognized the \$860 million within Other Current Liabilities on the Consolidated Balance Sheets at December 31, 2020, of which \$95 million was previously recognized due the adoption of new guidance for credit losses effective January 1, 2020. See Notes 3 and 12 for more information. The remaining reserve for credit losses for financial guarantees of \$4 million at December 31, 2020, is included within Other Noncurrent Liabilities on the

Duke Energy's Consolidated Balance Sheets. Management considers financial guarantees for evaluation under this standard based on the anticipated amount outstanding at the time of default. The reserve for credit losses is based on the evaluation of the contingent components of financial guarantees. Management evaluates the risk of default, exposure and length of time remaining in the period for each contract.

In addition to the Spectra Capital and ACP revolving credit facility guarantees above, Duke Energy has issued performance guarantees to customers and other third parties that guarantee the payment and performance of other parties, including certain non-wholly owned entities, as well as guarantees of debt of certain non-consolidated entities. If such entities were to default on payments or performance, Duke Energy would be required under the guarantees to make payments on the obligations of these entities. The maximum potential amount of future payments required under these guarantees as of December 31, 2020, was \$56 million of which \$53 million expire between 2021 and 2030, with the remaining performance guarantees having no contractual expiration. Additionally, certain guarantees have uncapped maximum potential payments; however, Duke Energy does not believe these guarantees will have a material effect on its results of operations, cash flows or financial position.

Duke Energy uses bank-issued standby letters of credit to secure the performance of wholly owned and non-wholly owned entities to a third party or customer. Under these arrangements, Duke Energy has payment obligations to the issuing bank that are triggered by a draw by the third party or customer due to the failure of the wholly owned or non-wholly owned entity to perform according to the terms of its underlying contract. At December 31, 2020, Duke Energy had issued a total of \$566 million in letters of credit, which expire between 2021 and 2023. The unused amount under these letters of credit was \$76 million.

Duke Energy recognized \$11 million and \$23 million as of December 31, 2020, and 2019, respectively, primarily in Other within Other Noncurrent Liabilities on the Consolidated Balance Sheets, for the guarantees discussed above. As current estimates change, additional losses related to guarantees and indemnifications to third parties, which could be material, may be recorded by the Duke Energy Registrants in the future.

Combined Notes to Consolidated Financial Statements – (Continued)

8. JOINT OWNERSHIP OF GENERATING AND TRANSMISSION FACILITIES

The Duke Energy Registrants maintain ownership interests in certain jointly owned generating and transmission facilities. The Duke Energy Registrants are entitled to a share of the generating capacity and output of each unit equal to their respective ownership interests. The Duke Energy Registrants pay their ownership share of additional construction costs, fuel inventory

purchases and operating expenses. The Duke Energy Registrants share of revenues and operating costs of the jointly owned facilities is included within the corresponding line in the Consolidated Statements of Operations. Each participant in the jointly owned facilities must provide its own financing.

The following table presents the Duke Energy Registrants' interest of jointly owned plant or facilities and amounts included on the Consolidated Balance Sheets. All facilities are operated by the Duke Energy Registrants and are included in the Electric Utilities and Infrastructure segment.

| (in millions except for ownership interest) | December 31, 2020 | | | |
|--|--------------------|-------------------------------|--------------------------|-------------------------------|
| | Ownership Interest | Property, Plant and Equipment | Accumulated Depreciation | Construction Work in Progress |
| Duke Energy Carolinas | | | | |
| Catawba (units 1 and 2) ^(a) | 19.25% | \$ 1,017 | \$ 518 | \$ 23 |
| W.S. Lee CC ^(b) | 87.27% | 632 | 49 | 1 |
| Duke Energy Indiana | | | | |
| Gibson (unit 5) ^(c) | 50.05% | 447 | 199 | 4 |
| Vermillion ^(d) | 62.50% | 174 | 101 | 1 |
| Transmission and local facilities ^(c) | Various | 5,817 | 1,508 | 150 |

(a) Jointly owned with North Carolina Municipal Power Agency Number 1, NCEMC and PMPA.

(b) Jointly owned with NCEMC.

(c) Jointly owned with WVPA and IMPA.

(d) Jointly owned with WVPA.

9. ASSET RETIREMENT OBLIGATIONS

Duke Energy records an ARO when it has a legal obligation to incur retirement costs associated with the retirement of a long-lived asset and the obligation can be reasonably estimated. Certain assets of the Duke Energy Registrants have an indeterminate life, such as transmission and distribution facilities, and thus the fair value of the retirement obligation is not reasonably estimable. A liability for these AROs will be recorded when a fair value is determinable.

The Duke Energy Registrants' regulated operations accrue costs of removal for property that does not have an associated legal retirement obligation based on regulatory orders from state commissions. These costs of removal are recorded as a regulatory liability in accordance with regulatory accounting treatment. The Duke Energy Registrants do not accrue the estimated cost of removal for any nonregulated assets. See Note 3 for the estimated cost of removal for assets without an associated legal retirement obligation, which are included in Regulatory liabilities on the Consolidated Balance Sheets.

The following table presents the AROs recorded on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Decommissioning of nuclear power facilities ^(a) | \$ 6,845 | \$ 2,695 | \$ 4,101 | \$ 3,642 | \$ 459 | \$ — | \$ — | \$ — |
| Closure of ash impoundments | 5,778 | 2,597 | 1,973 | 1,950 | 23 | 67 | 1,140 | — |
| Other | 381 | 58 | 75 | 43 | 32 | 44 | 36 | 20 |
| Total asset retirement obligation | \$ 13,004 | \$ 5,350 | \$ 6,149 | \$ 5,635 | \$ 514 | \$ 111 | \$ 1,176 | \$ 20 |
| Less: Current portion | 718 | 264 | 283 | 283 | — | 3 | 168 | — |
| Total noncurrent asset retirement obligation | \$ 12,286 | \$ 5,086 | \$ 5,866 | \$ 5,352 | \$ 514 | \$ 108 | \$ 1,008 | \$ 20 |

(a) Duke Energy amount includes purchase accounting adjustments related to the merger with Progress Energy.

Combined Notes to Consolidated Financial Statements – (Continued)

Nuclear Decommissioning Liability

AROs related to nuclear decommissioning are based on site-specific cost studies. The NCUC, PSCSC and FPSC require updated cost estimates for decommissioning nuclear plants every five years.

The following table summarizes information about the most recent site-specific nuclear decommissioning cost studies. Decommissioning costs are stated in 2018 or 2019 dollars, depending on the year of the cost study, and include costs to decommission plant components not subject to radioactive contamination.

| (in millions) | Annual Funding Requirement ^(a) | Decommissioning Costs ^(a) | Year of Cost Study |
|---|---|--------------------------------------|--------------------|
| Duke Energy | \$ 27 | \$ 9,105 | 2018 or 2019 |
| Duke Energy Carolinas ^{(b)(c)} | — | 4,365 | 2018 |
| Duke Energy Progress ^(d) | 27 | 4,181 | 2019 |
| Duke Energy Florida ^(e) | — | 559 | N/A |

- (a) Amounts for Progress Energy equal the sum of Duke Energy Progress and Duke Energy Florida.
 (b) Decommissioning cost for Duke Energy Carolinas reflects its ownership interest in jointly owned reactors. Other joint owners are responsible for decommissioning costs related to their interest in the reactors.
 (c) Duke Energy Carolinas' site-specific nuclear decommissioning cost study completed in 2018 was filed with the NCUC and PSCSC in 2019. A new funding study was also completed and filed with the NCUC and PSCSC in 2019.
 (d) Duke Energy Progress' site-specific nuclear decommissioning cost study completed in 2019 was filed with the NCUC and PSCSC in March 2020. Duke Energy Progress also completed a funding study, which was filed with the NCUC and PSCSC in July 2020.
 (e) During 2019, Duke Energy Florida reached an agreement to transfer decommissioning work for Crystal River Unit 3 to a third party and decommissioning costs are based on the agreement with this third party rather than a cost study. Regulatory approval was received from the NRC and the FPSC in April 2020 and August 2020, respectively. See Note 3 for more information.

Nuclear Decommissioning Trust Funds

Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida each maintain NDTFs that are intended to pay for the decommissioning costs of their respective nuclear power plants. The NDTF investments are managed and invested in accordance with applicable requirements of various regulatory bodies including the NRC, FERC, NCUC, PSCSC, FPSC and the IRS.

Use of the NDTF investments is restricted to nuclear decommissioning activities including license termination, spent fuel and site restoration. The license termination and spent fuel obligations relate to contaminated decommissioning and are recorded as AROs. The site restoration obligation relates to non-contaminated decommissioning and is recorded to cost of removal within Regulatory liabilities on the Consolidated Balance Sheets.

The following table presents the fair value of NDTF assets legally restricted for purposes of settling AROs associated with nuclear decommissioning. Duke Energy Florida entered into an agreement with a third party to decommission Crystal River Unit 3 and was granted an exemption from the NRC, which allows for use of the NDTF for all aspects of nuclear decommissioning. The entire balance of Duke Energy Florida's NDTF may be applied toward license termination, spent fuel and site restoration costs incurred to decommission Crystal River Unit 3 and is excluded from the table below. See Note 16 for additional information related to the fair value of the Duke Energy Registrants' NDTFs.

| (in millions) | December 31, | |
|-----------------------|--------------|----------|
| | 2020 | 2019 |
| Duke Energy | \$ 7,726 | \$ 6,766 |
| Duke Energy Carolinas | 4,381 | 3,837 |
| Duke Energy Progress | 3,345 | 2,929 |

Nuclear Operating Licenses

Operating licenses for nuclear units are potentially subject to extension. The following table includes the current expiration of nuclear operating licenses.

| Unit | Year of Expiration |
|------------------------------|--------------------|
| Duke Energy Carolinas | |
| Catawba Units 1 and 2 | 2043 |
| McGuire Unit 1 | 2041 |
| McGuire Unit 2 | 2043 |
| Oconee Units 1 and 2 | 2033 |
| Oconee Unit 3 | 2034 |
| Duke Energy Progress | |
| Brunswick Unit 1 | 2036 |
| Brunswick Unit 2 | 2034 |
| Harris | 2046 |
| Robinson | 2030 |

The NRC has acknowledged permanent cessation of operation and permanent removal of fuel from the reactor vessel at Crystal River Unit 3. Therefore, the license no longer authorizes operation of the reactor. During 2019, Duke Energy Florida entered into an agreement for the accelerated decommissioning of Crystal River Unit 3. Regulatory approval was received from the NRC and the FPSC in April 2020 and August 2020, respectively. See Note 3 for more information.

Closure of Ash Impoundments

The Duke Energy Registrants are subject to state and federal regulations covering the closure of coal ash impoundments, including the EPA CCR rule and the Coal Ash Act, and other agreements. AROs recorded on the Duke Energy Registrants' Consolidated Balance Sheets include the legal obligation for closure of coal ash basins and the disposal of related ash as a result of these regulations and agreements.

The ARO amount recorded on the Consolidated Balance Sheets is based upon estimated closure costs for impacted ash impoundments. The amount recorded represents the discounted cash flows for estimated closure costs based upon specific closure plans. Actual costs to be incurred will be dependent upon factors that vary from site to site. The most significant factors are the method and time frame of closure at the individual sites. Closure methods considered include removing the water from ash basins, consolidating material as necessary and capping the ash with a synthetic barrier, excavating and relocating the ash to a lined structural fill or lined landfill or recycling the ash for concrete or some other beneficial use. The ultimate method and timetable for closure will be in compliance with standards set by federal and state regulations and other agreements. The ARO amount will be adjusted as additional information is gained through the closure and post-closure process, including acceptance and approval of compliance approaches, which may change management assumptions, and may result in a material change to the balance. See ARO Liability Rollforward section below for information on revisions made to the coal ash liability during 2020 and 2019.

Asset retirement costs associated with the AROs for operating plants and retired plants are included in Net property, plant and equipment and Regulatory assets, respectively, on the Consolidated Balance Sheets. See Note 3 for additional information on Regulatory assets related to AROs.

Cost recovery for future expenditures will be pursued through the normal ratemaking process with federal and state utility commissions, which permit recovery of necessary and prudently incurred costs associated with Duke Energy's regulated operations. See Note 3 for additional information on recovery of coal ash costs.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

ARO Liability Rollforward

The following tables present changes in the liability associated with AROs.

| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|---|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| Balance at December 31, 2018 | \$ 10,467 | \$ 3,949 | \$ 5,411 | \$ 4,820 | \$ 591 | \$ 93 | \$ 722 | \$ 19 |
| Accretion expense ^(a) | 508 | 235 | 252 | 227 | 25 | 3 | 28 | 1 |
| Liabilities settled ^(b) | (895) | (329) | (499) | (460) | (39) | (12) | (54) | — |
| Liabilities incurred in the current year | 25 | 18 | 7 | — | 7 | — | — | — |
| Revisions in estimates of cash flows ^(c) | 3,213 | 1,861 | 1,300 | 1,306 | (6) | (4) | 136 | (3) |
| Balance at December 31, 2019 | 13,318 | 5,734 | 6,471 | 5,893 | 578 | 80 | 832 | 17 |
| Accretion expense ^(a) | 542 | 258 | 246 | 225 | 21 | 4 | 33 | 1 |
| Liabilities settled ^(b) | (724) | (198) | (451) | (358) | (93) | (2) | (74) | — |
| Liabilities incurred in the current year | 22 | — | 5 | — | 5 | — | — | — |
| Revisions in estimates of cash flows ^(d) | (154) | (444) | (122) | (125) | 3 | 29 | 385 | 2 |
| Balance at December 31, 2020 | \$ 13,004 | \$ 5,350 | \$ 6,149 | \$ 5,635 | \$ 514 | \$ 111 | \$ 1,176 | \$ 20 |

(a) Substantially all accretion expense for the years ended December 31, 2020, and 2019, relates to Duke Energy's regulated operations and has been deferred in accordance with regulatory accounting treatment.

(b) Amounts primarily relate to ash impoundment closures and nuclear decommissioning.

(c) Amounts primarily relate to increases in closure estimates for certain ash impoundments as a result of the NCDEQ's April 1, 2019, Order and the related settlement agreement dated December 31, 2019.

(d) Primarily relates to decreases due to revised basin closure cost estimates, partially offset by increases related to new closure plan approvals, post closure maintenance and beneficitation costs. Duke Energy Indiana estimates also include the impacts of closure estimates for certain ash impoundments due to the impact of Hoosier Environmental Council's petition filed with the court challenging the Indiana Department of Environmental Management's partial approval of Duke Energy Indiana's ash pond closure plan. See Note 4 for more information on Hoosier Environmental Council's petition. The incremental amount recorded represents the discounted cash flows for estimated closure costs based upon the probability weightings of the potential closure methods as evaluated on a site-by-site basis.

Combined Notes to Consolidated Financial Statements – (Continued)

10. PROPERTY, PLANT AND EQUIPMENT

The following tables summarize the property, plant and equipment for Duke Energy and its subsidiary registrants.

| (in millions) | Average
Remaining
Useful Life
(Years) | December 31, 2020 | | | | | | | |
|---|--|-------------------|-----------------------------|--------------------|----------------------------|---------------------------|------------------------|---------------------------|----------|
| | | Duke
Energy | Duke
Energy
Carolinas | Progress
Energy | Duke
Energy
Progress | Duke
Energy
Florida | Duke
Energy
Ohio | Duke
Energy
Indiana | Piedmont |
| Land | | \$ 2,046 | \$ 536 | \$ 908 | \$ 463 | \$ 445 | \$ 171 | \$ 118 | \$ 279 |
| Plant – Regulated | | | | | | | | | |
| Electric generation, distribution and transmission | 39 | 117,107 | 44,059 | 50,785 | 31,375 | 19,410 | 6,255 | 16,008 | — |
| Natural gas transmission and distribution | 54 | 10,799 | — | — | — | — | 3,136 | — | 7,663 |
| Other buildings and improvements | 36 | 2,038 | 740 | 459 | 197 | 262 | 374 | 300 | 165 |
| Plant – Nonregulated | | | | | | | | | |
| Electric generation, distribution and transmission | 27 | 5,444 | — | — | — | — | — | — | — |
| Other buildings and improvements | 10 | 519 | — | — | — | — | — | — | — |
| Nuclear fuel | | 3,284 | 1,837 | 1,447 | 1,447 | — | — | — | — |
| Equipment | 15 | 2,608 | 620 | 759 | 498 | 261 | 385 | 238 | 122 |
| Construction in process | | 6,645 | 1,645 | 2,013 | 709 | 1,304 | 407 | 409 | 581 |
| Other | 14 | 5,090 | 1,203 | 1,521 | 1,070 | 441 | 294 | 309 | 324 |
| Total property, plant and equipment ^{(a)(e)} | | 155,580 | 50,640 | 57,892 | 35,759 | 22,123 | 11,022 | 17,382 | 9,134 |
| Total accumulated depreciation – regulated ^{(b)(c)} | | (46,216) | (17,453) | (18,368) | (12,801) | (5,560) | (3,013) | (5,661) | (1,749) |
| Total accumulated depreciation – nonregulated ^{(d)(e)} | | (2,611) | — | — | — | — | — | — | — |
| Generation facilities to be retired, net | | 29 | — | 29 | 29 | — | — | — | — |
| Total net property, plant and equipment | | \$106,782 | \$ 33,187 | \$ 39,553 | \$ 22,987 | \$16,563 | \$ 8,009 | \$11,721 | \$ 7,385 |

(a) Includes finance leases of \$832 million, \$335 million, \$416 million, \$297 million, \$119 million and \$10 million at Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana, respectively, primarily within Plant – Regulated. The Progress Energy, Duke Energy Progress and Duke Energy Florida amounts are net of \$141 million, \$24 million and \$117 million, respectively, of accumulated amortization of finance leases.

(b) Includes \$1,832 million, \$1,010 million, \$822 million and \$822 million of accumulated amortization of nuclear fuel at Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

(c) Includes accumulated amortization of finance leases of \$12 million, \$23 million and \$3 million at Duke Energy, Duke Energy Carolinas and Duke Energy Indiana, respectively.

(d) Includes accumulated amortization of finance leases of \$23 million at Duke Energy.

(e) Includes gross property, plant and equipment cost of consolidated VIEs of \$6,394 million and accumulated depreciation of consolidated VIEs of \$1,242 million at Duke Energy.

In 2020, Duke Energy evaluated recoverability of its renewable merchant plants principally located in the Electric Reliability Council of Texas West market and in the PJM West market due to declining market pricing and declining long-term forecasted energy prices, primarily driven by lower forecasted natural gas prices. Duke Energy determined that the assets were not impaired because

the carrying value of \$210 million approximates the aggregate estimated future undiscounted cash flows. A continued decline in energy market pricing would likely result in a future impairment. Duke Energy retained 51% ownership interest in these facilities following the 2019 transaction to sell a minority interest in certain renewable assets. See Note 1 for further information.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | December 31, 2019 | | | | | | | | |
|---|---------------------------------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Average Remaining Useful Life (Years) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Land | | \$ 2,091 | \$ 520 | \$ 884 | \$ 449 | \$ 435 | \$ 150 | \$ 117 | \$ 388 |
| Plant – Regulated | | | | | | | | | |
| Electric generation, distribution and transmission | 39 | 111,739 | 42,723 | 48,142 | 30,018 | 18,124 | 5,838 | 15,032 | — |
| Natural gas transmission and distribution | 54 | 9,839 | — | — | — | — | 2,892 | — | 6,947 |
| Other buildings and improvements | 32 | 1,810 | 714 | 401 | 162 | 239 | 269 | 278 | 148 |
| Plant – Nonregulated | | | | | | | | | |
| Electric generation, distribution and transmission | 28 | 5,103 | — | — | — | — | — | — | — |
| Other buildings and improvements | 9 | 488 | — | — | — | — | — | — | — |
| Nuclear fuel | | 3,253 | 1,891 | 1,362 | 1,362 | — | — | — | — |
| Equipment | 13 | 2,313 | 546 | 665 | 452 | 213 | 319 | 205 | 128 |
| Construction in process | | 6,102 | 1,389 | 2,149 | 1,114 | 1,035 | 504 | 381 | 531 |
| Other | 13 | 4,916 | 1,139 | 1,467 | 1,046 | 411 | 269 | 292 | 304 |
| Total property, plant and equipment ^{(a)(e)} | | 147,654 | 48,922 | 55,070 | 34,603 | 20,457 | 10,241 | 16,305 | 8,446 |
| Total accumulated depreciation – regulated ^{(b)(c)} | | (43,419) | (16,525) | (17,159) | (11,915) | (5,236) | (2,843) | (5,233) | (1,681) |
| Total accumulated depreciation – nonregulated ^{(d)(e)} | | (2,354) | — | — | — | — | — | — | — |
| Generation facilities to be retired, net | | 246 | — | 246 | 246 | — | — | — | — |
| Total net property, plant and equipment | | \$ 102,127 | \$ 32,397 | \$ 38,157 | \$ 22,934 | \$ 15,221 | \$ 7,398 | \$ 11,072 | \$ 6,765 |

(a) Includes finance leases of \$952 million, \$211 million, \$443 million, \$308 million, \$135 million, and \$10 million at Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana, respectively, primarily within Plant – Regulated. The Progress Energy, Duke Energy Progress and Duke Energy Florida amounts are net of \$143 million, \$17 million and \$126 million, respectively, of accumulated amortization of finance leases.

(b) Includes \$1,807 million, \$1,082 million, \$725 million and \$725 million of accumulated amortization of nuclear fuel at Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

(c) Includes accumulated amortization of finance leases of \$6 million, \$13 million, and \$3 million at Duke Energy, Duke Energy Carolinas and Duke Energy Indiana, respectively.

(d) Includes accumulated amortization of finance leases of \$20 million at Duke Energy.

(e) Includes gross property, plant and equipment cost of consolidated VIEs of \$5,747 million and accumulated depreciation of consolidated VIEs of \$1,041 million at Duke Energy.

The following tables present capitalized interest, which includes the debt component of AFUDC.

| (in millions) | Years Ended December 31, | | |
|-----------------------|--------------------------|-------|-------|
| | 2020 | 2019 | 2018 |
| Duke Energy | \$112 | \$159 | \$161 |
| Duke Energy Carolinas | 28 | 30 | 35 |
| Progress Energy | 17 | 31 | 51 |
| Duke Energy Progress | 12 | 28 | 26 |
| Duke Energy Florida | 5 | 3 | 25 |
| Duke Energy Ohio | 26 | 22 | 17 |
| Duke Energy Indiana | 10 | 26 | 27 |
| Piedmont | 8 | 26 | 17 |

Combined Notes to Consolidated Financial Statements – (Continued)

11. GOODWILL AND INTANGIBLE ASSETS

GOODWILL

Duke Energy

The following table presents goodwill by reportable segment for Duke Energy included on Duke Energy's Consolidated Balance Sheets at December 31, 2020, and 2019.

| (in millions) | Electric | | Gas | Commercial
Renewables | Total |
|---|---------------------------------|---------------------------------|---------------------------------|--------------------------|------------------|
| | Utilities and
Infrastructure | Utilities and
Infrastructure | Utilities and
Infrastructure | | |
| Goodwill Balance at
December 31, 2019 | \$ 17,379 | \$ 1,924 | \$ 122 | | \$ 19,425 |
| Accumulated impairment
charges | — | — | (122) | | (122) |
| Goodwill balance at
December 31, 2019, adjusted
for accumulated impairment
charges | \$ 17,379 | \$ 1,924 | \$ — | | \$ 19,303 |
| Goodwill Balance at
December 31, 2020 | \$ 17,379 | \$ 1,924 | \$ 122 | | \$ 19,425 |
| Accumulated impairment
charges | — | — | (122) | | (122) |
| Goodwill balance at
December 31, 2020,
adjusted for accumulated
impairment charges | \$ 17,379 | \$ 1,924 | \$ — | | \$ 19,303 |

(a) Duke Energy evaluated the recoverability of goodwill during 2018 and 2017 and recorded impairment charges of \$93 million and \$29 million, respectively, related to the Commercial Renewables reporting unit included in Impairment charges on Duke Energy's Consolidated Statements of Operations. The fair value of the reporting unit was determined based on the income approach and market approach in 2018 and 2017, respectively. See "Goodwill Impairment Testing" below for the results of the 2020 goodwill impairment test.

Duke Energy Ohio

Duke Energy Ohio's Goodwill balance of \$920 million, allocated \$596 million to Electric Utilities and Infrastructure and \$324 million to Gas Utilities and Infrastructure, is presented net of accumulated impairment charges of \$216 million on the Consolidated Balance Sheets at December 31, 2020, and 2019.

Progress Energy

Progress Energy's Goodwill is included in the Electric Utilities and Infrastructure segment and there are no accumulated impairment charges.

Piedmont

Piedmont's Goodwill is included in the Gas Utilities and Infrastructure segment and there are no accumulated impairment charges.

Goodwill Impairment Testing

Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont are required to perform an annual goodwill impairment test as of the same date each year and, accordingly, perform their annual impairment testing of goodwill as of August 31. Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont update their test between annual tests if events or circumstances occur that would more likely than not reduce the fair value of a reporting unit below its carrying value. As the fair value for Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont exceeded their respective carrying values at the date of the annual impairment analysis, no goodwill impairment charges were recorded in 2020.

INTANGIBLE ASSETS

The following tables show the carrying amount and accumulated amortization of intangible assets included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets of the Duke Energy Registrants at December 31, 2020, and 2019.

| (in millions) | December 31, 2020 | | | | | | | |
|---|-------------------|-----------------------------|--------------------|----------------------------|---------------------------|------------------------|---------------------------|----------|
| | Duke
Energy | Duke
Energy
Carolinas | Progress
Energy | Duke
Energy
Progress | Duke
Energy
Florida | Duke
Energy
Ohio | Duke
Energy
Indiana | Piedmont |
| Emission allowances | \$ 8 | \$ — | \$ 5 | \$ 2 | \$ 3 | \$ — | \$ 2 | \$ — |
| Renewable energy certificates | 196 | 65 | 130 | 130 | — | 1 | — | — |
| Natural gas, coal and power contracts | 24 | — | — | — | — | — | 24 | — |
| Renewable operating and development projects | 107 | — | — | — | — | — | — | — |
| Other | 20 | — | — | — | — | — | — | — |
| Total gross carrying amounts | 355 | 65 | 135 | 132 | 3 | 1 | 26 | — |
| Accumulated amortization – natural gas, coal and power contracts | (23) | — | — | — | — | — | (23) | — |
| Accumulated amortization – renewable operating and development projects | (34) | — | — | — | — | — | — | — |
| Accumulated amortization – other | (3) | — | — | — | — | — | — | — |
| Total accumulated amortization | (60) | — | — | — | — | — | (23) | — |
| Total intangible assets, net | \$ 295 | \$ 65 | \$ 135 | \$ 132 | \$ 3 | \$ 1 | \$ 3 | \$ — |

PART II

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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | December 31, 2019 | | | | | | | Piedmont |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | |
| Emission allowances | \$ 18 | \$ — | \$ 5 | \$ 2 | \$ 3 | \$ — | \$ 12 | \$ — |
| Renewable energy certificates | 172 | 53 | 118 | 118 | — | 1 | — | — |
| Natural gas, coal and power contracts | 24 | — | — | — | — | — | 24 | — |
| Renewable operating and development projects | 89 | — | — | — | — | — | — | — |
| Other | 2 | — | — | — | — | — | — | — |
| Total gross carrying amounts | 305 | 53 | 123 | 120 | 3 | 1 | 36 | — |
| Accumulated amortization – natural gas, coal and power contracts | (21) | — | — | — | — | — | (21) | — |
| Accumulated amortization – renewable operating and development projects | (34) | — | — | — | — | — | — | — |
| Accumulated amortization – other | (1) | — | — | — | — | — | — | — |
| Total accumulated amortization | (56) | — | — | — | — | — | (21) | — |
| Total intangible assets, net | \$ 249 | \$ 53 | \$ 123 | \$ 120 | \$ 3 | \$ 1 | \$ 15 | \$ — |

Amortization Expense

Amortization expense amounts for natural gas, coal and power contracts, renewable operating projects and other intangible assets are immaterial for the years ended December 31, 2020, 2019 and 2018, and are expected to be immaterial for the next five years as of December 31, 2020.

12. INVESTMENTS IN UNCONSOLIDATED AFFILIATES

EQUITY METHOD INVESTMENTS

Investments in affiliates that are not controlled by Duke Energy, but over which it has significant influence, are accounted for using the equity method.

The following table presents Duke Energy's investments in unconsolidated affiliates accounted for under the equity method, as well as the respective equity in earnings, by segment.

| (in millions) | Years Ended December 31, | | | | | |
|---------------------------------------|--------------------------|--------------------|-------------|--------------------|-------------|--------------------|
| | 2020 | | 2019 | | 2018 | |
| | Investments | Equity in earnings | Investments | Equity in earnings | Investments | Equity in earnings |
| Electric Utilities and Infrastructure | \$ 105 | \$ (1) | \$ 122 | \$ 9 | \$ 97 | \$ 6 |
| Gas Utilities and Infrastructure | 215 | (2,017) | 1,388 | 114 | 1,003 | 27 |
| Commercial Renewables | 534 | — | 314 | (4) | 201 | (1) |
| Other | 107 | 13 | 112 | 43 | 108 | 51 |
| Total | \$ 961 | \$ (2,005) | \$ 1,936 | \$ 162 | \$ 1,409 | \$ 83 |

During the years ended December 31, 2020, 2019 and 2018, Duke Energy received distributions from equity investments of \$37 million, \$55 million and \$108 million, respectively, which are included in Other assets within Cash Flows from Operating Activities on the Consolidated Statements of Cash Flows. During the years ended December 31, 2020, 2019 and 2018, Duke Energy received distributions from equity investments of \$133 million, \$11 million and \$137 million, respectively, which are included in Return of investment capital within Cash Flows from Investing Activities on the Consolidated Statements of Cash Flows.

During the years ended December 31, 2020, 2019 and 2018, Piedmont received distributions from equity investments of \$2 million, \$1 million and \$1 million, respectively, which are included in Other assets within Cash Flows

from Operating Activities and \$2 million, \$4 million and \$3 million, respectively, which are included within Cash Flows from Investing Activities on the Consolidated Statements of Cash Flows.

Significant investments in affiliates accounted for under the equity method are discussed below.

Electric Utilities and Infrastructure

Duke Energy owns 50% interests in both DATC and Pioneer, which build, own and operate electric transmission facilities in North America.

Combined Notes to Consolidated Financial Statements – (Continued)

Gas Utilities and Infrastructure

The table below outlines Duke Energy's ownership interests in natural gas pipeline companies and natural gas storage facilities.

| Entity Name | Ownership Interest | Investment Amount (in millions) | |
|---|--------------------|---------------------------------|-----------------|
| | | December 31, | |
| | | 2020 | 2019 |
| Pipeline Investments^(a) | | | |
| ACP ^(b) | 47% | \$ — | \$ 1,179 |
| Sabal Trail | 7.5% | 120 | 121 |
| Cardinal ^(c) | 21.49% | 9 | 9 |
| Storage Facilities | | | |
| Pine Needle ^(c) | 45% | 27 | 28 |
| Hardy Storage ^(c) | 50% | 56 | 51 |
| Other | 29.68% | 3 | — |
| Total Investments^(d) | | \$ 215 | \$ 1,388 |

(a) Duke Energy recorded OTTI of \$25 million and \$55 million within Equity in (losses) earnings of unconsolidated affiliates on Duke Energy's Consolidated Statements of Operations for the years ended December 31, 2019, and 2018, respectively, to completely impair its 24% ownership interest in Constitution.

(b) In 2020, Duke Energy determined it would no longer continue its investment in the construction of the ACP pipeline. See Notes 3 and 7 for further information.

(c) Piedmont owns the Cardinal, Pine Needle and Hardy Storage investments.

(d) Duke Energy includes purchase accounting adjustments related to Piedmont.

Commercial Renewables

DS Cornerstone, LLC, which owns wind farm projects in the U.S. was part of a sale of minority interest in a certain portion of renewable assets in 2019. See Note 1 for more information on the sale. Prior to the sale, Duke Energy had a 50% interest in DS Cornerstone, LLC. After the sale, Duke Energy has a 26% interest in the investment.

As of December 31, 2020, Duke Energy completed its acquisition of 70 distributed fuel cell projects from Bloom Energy Corporation, which approximates 43 MW of capacity serving commercial and industrial customers

across the U.S. Duke Energy is not the primary beneficiary of the distributed fuel cell portfolio and does not consolidate these assets.

Other

Duke Energy has a 17.5% indirect economic ownership interest and 25% board representation and voting rights interest in NMC, which owns and operates a methanol and MTBE business in Jubail, Saudi Arabia.

Significant Subsidiaries

For the year ended December 31, 2020, Duke Energy's investment in ACP met the requirements of S-X Rule 4-08(g) to provide summarized financial information. The following table provides summary information for ACP as required under S-X Rule 1-02(bb) for the comparative periods in Duke Energy's consolidated balance sheets and consolidated statements of operations.

| (in millions) | December 31, | |
|------------------------|--------------|-------|
| | 2020 | 2019 |
| Current assets | \$ 43 | \$ 17 |
| Noncurrent assets | 93 | 4,091 |
| Current liabilities | 1,965 | 37 |
| Noncurrent liabilities | 167 | 1,760 |
| Membership interests | (1,996) | 2,311 |

| | Years Ended December 31, | | |
|---|--------------------------|--------|-------|
| | 2020 | 2019 | 2018 |
| Net revenues | \$ — | \$ — | \$ — |
| Operating loss | (4,612) | (5) | (6) |
| Net (loss) income | (4,512) | 246 | 138 |
| Net (loss) income attributable to Duke Energy | \$ (2,121) | \$ 116 | \$ 65 |

Combined Notes to Consolidated Financial Statements – (Continued)

13. RELATED PARTY TRANSACTIONS

The Subsidiary Registrants engage in related party transactions in accordance with the applicable state and federal commission regulations. Refer to the Consolidated Balance Sheets of the Subsidiary Registrants for balances due to or due from related parties. Material amounts related to transactions with related parties included in the Consolidated Statements of Operations and Comprehensive Income are presented in the following table.

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|--------|--------|
| | 2020 | 2019 | 2018 |
| Duke Energy Carolinas | | | |
| Corporate governance and shared service expenses ^(a) | \$ 753 | \$ 841 | \$ 985 |
| Indemnification coverages ^(b) | 20 | 20 | 22 |
| Joint Dispatch Agreement (JDA) revenue ^(c) | 25 | 60 | 84 |
| JDA expense ^(c) | 114 | 186 | 207 |
| Intercompany natural gas purchases ^(d) | 15 | 15 | 15 |
| Progress Energy | | | |
| Corporate governance and shared service expenses ^(a) | \$ 715 | \$ 778 | \$ 906 |
| Indemnification coverages ^(b) | 36 | 37 | 34 |
| JDA revenue ^(c) | 114 | 186 | 207 |
| JDA expense ^(c) | 25 | 60 | 84 |
| Intercompany natural gas purchases ^(d) | 75 | 76 | 78 |
| Duke Energy Progress | | | |
| Corporate governance and shared service expenses ^(a) | \$ 420 | \$ 462 | \$ 577 |
| Indemnification coverages ^(b) | 17 | 15 | 13 |
| JDA revenue ^(c) | 114 | 186 | 207 |
| JDA expense ^(c) | 25 | 60 | 84 |
| Intercompany natural gas purchases ^(d) | 75 | 76 | 78 |
| Duke Energy Florida | | | |
| Corporate governance and shared service expenses ^(a) | \$ 295 | \$ 316 | \$ 329 |
| Indemnification coverages ^(b) | 19 | 22 | 21 |
| Duke Energy Ohio | | | |
| Corporate governance and shared service expenses ^(a) | \$ 326 | \$ 354 | \$ 374 |
| Indemnification coverages ^(b) | 4 | 4 | 5 |
| Duke Energy Indiana | | | |
| Corporate governance and shared service expenses ^(a) | \$ 401 | \$ 412 | \$ 405 |
| Indemnification coverages ^(b) | 8 | 7 | 7 |

Intercompany Income Taxes

Duke Energy and the Subsidiary Registrants file a consolidated federal income tax return and other state and jurisdictional returns. The Subsidiary Registrants have a tax sharing agreement with Duke Energy for the allocation of consolidated tax liabilities and benefits. Income taxes recorded represent amounts the Subsidiary Registrants would incur as separate C-Corporations. The following table includes the balance of intercompany income tax receivables and payables for the Subsidiary Registrants.

| (in millions) | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|------------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| December 31, 2020 | | | | | | | |
| Intercompany income tax receivable | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 9 | \$ 10 |
| Intercompany income tax payable | 31 | 33 | 46 | 35 | 2 | — | — |
| December 31, 2019 | | | | | | | |
| Intercompany income tax receivable | \$ — | \$ 125 | \$ 28 | \$ — | \$ 9 | \$ 28 | \$ 13 |
| Intercompany income tax payable | 5 | — | — | 2 | — | — | — |

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|--------|--------|
| | 2020 | 2019 | 2018 |
| Piedmont | | | |
| Corporate governance and shared service expenses ^(a) | \$ 140 | \$ 138 | \$ 170 |
| Indemnification coverages ^(b) | 3 | 3 | 2 |
| Intercompany natural gas sales ^(d) | 90 | 91 | 93 |
| Natural gas storage and transportation costs ^(e) | 23 | 23 | 25 |

- (a) The Subsidiary Registrants are charged their proportionate share of corporate governance and other shared services costs, primarily related to human resources, employee benefits, information technology, legal and accounting fees, as well as other third-party costs. These amounts are primarily recorded in Operation, maintenance and other on the Consolidated Statements of Operations and Comprehensive Income.
- (b) The Subsidiary Registrants incur expenses related to certain indemnification coverages through Bison, Duke Energy's wholly owned captive insurance subsidiary. These expenses are recorded in Operation, maintenance and other on the Consolidated Statements of Operations and Comprehensive Income.
- (c) Duke Energy Carolinas and Duke Energy Progress participate in a JDA, which allows the collective dispatch of power plants between the service territories to reduce customer rates. Revenues from the sale of power and expenses from the purchase of power pursuant to the JDA are recorded in Operating Revenues and Fuel used in electric generation and purchased power, respectively, on the Consolidated Statements of Operations and Comprehensive Income.
- (d) Piedmont provides long-term natural gas delivery service to certain Duke Energy Carolinas and Duke Energy Progress natural gas-fired generation facilities. Piedmont records the sales in Operating Revenues, and Duke Energy Carolinas and Duke Energy Progress record the related purchases as a component of Fuel used in electric generation and purchased power on their respective Consolidated Statements of Operations and Comprehensive Income. These intercompany revenues and expenses are eliminated in consolidation.
- (e) Piedmont has related party transactions as a customer of its equity method investments in Pine Needle, Hardy Storage, and Cardinal natural gas storage and transportation facilities. These expenses are included in Cost of natural gas on Piedmont's Consolidated Statements of Operations and Comprehensive Income.

In addition to the amounts presented above, the Subsidiary Registrants have other affiliate transactions, including rental of office space, participation in a money pool arrangement, other operational transactions and their proportionate share of certain charged expenses. See Note 6 for more information regarding money pool. These transactions of the Subsidiary Registrants are incurred in the ordinary course of business and are eliminated in consolidation.

As discussed in Note 17, certain trade receivables have been sold by Duke Energy Ohio and Duke Energy Indiana to CRC, an affiliate formed by a subsidiary of Duke Energy. The proceeds obtained from the sales of receivables are largely cash but do include a subordinated note from CRC for a portion of the purchase price.

Combined Notes to Consolidated Financial Statements – (Continued)

14. DERIVATIVES AND HEDGING

The Duke Energy Registrants use commodity and interest rate contracts to manage commodity price risk and interest rate risk. The primary use of commodity derivatives is to hedge the generation portfolio against changes in the prices of electricity and natural gas. Piedmont enters into natural gas supply contracts to provide diversification, reliability and natural gas cost benefits to its customers. Interest rate derivatives are used to manage interest rate risk associated with borrowings.

All derivative instruments not identified as NPNS are recorded at fair value as assets or liabilities on the Consolidated Balance Sheets. Cash collateral related to derivative instruments executed under master netting arrangements is offset against the collateralized derivatives on the Consolidated Balance Sheets. The cash impacts of settled derivatives are recorded as operating activities on the Consolidated Statements of Cash Flows.

INTEREST RATE RISK

The Duke Energy Registrants are exposed to changes in interest rates as a result of their issuance or anticipated issuance of variable-rate and fixed-rate debt and commercial paper. Interest rate risk is managed by limiting variable-rate exposures to a percentage of total debt and by monitoring changes in interest rates. To manage risk associated with changes in interest rates, the Duke Energy Registrants may enter into interest rate swaps, U.S. Treasury lock agreements and other financial contracts. In anticipation of certain fixed-rate debt issuances, a series of forward-starting interest rate swaps or Treasury locks may be executed to lock in components of current market interest rates. These instruments are later terminated prior to or upon the issuance of the corresponding debt.

The following tables show notional amounts of outstanding derivatives related to interest rate risk.

| (in millions) | December 31, 2020 | | | | | |
|--------------------------------------|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio |
| Cash flow hedges | \$ 632 | \$ — | \$ — | \$ — | \$ — | \$ — |
| Undesignated contracts | 1,177 | 400 | 750 | 750 | — | 27 |
| Total notional amount ^(a) | \$ 1,809 | \$ 400 | \$ 750 | \$ 750 | \$ — | \$ 27 |

| (in millions) | December 31, 2019 | | | | | |
|--------------------------------------|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio |
| Cash flow hedges | \$ 993 | \$ — | \$ — | \$ — | \$ — | \$ — |
| Undesignated contracts | 1,277 | 450 | 800 | 250 | 550 | 27 |
| Total notional amount ^(a) | \$ 2,270 | \$ 450 | \$ 800 | \$ 250 | \$ 550 | \$ 27 |

(a) Duke Energy includes amounts related to consolidated VIEs of \$632 million in cash flow hedges as of December 31, 2020, and \$693 million in cash flow hedges as of December 31, 2019.

COMMODITY PRICE RISK

The Duke Energy Registrants are exposed to the impact of changes in the prices of electricity purchased and sold in bulk power markets and natural gas purchases, including Piedmont's natural gas supply contracts. Exposure to commodity price risk is influenced by a number of factors including the term of contracts, the liquidity of markets and delivery locations. To manage risk

Cash Flow Hedges

For a derivative designated as hedging the exposure to variable cash flows of a future transaction, referred to as a cash flow hedge, the effective portion of the derivative's gain or loss is initially reported as a component of other comprehensive income and subsequently reclassified into earnings once the future transaction impacts earnings. Amounts for interest rate contracts are reclassified to earnings as interest expense over the term of the related debt. Gains and losses reclassified out of AOCI for the years ended December 31, 2020, 2019 and 2018, were not material. Duke Energy's interest rate derivatives designated as hedges include interest rate swaps used to hedge existing debt within the Commercial Renewables segment and forward-starting interest rate swaps not accounted for under regulatory accounting.

Undesignated Contracts

Undesignated contracts primarily include contracts not designated as a hedge because they are accounted for under regulatory accounting or contracts that do not qualify for hedge accounting.

Duke Energy's interest rate swaps for its regulated operations employ regulatory accounting. With regulatory accounting, the mark-to-market gains or losses on the swaps are deferred as regulatory liabilities or regulatory assets, respectively. Regulatory assets and liabilities are amortized consistent with the treatment of the related costs in the ratemaking process. The accrual of interest on the swaps is recorded as Interest Expense on the Duke Energy Registrant's Consolidated Statements of Operations and Comprehensive Income.

associated with commodity prices, the Duke Energy Registrants may enter into long-term power purchase or sales contracts and long-term natural gas supply agreements.

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Combined Notes to Consolidated Financial Statements – (Continued)

Cash Flow Hedges

For derivatives designated as hedging the exposure to variable cash flows of a future transaction, referred to as a cash flow hedge, the derivative's gain or loss is initially reported as a component of other comprehensive income and subsequently reclassified into earnings once the future transaction impacts earnings. Gains and losses reclassified out of accumulated other comprehensive income (loss) for the year ended December 31, 2020, 2019 and 2018, were not material. Duke Energy's commodity derivatives designated as hedges include long-term electricity sales in the Commercial Renewables segment.

Undesignated Contracts

For the Subsidiary Registrants, bulk power electricity and natural gas purchases flow through fuel adjustment clauses, formula-based contracts or other cost sharing mechanisms. Differences between the costs included in rates

and the incurred costs, including undesignated derivative contracts, are largely deferred as regulatory assets or regulatory liabilities. Piedmont policies allow for the use of financial instruments to hedge commodity price risks. The strategy and objective of these hedging programs are to use the financial instruments to reduce gas cost volatility for customers.

Volumes

The tables below include volumes of outstanding commodity derivatives. Amounts disclosed represent the absolute value of notional volumes of commodity contracts excluding NPNS. The Duke Energy Registrants have netted contractual amounts where offsetting purchase and sale contracts exist with identical delivery locations and times of delivery. Where all commodity positions are perfectly offset, no quantities are shown.

| | December 31, 2020 | | | | | | |
|----------------------------------|-------------------|-----------------------|-----------------|----------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Electricity (GWh) ^(a) | 35,409 | — | — | — | 2,559 | 10,802 | — |
| Natural gas (millions of Dth) | 678 | 145 | 158 | 158 | — | 2 | 373 |

| | December 31, 2019 | | | | | | |
|-------------------------------|-------------------|-----------------------|-----------------|----------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Electricity (GWh) | 15,858 | — | — | — | 1,887 | 13,971 | — |
| Natural gas (millions of Dth) | 704 | 130 | 160 | 160 | — | 3 | 411 |

(a) Duke Energy includes 22,048 GWh that relates to cash flow hedges.

LOCATION AND FAIR VALUE OF DERIVATIVE ASSETS AND LIABILITIES RECOGNIZED IN THE CONSOLIDATED BALANCE SHEETS

The following tables show the fair value and balance sheet location of derivative instruments. Although derivatives subject to master netting arrangements are netted on the Consolidated Balance Sheets, the fair values presented below are shown gross and cash collateral on the derivatives has not been netted against the fair values shown.

| Derivative Assets

(in millions) | December 31, 2020 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|-------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Commodity Contracts | | | | | | | | |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 30 | \$ 14 | \$ 9 | \$ 9 | \$ — | \$ 1 | \$ 6 | \$ 1 |
| Noncurrent | 13 | 6 | 6 | 6 | — | — | — | — |
| Total Derivative Assets – Commodity Contracts | \$ 43 | \$ 20 | \$ 15 | \$ 15 | \$ — | \$ 1 | \$ 6 | \$ 1 |
| Interest Rate Contracts | | | | | | | | |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 18 | \$ — | \$ 18 | \$ 18 | \$ — | \$ — | \$ — | \$ — |
| Total Derivative Assets – Interest Rate Contracts | \$ 18 | \$ — | \$ 18 | \$ 18 | \$ — | \$ — | \$ — | \$ — |
| Total Derivative Assets | \$ 61 | \$ 20 | \$ 33 | \$ 33 | \$ — | \$ 1 | \$ 6 | \$ 1 |

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Combined Notes to Consolidated Financial Statements – (Continued)

| Derivative Liabilities | | December 31, 2020 | | | | | | |
|---|---------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|---------------|
| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Commodity Contracts | | | | | | | | |
| <i>Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 14 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Noncurrent | 70 | — | — | — | — | — | — | — |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 30 | \$ 13 | \$ 2 | \$ 2 | \$ — | \$ — | \$ 1 | \$ 15 |
| Noncurrent | 137 | 3 | 27 | 12 | — | — | — | 107 |
| Total Derivative Liabilities – Commodity Contracts | \$ 251 | \$ 16 | \$ 29 | \$ 14 | \$ — | \$ — | \$ 1 | \$ 122 |
| Interest Rate Contracts | | | | | | | | |
| <i>Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 15 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Noncurrent | 48 | — | — | — | — | — | — | — |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | 5 | 4 | — | — | — | 1 | — | — |
| Noncurrent | 5 | — | — | — | — | 5 | — | — |
| Total Derivative Liabilities – Interest Rate Contracts | \$ 73 | \$ 4 | \$ — | \$ — | \$ — | \$ 6 | \$ — | \$ — |
| Total Derivative Liabilities | \$ 324 | \$ 20 | \$ 29 | \$ 14 | \$ — | \$ 6 | \$ 1 | \$ 122 |
| Derivative Assets | | December 31, 2019 | | | | | | |
| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Commodity Contracts | | | | | | | | |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 17 | \$ — | \$ — | \$ — | \$ — | \$ 3 | \$ 13 | \$ 1 |
| Noncurrent | 1 | — | — | — | — | 1 | — | — |
| Total Derivative Assets – Commodity Contracts | \$ 18 | \$ — | \$ — | \$ — | \$ — | \$ 4 | \$ 13 | \$ 1 |
| Interest Rate Contracts | | | | | | | | |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | 6 | — | 6 | — | 6 | — | — | — |
| Total Derivative Assets – Interest Rate Contracts | \$ 6 | \$ — | \$ 6 | \$ — | \$ 6 | \$ — | \$ — | \$ — |
| Equity Securities Contracts | | | | | | | | |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 1 | \$ — | \$ 1 | \$ — | \$ 1 | \$ — | \$ — | \$ — |
| Total Derivative Assets – Equity Securities Contracts | \$ 1 | \$ — | \$ 1 | \$ — | \$ 1 | \$ — | \$ — | \$ — |
| Total Derivative Assets | \$ 25 | \$ — | \$ 7 | \$ — | \$ 7 | \$ 4 | \$ 13 | \$ 1 |

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Combined Notes to Consolidated Financial Statements – (Continued)

| Derivative Liabilities
(in millions) | December 31, 2019 | | | | | | | |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|---------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Commodity Contracts | | | | | | | | |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 67 | \$ 33 | \$ 26 | \$ 26 | \$ — | \$ — | \$ 1 | \$ 7 |
| Noncurrent | 156 | 10 | 37 | 22 | — | — | — | 110 |
| Total Derivative Liabilities – Commodity Contracts | \$ 223 | \$ 43 | \$ 63 | \$ 48 | \$ — | \$ — | \$ 1 | \$ 117 |
| Interest Rate Contracts | | | | | | | | |
| <i>Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 19 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Noncurrent | 21 | — | — | — | — | — | — | — |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | 8 | 6 | 1 | 1 | — | 1 | — | — |
| Noncurrent | 5 | — | — | — | — | 5 | — | — |
| Total Derivative Liabilities – Interest Rate Contracts | \$ 53 | \$ 6 | \$ 1 | \$ 1 | \$ — | \$ 6 | \$ — | \$ — |
| Equity Securities Contracts | | | | | | | | |
| <i>Not Designated as Hedging Instruments</i> | | | | | | | | |
| Current | \$ 24 | \$ — | \$ 24 | \$ — | \$ 24 | \$ — | \$ — | \$ — |
| Total Derivative Liabilities – Equity Securities Contracts | \$ 24 | \$ — | \$ 24 | \$ — | \$ 24 | \$ — | \$ — | \$ — |
| Total Derivative Liabilities | \$ 300 | \$ 49 | \$ 88 | \$ 49 | \$ 24 | \$ 6 | \$ 1 | \$ 117 |

OFFSETTING ASSETS AND LIABILITIES

The following tables present the line items on the Consolidated Balance Sheets where derivatives are reported. Substantially all of Duke Energy's outstanding derivative contracts are subject to enforceable master netting arrangements. The gross amounts offset in the tables below show the effect of these netting arrangements on financial position and include collateral posted to offset the net position. The amounts shown are calculated by counterparty. Accounts receivable or accounts payable may also be available to offset exposures in the event of bankruptcy. These amounts are not included in the tables below.

| Derivative Assets
(in millions) | December 31, 2020 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|-------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Current | | | | | | | | |
| Gross amounts recognized | \$ 48 | \$ 14 | \$ 27 | \$ 27 | \$ — | \$ 1 | \$ 6 | \$ 1 |
| Gross amounts offset | (3) | (2) | (2) | (2) | — | — | — | — |
| Net amounts presented in Current Assets: Other | \$ 45 | \$ 12 | \$ 25 | \$ 25 | \$ — | \$ 1 | \$ 6 | \$ 1 |
| Noncurrent | | | | | | | | |
| Gross amounts recognized | \$ 13 | \$ 6 | \$ 6 | \$ 6 | \$ — | \$ — | \$ — | \$ — |
| Gross amounts offset | (5) | (1) | (4) | (4) | — | — | — | — |
| Net amounts presented in Other Noncurrent Assets: Other | \$ 8 | \$ 5 | \$ 2 | \$ 2 | \$ — | \$ — | \$ — | \$ — |

| Derivative Liabilities
(in millions) | December 31, 2020 | | | | | | | |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|---------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Current | | | | | | | | |
| Gross amounts recognized | \$ 64 | \$ 17 | \$ 2 | \$ 2 | \$ — | \$ 1 | \$ 1 | \$ 15 |
| Gross amounts offset | (3) | (2) | (2) | (2) | — | — | — | — |
| Net amounts presented in Current Liabilities: Other | \$ 61 | \$ 15 | \$ — | \$ — | \$ — | \$ 1 | \$ 1 | \$ 15 |
| Noncurrent | | | | | | | | |
| Gross amounts recognized | \$ 260 | \$ 3 | \$ 27 | \$ 12 | \$ — | \$ 5 | \$ — | \$ 107 |
| Gross amounts offset | (5) | (1) | (4) | (4) | — | — | — | — |
| Net amounts presented in Other Noncurrent Liabilities: Other | \$ 255 | \$ 2 | \$ 23 | \$ 8 | \$ — | \$ 5 | \$ — | \$ 107 |

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | December 31, 2019 | | | | | | | |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Derivative Assets | | | | | | | | |
| Current | | | | | | | | |
| Gross amounts recognized | \$ 24 | \$ — | \$ 7 | \$ — | \$ 7 | \$ 3 | \$ 13 | \$ 1 |
| Gross amounts offset | (1) | — | (1) | — | (1) | — | — | — |
| Net amounts presented in Current Assets: Other | \$ 23 | \$ — | \$ 6 | \$ — | \$ 6 | \$ 3 | \$ 13 | \$ 1 |
| Noncurrent | | | | | | | | |
| Gross amounts recognized | \$ 1 | \$ — | \$ — | \$ — | \$ — | \$ 1 | \$ — | \$ — |
| Gross amounts offset | — | — | — | — | — | — | — | — |
| Net amounts presented in Other Noncurrent Assets: Other | \$ 1 | \$ — | \$ — | \$ — | \$ — | \$ 1 | \$ — | \$ — |

| (in millions) | December 31, 2019 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Derivative Liabilities | | | | | | | | |
| Current | | | | | | | | |
| Gross amounts recognized | \$ 118 | \$ 39 | \$ 51 | \$ 27 | \$ 24 | \$ 1 | \$ 1 | \$ 7 |
| Gross amounts offset | (24) | — | (24) | — | (24) | — | — | — |
| Net amounts presented in Current Liabilities: Other | \$ 94 | \$ 39 | \$ 27 | \$ 27 | \$ — | \$ 1 | \$ 1 | \$ 7 |
| Noncurrent | | | | | | | | |
| Gross amounts recognized | \$ 182 | \$ 10 | \$ 37 | \$ 22 | \$ — | \$ 5 | \$ — | \$ 110 |
| Gross amounts offset | — | — | — | — | — | — | — | — |
| Net amounts presented in Other Noncurrent Liabilities: Other | \$ 182 | \$ 10 | \$ 37 | \$ 22 | \$ — | \$ 5 | \$ — | \$ 110 |

OBJECTIVE CREDIT CONTINGENT FEATURES

Certain derivative contracts contain objective credit contingent features. These features include the requirement to post cash collateral or letters of credit if specific events occur, such as a credit rating downgrade below investment grade. The following tables show information with respect to derivative contracts that are in a net liability position and contain objective credit-risk-related payment provisions.

| (in millions) | December 31, 2020 | | | |
|---|-------------------|-----------------------|-----------------|----------------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress |
| Aggregate fair value of derivatives in a net liability position | \$ 24 | \$ 9 | \$ 14 | \$ 14 |
| Fair value of collateral already posted | — | — | — | — |
| Additional cash collateral or letters of credit in the event credit-risk-related contingent features were triggered | 24 | 9 | 14 | 14 |

| (in millions) | December 31, 2019 | | | |
|---|-------------------|-----------------------|-----------------|----------------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress |
| Aggregate fair value of derivatives in a net liability position | \$ 79 | \$ 35 | \$ 44 | \$ 44 |
| Fair value of collateral already posted | — | — | — | — |
| Additional cash collateral or letters of credit in the event credit-risk-related contingent features were triggered | 79 | 35 | 44 | 44 |

The Duke Energy Registrants have elected to offset cash collateral and fair values of derivatives. For amounts to be netted, the derivative and cash collateral must be executed with the same counterparty under the same master netting arrangement.

Combined Notes to Consolidated Financial Statements – (Continued)

15. INVESTMENTS IN DEBT AND EQUITY SECURITIES

Duke Energy's investments in debt and equity securities are primarily comprised of investments held in (i) the NDTF at Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida, (ii) the grantor trusts at Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana related to OPEB plans and (iii) Bison. The Duke Energy Registrants classify investments in debt securities as AFS and investments in equity securities as FV-NI.

For investments in debt securities classified as AFS, the unrealized gains and losses are included in other comprehensive income until realized, at which time they are reported through net income. For investments in equity securities classified as FV-NI, both realized and unrealized gains and losses are reported through net income. Substantially all of Duke Energy's investments in debt and equity securities qualify for regulatory accounting, and accordingly, all associated realized and unrealized gains and losses on these investments are deferred as a regulatory asset or liability.

Duke Energy classifies the majority of investments in debt and equity securities as long term, unless otherwise noted.

Investment Trusts

The investments within the Investment Trusts are managed by independent investment managers with discretion to buy, sell and invest pursuant to the objectives set forth by the investment manager agreements and trust agreements. The Duke Energy Registrants have limited oversight of the day-to-day management of these investments. As a result, the ability to hold investments in unrealized loss positions is outside the control of the Duke Energy Registrants. Accordingly, all unrealized losses associated with debt securities within the Investment Trusts are recognized immediately and deferred to regulatory accounts where appropriate.

Other AFS Securities

Unrealized gains and losses on all other AFS securities are included in other comprehensive income until realized, unless it is determined the carrying value of an investment has a credit loss. The Duke Energy Registrants analyze all investment holdings each reporting period to determine whether a decline in fair value is related to a credit loss. If a credit loss exists, the unrealized credit loss is included in earnings. There were no material credit losses as of December 31, 2020, and 2019.

Other Investments amounts are recorded in Other within Other Noncurrent Assets on the Consolidated Balance Sheets.

DUKE ENERGY

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|--------------------------------|--------------------------------|---------------------------------|----------------------|--------------------------------|---------------------------------|----------------------|
| | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value |
| NDTF | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 177 | \$ — | \$ — | \$ 101 |
| Equity securities | 4,138 | 54 | 6,235 | 3,523 | 55 | 5,661 |
| Corporate debt securities | 76 | 1 | 806 | 37 | 1 | 603 |
| Municipal bonds | 22 | — | 370 | 13 | — | 368 |
| U.S. government bonds | 51 | — | 1,361 | 33 | 1 | 1,256 |
| Other debt securities | 8 | — | 180 | 3 | — | 141 |
| Total NDTF Investments | \$ 4,295 | \$ 55 | \$ 9,129 | \$ 3,609 | \$ 57 | \$ 8,130 |
| Other Investments | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 127 | \$ — | \$ — | \$ 52 |
| Equity securities | 79 | — | 146 | 57 | — | 122 |
| Corporate debt securities | 8 | — | 110 | 3 | — | 67 |
| Municipal bonds | 5 | — | 86 | 4 | — | 94 |
| U.S. government bonds | — | — | 42 | 2 | — | 41 |
| Other debt securities | — | — | 47 | — | — | 56 |
| Total Other Investments | \$ 92 | \$ — | \$ 558 | \$ 66 | \$ — | \$ 432 |
| Total Investments | \$ 4,387 | \$ 55 | \$ 9,687 | \$ 3,675 | \$ 57 | \$ 8,562 |

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

The table below summarizes the maturity date for debt securities.

| (in millions) | December 31, 2020 |
|----------------------------------|-------------------|
| Due in one year or less | \$ 149 |
| Due after one through five years | 922 |
| Due after five through 10 years | 671 |
| Due after 10 years | 1,260 |
| Total | \$ 3,002 |

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

| (in millions) | Years Ended December 31, | | |
|-----------------|--------------------------|--------|--------|
| | 2020 | 2019 | 2018 |
| FV-NI: | | | |
| Realized gains | \$ 366 | \$ 172 | \$ 168 |
| Realized losses | 174 | 151 | 126 |
| AFS: | | | |
| Realized gains | 96 | 94 | 22 |
| Realized losses | 51 | 67 | 51 |

DUKE ENERGY CAROLINAS

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|-------------------------------|-----------------------------------|------------------------------------|-------------------------|-----------------------------------|------------------------------------|-------------------------|
| | Gross Unrealized
Holding Gains | Gross Unrealized
Holding Losses | Estimated
Fair Value | Gross Unrealized
Holding Gains | Gross Unrealized
Holding Losses | Estimated
Fair Value |
| NDTF | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 30 | \$ — | \$ — | \$ 21 |
| Equity securities | 2,442 | 23 | 3,685 | 1,914 | 8 | 3,154 |
| Corporate debt securities | 49 | 1 | 510 | 21 | 1 | 361 |
| Municipal bonds | 6 | — | 91 | 3 | — | 96 |
| U.S. government bonds | 25 | — | 475 | 16 | 1 | 578 |
| Other debt securities | 7 | — | 174 | 3 | — | 137 |
| Total NDTF Investments | \$ 2,529 | \$ 24 | \$ 4,965 | \$ 1,957 | \$ 10 | \$ 4,347 |

The table below summarizes the maturity date for debt securities.

| (in millions) | December 31, 2020 |
|----------------------------------|-------------------|
| Due in one year or less | \$ 14 |
| Due after one through five years | 299 |
| Due after five through 10 years | 279 |
| Due after 10 years | 658 |
| Total | \$ 1,250 |

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

| (in millions) | Years Ended December 31, | | |
|-----------------|--------------------------|--------|-------|
| | 2020 | 2019 | 2018 |
| FV-NI: | | | |
| Realized gains | \$ 64 | \$ 113 | \$ 89 |
| Realized losses | 99 | 107 | 73 |
| AFS: | | | |
| Realized gains | 60 | 55 | 19 |
| Realized losses | 37 | 38 | 35 |

PROGRESS ENERGY

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|--------------------------------|--------------------------------|---------------------------------|----------------------|--------------------------------|---------------------------------|----------------------|
| | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value |
| NDTF | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 147 | \$ — | \$ — | \$ 80 |
| Equity securities | 1,696 | 31 | 2,550 | 1,609 | 47 | 2,507 |
| Corporate debt securities | 27 | — | 296 | 16 | — | 242 |
| Municipal bonds | 16 | — | 279 | 10 | — | 272 |
| U.S. government bonds | 26 | — | 886 | 17 | — | 678 |
| Other debt securities | 1 | — | 6 | — | — | 4 |
| Total NDTF Investments | \$ 1,766 | \$ 31 | \$ 4,164 | \$ 1,652 | \$ 47 | \$ 3,783 |
| Other Investments | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 106 | \$ — | \$ — | \$ 49 |
| Municipal bonds | 3 | — | 26 | 3 | — | 51 |
| Total Other Investments | \$ 3 | \$ — | \$ 132 | \$ 3 | \$ — | \$ 100 |
| Total Investments | \$ 1,769 | \$ 31 | \$ 4,296 | \$ 1,655 | \$ 47 | \$ 3,883 |

The table below summarizes the maturity date for debt securities.

| (in millions) | December 31, 2020 |
|----------------------------------|-------------------|
| Due in one year or less | \$ 109 |
| Due after one through five years | 567 |
| Due after five through 10 years | 298 |
| Due after 10 years | 519 |
| Total | \$ 1,493 |

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

| (in millions) | Years Ended December 31, | | |
|-----------------|--------------------------|-------|-------|
| | 2020 | 2019 | 2018 |
| FV-NI: | | | |
| Realized gains | \$ 302 | \$ 59 | \$ 79 |
| Realized losses | 75 | 44 | 53 |
| AFS: | | | |
| Realized gains | 24 | 36 | 3 |
| Realized losses | 13 | 29 | 15 |

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

DUKE ENERGY PROGRESS

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|--------------------------------|--------------------------------|---------------------------------|----------------------|--------------------------------|---------------------------------|----------------------|
| | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value |
| NDTF | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 76 | \$ — | \$ — | \$ 53 |
| Equity securities | 1,617 | 31 | 2,459 | 1,258 | 21 | 2,077 |
| Corporate debt securities | 27 | — | 296 | 16 | — | 242 |
| Municipal bonds | 16 | — | 279 | 10 | — | 272 |
| U.S. government bonds | 26 | — | 412 | 16 | — | 403 |
| Other debt securities | 1 | — | 6 | — | — | 4 |
| Total NDTF Investments | \$ 1,687 | \$ 31 | \$ 3,528 | \$ 1,300 | \$ 21 | \$ 3,051 |
| Other Investments | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 1 | \$ — | \$ — | \$ 2 |
| Total Other Investments | \$ — | \$ — | \$ 1 | \$ — | \$ — | \$ 2 |
| Total Investments | \$ 1,687 | \$ 31 | \$ 3,529 | \$ 1,300 | \$ 21 | \$ 3,053 |

The table below summarizes the maturity date for debt securities.

| (in millions) | December 31, 2020 |
|----------------------------------|-------------------|
| Due in one year or less | \$ 21 |
| Due after one through five years | 259 |
| Due after five through 10 years | 210 |
| Due after 10 years | 503 |
| Total | \$ 993 |

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

| (in millions) | Years Ended December 31, | | |
|-----------------|--------------------------|-------|-------|
| | 2020 | 2019 | 2018 |
| FV-NI: | | | |
| Realized gains | \$ 52 | \$ 38 | \$ 68 |
| Realized losses | 59 | 33 | 48 |
| AFS: | | | |
| Realized gains | 24 | 7 | 2 |
| Realized losses | 13 | 5 | 10 |

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

DUKE ENERGY FLORIDA

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are classified as FV-NI and debt investments are classified as AFS.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|---|--------------------------------|---------------------------------|----------------------|--------------------------------|---------------------------------|----------------------|
| | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value |
| NDTF | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 71 | \$ — | \$ — | \$ 27 |
| Equity securities | 79 | — | 91 | 351 | 26 | 430 |
| U.S. government bonds | — | — | 474 | 1 | — | 275 |
| Total NDTF Investments^(a) | \$ 79 | \$ — | \$ 636 | \$ 352 | \$ 26 | \$ 732 |
| Other Investments | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 1 | \$ — | \$ — | \$ 4 |
| Municipal bonds | 3 | — | 26 | 3 | — | 51 |
| Total Other Investments | \$ 3 | \$ — | \$ 27 | \$ 3 | \$ — | \$ 55 |
| Total Investments | \$ 82 | \$ — | \$ 663 | \$ 355 | \$ 26 | \$ 787 |

(a) During the years ended December 31, 2020, and 2019, Duke Energy Florida continued to receive reimbursements from the NDTF for costs related to ongoing decommissioning activity of the Crystal River Unit 3.

The table below summarizes the maturity date for debt securities.

| (in millions) | December 31, 2020 |
|----------------------------------|-------------------|
| Due in one year or less | \$ 88 |
| Due after one through five years | 308 |
| Due after five through 10 years | 88 |
| Due after 10 years | 16 |
| Total | \$ 500 |

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were as follows.

| (in millions) | Years Ended December 31, | | |
|-----------------|--------------------------|-------|-------|
| | 2020 | 2019 | 2018 |
| FV-NI: | | | |
| Realized gains | \$ 250 | \$ 21 | \$ 11 |
| Realized losses | 16 | 11 | 5 |
| AFS: | | | |
| Realized gains | — | 29 | 1 |
| Realized losses | — | 24 | 5 |

Combined Notes to Consolidated Financial Statements – (Continued)**DUKE ENERGY INDIANA**

The following table presents the estimated fair value of investments in debt and equity securities; equity investments are measured at FV-NI and debt investments are classified as AFS.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|---------------------------|--------------------------------|---------------------------------|----------------------|--------------------------------|---------------------------------|----------------------|
| | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Estimated Fair Value |
| Investments | | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 1 | \$ — | \$ — | \$ — |
| Equity securities | 58 | — | 97 | 43 | — | 81 |
| Corporate debt securities | — | — | 3 | — | — | 6 |
| Municipal bonds | 1 | — | 38 | 1 | — | 36 |
| U.S. government bonds | — | — | 4 | — | — | 2 |
| Total Investments | \$ 59 | \$ — | \$ 143 | \$ 44 | \$ — | \$ 125 |

The table below summarizes the maturity date for debt securities.

| (in millions) | December 31, 2020 |
|----------------------------------|-------------------|
| Due in one year or less | \$ 3 |
| Due after one through five years | 17 |
| Due after five through 10 years | 10 |
| Due after 10 years | 15 |
| Total | \$ 45 |

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2020, 2019 and 2018, were immaterial.

16. FAIR VALUE MEASUREMENTS

Fair value is the exchange price to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. The fair value definition focuses on an exit price versus the acquisition cost. Fair value measurements use market data or assumptions market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs may be readily observable, corroborated by market data, or generally unobservable. Valuation techniques maximize the use of observable inputs and minimize use of unobservable inputs. A midmarket pricing convention (the midpoint price between bid and ask prices) is permitted for use as a practical expedient.

Fair value measurements are classified in three levels based on the fair value hierarchy as defined by GAAP. Certain investments are not categorized within the fair value hierarchy. These investments are measured at fair value using the net asset value per share practical expedient. The net asset value is derived based on the investment cost, less any impairment, plus or minus changes resulting from observable price changes for an identical or similar investment of the same issuer.

Fair value accounting guidance permits entities to elect to measure certain financial instruments that are not required to be accounted for at fair value, such as equity method investments or the company's own debt, at fair value. The Duke Energy Registrants have not elected to record any of these items at fair value.

Valuation methods of the primary fair value measurements disclosed below are as follows.

Investments in equity securities

The majority of investments in equity securities are valued using Level 1 measurements. Investments in equity securities are typically valued at the closing price in the principal active market as of the last business day of the quarter. Principal active markets for equity prices include published exchanges such as the NYSE and Nasdaq Stock Market. Foreign equity prices are translated from their trading currency using the currency exchange rate in effect at the close of the principal active market. There was no after-hours market activity that was required to be reflected in the reported fair value measurements.

Investments in debt securities

Most investments in debt securities are valued using Level 2 measurements because the valuations use interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) and consider the counterparty credit rating. If the market for a particular fixed-income security is relatively inactive or illiquid, the measurement is Level 3.

Commodity derivatives

Commodity derivatives with clearinghouses are classified as Level 1. Commodity derivatives with observable forward curves are classified as Level 2. If forward price curves are not observable for the full term of the contract and the unobservable period had more than an insignificant impact on the valuation,

Combined Notes to Consolidated Financial Statements – (Continued)

the commodity derivative is classified as Level 3. In isolation, increases (decreases) in natural gas forward prices result in favorable (unfavorable) fair value adjustments for natural gas purchase contracts; and increases (decreases) in electricity forward prices result in unfavorable (favorable) fair value adjustments for electricity sales contracts. Duke Energy regularly evaluates and validates pricing inputs used to estimate the fair value of natural gas commodity contracts by a market participant price verification procedure. This procedure provides a comparison of internal forward commodity curves to market participant generated curves.

Interest rate derivatives

Most over-the-counter interest rate contract derivatives are valued using financial models that utilize observable inputs for similar instruments and are classified as Level 2. Inputs include forward interest rate curves, notional amounts, interest rates and credit quality of the counterparties.

Other fair value considerations

See Note 11 for a discussion of the valuation of goodwill and intangible assets.

DUKE ENERGY

The following tables provide recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets. Derivative amounts in the tables below for all Duke Energy Registrants exclude cash collateral, which is disclosed in Note 14. See Note 15 for additional information related to investments by major security type for the Duke Energy Registrants.

| (in millions) | December 31, 2020 | | | | |
|---------------------------------|-------------------|----------|----------|---------|-----------------|
| | Total Fair Value | Level 1 | Level 2 | Level 3 | Not Categorized |
| NDTF cash and cash equivalents | \$ 177 | \$ 177 | \$ — | \$ — | \$ — |
| NDTF equity securities | 6,235 | 6,189 | — | — | 46 |
| NDTF debt securities | 2,717 | 874 | 1,843 | — | — |
| Other equity securities | 146 | 146 | — | — | — |
| Other debt securities | 285 | 37 | 248 | — | — |
| Other cash and cash equivalents | 127 | 127 | — | — | — |
| Derivative assets | 61 | 1 | 53 | 7 | — |
| Total assets | 9,748 | 7,551 | 2,144 | 7 | 46 |
| Derivative liabilities | (324) | — | (240) | (84) | — |
| Net assets (liabilities) | \$ 9,424 | \$ 7,551 | \$ 1,904 | \$ (77) | \$ 46 |

| (in millions) | December 31, 2019 | | | | |
|---------------------------------|-------------------|----------|----------|----------|-----------------|
| | Total Fair Value | Level 1 | Level 2 | Level 3 | Not Categorized |
| NDTF cash and cash equivalents | \$ 101 | \$ 101 | \$ — | \$ — | \$ — |
| NDTF equity securities | 5,684 | 5,633 | — | — | 51 |
| NDTF debt securities | 2,368 | 725 | 1,643 | — | — |
| Other equity securities | 122 | 122 | — | — | — |
| Other debt securities | 258 | 39 | 219 | — | — |
| Other cash and cash equivalents | 52 | 52 | — | — | — |
| Derivative assets | 25 | 3 | 7 | 15 | — |
| Total assets | 8,610 | 6,675 | 1,869 | 15 | 51 |
| NDTF equity security contracts | (23) | — | (23) | — | — |
| Derivative liabilities | (277) | (15) | (145) | (117) | — |
| Net assets (liabilities) | \$ 8,310 | \$ 6,660 | \$ 1,701 | \$ (102) | \$ 51 |

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

The following table provides reconciliations of beginning and ending balances of assets and liabilities measured at fair value using Level 3 measurements.

| (in millions) | Derivatives (net) | |
|---|--------------------------|----------|
| | Years Ended December 31, | |
| | 2020 | 2019 |
| Balance at beginning of period | \$ (102) | \$ (113) |
| Total pretax realized or unrealized losses included in comprehensive income | (84) | — |
| Purchases, sales, issuances and settlements: | | |
| Purchases | 14 | 37 |
| Settlements | (19) | (44) |
| Net transfers Out of Level 3 ^(a) | 117 | — |
| Total (losses) gains included on the Consolidated Balance Sheet | (3) | 18 |
| Balance at end of period | \$ (77) | \$ (102) |

(a) Transferred from Level 3 to Level 2 because observable market data became available.

DUKE ENERGY CAROLINAS

The following tables provide recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | | | |
|--------------------------------|-------------------|----------|----------|-----------------|
| | Total Fair Value | Level 1 | Level 2 | Not Categorized |
| NDTF cash and cash equivalents | \$ 30 | \$ 30 | \$ — | \$ — |
| NDTF equity securities | 3,685 | 3,639 | — | 46 |
| NDTF debt securities | 1,250 | 192 | 1,058 | — |
| Derivative assets | 20 | — | 20 | — |
| Total assets | 4,985 | 3,861 | 1,078 | 46 |
| Derivative liabilities | (20) | — | (20) | — |
| Net assets | \$ 4,965 | \$ 3,861 | \$ 1,058 | \$ 46 |

| (in millions) | December 31, 2019 | | | |
|--------------------------------|-------------------|----------|---------|-----------------|
| | Total Fair Value | Level 1 | Level 2 | Not Categorized |
| NDTF cash and cash equivalents | \$ 21 | \$ 21 | \$ — | \$ — |
| NDTF equity securities | 3,154 | 3,103 | — | 51 |
| NDTF debt securities | 1,172 | 206 | 966 | — |
| Total assets | 4,347 | 3,330 | 966 | 51 |
| Derivative liabilities | (49) | — | (49) | — |
| Net assets | \$ 4,298 | \$ 3,330 | \$ 917 | \$ 51 |

PART II

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Combined Notes to Consolidated Financial Statements – (Continued)

PROGRESS ENERGY

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|---------------------------------|-------------------|----------|---------|-------------------|----------|---------|
| | Total Fair Value | Level 1 | Level 2 | Total Fair Value | Level 1 | Level 2 |
| NDTF cash and cash equivalents | \$ 147 | \$ 147 | \$ — | \$ 80 | \$ 80 | \$ — |
| NDTF equity securities | 2,550 | 2,550 | — | 2,530 | 2,530 | — |
| NDTF debt securities | 1,467 | 682 | 785 | 1,196 | 519 | 677 |
| Other debt securities | 26 | — | 26 | 51 | — | 51 |
| Other cash and cash equivalents | 106 | 106 | — | 49 | 49 | — |
| Derivative assets | 33 | — | 33 | 7 | — | 7 |
| Total assets | 4,329 | 3,485 | 844 | 3,913 | 3,178 | 735 |
| NDTF equity security contracts | — | — | — | (23) | — | (23) |
| Derivative liabilities | (29) | — | (29) | (65) | — | (65) |
| Net assets | \$ 4,300 | \$ 3,485 | \$ 815 | \$ 3,825 | \$ 3,178 | \$ 647 |

DUKE ENERGY PROGRESS

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|---------------------------------|-------------------|----------|---------|-------------------|----------|---------|
| | Total Fair Value | Level 1 | Level 2 | Total Fair Value | Level 1 | Level 2 |
| NDTF cash and cash equivalents | \$ 76 | \$ 76 | \$ — | \$ 53 | \$ 53 | \$ — |
| NDTF equity securities | 2,459 | 2,459 | — | 2,077 | 2,077 | — |
| NDTF debt securities | 993 | 237 | 756 | 921 | 244 | 677 |
| Other cash and cash equivalents | 1 | 1 | — | 2 | 2 | — |
| Derivative assets | 33 | — | 33 | — | — | — |
| Total assets | 3,562 | 2,773 | 789 | 3,053 | 2,376 | 677 |
| Derivative liabilities | (14) | — | (14) | (49) | — | (49) |
| Net assets | \$ 3,548 | \$ 2,773 | \$ 775 | \$ 3,004 | \$ 2,376 | \$ 628 |

DUKE ENERGY FLORIDA

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|---------------------------------|-------------------|---------|---------|-------------------|---------|---------|
| | Total Fair Value | Level 1 | Level 2 | Total Fair Value | Level 1 | Level 2 |
| NDTF cash and cash equivalents | \$ 71 | \$ 71 | \$ — | \$ 27 | \$ 27 | \$ — |
| NDTF equity securities | 91 | 91 | — | 453 | 453 | — |
| NDTF debt securities | 474 | 445 | 29 | 275 | 275 | — |
| Other debt securities | 26 | — | 26 | 51 | — | 51 |
| Other cash and cash equivalents | 1 | 1 | — | 4 | 4 | — |
| Derivative assets | — | — | — | 7 | — | 7 |
| Total assets | 663 | 608 | 55 | 817 | 759 | 58 |
| NDTF equity security contracts | — | — | — | (23) | — | (23) |
| Derivative liabilities | — | — | — | (1) | — | (1) |
| Net assets | \$ 663 | \$ 608 | \$ 55 | \$ 793 | \$ 759 | \$ 34 |

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Combined Notes to Consolidated Financial Statements – (Continued)

DUKE ENERGY OHIO

The recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets were not material at December 31, 2020, and 2019.

DUKE ENERGY INDIANA

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | | | | December 31, 2019 | | | |
|-------------------------|-------------------|---------|---------|---------|-------------------|---------|---------|---------|
| | Total Fair Value | Level 1 | Level 2 | Level 3 | Total Fair Value | Level 1 | Level 2 | Level 3 |
| Other equity securities | \$ 97 | \$ 97 | \$ — | \$ — | \$ 81 | \$ 81 | \$ — | \$ — |
| Other debt securities | 45 | — | 45 | — | 44 | — | 44 | — |
| Other cash equivalents | 1 | 1 | — | — | — | — | — | — |
| Derivative assets | 6 | — | — | 6 | 13 | 2 | — | 11 |
| Total assets | 149 | 98 | 45 | 6 | 138 | 83 | 44 | 11 |
| Derivative liabilities | (1) | (1) | — | — | (1) | (1) | — | — |
| Total assets | \$ 148 | \$ 97 | \$ 45 | \$ 6 | \$ 137 | \$ 82 | \$ 44 | \$ 11 |

The following table provides a reconciliation of beginning and ending balances of assets and liabilities measured at fair value using Level 3 measurements.

| (in millions) | Derivatives (net) | |
|---|--------------------------|-------|
| | Years Ended December 31, | |
| | 2020 | 2019 |
| Balance at beginning of period | \$ 11 | \$ 22 |
| Purchases, sales, issuances and settlements: | | |
| Purchases | 10 | 28 |
| Settlements | (13) | (36) |
| Total losses included on the Consolidated Balance Sheet | (2) | (3) |
| Balance at end of period | \$ 6 | \$ 11 |

PIEDMONT

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | | | December 31, 2019 | | |
|--------------------------|-------------------|---------|----------|-------------------|---------|----------|
| | Total Fair Value | Level 1 | Level 2 | Total Fair Value | Level 1 | Level 3 |
| Derivative assets | \$ 1 | \$ 1 | \$ — | \$ 1 | \$ 1 | \$ — |
| Derivative liabilities | (122) | — | (122) | (117) | — | (117) |
| Net (liabilities) assets | \$ (121) | \$ 1 | \$ (122) | \$ (116) | \$ 1 | \$ (117) |

The following table provides a reconciliation of beginning and ending balances of assets and liabilities measured at fair value using Level 3 measurements.

| (in millions) | Derivatives (net) | |
|---|--------------------------|----------|
| | Years Ended December 31, | |
| | 2020 | 2019 |
| Balance at beginning of period | \$ (117) | \$ (141) |
| Net transfers Out of Level 3 ^(a) | 117 | — |
| Total gains and settlements | — | 24 |
| Balance at end of period | \$ — | \$ (117) |

(a) Transferred from Level 3 to Level 2 because observable market data became available.

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Combined Notes to Consolidated Financial Statements – (Continued)

QUANTITATIVE INFORMATION ABOUT UNOBSERVABLE INPUTS

The following tables include quantitative information about the Duke Energy Registrants' derivatives classified as Level 3.

| December 31, 2020 | | | | | |
|----------------------------|-----------------------------|----------------------|--|----------------------|------------------------------|
| Investment Type | Fair Value
(in millions) | Valuation Technique | Unobservable Input | Range | Weighted
Average
Range |
| Duke Energy | | | | | |
| Electricity contracts | \$ (84) | Discounted cash flow | Forward electricity curves – price per MWh | \$ 14.68 — \$ 151.84 | \$ 28.84 |
| Duke Energy Ohio | | | | | |
| FTRs | 1 | RTO auction pricing | FTR price – per MWh | 0.25 — 1.68 | 0.79 |
| Duke Energy Indiana | | | | | |
| FTRs | 6 | RTO auction pricing | FTR price – per MWh | (2.40) — 7.41 | 1.05 |
| Duke Energy | | | | | |
| Total Level 3 derivatives | \$ (77) | | | | |

| December 31, 2019 | | | | | |
|----------------------------|-----------------------------|----------------------|--|-------------------|------------------------------|
| Investment Type | Fair Value
(in millions) | Valuation Technique | Unobservable Input | Range | Weighted
Average
Range |
| Duke Energy Ohio | | | | | |
| FTRs | \$ 4 | RTO auction pricing | FTR price – per MWh | \$ 0.59 — \$ 3.47 | \$ 2.07 |
| Duke Energy Indiana | | | | | |
| FTRs | 11 | RTO auction pricing | FTR price – per MWh | (0.66) — 9.24 | 1.15 |
| Piedmont | | | | | |
| Natural gas contracts | (117) | Discounted cash flow | Forward natural gas curves – price per MMBtu | 1.59 — 2.46 | 1.91 |
| Duke Energy | | | | | |
| Total Level 3 derivatives | \$ (102) | | | | |

OTHER FAIR VALUE DISCLOSURES

The fair value and book value of long-term debt, including current maturities, is summarized in the following table. Estimates determined are not necessarily indicative of amounts that could have been settled in current markets. Fair value of long-term debt uses Level 2 measurements.

| (in millions) | December 31, 2020 | | December 31, 2019 | |
|----------------------------|-------------------|------------|-------------------|------------|
| | Book Value | Fair Value | Book Value | Fair Value |
| Duke Energy ^(a) | \$ 59,863 | \$ 69,292 | \$ 58,126 | \$ 63,062 |
| Duke Energy Carolinas | 12,218 | 14,917 | 11,900 | 13,516 |
| Progress Energy | 19,264 | 23,470 | 19,634 | 22,291 |
| Duke Energy Progress | 9,258 | 10,862 | 9,058 | 9,934 |
| Duke Energy Florida | 7,915 | 9,756 | 7,987 | 9,131 |
| Duke Energy Ohio | 3,089 | 3,650 | 2,619 | 2,964 |
| Duke Energy Indiana | 4,091 | 5,204 | 4,057 | 4,800 |
| Piedmont | 2,780 | 3,306 | 2,384 | 2,642 |

(a) Book value of long-term debt includes \$1.3 billion as of December 31, 2020, and \$1.5 billion as of December 31, 2019, of unamortized debt discount and premium, net in purchase accounting adjustments related to the mergers with Progress Energy and Piedmont that are excluded from fair value of long-term debt.

At both December 31, 2020, and December 31, 2019, fair value of cash and cash equivalents, accounts and notes receivable, accounts payable, notes payable and commercial paper, and nonrecourse notes payable of VIEs are not materially different from their carrying amounts because of the short-term nature of these instruments and/or because the stated rates approximate market rates.

Combined Notes to Consolidated Financial Statements – (Continued)**17. VARIABLE INTEREST ENTITIES**

A VIE is an entity that is evaluated for consolidation using more than a simple analysis of voting control. The analysis to determine whether an entity is a VIE considers contracts with an entity, credit support for an entity, the adequacy of the equity investment of an entity and the relationship of voting power to the amount of equity invested in an entity. This analysis is performed either upon the creation of a legal entity or upon the occurrence of an event requiring reevaluation, such as a significant change in an entity's assets or activities. A qualitative analysis of control determines the party that consolidates a VIE. This assessment is based on (i) what party has the power to direct the activities of the VIE that most significantly impact its economic performance and (ii) what party has rights to receive benefits or is obligated to absorb losses that could potentially be significant to the VIE. The analysis of the party that consolidates a VIE is a continual reassessment.

CONSOLIDATED VIEs

The obligations of the consolidated VIEs discussed in the following paragraphs are nonrecourse to the Duke Energy Registrants. The registrants have no requirement to provide liquidity to, purchase assets of or guarantee performance of these VIEs unless noted in the following paragraphs.

No financial support was provided to any of the consolidated VIEs during the years ended December 31, 2020, 2019 and 2018, or is expected to be provided in the future, that was not previously contractually required.

Receivables Financing – DERF/DEPR/DEFR

DERF, DEPR and DEFR are bankruptcy remote, special purpose subsidiaries of Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida, respectively. DERF, DEPR and DEFR are wholly owned LLCs with separate legal existence from their parent companies, and their assets are not generally available to creditors of their parent companies. On a revolving basis, DERF, DEPR and DEFR buy certain accounts receivable arising from the sale of electricity and related services from their parent companies.

DERF, DEPR and DEFR borrow amounts under credit facilities to buy these receivables. Borrowing availability from the credit facilities is limited to the amount of qualified receivables purchased, which generally exclude receivables past due more than a predetermined number of days and reserves for expected past-due balances. The sole source of funds to satisfy the related debt obligations is cash collections from the receivables. Amounts borrowed under the credit facilities for DERF and DEPR are reflected on the Consolidated Balance Sheets as Long-Term Debt. Amounts borrowed under the credit facilities for DEFR are reflected on the Consolidated Balance Sheets as Current maturities of long-term debt.

Due to the COVID-19 pandemic, as described in Note 1, the Duke Energy Registrants suspended customer disconnections for nonpayment. Since taking action to suspend customer disconnections for nonpayment, certain jurisdictions have now returned to normal operations and billing practices. The full impact of COVID-19 and the Duke Energy Registrant's related response on customers' ability to pay for service is uncertain. However, the level of past-due receivables at Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida have increased significantly during the COVID-19 pandemic, and it is reasonably possible eventual write-offs of customer receivables may increase over current estimates. In 2020, DERF, DEPR and DEFR executed amendments

to their credit facilities to manage the impact of past-due receivables resulting from the suspension of customer disconnections from COVID-19. See Note 3 for information about COVID-19 filings with state utility commissions.

The most significant activity that impacts the economic performance of DERF, DEPR and DEFR are the decisions made to manage delinquent receivables. Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida are considered the primary beneficiaries and consolidate DERF, DEPR and DEFR, respectively, as they make those decisions.

Receivables Financing – CRC

CRC is a bankruptcy remote, special purpose entity indirectly owned by Duke Energy. On a revolving basis, CRC buys certain accounts receivable arising from the sale of electricity, natural gas and related services from Duke Energy Ohio and Duke Energy Indiana. CRC borrows amounts under a credit facility to buy the receivables from Duke Energy Ohio and Duke Energy Indiana. Borrowing availability from the credit facility is limited to the amount of qualified receivables sold to CRC, which generally exclude receivables past due more than a predetermined number of days and reserves for expected past-due balances. The sole source of funds to satisfy the related debt obligation is cash collections from the receivables. Amounts borrowed under the credit facility are reflected on Duke Energy's Consolidated Balance Sheets as Long-Term Debt.

The proceeds Duke Energy Ohio and Duke Energy Indiana receive from the sale of receivables to CRC are approximately 75% cash and 25% in the form of a subordinated note from CRC. The subordinated note is a retained interest in the receivables sold. Depending on collection experience, additional equity infusions to CRC may be required by Duke Energy to maintain a minimum equity balance of \$3 million.

Due to the COVID-19 pandemic, as described in Note 1, the Duke Energy Registrants suspended customer disconnections for nonpayment. Since taking action to suspend customer disconnections for nonpayment, certain jurisdictions have now returned to normal operations and billing practices. The full impact of COVID-19 and the Duke Energy Registrant's related response on customers' ability to pay for service is uncertain. However, the level of past-due receivables at Duke Energy Ohio and Duke Energy Indiana have increased significantly during the COVID-19 pandemic, and it is reasonably possible eventual write-offs of customer receivables may increase over current estimates. In July of 2020, CRC executed an amendment to its credit facility to manage the impact of past-due receivables resulting from the suspension of customer disconnections from COVID-19. See Note 3 for information about COVID-19 filings with state utility commissions.

CRC is considered a VIE because (i) equity capitalization is insufficient to support its operations, (ii) power to direct the activities that most significantly impact the economic performance of the entity is not held by the equity holder and (iii) deficiencies in net worth of CRC are funded by Duke Energy. The most significant activities that impact the economic performance of CRC are decisions made to manage delinquent receivables. Duke Energy is considered the primary beneficiary and consolidates CRC as it makes these decisions. Neither Duke Energy Ohio nor Duke Energy Indiana consolidate CRC.

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Combined Notes to Consolidated Financial Statements – (Continued)

Receivables Financing – Credit Facilities

The following table summarizes the amounts and expiration dates of the credit facilities and associated restricted receivables described above.

| (in millions) | Duke Energy | | | |
|---|-----------------------|---------------|----------------------|---------------------|
| | Duke Energy Carolinas | | Duke Energy Progress | Duke Energy Florida |
| | CRC | DERF | DEPR | DEFR |
| Expiration date | February 2023 | December 2022 | April 2023 | April 2021 |
| Credit facility amount | \$ 350 | \$ 475 | \$ 350 | \$ 250 |
| Amounts borrowed at December 31, 2020 | 350 | 364 | 250 | 250 |
| Amounts borrowed at December 31, 2019 | 350 | 474 | 325 | 250 |
| Restricted Receivables at December 31, 2020 | 547 | 696 | 500 | 397 |
| Restricted Receivables at December 31, 2019 | 522 | 642 | 489 | 336 |

Nuclear Asset-Recovery Bonds – Duke Energy Florida Project Finance, LLC (DEFPP)

DEFPP is a bankruptcy remote, wholly owned special purpose subsidiary of Duke Energy Florida. DEFPP was formed in 2016 for the sole purpose of issuing nuclear asset-recovery bonds to finance Duke Energy Florida's unrecovered regulatory asset related to Crystal River Unit 3.

In 2016, DEFPP issued senior secured bonds and used the proceeds to acquire nuclear asset-recovery property from Duke Energy Florida. The nuclear asset-recovery property acquired includes the right to impose, bill, collect and adjust a non-bypassable nuclear asset-recovery charge from all Duke Energy Florida retail customers until the bonds are paid in full and all financing costs have been recovered. The nuclear asset-recovery bonds are secured by the nuclear asset-recovery property and cash collections from the nuclear asset-recovery charges are the sole source of funds to satisfy the debt obligation. The bondholders have no recourse to Duke Energy Florida.

DEFPP is considered a VIE primarily because the equity capitalization is insufficient to support its operations. Duke Energy Florida has the power to direct the significant activities of the VIE as described above and therefore Duke Energy Florida is considered the primary beneficiary and consolidates DEFPP.

The following table summarizes the impact of DEFPP on Duke Energy Florida's Consolidated Balance Sheets.

| (in millions) | December 31, | |
|--|--------------|-------|
| | 2020 | 2019 |
| Receivables of VIEs | \$ 4 | \$ 5 |
| Regulatory Assets: Current | 53 | 52 |
| Current Assets: Other | 39 | 39 |
| Other Noncurrent Assets: Regulatory assets | 937 | 989 |
| Current Liabilities: Other | 10 | 10 |
| Current maturities of long-term debt | 55 | 54 |
| Long-Term Debt | 1,002 | 1,057 |

Commercial Renewables

Certain of Duke Energy's renewable energy facilities are VIEs due to Duke Energy issuing guarantees for debt service and operations and maintenance reserves in support of debt financings. Assets are restricted and cannot be pledged as collateral or sold to third parties without prior approval of debt holders. Additionally, Duke Energy has VIEs associated with tax equity arrangements entered into with third-party investors in order to finance the cost of renewable assets eligible for tax credits. The activities that most significantly impacted the economic performance of these renewable energy facilities were decisions associated with siting, negotiating PPAs and EPC agreements, and decisions associated with ongoing operations and maintenance-related activities. Duke Energy is considered the primary beneficiary and consolidates the entities as it is responsible for all of these decisions.

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Combined Notes to Consolidated Financial Statements – (Continued)

The table below presents material balances reported on Duke Energy's Consolidated Balance Sheets related to Commercial Renewables VIEs.

| (in millions) | December 31, | |
|---|--------------|---------|
| | 2020 | 2019 |
| Current Assets: Other | \$ 257 | \$ 203 |
| Property, Plant and Equipment: Cost | 6,394 | 5,747 |
| Accumulated depreciation and amortization | (1,242) | (1,041) |
| Other Noncurrent Assets: Other | 67 | 106 |
| Current maturities of long-term debt | 167 | 162 |
| Long-Term Debt | 1,569 | 1,541 |
| Other Noncurrent Liabilities: AROs | 148 | 127 |
| Other Noncurrent Liabilities: Other | 316 | 228 |

NON-CONSOLIDATED VIEs

The following tables summarize the impact of non-consolidated VIEs on the Consolidated Balance Sheets.

| (in millions) | December 31, 2020 | | | | |
|--|----------------------|-----------------------|-----------------|------------------|---------------------|
| | Duke Energy | | | Duke Energy Ohio | Duke Energy Indiana |
| | Pipeline Investments | Commercial Renewables | Total | | |
| Receivables from affiliated companies | \$ — | \$ — | \$ — | \$ 83 | \$ 110 |
| Investments in equity method unconsolidated affiliates | — | 530 | 530 | — | — |
| Other noncurrent assets | 31 | — | 31 | — | — |
| Total assets | \$ 31 | \$ 530 | \$ 561 | \$ 83 | \$ 110 |
| Other current liabilities | 928 | 5 | 933 | — | — |
| Other noncurrent liabilities | 8 | 10 | 18 | — | — |
| Total liabilities | \$ 936 | \$ 15 | \$ 951 | \$ — | \$ — |
| Net assets (liabilities) | \$ (905) | \$ 515 | \$ (390) | \$ 83 | \$ 110 |

| (in millions) | December 31, 2019 | | | | |
|--|----------------------|-----------------------|-----------------|------------------|---------------------|
| | Duke Energy | | | Duke Energy Ohio | Duke Energy Indiana |
| | Pipeline Investments | Commercial Renewables | Total | | |
| Receivables from affiliated companies | \$ — | \$ (1) | \$ (1) | \$ 64 | \$ 77 |
| Investments in equity method unconsolidated affiliates | 1,179 | 300 | 1,479 | — | — |
| Total assets | \$ 1,179 | \$ 299 | \$ 1,478 | \$ 64 | \$ 77 |
| Taxes accrued | (1) | — | (1) | — | — |
| Other current liabilities | — | 4 | 4 | — | — |
| Deferred income taxes | 59 | — | 59 | — | — |
| Other noncurrent liabilities | — | 11 | 11 | — | — |
| Total liabilities | \$ 58 | \$ 15 | \$ 73 | \$ — | \$ — |
| Net assets | \$ 1,121 | \$ 284 | \$ 1,405 | \$ 64 | \$ 77 |

The Duke Energy Registrants are not aware of any situations where the maximum exposure to loss significantly exceeds the carrying values shown above except for the PPA with OVEC, which is discussed below, and future exit costs associated with the cancellation of the ACP pipeline, as discussed below.

Pipeline Investments

Duke Energy has investments in various joint ventures to construct and operate pipeline projects. These entities are considered VIEs due to having insufficient equity to finance their own activities without subordinated financial support. Duke Energy does not have the power to direct the activities that most

Combined Notes to Consolidated Financial Statements – (Continued)

significantly impact the economic performance, the obligation to absorb losses or the right to receive benefits of these VIEs and therefore does not consolidate these entities.

Duke Energy has a 47% ownership interest in ACP. In 2020, Duke Energy determined that it would no longer invest in the construction of the ACP pipeline. The current liability related to the cancellation of the ACP pipeline represents Duke Energy's continuing obligation to fund its share of ACP's obligations. See Notes 3, 7 and 12 for further information regarding this transaction.

Commercial Renewables

Duke Energy has investments in various renewable energy project entities. Some of these entities are VIEs due to Duke Energy issuing guarantees for debt service and operations and maintenance reserves in support of debt financings. Duke Energy does not consolidate these VIEs because power to direct and control key activities is shared jointly by Duke Energy and other owners.

OVEC

Duke Energy Ohio's 9% ownership interest in OVEC is considered a non-consolidated VIE due to OVEC having insufficient equity to finance its activities without subordinated financial support. The activities that most significantly impact OVEC's economic performance include fuel strategy and supply activities and decisions associated with ongoing operations and maintenance-related activities. Duke Energy Ohio does not have the unilateral power to direct these activities, and therefore, does not consolidate OVEC.

As a counterparty to an Inter-Company Power Agreement (ICPA), Duke Energy Ohio has a contractual arrangement to receive entitlements to capacity and energy from OVEC's power plants through June 2040 commensurate with its power participation ratio, which is equivalent to Duke Energy Ohio's ownership interest. Costs, including fuel, operating expenses, fixed costs, debt amortization and interest expense, are allocated to counterparties to the ICPA based on their power participation ratio. The value of the ICPA is subject to variability due to fluctuation in power prices and changes in OVEC's cost of business. On March

31, 2018, FES, a subsidiary of FirstEnergy Corp. and an ICPA counterparty with a power participation ratio of 4.85%, filed for Chapter 11 bankruptcy, which could increase costs allocated to the counterparties. On July 31, 2018, the bankruptcy court rejected the FES ICPA, which means OVEC is an unsecured creditor in the FES bankruptcy proceeding. Duke Energy Ohio cannot predict the impact of the bankruptcy filing on its OVEC interests. In addition, certain proposed environmental rulemaking could result in future increased OVEC cost allocations. In July 2020, legislation was proposed to repeal HB 6. Duke Energy cannot predict the outcome of this matter. See Note 3 for additional information.

CRC

See discussion under Consolidated VIEs for additional information related to CRC.

Amounts included in Receivables from affiliated companies in the above table for Duke Energy Ohio and Duke Energy Indiana reflect their retained interest in receivables sold to CRC. These subordinated notes held by Duke Energy Ohio and Duke Energy Indiana are stated at fair value. Carrying values of retained interests are determined by allocating carrying value of the receivables between assets sold and interests retained based on relative fair value. The allocated bases of the subordinated notes are not materially different than their face value because (i) the receivables generally turnover in less than two months, (ii) credit losses are reasonably predictable due to the broad customer base and lack of significant concentration and (iii) the equity in CRC is subordinate to all retained interests and thus would absorb losses first. The hypothetical effect on fair value of the retained interests assuming both a 10% and a 20% unfavorable variation in credit losses or discount rates is not material due to the short turnover of receivables and historically low credit loss history. Interest accrues to Duke Energy Ohio and Duke Energy Indiana on the retained interests using the acceptable yield method. This method generally approximates the stated rate on the notes since the allocated basis and the face value are nearly equivalent. An impairment charge is recorded against the carrying value of both retained interests and purchased beneficial interest whenever it is determined that an OTTI has occurred.

Key assumptions used in estimating fair value are detailed in the following table.

| | Duke Energy Ohio | | Duke Energy Indiana | |
|-------------------------------|------------------|-------|---------------------|-------|
| | 2020 | 2019 | 2020 | 2019 |
| Anticipated credit loss ratio | 0.5% | 0.6% | 0.3% | 0.3% |
| Discount rate | 1.6% | 3.3% | 1.6% | 3.3% |
| Receivable turnover rate | 13.4% | 13.4% | 11.3% | 11.5% |

The following table shows the gross and net receivables sold.

| (in millions) | Duke Energy Ohio | | Duke Energy Indiana | |
|--------------------------|------------------|--------|---------------------|--------|
| | December 31, | | December 31, | |
| | 2020 | 2019 | 2020 | 2019 |
| Receivables sold | \$ 270 | \$ 253 | \$ 344 | \$ 307 |
| Less: Retained interests | 83 | 64 | 110 | 77 |
| Net receivables sold | \$ 187 | \$ 189 | \$ 234 | \$ 230 |

Combined Notes to Consolidated Financial Statements – (Continued)

The following table shows sales and cash flows related to receivables sold.

| (in millions) | Duke Energy Ohio | | | Duke Energy Indiana | | |
|---------------------------------------|--------------------------|---------|---------|--------------------------|---------|---------|
| | Years Ended December 31, | | | Years Ended December 31, | | |
| | 2020 | 2019 | 2018 | 2020 | 2019 | 2018 |
| Sales | | | | | | |
| Receivables sold | \$1,905 | \$1,979 | \$1,987 | \$2,631 | \$2,837 | \$2,842 |
| Loss recognized on sale | 10 | 14 | 13 | 12 | 17 | 16 |
| Cash flows | | | | | | |
| Cash proceeds from receivables sold | 1,875 | 1,993 | 1,967 | 2,586 | 2,860 | 2,815 |
| Collection fees received | 1 | 1 | 1 | 1 | 1 | 1 |
| Return received on retained interests | 4 | 6 | 6 | 5 | 9 | 9 |

Cash flows from sales of receivables are reflected within Cash Flows From Operating Activities and Cash Flows from Investing Activities on Duke Energy Ohio's and Duke Energy Indiana's Consolidated Statements of Cash Flows.

Collection fees received in connection with servicing transferred accounts receivable are included in Operation, maintenance and other on Duke Energy Ohio's and Duke Energy Indiana's Consolidated Statements of Operations and Comprehensive Income. The loss recognized on sales of receivables

is calculated monthly by multiplying receivables sold during the month by the required discount. The required discount is derived monthly utilizing a three-year weighted average formula that considers charge-off history, late charge history and turnover history on the sold receivables, as well as a component for the time value of money. The discount rate, or component for the time value of money, is the prior month-end LIBOR plus a fixed rate of 1%.

18. REVENUE

Duke Energy recognizes revenue consistent with amounts billed under tariff offerings or at contractually agreed upon rates based on actual physical delivery of electric or natural gas service, including estimated volumes delivered when billings have not yet occurred. As such, the majority of Duke Energy's revenues have fixed pricing based on the contractual terms of the published tariffs, with variability in expected cash flows attributable to the customer's volumetric demand and ultimate quantities of energy or natural gas supplied and used during the billing period. The stand-alone selling price of related sales are designed to support recovery of prudently incurred costs and an appropriate return on invested assets and are primarily governed by published tariff rates or contractual agreements approved by relevant regulatory bodies. As described in Note 1, certain excise taxes and franchise fees levied by state or local governments are required to be paid even if not collected from the customer. These taxes are recognized on a gross basis as part of revenues. Duke Energy elects to account for all other taxes net of revenues.

Performance obligations are satisfied over time as energy or natural gas is delivered and consumed with billings generally occurring monthly and related payments due within 30 days, depending on regulatory requirements. In no event does the timing between payment and delivery of the goods and services exceed one year. Using this output method for revenue recognition provides a faithful depiction of the transfer of electric and natural gas service as customers obtain control of the commodity and benefit from its use at delivery. Additionally, Duke Energy has an enforceable right to consideration for energy or natural gas delivered at any discrete point in time and will recognize revenue at an amount that reflects the consideration to which Duke Energy is entitled for the energy or natural gas delivered.

As described above, the majority of Duke Energy's tariff revenues are at-will and, as such, related contracts with customers have an expected duration of one year or less and will not have future performance obligations for disclosure. Additionally, other long-term revenue streams, including wholesale contracts, generally provide services that are part of a single performance obligation, the delivery of electricity or natural gas. As such, other than material

fixed consideration under long-term contracts, related disclosures for future performance obligations are also not applicable.

Duke Energy earns substantially all of its revenues through its reportable segments, Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

Electric Utilities and Infrastructure

Electric Utilities and Infrastructure earns the majority of its revenues through retail and wholesale electric service through the generation, transmission, distribution and sale of electricity. Duke Energy generally provides retail and wholesale electric service customers with their full electric load requirements or with supplemental load requirements when the customer has other sources of electricity.

Retail electric service is generally marketed throughout Duke Energy's electric service territory through standard service offers. The standard service offers are through tariffs determined by regulators in Duke Energy's regulated service territory. Each tariff, which is assigned to customers based on customer class, has multiple components such as an energy charge, a demand charge, a basic facilities charge and applicable riders. Duke Energy considers each of these components to be aggregated into a single performance obligation for providing electric service, or in the case of distribution only customers in Duke Energy Ohio, for delivering electricity. Electricity is considered a single performance obligation satisfied over time consistent with the series guidance and is provided and consumed over the billing period, generally one month. Retail electric service is typically provided to at-will customers who can cancel service at any time, without a substantive penalty. Additionally, Duke Energy adheres to applicable regulatory requirements in each jurisdiction to ensure the collectability of amounts billed and appropriate mitigating procedures are followed when necessary. As such, revenue from contracts with customers for such contracts is equivalent to the electricity supplied and billed in that period (including unbilled estimates).

Combined Notes to Consolidated Financial Statements – (Continued)

Wholesale electric service is generally provided under long-term contracts using cost-based pricing. FERC regulates costs that may be recovered from customers and the amount of return companies are permitted to earn. Wholesale contracts include both energy and demand charges. For full requirements contracts, Duke Energy considers both charges as a single performance obligation for providing integrated electric service. For contracts where energy and demand charges are considered separate performance obligations, energy and demand are each a distinct performance obligation under the series guidance and are satisfied as energy is delivered and stand-ready service is provided on a monthly basis. This service represents consumption over the billing period and revenue is recognized consistent with billings and unbilled estimates, which generally occur monthly. Contractual

amounts owed are typically trued up annually based upon incurred costs in accordance with FERC published filings and the specific customer's actual peak demand. Estimates of variable consideration related to potential additional billings or refunds owed are updated quarterly.

The majority of wholesale revenues are full requirements contracts where the customers purchase the substantial majority of their energy needs and do not have a fixed quantity of contractually required energy or capacity. As such, related forecasted revenues are considered optional purchases. Supplemental requirements contracts that include contracted blocks of energy and capacity at contractually fixed prices have the following estimated remaining performance obligations:

| (in millions) | Remaining Performance Obligations | | | | | | |
|----------------------|-----------------------------------|--------|-------|-------|------|------------|--------|
| | 2021 | 2022 | 2023 | 2024 | 2025 | Thereafter | Total |
| Progress Energy | \$ 93 | \$ 107 | \$ 44 | \$ 45 | \$ 7 | \$ 51 | \$ 347 |
| Duke Energy Progress | 8 | 8 | 8 | 8 | — | — | 32 |
| Duke Energy Florida | 85 | 99 | 36 | 37 | 7 | 51 | 315 |
| Duke Energy Indiana | 5 | — | 7 | 12 | 12 | 24 | 60 |

Revenues for block sales are recognized monthly as energy is delivered and stand-ready service is provided, consistent with invoiced amounts and unbilled estimates.

Gas Utilities and Infrastructure

Gas Utilities and Infrastructure earns its revenue through retail and wholesale natural gas service through the transportation, distribution and sale of natural gas. Duke Energy generally provides retail and wholesale natural gas service customers with all natural gas load requirements. Additionally, while natural gas can be stored, substantially all natural gas provided by Duke Energy is consumed by customers simultaneously with receipt of delivery.

Retail natural gas service is marketed throughout Duke Energy's natural gas service territory using published tariff rates. The tariff rates are established by regulators in Duke Energy's service territories. Each tariff, which is assigned to customers based on customer class, have multiple components, such as a commodity charge, demand charge, customer or monthly charge and transportation costs. Duke Energy considers each of these components to be aggregated into a single performance obligation for providing natural gas service. For contracts where Duke Energy provides all of the customer's natural gas needs, the delivery of natural gas is considered a single performance

obligation satisfied over time, and revenue is recognized monthly based on billings and unbilled estimates as service is provided and the commodity is consumed over the billing period. Additionally, natural gas service is typically at-will and customers can cancel service at any time, without a substantive penalty. Duke Energy also adheres to applicable regulatory requirements to ensure the collectability of amounts billed and receivable and appropriate mitigating procedures are followed when necessary.

Certain long-term individually negotiated contracts exist to provide natural gas service. These contracts are regulated and approved by state commissions. The negotiated contracts have multiple components, including a natural gas and a demand charge, similar to retail natural gas contracts. Duke Energy considers each of these components to be a single performance obligation for providing natural gas service. This service represents consumption over the billing period, generally one month.

Fixed capacity payments under long-term contracts for the Gas Utilities and Infrastructure segment include minimum margin contracts and supply arrangements with municipalities and power generation facilities. Revenues for related sales are recognized monthly as natural gas is delivered and stand-ready service is provided, consistent with invoiced amounts and unbilled estimates. Estimated remaining performance obligations are as follows:

| (in millions) | Remaining Performance Obligations | | | | | | |
|---------------|-----------------------------------|-------|-------|-------|-------|------------|--------|
| | 2021 | 2022 | 2023 | 2024 | 2025 | Thereafter | Total |
| Piedmont | \$ 65 | \$ 64 | \$ 61 | \$ 59 | \$ 58 | \$ 319 | \$ 626 |

Combined Notes to Consolidated Financial Statements – (Continued)

Commercial Renewables

Commercial Renewables earns the majority of its revenues through long-term PPAs and generally sells all of its wind and solar facility output, electricity and RECs to customers. The majority of these PPAs have historically been accounted for as leases. For PPAs that are not accounted for as leases, the delivery of electricity and the delivery of RECs are considered separate performance obligations.

The delivery of electricity is a performance obligation satisfied over time and represents generation and consumption of the electricity over the billing period, generally one month. The delivery of RECs is a performance obligation satisfied at a point in time and represents delivery of each REC generated by the wind or solar facility. The majority of self-generated RECs are bundled with energy in Duke Energy's contracts and, as such, related revenues are recognized as energy is generated and delivered as that pattern is consistent with Duke Energy's performance. Commercial Renewables recognizes revenue based on the energy generated and billed for the period, generally one month, at contractual rates (including unbilled estimates) according to the invoice practical expedient. Amounts are typically due within 30 days of invoice.

Commercial Renewables also earns revenues from installation of distributed solar generation resources, which is primarily composed of EPC projects to deliver functioning solar power systems, generally completed within two to 12 months from commencement of construction. The installation of distributed solar generation resources is a performance obligation that is satisfied over time. Revenue from fixed-price EPC contracts is recognized using

the input method as work is performed based on the estimated ratio of incurred costs to estimated total costs.

Other

The remainder of Duke Energy's operations is presented as Other, which does not include material revenues from contracts with customers.

Disaggregated Revenues

For the Electric and Gas Utility and Infrastructure segments, revenue by customer class is most meaningful to Duke Energy as each respective customer class collectively represents unique customer expectations of service, generally has different energy and demand requirements, and operates under tailored, regulatory approved pricing structures. Additionally, each customer class is impacted differently by weather and a variety of economic factors including the level of population growth, economic investment, employment levels, and regulatory activities in each of Duke Energy's jurisdictions. As such, analyzing revenues disaggregated by customer class allows Duke Energy to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. For the Commercial Renewables segment, the majority of revenues from contracts with customers are from selling all of the unit-contingent output at contractually defined pricing under long-term PPAs with consistent expectations regarding the timing and certainty of cash flows. Disaggregated revenues are presented as follows:

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| By market or type of customer | | | | | | | | |
| <i>Electric Utilities and Infrastructure</i> | | | | | | | | |
| Residential | \$ 9,806 | \$ 2,997 | \$ 5,017 | \$ 2,059 | \$ 2,958 | \$ 726 | \$ 1,064 | \$ — |
| General | 6,194 | 2,233 | 2,779 | 1,312 | 1,467 | 442 | 740 | — |
| Industrial | 2,859 | 1,137 | 901 | 649 | 252 | 137 | 683 | — |
| Wholesale | 1,864 | 380 | 1,228 | 1,034 | 194 | 32 | 224 | — |
| Other revenues | 914 | 281 | 596 | 294 | 302 | 82 | 72 | — |
| Total Electric Utilities and Infrastructure revenue from contracts with customers | \$ 21,637 | \$ 7,028 | \$ 10,521 | \$ 5,348 | \$ 5,173 | \$ 1,419 | \$ 2,783 | \$ — |
| <i>Gas Utilities and Infrastructure</i> | | | | | | | | |
| Residential | \$ 930 | \$ — | \$ — | \$ — | \$ — | \$ 300 | \$ — | \$ 630 |
| Commercial | 446 | — | — | — | — | 117 | — | 329 |
| Industrial | 127 | — | — | — | — | 17 | — | 110 |
| Power Generation | — | — | — | — | — | — | — | 34 |
| Other revenues | 87 | — | — | — | — | 17 | — | 70 |
| Total Gas Utilities and Infrastructure revenue from contracts with customers | \$ 1,590 | \$ — | \$ — | \$ — | \$ — | \$ 451 | \$ — | \$ 1,173 |
| <i>Commercial Renewables</i> | | | | | | | | |
| Revenue from contracts with customers | \$ 227 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| <i>Other</i> | | | | | | | | |
| Revenue from contracts with customers | \$ 26 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Total revenue from contracts with customers | \$ 23,480 | \$ 7,028 | \$ 10,521 | \$ 5,348 | \$ 5,173 | \$ 1,870 | \$ 2,783 | \$ 1,173 |
| Other revenue sources ^(a) | \$ 388 | \$ (13) | \$ 106 | \$ 74 | \$ 15 | \$ (12) | \$ 12 | \$ 124 |
| Total revenues | \$ 23,868 | \$ 7,015 | \$ 10,627 | \$ 5,422 | \$ 5,188 | \$ 1,858 | \$ 2,795 | \$ 1,297 |

(a) Other revenue sources include revenues from leases, derivatives and alternative revenue programs that are not considered revenues from contracts with customers. Alternative revenue programs in certain jurisdictions include regulatory mechanisms that periodically adjust for over or under collection of related revenues.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions)
By market or type of customer | Year Ended December 31, 2019 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| <i>Electric Utilities and Infrastructure</i> | | | | | | | | |
| Residential | \$ 9,863 | \$ 3,044 | \$ 4,998 | \$ 2,144 | \$ 2,854 | \$ 733 | \$ 1,087 | \$ — |
| General | 6,431 | 2,244 | 2,935 | 1,368 | 1,567 | 451 | 802 | — |
| Industrial | 3,071 | 1,215 | 934 | 675 | 259 | 147 | 774 | — |
| Wholesale | 2,212 | 462 | 1,468 | 1,281 | 187 | 46 | 235 | — |
| Other revenues | 770 | 276 | 548 | 317 | 231 | 80 | 89 | — |
| Total Electric Utilities and Infrastructure revenue from contracts with customers | \$ 22,347 | \$ 7,241 | \$ 10,883 | \$ 5,785 | \$ 5,098 | \$ 1,457 | \$ 2,987 | \$ — |
| <i>Gas Utilities and Infrastructure</i> | | | | | | | | |
| Residential | \$ 976 | \$ — | \$ — | \$ — | \$ — | \$ 315 | \$ — | \$ 661 |
| Commercial | 508 | — | — | — | — | 130 | — | 378 |
| Industrial | 141 | — | — | — | — | 19 | — | 122 |
| Power Generation | — | — | — | — | — | — | — | 51 |
| Other revenues | 129 | — | — | — | — | 19 | — | 110 |
| Total Gas Utilities and Infrastructure revenue from contracts with customers | \$ 1,754 | \$ — | \$ — | \$ — | \$ — | \$ 483 | \$ — | \$ 1,322 |
| <i>Commercial Renewables</i> | | | | | | | | |
| Revenue from contracts with customers | \$ 223 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| <i>Other</i> | | | | | | | | |
| Revenue from contracts with customers | \$ 24 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Total revenue from contracts with customers | \$ 24,348 | \$ 7,241 | \$ 10,883 | \$ 5,785 | \$ 5,098 | \$ 1,940 | \$ 2,987 | \$ 1,322 |
| Other revenue sources ^(a) | \$ 731 | \$ 154 | \$ 319 | \$ 172 | \$ 133 | \$ — | \$ 17 | \$ 59 |
| Total revenues | \$ 25,079 | \$ 7,395 | \$ 11,202 | \$ 5,957 | \$ 5,231 | \$ 1,940 | \$ 3,004 | \$ 1,381 |

(a) Other revenue sources include revenues from leases, derivatives and alternative revenue programs that are not considered revenues from contracts with customers. Alternative revenue programs in certain jurisdictions include regulatory mechanisms that periodically adjust for over or under collection of related revenues.

| (in millions)
By market or type of customer | Year Ended December 31, 2018 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| <i>Electric Utilities and Infrastructure</i> | | | | | | | | |
| Residential | \$ 9,587 | \$ 2,981 | \$ 4,785 | \$ 2,019 | \$ 2,766 | \$ 743 | \$ 1,076 | \$ — |
| General | 6,127 | 2,119 | 2,809 | 1,280 | 1,529 | 422 | 778 | — |
| Industrial | 2,974 | 1,180 | 904 | 642 | 262 | 131 | 760 | — |
| Wholesale | 2,324 | 508 | 1,462 | 1,303 | 159 | 57 | 298 | — |
| Other revenues | 717 | 320 | 502 | 320 | 182 | 73 | 91 | — |
| Total Electric Utilities and Infrastructure revenue from contracts with customers | \$ 21,729 | \$ 7,108 | \$ 10,462 | \$ 5,564 | \$ 4,898 | \$ 1,426 | \$ 3,003 | \$ — |
| <i>Gas Utilities and Infrastructure</i> | | | | | | | | |
| Residential | \$ 1,000 | \$ — | \$ — | \$ — | \$ — | \$ 331 | \$ — | \$ 669 |
| Commercial | 514 | — | — | — | — | 135 | — | 378 |
| Industrial | 147 | — | — | — | — | 18 | — | 128 |
| Power Generation | — | — | — | — | — | — | — | 54 |
| Other revenues | 139 | — | — | — | — | 19 | — | 120 |
| Total Gas Utilities and Infrastructure revenue from contracts with customers | \$ 1,800 | \$ — | \$ — | \$ — | \$ — | \$ 503 | \$ — | \$ 1,349 |
| <i>Commercial Renewables</i> | | | | | | | | |
| Revenue from contracts with customers | \$ 209 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| <i>Other</i> | | | | | | | | |
| Revenue from contracts with customers | \$ 19 | \$ — | \$ — | \$ — | \$ — | \$ 1 | \$ — | \$ — |
| Total revenue from contracts with customers | \$ 23,757 | \$ 7,108 | \$ 10,462 | \$ 5,564 | \$ 4,898 | \$ 1,930 | \$ 3,003 | \$ 1,349 |
| Other revenue sources ^(a) | \$ 764 | \$ 192 | \$ 266 | \$ 135 | \$ 123 | \$ 27 | \$ 56 | \$ 26 |
| Total revenues | \$ 24,521 | \$ 7,300 | \$ 10,728 | \$ 5,699 | \$ 5,021 | \$ 1,957 | \$ 3,059 | \$ 1,375 |

(a) Other revenue sources include revenues from leases, derivatives and alternative revenue programs that are not considered revenues from contracts with customers. Alternative revenue programs in certain jurisdictions include regulatory mechanisms that periodically adjust for over or under collection of related revenues.

Combined Notes to Consolidated Financial Statements – (Continued)

As described in Note 1, Duke Energy adopted the new guidance for credit losses effective January 1, 2020, using the modified retrospective method of adoption, which does not require restatement of prior year reported results. The following table presents the reserve for credit losses for trade and other receivables based on adoption of the new standard.

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|--------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Balance at December 31, 2019 | \$ 76 | \$ 10 | \$ 16 | \$ 8 | \$ 7 | \$ 4 | \$ 3 | \$ 6 |
| Cumulative Change in Accounting Principle | 5 | 1 | 2 | 1 | 1 | — | — | 1 |
| Write-Offs | (58) | (13) | (23) | (8) | (14) | — | — | (6) |
| Credit Loss Expense | 75 | 13 | 29 | 9 | 20 | — | — | 11 |
| Other Adjustments | 48 | 12 | 13 | 13 | — | — | — | — |
| Balance at December 31, 2020 | \$ 146 | \$ 23 | \$ 37 | \$ 23 | \$ 14 | \$ 4 | \$ 3 | \$ 12 |

Trade and other receivables are evaluated based on an estimate of the risk of loss over the life of the receivable and current and historical conditions using supportable assumptions. Management evaluates the risk of loss for trade and other receivables by comparing the historical write-off amounts to total revenue over a specified period. Historical loss rates are adjusted due to the impact of current conditions, including the impacts of COVID-19, as well as forecasted conditions over a reasonable time period. The calculated write-off rate can be applied to the receivable balance for which an established reserve does not already exist. Management reviews the assumptions and risk of loss periodically for trade and other receivables. Due to the COVID-19 pandemic, as

described in Note 1, certain jurisdictions have resumed standard billing and credit practices, disconnections for nonpayment and late payment charges, all of which were previously suspended in the first quarter of 2020. The specific actions taken by each Duke Energy Registrant are described in Note 3 and the impact of COVID-19 on certain receivables financing entities are described in Note 17. The impact of COVID-19 and Duke Energy's related response on customers' ability to pay for service is uncertain, and it is reasonably possible eventual write-offs of customer receivables may increase over current estimates.

The aging of trade receivables is presented in the table below. Duke Energy considers receivables greater than 30 days outstanding past due.

| (in millions) | December 31, 2020 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|---------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Unbilled Receivables | \$ 969 | \$ 328 | \$ 283 | \$ 167 | \$ 116 | \$ 2 | \$ 16 | \$ 86 |
| 0-30 days | 1,789 | 445 | 707 | 398 | 307 | 60 | 26 | 149 |
| 30-60 days | 185 | 80 | 54 | 25 | 29 | 8 | 3 | 8 |
| 60-90 days | 22 | 1 | 10 | 4 | 6 | 2 | 1 | 3 |
| 90+ days | 119 | 16 | 32 | 9 | 23 | 30 | 12 | 9 |
| Deferred Payment Arrangements ^(a) | 215 | 96 | 80 | 52 | 28 | — | — | 7 |
| Trade and Other Receivables | \$ 3,299 | \$ 966 | \$ 1,166 | \$ 655 | \$ 509 | \$ 102 | \$ 58 | \$ 262 |

(a) Due to certain customer financial hardships created by the COVID-19 pandemic and resulting stay-at-home orders, Duke Energy permitted customers to defer payment of past-due amounts through an installment payment plan over a period of several months.

IMPACT OF WEATHER AND THE TIMING OF BILLING PERIODS

Revenues and costs are influenced by seasonal weather patterns. Peak sales of electricity occur during the summer and winter months, which results in higher revenue and cash flows during these periods. By contrast, lower sales of electricity occur during the spring and fall, allowing for scheduled plant maintenance. Residential and general service customers are more impacted by weather than industrial customers. Estimated weather impacts are based on actual current period weather compared to normal weather conditions. Normal weather conditions are defined as the long-term average of actual historical weather conditions. Heating degree days measure the variation in weather based on the extent the average daily temperature falls below a base

temperature. Cooling degree days measure the variation in weather based on the extent the average daily temperature rises above the base temperature. Each degree of temperature below the base temperature counts as one heating degree day and each degree of temperature above the base temperature counts as one cooling degree day.

The estimated impact of weather on earnings for Electric Utilities and Infrastructure is based on the temperature variances from a normal condition and customers' historic usage patterns. The methodology used to estimate the impact of weather does not consider all variables that may impact customer response to weather conditions, such as humidity in the summer or wind chill in the winter. The precision of this estimate may also be impacted by applying long-term weather trends to shorter-term periods.

Combined Notes to Consolidated Financial Statements – (Continued)

Gas Utilities and Infrastructure's costs and revenues are influenced by seasonal patterns due to peak natural gas sales occurring during the winter months as a result of space heating requirements. Residential customers are the most impacted by weather. There are certain regulatory mechanisms for the North Carolina, South Carolina, Tennessee, Ohio and Kentucky service territories that normalize the margins collected from certain customer classes during the winter. In North Carolina, rate design provides protection from both weather and other usage variations such as conservation, while South Carolina, Tennessee and Kentucky revenues are adjusted solely based on weather. Ohio primarily employs a fixed charge each month regardless of the season and usage.

Unbilled revenues are included within Receivables and Receivables of VIEs on the Consolidated Balance Sheets as shown in the following table.

| (in millions) | December 31, | |
|-----------------------|--------------|--------|
| | 2020 | 2019 |
| Duke Energy | \$ 969 | \$ 843 |
| Duke Energy Carolinas | 328 | 298 |
| Progress Energy | 283 | 217 |
| Duke Energy Progress | 167 | 122 |
| Duke Energy Florida | 116 | 95 |
| Duke Energy Ohio | 2 | 1 |
| Duke Energy Indiana | 16 | 16 |
| Piedmont | 86 | 78 |

Additionally, Duke Energy Ohio and Duke Energy Indiana sell, on a revolving basis, nearly all of their retail accounts receivable, including receivables for unbilled revenues, to an affiliate, CRC and account for the transfers of receivables as sales. Accordingly, the receivables sold are not reflected on the Consolidated Balance Sheets of Duke Energy Ohio and Duke Energy Indiana. See Note 17 for further information. These receivables for unbilled revenues are shown in the table below.

| (in millions) | December 31, | |
|---------------------|--------------|-------|
| | 2020 | 2019 |
| Duke Energy Ohio | \$ 87 | \$ 82 |
| Duke Energy Indiana | 134 | 115 |

19. STOCKHOLDERS' EQUITY

Basic EPS is computed by dividing net income available to Duke Energy common stockholders, as adjusted for distributed and undistributed earnings allocated to participating securities and accumulated preferred dividends, by the weighted average number of common shares outstanding during the period. Diluted EPS is computed by dividing net income available to Duke Energy common stockholders, as adjusted for distributed and undistributed earnings allocated to participating securities and accumulated preferred dividends, by the diluted weighted average number of common shares outstanding during the period. Diluted EPS reflects the potential dilution that could occur if securities

UNBILLED REVENUE

Unbilled revenues are recognized by applying customer billing rates to the estimated volumes of energy or natural gas delivered but not yet billed. Unbilled revenues can vary significantly from period to period as a result of seasonality, weather, customer usage patterns, customer mix, average price in effect for customer classes, timing of rendering customer bills and meter reading schedules, and the impact of weather normalization or margin decoupling mechanisms.

or other agreements to issue common stock, such as equity forward sale agreements, were exercised or settled. Duke Energy's participating securities are RSUs that are entitled to dividends declared on Duke Energy common stock during the RSUs vesting periods. Dividends declared on preferred stock are recorded on the Consolidated Statements of Operations as a reduction of net income to arrive at net income available to Duke Energy common stockholders. Dividends accumulated on preferred stock are an adjustment to net income used in the calculation of basic and diluted EPS.

Combined Notes to Consolidated Financial Statements – (Continued)

The following table presents Duke Energy's basic and diluted EPS calculations, the weighted average number of common shares outstanding and common and preferred share dividends declared.

| (in millions, except per share amounts) | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2020 | 2019 | 2018 |
| Net Income available to Duke Energy common stockholders | \$ 1,270 | \$ 3,707 | \$ 2,666 |
| Less: Income (Loss) from discontinued operations | 7 | (7) | 19 |
| Accumulated preferred stock dividends adjustment | 1 | (15) | — |
| Less: Impact of participating securities | 2 | 5 | 5 |
| Income from continuing operations available to Duke Energy common stockholders | \$ 1,262 | \$ 3,694 | \$ 2,642 |
| Weighted average common shares outstanding – basic | 737 | 729 | 708 |
| Equity forwards | 1 | — | — |
| Weighted average common shares outstanding – diluted | 738 | 729 | 708 |
| EPS from continuing operations available to Duke Energy common stockholders | | | |
| Basic and Diluted | \$ 1.71 | \$ 5.07 | \$ 3.73 |
| Potentially dilutive items excluded from the calculation ^(a) | 2 | 2 | 2 |
| Dividends declared per common share | \$ 3.82 | \$ 3.75 | \$ 3.64 |
| Dividends declared on Series A preferred stock per depositary share | \$ 1.437 | \$ 1.03 | \$ — |
| Dividends declared on Series B preferred stock per share | \$ 49.292 | \$ — | \$ — |

(a) Performance stock awards were not included in the dilutive securities calculation because the performance measures related to the awards had not been met.

Common Stock

In November 2019, Duke Energy filed a prospectus supplement and executed an Equity Distribution Agreement (EDA) under which it may sell up to \$1.5 billion of its common stock through a new ATM offering program, including an equity forward sales component. Under the terms of the EDA, Duke Energy may issue and sell shares of common stock through September 2022.

Separately, in November 2019, Duke Energy marketed an equity offering of 28.75 million shares of common stock through an Underwriting Agreement. In connection with the offering, Duke Energy entered into equity forward sales agreements with an initial forward price of \$85.99 per share. In March 2020, Duke Energy marketed approximately 940,000 shares of common stock through an equity forward transaction under the ATM with an initial forward price of \$89.76 per share. In May 2020, Duke Energy marketed approximately 903,000 shares of common stock through an equity forward transaction under the ATM with an initial forward price of \$82.44 per share. In August 2020, Duke Energy marketed approximately 936,000 shares of common stock through an equity forward transaction under the ATM with an initial forward price of \$79.52 per share.

In December 2020, Duke Energy physically settled the equity forwards by delivering 32 million shares of common stock in exchange for net cash proceeds of approximately \$2.6 billion.

Preferred Stock

On March 29, 2019, Duke Energy completed the issuance of 40 million depositary shares, each representing 1/1,000th share of its Series A Cumulative Redeemable Perpetual Preferred Stock, at a price of \$25 per depositary share. The transaction resulted in net proceeds of \$973 million after issuance costs with proceeds used for general corporate purposes and to reduce short-term debt. The preferred stock has a \$25 liquidation preference per depositary share and earns dividends on a cumulative basis at a rate of 5.75% per annum. Dividends are payable quarterly in arrears on the 16th day of March, June, September and December, and began on June 16, 2019.

The Series A Preferred Stock has no maturity or mandatory redemption date, is not redeemable at the option of the holders and includes separate call options. The first call option allows Duke Energy to call the Series A Preferred Stock at a redemption price of \$25.50 per depositary share prior to June 15, 2024, in whole but not in part, at any time within 120 days after a ratings event where a rating agency amends, clarifies or changes the criteria it uses to assign equity credit for securities such as the preferred stock. The second call option allows Duke Energy to call the preferred stock, in whole or in part, at any time, on or after June 15, 2024, at a redemption price of \$25 per depositary share. Duke Energy is also required to redeem all accumulated and unpaid dividends if either call option is exercised.

On September 12, 2019, Duke Energy completed the issuance of 1 million shares of its Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, at a price of \$1,000 per share. The transaction resulted in net proceeds of \$989 million after issuance costs with proceeds being used to pay down short-term debt, repay at maturity \$500 million senior notes due September 2019, and for general corporate purposes. The preferred stock has a \$1,000 liquidation preference per share and earns dividends on a cumulative basis at an initial rate of 4.875% per annum. Dividends are payable semiannually in arrears on the 16th day of March and September, and began on March 16, 2020. On September 16, 2024, the First Call Date, and any fifth anniversary of the First Call Date (each a Reset Date), the dividend rate will reset based on the then current five-year U.S. Treasury rate plus a spread of 3.388%.

The Series B Preferred Stock has no maturity or mandatory redemption date, is not redeemable at the option of the holders and includes separate call options. The first call option allows Duke Energy to call the Series B Preferred Stock at a redemption price of \$1,020 per share, in whole but not in part, at any time within 120 days after a ratings event. The second call option allows Duke Energy to call the preferred stock, in whole or in part, on the First Call Date or any subsequent Reset Date at a redemption price in cash equal to \$1,000 per share. Duke Energy is also required to redeem all accumulated and unpaid dividends if either call option is exercised.

Dividends issued on its Series A and Series B Preferred Stock are subject to approval by the Board of Directors. However, the deferral of dividend payments on the preferred stock prohibits the declaration of common stock dividends.

Combined Notes to Consolidated Financial Statements – (Continued)

The Series A and Series B Preferred Stock rank, with respect to dividends and distributions upon liquidation or dissolution:

- senior to Common Stock and to each other class or series of capital stock established after the original issue date of the Series A and Series B Preferred Stock that is expressly made subordinated to the Series A and Series B Preferred Stock;
- on a parity with any class or series of capital stock established after the original issue date of the Series A and Series B Preferred Stock that is not expressly made senior or subordinated to the Series A or Series B Preferred Stock;
- junior to any class or series of capital stock established after the original issue date of the Series A and Series B Preferred Stock that is expressly made senior to the Series A or Series B Preferred Stock;
- junior to all existing and future indebtedness (including indebtedness outstanding under Duke Energy's credit facilities, unsecured senior notes, junior subordinated debentures and commercial paper) and other

liabilities with respect to assets available to satisfy claims against Duke Energy; and

- structurally subordinated to existing and future indebtedness and other liabilities of Duke Energy's subsidiaries and future preferred stock of subsidiaries.

Holders of Series A and Series B Preferred Stock have no voting rights with respect to matters that generally require the approval of voting stockholders. The limited voting rights of holders of Series A and Series B Preferred Stock include the right to vote as a single class, respectively, on certain matters that may affect the preference or special rights of the preferred stock, except in the instance that Duke Energy elects to defer the payment of dividends for a total of six quarterly full dividend periods for Series A Preferred Stock or three semiannual full dividend periods for Series B Preferred Stock. If dividends are deferred for a cumulative total of six quarterly full dividend periods for Series A Preferred Stock or three semiannual full dividend periods for Series B Preferred Stock, whether or not for consecutive dividend periods, holders of the respective preferred stock have the right to elect two additional Board members to the Board of Directors.

20. SEVERANCE

During 2020, as a result of partial settlements between Duke Energy Carolinas, Duke Energy Progress and the Public Staff, Duke Energy Carolinas and Duke Energy Progress deferred as Regulatory assets on the Consolidated Balance Sheets, approximately \$65 million and \$33 million, respectively, of previously recorded severance charges within Operation, maintenance and other on the Consolidated Statements of Operations. These severance charges were previously recorded during 2018, as Duke Energy reviewed its operations and identified opportunities for improvement to better serve its customers. This operational review included the company's workforce strategy and staffing levels to ensure the company was staffed with the right skill sets

and number of teammates to execute the long-term vision for Duke Energy. As such, Duke Energy extended voluntary and involuntary severance benefits to certain employees in specific areas as a part of workforce planning and digital transformation efforts. See Note 3 for more information.

The following table presents the direct and allocated severance and related charges accrued for approximately 30 employees in 2020, 140 employees in 2019, and 1,900 employees in 2018, by the Duke Energy Registrants within Operation, maintenance and other on the Consolidated Statements of Operations.

| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|--|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| Year Ended December 31, 2020 ^{(a)(b)} | \$ (85) | \$ (58) | \$ (28) | \$ (31) | \$ 3 | \$ — | \$ — | \$ — |
| Year Ended December 31, 2019 | 16 | 8 | 6 | 3 | 3 | — | 1 | 1 |
| Year Ended December 31, 2018 | 187 | 102 | 69 | 52 | 17 | 6 | 7 | 2 |

(a) Includes unamortized deferred severance charges of approximately \$(86) million, \$(57) million, \$(29) million and \$(29) million for Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

(b) Includes adjustments associated with 2018 severance charges of approximately \$(6) million, \$(2) million, \$(3) million and \$(2) million for Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

The table below presents the severance liability for past and ongoing severance plans including the plans described above.

| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|-------------------------------------|--------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|-------------|
| Balance at December 31, 2019 | \$ 41 | \$ 11 | \$ 13 | \$ 6 | \$ 7 | \$ 1 | \$ 2 | \$ — |
| Provision/Adjustments | 1 | — | — | (2) | 2 | (1) | — | — |
| Cash Reductions | (31) | (9) | (10) | (3) | (7) | — | (1) | — |
| Balance at December 31, 2020 | \$ 11 | \$ 2 | \$ 3 | \$ 1 | \$ 2 | \$ — | \$ 1 | \$ — |

Combined Notes to Consolidated Financial Statements – (Continued)

21. STOCK-BASED COMPENSATION

The Duke Energy Corporation 2015 Long-Term Incentive Plan (the 2015 Plan) provides for the grant of stock-based compensation awards to employees and outside directors. The 2015 Plan reserves 10 million shares of common stock for issuance. Duke Energy has historically issued new shares upon exercising or vesting of share-based awards. However, Duke Energy may use a combination of new share issuances and open market repurchases for share-based awards that are exercised or vest in the future. Duke Energy has not determined with certainty the amount of such new share issuances or open market repurchases.

The following table summarizes the total expense recognized by the Duke Energy Registrants, net of tax, for stock-based compensation.

| (in millions) | Years Ended December 31, | | |
|-----------------------|--------------------------|-------|-------|
| | 2020 | 2019 | 2018 |
| Duke Energy | \$ 61 | \$ 65 | \$ 56 |
| Duke Energy Carolinas | 22 | 24 | 20 |
| Progress Energy | 23 | 24 | 21 |
| Duke Energy Progress | 15 | 15 | 13 |
| Duke Energy Florida | 9 | 9 | 8 |
| Duke Energy Ohio | 4 | 5 | 4 |
| Duke Energy Indiana | 6 | 6 | 5 |
| Piedmont | 3 | 3 | 3 |

Duke Energy's pretax stock-based compensation costs, the tax benefit associated with stock-based compensation expense and stock-based compensation costs capitalized are included in the following table.

| (in millions) | Years Ended December 31, | | |
|--|--------------------------|-------|-------|
| | 2020 | 2019 | 2018 |
| RSU awards | \$46 | \$ 44 | \$ 43 |
| Performance awards | 38 | 45 | 35 |
| Pretax stock-based compensation cost | \$84 | \$ 89 | \$ 78 |
| Stock-based compensation costs capitalized | 5 | 5 | 5 |
| Stock-based compensation expense | \$79 | \$ 84 | \$ 73 |
| Tax benefit associated with stock-based compensation expense | \$18 | \$ 19 | \$ 17 |

RESTRICTED STOCK UNIT AWARDS

RSU awards generally vest over periods from immediate to three years. Fair value amounts are based on the market price of Duke Energy's common stock on the grant date. The following table includes information related to RSU awards.

| | Years Ended December 31, | | |
|-------------------------------|--------------------------|-------|-------|
| | 2020 | 2019 | 2018 |
| Shares granted (in thousands) | 498 | 571 | 649 |
| Fair value (in millions) | \$ 50 | \$ 51 | \$ 49 |

The following table summarizes information about RSU awards outstanding.

| | Shares
(in thousands) | Weighted Average
Grant Date Fair Value
(per share) | |
|----------------------------------|--------------------------|--|-------|
| | | 2020 | 2019 |
| Outstanding at December 31, 2019 | 1,010 | | \$ 83 |
| Granted | 498 | | 100 |
| Vested | (532) | | 82 |
| Forfeited | (37) | | 92 |
| Outstanding at December 31, 2020 | 939 | | 93 |
| RSU awards expected to vest | 898 | | 93 |

The total grant date fair value of shares vested during the years ended December 31, 2020, 2019 and 2018, was \$43 million, \$49 million and \$43 million, respectively. At December 31, 2020, Duke Energy had \$31 million of unrecognized compensation cost, which is expected to be recognized over a weighted average period of 23 months.

PERFORMANCE AWARDS

Stock-based performance awards generally vest after three years if performance targets are met. The actual number of shares issued will range from zero to 200% of target shares, depending on the level of performance achieved.

Performance awards contain performance conditions and a market condition. The performance conditions are based on Duke Energy's cumulative adjusted EPS and total incident case rate (total incident case rate is one of our key employee safety metrics). The market condition is based on TSR of Duke Energy relative to a predefined peer group.

Relative TSR is valued using a path-dependent model that incorporates expected relative TSR into the fair value determination of Duke Energy's performance-based share awards. The model uses three-year historical volatilities and correlations for all companies in the predefined peer group, including Duke Energy, to simulate Duke Energy's relative TSR as of the end of the performance period. For each simulation, Duke Energy's relative TSR associated with the simulated stock price at the end of the performance period plus expected dividends within the period results in a value per share for the award portfolio. The average of these simulations is the expected portfolio value per share. Actual life to date results of Duke Energy's relative TSR for each grant are incorporated within the model. For performance awards granted in 2020, the model used a risk-free interest rate of 1.4%, which reflects the yield on three-year Treasury bonds as of the grant date, and an expected volatility of 13.6% based on Duke Energy's historical volatility over three years using daily stock prices.

The following table includes information related to stock-based performance awards.

| | Years Ended December 31, | | |
|---|--------------------------|-------|-------|
| | 2020 | 2019 | 2018 |
| Shares granted assuming target performance (in thousands) | 319 | 320 | 372 |
| Fair value (in millions) | \$ 34 | \$ 27 | \$ 27 |

The following table summarizes information about stock-based performance awards outstanding and assumes payout at the target level.

| | Weighted Average
Grant Date Fair Value
(per share) | |
|---|--|-------|
| | Shares
(in thousands) | |
| Outstanding at December 31, 2019 | 1,109 | \$ 80 |
| Granted | 319 | 105 |
| Vested | (448) | 81 |
| Forfeited | (18) | 88 |
| Outstanding at December 31, 2020 | 962 | 87 |
| Stock-based performance awards expected to vest | 937 | 87 |

The total grant date fair value of shares vested during the years ended December 31, 2020, and 2019, was \$36 million and \$23 million, respectively. At December 31, 2020, Duke Energy had \$23 million of unrecognized compensation cost, which is expected to be recognized over a weighted average period of 21 months.

Combined Notes to Consolidated Financial Statements – (Continued)

22. EMPLOYEE BENEFIT PLANS

DEFINED BENEFIT RETIREMENT PLANS

Duke Energy and certain subsidiaries maintain, and the Subsidiary Registrants participate in, qualified, non-contributory defined benefit retirement plans. The Duke Energy plans cover most employees using a cash balance formula. Under a cash balance formula, a plan participant accumulates a retirement benefit consisting of pay credits based upon a percentage of current eligible earnings, age or age and years of service and interest credits. Certain employees are eligible for benefits that use a final average earnings formula. Under these final average earnings formulas, a plan participant accumulates a retirement benefit equal to the sum of percentages of their (i) highest three-year, four-year, or five-year average earnings, (ii) highest three-year, four-year, or five-year average earnings in excess of covered compensation per year of participation (maximum of 35 years) or (iii) highest three-year average earnings times years of participation in excess of 35 years. Duke Energy also maintains, and the Subsidiary Registrants participate in, non-qualified, non-contributory defined benefit retirement plans that cover certain executives. The qualified and non-qualified, non-contributory defined benefit plans are closed to new participants.

Duke Energy uses a December 31 measurement date for its defined benefit retirement plan assets and obligations. Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan assets as of December 31, 2020, and 2019, were attributable to actual investment performance that exceeded expected investment performance. Actuarial losses experienced by the defined benefit retirement plans in remeasuring plan obligations as of December 31, 2020, and 2019, were primarily attributable to the decrease in the discount rate used to measure plan obligations.

As a result of the application of settlement accounting due to total lump-sum benefit payments exceeding the settlement threshold (defined as the sum of the service cost and interest cost on projected benefit obligation components of net periodic pension costs) for one of its qualified pension plans, Duke Energy recognized settlement charges of \$94 million, primarily as a regulatory asset within Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2019 (an immaterial amount was recorded in Other income and expenses, net within the Consolidated Statement of Operations).

Settlement charges recognized by the Subsidiary Registrants as of December 31, 2019, which represent amounts allocated by Duke Energy for employees of the Subsidiary Registrants and allocated charges for their

proportionate share of settlement charges for employees of Duke Energy's shared services affiliate, were \$53 million for Duke Energy Carolinas, \$26 million for Progress Energy, \$20 million for Duke Energy Progress, \$6 million for Duke Energy Florida, \$4 million for Duke Energy Indiana, \$2 million for Duke Energy Ohio and \$8 million for Piedmont.

The settlement charges reflect the recognition of a pro-rata portion of previously unrecognized actuarial losses, equal to the percentage of reduction in the projected benefit obligation resulting from total lump-sum benefit payments as of December 31, 2019. Settlement charges recognized as a regulatory asset within Other Noncurrent Assets on the Consolidated Balance Sheets are amortized over the average remaining service period for participants in the plan. Amortization of settlement charges is disclosed in the tables below as a component of net periodic pension costs.

Net periodic benefit costs disclosed in the tables below represent the cost of the respective benefit plan for the periods presented prior to capitalization of amounts reflected as Net property, plant and equipment, on the Consolidated Balance Sheets. Only the service cost component of net periodic benefit costs is eligible to be capitalized. The remaining non-capitalized portions of net periodic benefit costs are classified as either: (1) service cost, which is recorded in Operations, maintenance and other on the Consolidated Statements of Operations; or as (2) components of non-service cost, which is recorded in Other income and expenses, net, on the Consolidated Statements of Operations. Amounts presented in the tables below for the Subsidiary Registrants represent the amounts of pension and other post-retirement benefit cost allocated by Duke Energy for employees of the Subsidiary Registrants. Additionally, the Consolidated Statements of Operations of the Subsidiary Registrants also include allocated net periodic benefit costs for their proportionate share of pension and post-retirement benefit cost for employees of Duke Energy's shared services affiliate that provide support to the Subsidiary Registrants. However, in the tables below, these amounts are only presented within the Duke Energy column (except for amortization of settlement charges). These allocated amounts are included in the governance and shared service costs discussed in Note 13.

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 Energy does not anticipate making any contributions in 2021. The following table includes information related to the Duke Energy Registrants' contributions to its qualified defined benefit pension plans.

| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| Contributions Made: | | | | | | | | |
| 2020 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| 2019 | 77 | 7 | 57 | 4 | 53 | 2 | 2 | 1 |
| 2018 | 141 | 46 | 45 | 25 | 20 | — | 8 | — |

PART II

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Combined Notes to Consolidated Financial Statements – (Continued)

QUALIFIED PENSION PLANS

Components of Net Periodic Pension Costs

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Service cost | \$ 165 | \$ 51 | \$ 48 | \$ 27 | \$ 21 | \$ 5 | \$ 9 | \$ 6 |
| Interest cost on projected benefit obligation | 269 | 62 | 85 | 38 | 46 | 15 | 22 | 9 |
| Expected return on plan assets | (572) | (145) | (190) | (87) | (101) | (28) | (42) | (21) |
| Amortization of actuarial loss | 128 | 28 | 41 | 18 | 23 | 6 | 12 | 9 |
| Amortization of prior service credit | (32) | (8) | (3) | (2) | (1) | — | (2) | (9) |
| Amortization of settlement charges | 18 | 9 | 7 | 6 | 1 | — | 1 | 1 |
| Net periodic pension costs ^{(a)(b)} | \$ (24) | \$ (3) | \$ (12) | \$ — | \$ (11) | \$ (2) | \$ — | \$ (5) |

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Service cost | \$ 158 | \$ 49 | \$ 46 | \$ 26 | \$ 20 | \$ 4 | \$ 9 | \$ 5 |
| Interest cost on projected benefit obligation | 317 | 75 | 100 | 45 | 54 | 18 | 26 | 10 |
| Expected return on plan assets | (567) | (147) | (178) | (88) | (89) | (28) | (43) | (22) |
| Amortization of actuarial loss | 108 | 24 | 39 | 15 | 24 | 4 | 8 | 8 |
| Amortization of prior service credit | (32) | (8) | (3) | (2) | (1) | — | (2) | (9) |
| Amortization of settlement charges | 6 | 2 | 1 | 1 | — | 2 | — | — |
| Net periodic pension costs ^{(a)(b)} | \$ (10) | \$ (5) | \$ 5 | \$ (3) | \$ 8 | \$ — | \$ (2) | \$ (8) |

| (in millions) | Year Ended December 31, 2018 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Service cost | \$ 182 | \$ 58 | \$ 51 | \$ 29 | \$ 22 | \$ 5 | \$ 11 | \$ 7 |
| Interest cost on projected benefit obligation | 299 | 72 | 94 | 43 | 50 | 17 | 23 | 11 |
| Expected return on plan assets | (559) | (147) | (178) | (85) | (91) | (28) | (42) | (22) |
| Amortization of actuarial loss | 132 | 29 | 44 | 21 | 23 | 5 | 10 | 11 |
| Amortization of prior service credit | (32) | (8) | (3) | (2) | (1) | — | (2) | (10) |
| Net periodic pension costs ^{(a)(b)} | \$ 22 | \$ 4 | \$ 8 | \$ 6 | \$ 3 | \$ (1) | \$ — | \$ (3) |

(a) Duke Energy amounts exclude \$4 million, \$4 million and \$5 million for the years ended December 2020, 2019 and 2018, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.

(b) Duke Energy Ohio amounts exclude \$2 million, \$2 million and \$2 million for the years ended December 2020, 2019 and 2018, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.

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Combined Notes to Consolidated Financial Statements – (Continued)

Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Assets

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Regulatory assets, net increase (decrease) | \$ (62) | \$ (39) | \$ (26) | \$ (30) | \$ 4 | \$ (2) | \$ 5 | \$ (1) |
| Accumulated other comprehensive loss (income) | | | | | | | | |
| Deferred income tax expense (benefit) | \$ 2 | \$ — | \$ 1 | \$ — | \$ 1 | \$ — | \$ — | \$ — |
| Amortization of prior year service credit | 1 | — | — | — | — | — | — | — |
| Amortization of prior year actuarial losses | (11) | — | (1) | — | (3) | — | — | — |
| Net amount recognized in accumulated other comprehensive income | \$ (8) | \$ — | \$ — | \$ — | \$ (2) | \$ — | \$ — | \$ — |

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Regulatory assets, net (decrease) increase | \$ (212) | \$ (156) | \$ (79) | \$ (59) | \$ (20) | \$ 12 | \$ 22 | \$ — |
| Accumulated other comprehensive (income) loss | | | | | | | | |
| Deferred income tax expense (benefit) | \$ 20 | \$ — | \$ 1 | \$ — | \$ (1) | \$ — | \$ — | \$ — |
| Amortization of prior year service credit | 1 | — | — | — | — | — | — | — |
| Amortization of prior year actuarial losses | (15) | — | (2) | — | 3 | — | — | — |
| Net amount recognized in accumulated other comprehensive income | \$ 6 | \$ — | \$ (1) | \$ — | \$ 2 | \$ — | \$ — | \$ — |

Reconciliation of Funded Status to Net Amount Recognized

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Change in Projected Benefit Obligation | | | | | | | | |
| Obligation at prior measurement date | \$ 8,321 | \$ 1,923 | \$ 2,608 | \$ 1,170 | \$ 1,424 | \$ 481 | \$ 693 | \$ 292 |
| Service cost | 157 | 49 | 46 | 26 | 20 | 4 | 8 | 5 |
| Interest cost | 269 | 62 | 85 | 38 | 46 | 15 | 22 | 9 |
| Actuarial loss | 433 | 83 | 144 | 50 | 93 | 21 | 46 | 14 |
| Transfers | — | 8 | (8) | (8) | — | 15 | — | — |
| Benefits paid | (541) | (137) | (160) | (83) | (76) | (34) | (49) | (27) |
| Benefits paid – settlements | (5) | — | — | — | — | — | (5) | — |
| Obligation at measurement date | \$ 8,634 | \$ 1,988 | \$ 2,715 | \$ 1,193 | \$ 1,507 | \$ 502 | \$ 715 | \$ 293 |
| Accumulated Benefit Obligation at measurement date | \$ 8,577 | \$ 1,989 | \$ 2,684 | \$ 1,194 | \$ 1,476 | \$ 493 | \$ 709 | \$ 294 |
| Change in Fair Value of Plan Assets | | | | | | | | |
| Plan assets at prior measurement date | \$ 8,910 | \$ 2,263 | \$ 2,898 | \$ 1,364 | \$ 1,515 | \$ 443 | \$ 667 | \$ 335 |
| Actual return on plan assets | 973 | 247 | 319 | 149 | 166 | 48 | 71 | 35 |
| Benefits paid | (541) | (137) | (160) | (83) | (76) | (34) | (49) | (27) |
| Benefits paid – settlements | (5) | — | — | — | — | — | (5) | — |
| Transfers | — | 8 | (8) | (8) | — | 15 | — | — |
| Plan assets at measurement date | \$ 9,337 | \$ 2,381 | \$ 3,049 | \$ 1,422 | \$ 1,605 | \$ 472 | \$ 684 | \$ 343 |
| Funded status of plan | \$ 703 | \$ 393 | \$ 334 | \$ 229 | \$ 98 | \$ (30) | \$ (31) | \$ 50 |

PART II

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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Change in Projected Benefit Obligation | | | | | | | | |
| Obligation at prior measurement date | \$ 7,869 | \$ 1,954 | \$ 2,433 | \$ 1,125 | \$ 1,295 | \$ 435 | \$ 618 | \$ 264 |
| Service cost | 150 | 47 | 43 | 25 | 18 | 4 | 8 | 5 |
| Interest cost | 317 | 75 | 100 | 45 | 54 | 18 | 26 | 10 |
| Actuarial loss | 716 | 101 | 223 | 87 | 135 | 54 | 87 | 33 |
| Transfers | — | 11 | — | — | — | — | — | — |
| Benefits paid | (731) | (265) | (191) | (112) | (78) | (30) | (46) | (20) |
| Obligation at measurement date | \$ 8,321 | \$ 1,923 | \$ 2,608 | \$ 1,170 | \$ 1,424 | \$ 481 | \$ 693 | \$ 292 |
| Accumulated Benefit Obligation at measurement date | | | | | | | | |
| | \$ 8,262 | \$ 1,923 | \$ 2,578 | \$ 1,170 | \$ 1,392 | \$ 471 | \$ 686 | \$ 292 |
| Change in Fair Value of Plan Assets | | | | | | | | |
| Plan assets at prior measurement date | \$ 8,233 | \$ 2,168 | \$ 2,606 | \$ 1,268 | \$ 1,322 | \$ 405 | \$ 611 | \$ 305 |
| Employer contributions | 77 | 7 | 57 | 4 | 53 | 2 | 2 | 1 |
| Actual return on plan assets | 1,331 | 342 | 426 | 204 | 218 | 66 | 100 | 49 |
| Benefits paid | (731) | (265) | (191) | (112) | (78) | (30) | (46) | (20) |
| Transfers | — | 11 | — | — | — | — | — | — |
| Plan assets at measurement date | \$ 8,910 | \$ 2,263 | \$ 2,898 | \$ 1,364 | \$ 1,515 | \$ 443 | \$ 667 | \$ 335 |
| Funded status of plan | \$ 589 | \$ 340 | \$ 290 | \$ 194 | \$ 91 | \$ (38) | \$ (26) | \$ 43 |

Amounts Recognized in the Consolidated Balance Sheets

| (in millions) | December 31, 2020 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Prefunded pension ^(a) | \$ 780 | \$ 393 | \$ 379 | \$ 229 | \$ 143 | \$ 58 | \$ 79 | \$ 50 |
| Noncurrent pension liability ^(b) | \$ 77 | \$ — | \$ 45 | \$ — | \$ 45 | \$ 88 | \$ 110 | \$ — |
| Net asset (liability) recognized | \$ 703 | \$ 393 | \$ 334 | \$ 229 | \$ 98 | \$ (30) | \$ (31) | \$ 50 |
| Regulatory assets | \$ 1,910 | \$ 381 | \$ 691 | \$ 283 | \$ 408 | \$ 110 | \$ 209 | \$ 80 |
| Accumulated other comprehensive (income) loss | | | | | | | | |
| Deferred income tax benefit | \$ (21) | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Prior service credit | (2) | — | — | — | — | — | — | — |
| Net actuarial loss | 100 | — | 2 | — | — | — | — | — |
| Net amounts recognized in accumulated other comprehensive loss | \$ 77 | \$ — | \$ 2 | \$ — | \$ — | \$ — | \$ — | \$ — |

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | December 31, 2019 | | | | | | | |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Prefunded pension ^(a) | \$ 621 | \$ 340 | \$ 322 | \$ 194 | \$ 123 | \$ 38 | \$ 57 | \$ 43 |
| Noncurrent pension liability ^(b) | \$ 32 | \$ — | \$ 32 | \$ — | \$ 32 | \$ 76 | \$ 83 | \$ — |
| Net asset recognized | \$ 589 | \$ 340 | \$ 290 | \$ 194 | \$ 91 | \$ (38) | \$ (26) | \$ 43 |
| Regulatory assets | \$ 1,972 | \$ 420 | \$ 717 | \$ 313 | \$ 404 | \$ 112 | \$ 204 | \$ 81 |
| Accumulated other comprehensive (income) loss | | | | | | | | |
| Deferred income tax benefit | \$ (23) | \$ — | \$ (1) | \$ — | \$ (1) | \$ — | \$ — | \$ — |
| Prior service credit | (3) | — | — | — | — | — | — | — |
| Net actuarial loss | 111 | — | 3 | — | 3 | — | — | — |
| Net amounts recognized in accumulated other comprehensive loss | \$ 85 | \$ — | \$ 2 | \$ — | \$ 2 | \$ — | \$ — | \$ — |
| Amounts to be recognized in net periodic pension costs in the next year | | | | | | | | |
| Unrecognized net actuarial loss | \$ 135 | \$ 29 | \$ 43 | \$ 19 | \$ 24 | \$ 7 | \$ 10 | \$ 9 |
| Unrecognized prior service credit | (32) | (8) | (3) | (2) | (1) | (1) | (2) | (9) |

(a) Included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets.

(b) Included in Accrued pension and other post-retirement benefit costs on the Consolidated Balance Sheets.

Information for Plans with Accumulated Benefit Obligation in Excess of Plan Assets

| (in millions) | December 31, 2020 | | | | |
|--------------------------------|-------------------|-----------------|---------------------|------------------|---------------------|
| | Duke Energy | Progress Energy | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana |
| Projected benefit obligation | \$ 4,914 | \$ 828 | \$ 828 | \$ 184 | \$ 293 |
| Accumulated benefit obligation | 4,856 | 796 | 796 | 176 | 285 |
| Fair value of plan assets | 4,837 | 783 | 783 | 96 | 183 |

| (in millions) | December 31, 2019 | |
|--------------------------------|-------------------|---------------------|
| | Duke Energy Ohio | Duke Energy Indiana |
| Projected benefit obligation | \$ 155 | \$ 260 |
| Accumulated benefit obligation | 146 | 252 |
| Fair value of plan assets | 79 | 177 |

Assumptions Used for Pension Benefits Accounting

The discount rate used to determine the current year pension obligation and following year's pension expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high-quality corporate bonds that generate sufficient cash flow to provide for projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

The average remaining service period for participants in active plans and life expectancy of participants in inactive plans is 13 years for Duke Energy, Duke Energy Indiana and Duke Energy Ohio, 14 years for Progress Energy, Duke Energy Progress and Duke Energy Florida, 12 years for Duke Energy Carolinas and nine years for Piedmont.

PART II

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Combined Notes to Consolidated Financial Statements – (Continued)

The following tables present the assumptions or range of assumptions used for pension benefit accounting.

| | December 31, | | |
|--|---------------|---------------|---------------|
| | 2020 | 2019 | 2018 |
| Benefit Obligations | | | |
| Discount rate | 2.60% | 3.30% | 4.30% |
| Interest crediting rate | 4.00% | 4.00% | 4.00% |
| Salary increase | 3.50% – 4.00% | 3.50% – 4.00% | 3.50% – 4.00% |
| Net Periodic Benefit Cost | | | |
| Discount rate | 3.30% | 4.30% | 3.60% |
| Interest crediting rate | 4.00% | 4.00% | 4.00% |
| Salary increase | 3.50% – 4.00% | 3.50% – 4.00% | 3.50% – 4.00% |
| Expected long-term rate of return on plan assets | 6.85% | 6.85% | 6.50% |

Expected Benefit Payments

| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|---------------------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| Years ending December 31, | | | | | | | | |
| 2021 | \$ 667 | \$ 169 | \$ 177 | \$ 94 | \$ 82 | \$ 40 | \$ 53 | \$ 29 |
| 2022 | 650 | 170 | 176 | 92 | 83 | 39 | 51 | 25 |
| 2023 | 655 | 174 | 181 | 95 | 85 | 38 | 49 | 22 |
| 2024 | 644 | 168 | 184 | 96 | 87 | 37 | 49 | 21 |
| 2025 | 617 | 163 | 181 | 93 | 88 | 35 | 47 | 19 |
| 2025-2029 | 2,745 | 677 | 846 | 399 | 443 | 154 | 217 | 83 |

NON-QUALIFIED PENSION PLANS

The accumulated benefit obligation, which equals the projected benefit obligation for non-qualified pension plans, was \$320 million for Duke Energy, \$13 million for Duke Energy Carolinas, \$111 million for Progress Energy, \$33 million for Duke Energy Progress, \$45 million for Duke Energy Florida, \$4 million for Duke Energy Ohio, \$2 million for Duke Energy Indiana and \$4 million for Piedmont as of December 31, 2020.

Employer contributions, which equal benefits paid for non-qualified pension plans, were \$23 million for Duke Energy, \$2 million for Duke Energy Carolinas, \$8 million for Progress Energy, \$3 million for Duke Energy Progress and \$3 million for Duke Energy Florida for the year ended December 31, 2020. Employer contributions were not material for Duke Energy Ohio, Duke Energy Indiana or Piedmont for the year ended December 31, 2020.

Net periodic pension costs for non-qualified pension plans were not material for the years ended December 31, 2020, 2019 or 2018.

OTHER POST-RETIREMENT BENEFIT PLANS

Duke Energy provides, and the Subsidiary Registrants participate in, some health care and life insurance benefits for retired employees on a contributory and non-contributory basis. Employees are eligible for these benefits if they have met age and service requirements at retirement, as defined in the plans. The health care benefits include medical, dental and prescription drug coverage and are subject to certain limitations, such as deductibles and copayments.

Duke Energy did not make any pre-funding contributions to its other post-retirement benefit plans during the years ended December 31, 2020, 2019 or 2018.

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Combined Notes to Consolidated Financial Statements – (Continued)

Components of Net Periodic Other Post-Retirement Benefit Costs

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Service cost | \$ 4 | \$ 1 | \$ 1 | \$ — | \$ — | \$ — | \$ 1 | \$ — |
| Interest cost on accumulated post-retirement benefit obligation | 23 | 5 | 10 | 5 | 4 | 1 | 2 | 1 |
| Expected return on plan assets | (13) | (8) | — | — | — | — | — | (2) |
| Amortization of actuarial loss | 2 | — | 1 | — | 1 | — | 4 | — |
| Amortization of prior service credit | (14) | (4) | (3) | (1) | (2) | (1) | (1) | (2) |
| Net periodic post-retirement benefit costs ^{(a)(b)} | \$ 2 | \$ (6) | \$ 9 | \$ 4 | \$ 3 | \$ — | \$ 6 | \$ (3) |

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Service cost | \$ 4 | \$ 1 | \$ 1 | \$ — | \$ 1 | \$ — | \$ 1 | \$ — |
| Interest cost on accumulated post-retirement benefit obligation | 30 | 7 | 12 | 7 | 5 | 1 | 3 | 1 |
| Expected return on plan assets | (12) | (7) | — | — | — | — | — | (1) |
| Amortization of actuarial loss | 4 | 2 | 1 | — | 1 | — | 4 | — |
| Amortization of prior service credit | (19) | (5) | (8) | (1) | (7) | (1) | (1) | (2) |
| Net periodic post-retirement benefit costs ^{(a)(b)} | \$ 7 | \$ (2) | \$ 6 | \$ 6 | \$ — | \$ — | \$ 7 | \$ (2) |

| (in millions) | Year Ended December 31, 2018 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Service cost | \$ 6 | \$ 1 | \$ 1 | \$ — | \$ 1 | \$ 1 | \$ 1 | \$ 1 |
| Interest cost on accumulated post-retirement benefit obligation | 28 | 7 | 12 | 6 | 6 | 1 | 3 | 1 |
| Expected return on plan assets | (13) | (8) | — | — | — | — | — | (2) |
| Amortization of actuarial loss | 6 | 3 | 1 | 1 | — | — | 4 | — |
| Amortization of prior service credit | (19) | (5) | (8) | (1) | (7) | (1) | (1) | (2) |
| Net periodic post-retirement benefit costs ^{(a)(b)} | \$ 8 | \$ (2) | \$ 6 | \$ 6 | \$ — | \$ 1 | \$ 7 | \$ (2) |

(a) Duke Energy amounts exclude \$6 million, \$6 million and \$7 million for the years ended December 2020, 2019 and 2018, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.

(b) Duke Energy Ohio amounts exclude \$1 million, \$2 million and \$2 million for the years ended December 2020, 2019 and 2018, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.

Combined Notes to Consolidated Financial Statements – (Continued)

Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Assets and Liabilities

| (in millions) | Year Ended December 31, 2020 | | | | | | | Piedmont |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | |
| Regulatory assets, net increase (decrease) | \$ 9 | \$ — | \$ 9 | \$ 6 | \$ 3 | \$ — | \$ (4) | \$ — |
| Regulatory liabilities, net increase (decrease) | \$ (10) | \$ (7) | \$ — | \$ — | \$ — | \$ — | \$ (1) | \$ — |
| Accumulated other comprehensive (income) loss | | | | | | | | |
| Deferred income tax benefit | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Amortization of prior year service credit | 1 | — | — | — | — | — | — | — |
| Net amount recognized in accumulated other comprehensive income | \$ 1 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |

| (in millions) | Year Ended December 31, 2019 | | | | | | | Piedmont |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | |
| Regulatory assets, net increase (decrease) | \$ (127) | \$ — | \$ (127) | \$ (82) | \$ (45) | \$ — | \$ (5) | \$ — |
| Regulatory liabilities, net increase (decrease) | \$ (152) | \$ 1 | \$ (149) | \$ (93) | \$ (56) | \$ (1) | \$ (4) | \$ 3 |
| Accumulated other comprehensive (income) loss | | | | | | | | |
| Deferred income tax benefit | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Amortization of prior year actuarial gain | (4) | — | — | — | — | — | — | — |
| Net amount recognized in accumulated other comprehensive income | \$ (4) | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |

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Combined Notes to Consolidated Financial Statements – (Continued)

Reconciliation of Funded Status to Accrued Other Post-Retirement Benefit Costs

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|--------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Change in Projected Benefit Obligation | | | | | | | | |
| Accumulated post-retirement benefit obligation at prior measurement date | \$ 723 | \$ 175 | \$ 303 | \$ 168 | \$ 135 | \$ 29 | \$ 64 | \$ 30 |
| Service cost | 4 | 1 | 1 | — | — | — | 1 | — |
| Interest cost | 23 | 5 | 10 | 5 | 4 | 1 | 2 | 1 |
| Plan participants' contributions | 15 | 3 | 5 | 3 | 2 | 1 | 2 | — |
| Actuarial losses | 19 | 8 | 8 | 5 | 2 | — | 1 | 1 |
| Benefits paid | (75) | (18) | (28) | (15) | (13) | (4) | (9) | (2) |
| Accumulated post-retirement benefit obligation at measurement date | \$ 709 | \$ 174 | \$ 299 | \$ 166 | \$ 130 | \$ 27 | \$ 61 | \$ 30 |
| Change in Fair Value of Plan Assets | | | | | | | | |
| Plan assets at prior measurement date | \$ 220 | \$ 130 | \$ (1) | \$ (1) | \$ — | \$ 9 | \$ 5 | \$ 34 |
| Actual return on plan assets | 24 | 14 | — | — | — | — | 1 | 4 |
| Benefits paid | (75) | (18) | (28) | (15) | (13) | (4) | (9) | (2) |
| Employer contributions | 53 | 10 | 23 | 11 | 10 | 3 | 8 | 1 |
| Plan participants' contributions | 15 | 3 | 5 | 3 | 2 | 1 | 2 | — |
| Plan assets at measurement date | \$ 237 | \$ 139 | \$ (1) | \$ (2) | \$ (1) | \$ 9 | \$ 7 | \$ 37 |
| Funded status of plan | \$ (472) | \$ (35) | \$ (300) | \$ (168) | \$ (131) | \$ (18) | \$ (54) | \$ 7 |
| Year Ended December 31, 2019 | | | | | | | | |
| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Change in Projected Benefit Obligation | | | | | | | | |
| Accumulated post-retirement benefit obligation at prior measurement date | \$ 728 | \$ 174 | \$ 303 | \$ 166 | \$ 137 | \$ 29 | \$ 67 | \$ 30 |
| Service cost | 4 | 1 | 1 | — | 1 | — | 1 | — |
| Interest cost | 30 | 7 | 12 | 7 | 5 | 1 | 3 | 1 |
| Plan participants' contributions | 16 | 3 | 6 | 3 | 2 | 1 | 2 | — |
| Actuarial losses | 28 | 9 | 13 | 9 | 5 | 1 | 2 | — |
| Benefits paid | (83) | (19) | (32) | (17) | (15) | (3) | (11) | (1) |
| Accumulated post-retirement benefit obligation at measurement date | \$ 723 | \$ 175 | \$ 303 | \$ 168 | \$ 135 | \$ 29 | \$ 64 | \$ 30 |
| Change in Fair Value of Plan Assets | | | | | | | | |
| Plan assets at prior measurement date | \$ 195 | \$ 115 | \$ — | \$ — | \$ — | \$ 8 | \$ 5 | \$ 29 |
| Actual return on plan assets | 32 | 20 | (1) | — | — | 1 | — | 6 |
| Benefits paid | (83) | (19) | (32) | (17) | (15) | (3) | (11) | (1) |
| Employer contributions | 60 | 11 | 26 | 13 | 13 | 2 | 9 | — |
| Plan participants' contributions | 16 | 3 | 6 | 3 | 2 | 1 | 2 | — |
| Plan assets at measurement date | \$ 220 | \$ 130 | \$ (1) | \$ (1) | \$ — | \$ 9 | \$ 5 | \$ 34 |
| Funded status of plan | \$ (503) | \$ (45) | \$ (304) | \$ (169) | \$ (135) | \$ (20) | \$ (59) | \$ 4 |

Combined Notes to Consolidated Financial Statements – (Continued)

Amounts Recognized in the Consolidated Balance Sheets

| (in millions) | December 31, 2020 | | | | | | | |
|--|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Prefunded post-retirement benefit | \$ 8 | \$ — | \$ — | \$ — | \$ — | \$ 1 | \$ — | \$ 7 |
| Current post-retirement liability ^(a) | 9 | — | 6 | 4 | 2 | 2 | — | — |
| Noncurrent post-retirement liability ^(b) | 471 | 35 | 294 | 164 | 129 | 17 | 54 | — |
| Net liability (asset) recognized | \$ 472 | \$ 35 | \$ 300 | \$ 168 | \$ 131 | \$ 18 | \$ 54 | \$ (7) |
| Regulatory assets | \$ 144 | \$ — | \$ 144 | \$ 88 | \$ 56 | \$ — | \$ 32 | \$ — |
| Regulatory liabilities | \$ 139 | \$ 32 | \$ — | \$ — | \$ — | \$ 17 | \$ 62 | \$ 3 |
| Accumulated other comprehensive (income) loss | | | | | | | | |
| Deferred income tax expense | \$ 3 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Prior service credit | (1) | — | — | — | — | — | — | — |
| Net actuarial gain | (13) | — | — | — | — | — | — | — |
| Net amounts recognized in accumulated other comprehensive income | \$ (11) | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |

| (in millions) | December 31, 2019 | | | | | | | |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Current post-retirement liability ^(a) | \$ 9 | \$ — | \$ 5 | \$ 3 | \$ 2 | \$ 1 | \$ — | \$ — |
| Noncurrent post-retirement liability ^(b) | 494 | 45 | 299 | 163 | 133 | 19 | 59 | (4) |
| Total accrued post-retirement liability | \$ 503 | \$ 45 | \$ 304 | \$ 166 | \$ 135 | \$ 20 | \$ 59 | \$ (4) |
| Regulatory assets | \$ 135 | \$ — | \$ 135 | \$ 82 | \$ 53 | \$ — | \$ 36 | \$ — |
| Regulatory liabilities | \$ 149 | \$ 39 | \$ — | \$ — | \$ — | \$ 17 | \$ 63 | \$ 3 |
| Accumulated other comprehensive (income) loss | | | | | | | | |
| Deferred income tax expense | \$ 3 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Prior service credit | (2) | — | — | — | — | — | — | — |
| Net actuarial gain | (13) | — | — | — | — | — | — | — |
| Net amounts recognized in accumulated other comprehensive income | \$ (12) | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Amounts to be recognized in net periodic pension expense in the next year | | | | | | | | |
| Unrecognized net actuarial loss | \$ 5 | \$ 3 | \$ 1 | \$ — | \$ 1 | \$ — | \$ — | \$ — |
| Unrecognized prior service credit | (14) | (4) | (3) | (1) | (2) | (1) | (1) | (2) |

(a) Included in Other within Current Liabilities on the Consolidated Balance Sheets.

(b) Included in Accrued pension and other post-retirement benefit costs on the Consolidated Balance Sheets.

Assumptions Used for Other Post-Retirement Benefits Accounting

The discount rate used to determine the current year other post-retirement benefits obligation and following year's other post-retirement benefits expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high-quality corporate bonds that generate sufficient cash flow to provide for projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

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Combined Notes to Consolidated Financial Statements – (Continued)

The average remaining service period of active covered employees is eight years for Duke Energy, seven years for Progress Energy, Duke Energy Florida and Duke Energy Ohio and six years for Duke Energy Carolinas, Duke Energy Progress, Duke Energy Indiana and Piedmont.

The following tables present the assumptions used for other post-retirement benefits accounting.

| | December 31, | | |
|--|--------------|-------|-------|
| | 2020 | 2019 | 2018 |
| Benefit Obligations | | | |
| Discount rate | 2.60 % | 3.30% | 4.30% |
| Net Periodic Benefit Cost | | | |
| Discount rate | 3.30 % | 4.30% | 3.60% |
| Expected long-term rate of return on plan assets | 6.85 % | 6.85% | 6.50% |
| Assumed tax rate | 23 % | 23% | 35% |

Assumed Health Care Cost Trend Rate

| | December 31, | |
|--|--------------|-------|
| | 2020 | 2019 |
| Health care cost trend rate assumed for next year | 6.25% | 6.00% |
| Rate to which the cost trend is assumed to decline (the ultimate trend rate) | 4.75% | 4.75% |
| Year that rate reaches ultimate trend | 2028 | 2026 |

Expected Benefit Payments

| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|---------------------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| Years ending December 31, | | | | | | | | |
| 2021 | \$ 73 | \$ 17 | \$ 28 | \$ 15 | \$ 12 | \$ 3 | \$ 8 | \$ 2 |
| 2022 | 66 | 16 | 26 | 14 | 12 | 3 | 7 | 2 |
| 2023 | 62 | 15 | 25 | 14 | 11 | 3 | 6 | 2 |
| 2024 | 58 | 14 | 24 | 13 | 11 | 2 | 6 | 2 |
| 2025 | 54 | 13 | 22 | 12 | 10 | 2 | 5 | 2 |
| 2026-2030 | 223 | 54 | 94 | 52 | 41 | 9 | 21 | 11 |

Combined Notes to Consolidated Financial Statements – (Continued)

PLAN ASSETS

Description and Allocations

Duke Energy Master Retirement Trust

Assets for both the qualified pension and other post-retirement benefits are maintained in the Duke Energy Master Retirement Trust. Approximately 98% of the Duke Energy Master Retirement Trust assets were allocated to qualified pension plans and approximately 2% were allocated to other post-retirement plans (comprised of 401(h) accounts), as of December 31, 2020, and 2019. The investment objective of the Duke Energy Master Retirement Trust is to invest in a diverse portfolio of assets that is expected to generate positive surplus return over time (i.e., asset growth greater than liability growth) subject to a prudent level of portfolio risk, for the purpose of enhancing the security of benefits for plan participants.

As of December 31, 2020, Duke Energy assumes pension and other post-retirement plan assets will generate a long-term rate of return of 6.5%. The expected long-term rate of return was developed using a weighted average calculation of expected returns based primarily on future expected returns across asset classes considering the use of active asset managers, where applicable. The asset allocation targets were set after considering the investment objective and the risk profile. Equity securities are held for their higher expected returns. Debt securities are primarily held to hedge the qualified pension plan. Return seeking debt securities, hedge funds and other global securities are held for diversification. Investments within asset classes are diversified to achieve broad market participation and reduce the impact of individual managers or investments.

Effective January 1, 2020, the target asset allocation for the Duke Energy Retirement Master Trust is 58% liability hedging assets and 42% return-seeking

assets. Duke Energy periodically reviews its asset allocation targets, and over time, as the funded status of the benefit plans increase, the level of asset risk relative to plan liabilities may be reduced to better manage Duke Energy's benefit plan liabilities and reduce funded status volatility.

The Duke Energy Master Retirement Trust is authorized to engage in the lending of certain plan assets. Securities lending is an investment management enhancement that utilizes certain existing securities of the Duke Energy Master Retirement Trust to earn additional income. Securities lending involves the loaning of securities to approved parties. In return for the loaned securities, the Duke Energy Master Retirement Trust receives collateral in the form of cash and securities as a safeguard against possible default of any borrower on the return of the loan under terms that permit the Duke Energy Master Retirement Trust to sell the securities. The Duke Energy Master Retirement Trust mitigates credit risk associated with securities lending arrangements by monitoring the fair value of the securities loaned, with additional collateral obtained or refunded as necessary. The fair value of securities on loan was approximately \$482 million and \$351 million at December 31, 2020, and 2019, respectively. Cash and securities obtained as collateral exceeded the fair value of the securities loaned at December 31, 2020, and 2019, respectively. Securities lending income earned by the Duke Energy Master Retirement Trust was immaterial for the years ended December 31, 2020, 2019 and 2018, respectively.

Qualified pension and other post-retirement benefits for the Subsidiary Registrants are derived from the Duke Energy Master Retirement Trust, as such, each are allocated their proportionate share of the assets discussed below.

The following table includes the target asset allocations by asset class at December 31, 2020, and the actual asset allocations for the Duke Energy Master Retirement Trust.

| | Target
Allocation | Actual Allocation at December 31, | |
|----------------------------------|----------------------|-----------------------------------|------|
| | | 2020 | 2019 |
| Global equity securities | 28% | 30% | 27% |
| Global private equity securities | 1% | 1% | 1% |
| Debt securities | 58% | 55% | 57% |
| Return seeking debt securities | 4% | 5% | 5% |
| Hedge funds | 3% | 3% | 3% |
| Real estate and cash | 6% | 6% | 7% |
| Total | 100% | 100% | 100% |

Other post-retirement assets

Duke Energy's other post-retirement assets are comprised of Voluntary Employees' Beneficiary Association (VEBA) trusts and 401(h) accounts held within the Duke Energy Master Retirement Trust. Duke Energy's investment objective is to achieve sufficient returns, subject to a prudent level of portfolio risk, for the purpose of promoting the security of plan benefits for participants.

The following table presents target and actual asset allocations for the VEBA trusts at December 31, 2020.

| | Target
Allocation | Actual Allocation at December 31, | |
|----------------------------|----------------------|-----------------------------------|------|
| | | 2020 | 2019 |
| U.S. equity securities | 30% | 36% | 35% |
| Non-U.S. equity securities | 6% | 6% | 9% |
| Real estate | 2% | 2% | 2% |
| Debt securities | 45% | 42% | 37% |
| Cash | 17% | 14% | 17% |
| Total | 100% | 100% | 100% |

Combined Notes to Consolidated Financial Statements – (Continued)

Fair Value Measurements

Duke Energy classifies recurring and non-recurring fair value measurements based on the fair value hierarchy as discussed in Note 16.

Valuation methods of the primary fair value measurements disclosed below are as follows:

Investments in equity securities

Investments in equity securities are typically valued at the closing price in the principal active market as of the last business day of the reporting period. Principal active markets for equity prices include published exchanges such as NASDAQ and NYSE. Foreign equity prices are translated from their trading currency using the currency exchange rate in effect at the close of the principal active market. Prices have not been adjusted to reflect after-hours market activity. The majority of investments in equity securities are valued using Level 1 measurements. When the price of an institutional commingled fund is unpublished, it is not categorized in the fair value hierarchy, even though the funds are readily available at the fair value.

Duke Energy Master Retirement Trust

The following tables provide the fair value measurement amounts for the Duke Energy Master Retirement Trust qualified pension and other post-retirement assets.

| (in millions) | December 31, 2020 | | | | |
|--|-------------------|----------------|----------------|-------------|--------------------------------|
| | Total Fair Value | Level 1 | Level 2 | Level 3 | Not Categorized ^(b) |
| Equity securities | \$3,202 | \$3,162 | \$ — | \$ — | \$ 40 |
| Corporate debt securities | 4,162 | — | 4,162 | — | — |
| Short-term investment funds | 397 | 247 | 150 | — | — |
| Partnership interests | 97 | — | — | — | 97 |
| Hedge funds | 198 | — | — | — | 198 |
| U.S. government securities | 1,164 | — | 1,164 | — | — |
| Governments bonds – foreign | 73 | — | 73 | — | — |
| Cash | 98 | 98 | — | — | — |
| Net pending transactions and other investments | 88 | 34 | 54 | — | — |
| Total assets^(a) | \$9,479 | \$3,541 | \$5,603 | \$ — | \$ 335 |

(a) Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont were allocated approximately 26%, 32%, 15%, 17%, 5%, 7% and 4%, respectively, of the Duke Energy Master Retirement Trust at December 31, 2020. Accordingly, all amounts included in the table above are allocable to the Subsidiary Registrants using these percentages.

(b) Certain investments that are measured at fair value using the net asset value per share practical expedient have not been categorized in the fair value hierarchy.

PART II

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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | December 31, 2019 | | | | |
|--|-------------------|----------------|----------------|--------------|-----------------------------------|
| | Total Fair Value | Level 1 | Level 2 | Level 3 | Not
Categorized ^(b) |
| Equity securities | \$2,730 | \$2,712 | \$ — | \$ — | \$ 18 |
| Corporate debt securities | 3,999 | — | 3,999 | — | — |
| Short-term investment funds | 545 | 455 | 90 | — | — |
| Partnership interests | 104 | — | — | — | 104 |
| Hedge funds | 206 | — | — | — | 206 |
| U.S. government securities | 1,231 | — | 1,231 | — | — |
| Guaranteed investment contracts | 11 | — | — | 11 | — |
| Governments bonds – foreign | 78 | — | 78 | — | — |
| Cash | 75 | 75 | — | — | — |
| Net pending transactions and other investments | 46 | (43) | 89 | — | — |
| Total assets^(a) | \$9,025 | \$3,199 | \$5,487 | \$ 11 | \$ 328 |

(a) Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont were allocated approximately 26%, 31%, 15%, 17%, 5%, 7% and 4%, respectively, of the Duke Energy Master Retirement Trust at December 31, 2019. Accordingly, all amounts included in the table above are allocable to the Subsidiary Registrants using these percentages.

(b) Certain investments that are measured at fair value using the net asset value per share practical expedient have not been categorized in the fair value hierarchy.

The following table provides a reconciliation of beginning and ending balances of Duke Energy Master Retirement Trust qualified pension and other post-retirement assets at fair value on a recurring basis where the determination of fair value includes significant unobservable inputs (Level 3).

| (in millions) | 2020 | 2019 |
|---|-------|-------|
| Balance at January 1 | \$ 11 | \$ 27 |
| Sales | (12) | (18) |
| Total gains and other, net | 1 | 2 |
| Transfer of Level 3 assets to other classifications | — | — |
| Balance at December 31 | \$ — | \$ 11 |

Other post-retirement assets

The following tables provide the fair value measurement amounts for VEBA trust assets.

| (in millions) | December 31, 2020 | |
|---------------------------|-------------------|--------------|
| | Total Fair Value | Level 2 |
| Cash and cash equivalents | \$ 5 | \$ 5 |
| Real estate | 1 | 1 |
| Equity securities | 23 | 23 |
| Debt securities | 19 | 19 |
| Total assets | \$48 | \$ 48 |

| (in millions) | December 31, 2019 | |
|---------------------------|-------------------|-------------|
| | Total Fair Value | Level 2 |
| Cash and cash equivalents | \$ 9 | \$ 9 |
| Real estate | 1 | 1 |
| Equity securities | 22 | 22 |
| Debt securities | 18 | 18 |
| Total assets | \$50 | \$50 |

Combined Notes to Consolidated Financial Statements – (Continued)**EMPLOYEE SAVINGS PLANS****Retirement Savings Plan**

Duke Energy or its affiliates sponsor, and the Subsidiary Registrants participate in, employee savings plans that cover substantially all U.S. employees. Most employees participate in a matching contribution formula where Duke Energy provides a matching contribution generally equal to 100% of employee before-tax and Roth 401(k) contributions of up to 6% of eligible pay per pay period. Dividends on Duke Energy shares held by the savings plans are

charged to retained earnings when declared and shares held in the plans are considered outstanding in the calculation of basic and diluted EPS.

For new and rehired employees who are not eligible to participate in Duke Energy's defined benefit plans, an additional employer contribution of 4% of eligible pay per pay period, which is subject to a three-year vesting schedule, is provided to the employee's savings plan account. Certain Piedmont employees whose participation in a prior Piedmont defined benefit plan (that was frozen as of December 31, 2017) are eligible for employer transition credit contributions of 3% to 5% of eligible pay per period, for each pay period during the three-year period ending December 31, 2020.

The following table includes pretax employer matching contributions made by Duke Energy and expensed by the Subsidiary Registrants.

| (in millions) | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|--------------------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| Years ended December 31, | | | | | | | | |
| 2020 | \$213 | \$67 | \$57 | \$38 | \$19 | \$5 | \$11 | \$13 |
| 2019 | 214 | 66 | 58 | 38 | 20 | 5 | 11 | 13 |
| 2018 | 213 | 68 | 58 | 40 | 19 | 4 | 10 | 12 |

23. INCOME TAXES**Consolidated Appropriations Act**

On December 27, 2020, President Trump signed the Consolidated Appropriations Act (CAA) into law. In addition to the CAA providing funding for government operations, it also provided tax provisions to assist with COVID-19 relief, including extending certain expiring tax provisions. The Company has reviewed the provisions of the CAA and has determined that there is no material impact on the 2020 financial statements as a result of the CAA being signed into law.

CARES Act

On March 27, 2020, the CARES Act was enacted. The CARES Act is an emergency economic stimulus package in response to the COVID-19 pandemic. Among other provisions, the CARES Act accelerates the remaining AMT credit refund allowances resulting in taxpayers being able to immediately claim a refund in full for any AMT credit carryforwards and deferral of certain 2020 payroll taxes. In the third quarter of 2020, Duke Energy received \$572 million related to these AMT credit carryforwards and \$19 million of interest income. In addition, the Company has deferred approximately \$117 million of payroll taxes, with 50% payable by December 31, 2021, and the remaining 50% payable by December 31, 2022. The other provisions within the CARES Act do not materially impact Duke Energy's income tax accounting. See Note 1 for information on COVID-19.

Tax Act

On December 22, 2017, President Trump signed the Tax Act into law. Among other provisions, the Tax Act lowered the corporate federal income tax rate from 35% to 21%, limits interest deductions outside of regulated utility operations, requires the normalization of excess deferred taxes associated with property under the average rate assumption method as a prerequisite to qualifying for accelerated depreciation and repealed the federal manufacturing deduction. The Tax Act also repealed the corporate AMT and stipulates a refund of 50% of remaining AMT credit carryforwards (to the extent the credits exceed regular tax for the year) for tax years 2018, 2019, and 2020, with all remaining AMT credits to be refunded in tax year 2021.

On December 22, 2017, the SEC staff issued Staff Accounting Bulletin (SAB) 118, Income Tax Accounting Implications of the Tax Cuts and Jobs Act, which provides guidance on accounting for the Tax Act's impact. SAB 118 provides a measurement period, which in no case should extend beyond one year from the Tax Act enactment date, during which a company acting in good faith may complete the accounting for the impacts of the Tax Act under ASC Topic 740. In accordance with SAB 118, a company must reflect the income tax effects of the Tax Act in the reporting period in which the accounting under ASC Topic 740 is complete. To the extent that a company's accounting for certain income tax effects of the Tax Act is incomplete, a company can determine a reasonable estimate for those effects and record a provisional estimate in the financial statements in the first reporting period in which a reasonable estimate can be determined.

As of December 31, 2018, the accounting for the effects of the Tax Act was complete. During the year ended December 31, 2018, Duke Energy recorded the following measurement period adjustments in accordance with SAB 118:

- Additional tax expense of \$23 million related to the completion of the analysis of Duke Energy's existing regulatory liability related to deferred taxes;
- A \$10 million tax benefit for the remeasurement of deferred tax assets and deferred tax liabilities primarily related to the guidance on bonus depreciation issued by the IRS in August 2018, affecting the computation of the Company's 2017 Federal income tax liability;
- Additional tax expense of \$7 million related to the portion of the deferred tax asset as of December 31, 2017, that represents nondeductible long-term incentives under the Tax Act's limitation on the deductibility of executive compensation; and
- During the fourth quarter of 2018, the Company released the \$76 million valuation allowance that it recorded in the first quarter of

Combined Notes to Consolidated Financial Statements – (Continued)

2018 as a result of additional guidance published by the IRS that stated refundable AMT credits would not be subject to sequestration.

- The majority of Duke Energy's operations are regulated and it is expected that the Subsidiary Registrants will ultimately pass on the savings associated with the amount representing the remeasurement of deferred tax balances related to regulated operations to customers. For Duke Energy's regulated operations, where the reduction is expected to be returned to customers in future rates, the remeasurement has been deferred as a regulatory liability. During 2018, Duke Energy recorded an

additional regulatory liability of \$83 million, representing the revaluation of those deferred tax balances. The Subsidiary Registrants continue to respond to requests from regulators in various jurisdictions to determine the timing and magnitude of savings they will pass on to customers.

In addition, during 2018, Duke Energy reclassified \$573 million of AMT credit carryforwards from noncurrent deferred tax liabilities to a current federal income tax receivable. In 2019, Duke Energy received a refund of \$573 million related to AMT credit carryforwards based on the filing of Duke Energy's 2018 income tax return in 2019 and reclassified \$286 million of AMT credits from noncurrent deferred tax liabilities to a current federal income tax receivable.

Income Tax Expense**Components of Income Tax Expense**

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Current income taxes | | | | | | | | |
| Federal | \$ (281) | \$ 314 | \$ 280 | \$ 181 | \$ 148 | \$ 10 | \$ 48 | \$ (27) |
| State | (9) | 35 | 29 | 17 | 24 | 1 | 7 | (8) |
| Foreign | 1 | — | — | — | — | — | — | — |
| Total current income taxes | (289) | 349 | 309 | 198 | 172 | 11 | 55 | (35) |
| Deferred income taxes | | | | | | | | |
| Federal | 155 | (171) | (167) | (180) | 1 | 30 | 12 | 60 |
| State | (92) | (86) | (24) | (49) | 25 | 2 | 17 | (7) |
| Total deferred income taxes ^(a) | 63 | (257) | (191) | (229) | 26 | 32 | 29 | 53 |
| ITC amortization | (10) | (4) | (5) | (5) | — | — | — | — |
| Income tax (benefit) expense from continuing operations | (236) | 88 | 113 | (36) | 198 | 43 | 84 | 18 |
| Tax expense from discontinued operations | 2 | — | — | — | — | — | — | — |
| Total income tax (benefit) expense included in Consolidated Statements of Operations | \$ (234) | \$ 88 | \$ 113 | \$ (36) | \$ 198 | \$ 43 | \$ 84 | \$ 18 |

(a) Total deferred income taxes includes the generation of NOL carryforwards and tax credit carryforwards of \$20 million at Duke Energy Carolinas, \$3 million at Duke Energy Progress, \$8 million at Duke Energy Indiana, and \$11 million at Piedmont. In addition, total deferred income taxes includes utilization of NOL carryforwards and tax credit carryforwards of \$39 million at Progress Energy, \$30 million at Duke Energy Florida and \$79 million at Duke Energy.

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Current income taxes | | | | | | | | |
| Federal | \$ (299) | \$ 164 | \$ (173) | \$ (36) | \$ (43) | \$ (41) | \$ (23) | \$ (92) |
| State | 10 | 13 | (7) | (3) | 18 | (1) | 1 | (1) |
| Foreign | 2 | — | — | — | — | — | — | — |
| Total current income taxes | (287) | 177 | (180) | (39) | (25) | (42) | (22) | (93) |
| Deferred income taxes | | | | | | | | |
| Federal | 855 | 175 | 422 | 220 | 153 | 77 | 128 | 133 |
| State | (38) | (37) | 17 | (18) | 27 | 5 | 28 | 3 |
| Total deferred income taxes ^(a) | 817 | 138 | 439 | 202 | 180 | 82 | 156 | 136 |
| ITC amortization | (11) | (4) | (6) | (6) | — | — | — | — |
| Income tax expense from continuing operations | 519 | 311 | 253 | 157 | 155 | 40 | 134 | 43 |
| Tax benefit from discontinued operations | (2) | — | — | — | — | — | — | — |
| Total income tax expense included in Consolidated Statements of Operations | \$ 517 | \$ 311 | \$ 253 | \$ 157 | \$ 155 | \$ 40 | \$ 134 | \$ 43 |

(a) Total deferred income taxes includes the generation of tax credit carryforwards of \$8 million at Duke Energy Carolinas. In addition, total deferred income taxes includes utilization of NOL carryforwards and tax credit carryforwards of \$243 million at Progress Energy, \$35 million at Duke Energy Progress, \$152 million at Duke Energy Florida, \$25 million at Duke Energy Ohio, \$60 million at Duke Energy Indiana, \$90 million at Piedmont and \$775 million at Duke Energy.

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Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | Year Ended December 31, 2018 | | | | | | | |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Current income taxes | | | | | | | | |
| Federal | \$ (647) | \$ (8) | \$ (135) | \$ (71) | \$ (49) | \$ 20 | \$ 29 | \$ 67 |
| State | (11) | 6 | (5) | (5) | (10) | (1) | 3 | 1 |
| Foreign | 3 | — | — | — | — | — | — | — |
| Total current income taxes | (655) | (2) | (140) | (76) | (59) | 19 | 32 | 68 |
| Deferred income taxes | | | | | | | | |
| Federal | 1,064 | 299 | 341 | 256 | 115 | 21 | 74 | (36) |
| State | 49 | 11 | 20 | (17) | 45 | 3 | 22 | 5 |
| Total deferred income taxes ^{(a)(b)} | 1,113 | 310 | 361 | 239 | 160 | 24 | 96 | (31) |
| ITC amortization | (10) | (5) | (3) | (3) | — | — | — | — |
| Income tax expense from continuing operations | 448 | 303 | 218 | 160 | 101 | 43 | 128 | 37 |
| Tax benefit from discontinued operations | (26) | — | — | — | — | — | — | — |
| Total income tax expense included in Consolidated Statements of Operations | \$ 422 | \$ 303 | \$ 218 | \$ 160 | \$ 101 | \$ 43 | \$ 128 | \$ 37 |

(a) Includes benefits of NOL carryforwards and tax credit carryforwards of \$22 million at Duke Energy Carolinas, \$293 million at Progress Energy, \$59 million at Duke Energy Progress, \$219 million at Duke Energy Florida, \$17 million at Duke Energy Ohio, \$21 million at Duke Energy Indiana and \$39 million at Piedmont. In addition, total deferred income taxes includes utilization of NOL carryforwards and tax credit carryforwards of \$18 million at Duke Energy.

(b) For the year ended December 31, 2018, the Company has revised the December 31, 2017, estimates of the income tax effects of the Tax Act, in accordance with SAB 118. See the Statutory Rate Reconciliation section below for additional information on the Tax Act's impact on income tax expense.

Duke Energy Income from Continuing Operations before Income Taxes

| (in millions) | Years Ended December 31, | | |
|---|--------------------------|----------|----------|
| | 2020 | 2019 | 2018 |
| Domestic | \$ 826 | \$ 4,053 | \$ 3,018 |
| Foreign | 13 | 44 | 55 |
| Income from continuing operations before income taxes | \$ 839 | \$ 4,097 | \$ 3,073 |

Statutory Rate Reconciliation

The following tables present a reconciliation of income tax expense at the U.S. federal statutory tax rate to the actual tax expense from continuing operations.

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Income tax expense, computed at the statutory rate of 21% | \$ 176 | \$ 219 | \$ 243 | \$ 80 | \$ 204 | \$ 62 | \$ 103 | \$ 61 |
| State income tax, net of federal income tax effect | (80) | (40) | 4 | (25) | 39 | 2 | 19 | (12) |
| Amortization of excess deferred income tax | (276) | (82) | (118) | (68) | (49) | (20) | (36) | (21) |
| AFUDC equity income | (48) | (13) | (9) | (6) | (3) | (2) | (4) | (10) |
| AFUDC equity depreciation | 103 | 19 | 10 | 5 | 5 | 1 | 4 | — |
| Noncontrolling Interests | 62 | — | — | — | — | — | — | — |
| Renewable energy PTCs | (110) | — | — | — | — | — | — | — |
| Other tax credits | (37) | (13) | (16) | (14) | (2) | (1) | (3) | (2) |
| Tax true up | (12) | (3) | 1 | (5) | 5 | — | (1) | 1 |
| Other items, net | (14) | 1 | (2) | (3) | (1) | 1 | 2 | 1 |
| Income tax (benefit) expense from continuing operations | \$ (236) | \$ 88 | \$ 113 | \$ (36) | \$ 198 | \$ 43 | \$ 84 | \$ 18 |
| Effective tax rate | (28.1)% | 8.4% | 9.7% | (9.5)% | 20.4% | 14.6% | 17.1% | 6.2% |

Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Income tax expense, computed at the statutory rate of 21% | \$ 860 | \$ 360 | \$ 332 | \$ 202 | \$ 178 | \$ 59 | \$ 120 | \$ 51 |
| State income tax, net of federal income tax effect | (22) | (19) | 8 | (17) | 35 | 3 | 22 | 2 |
| Amortization of excess deferred income tax | (121) | (29) | (64) | (10) | (54) | (12) | (6) | (10) |
| AFUDC equity income | (52) | (9) | (14) | (13) | (1) | (3) | (3) | — |
| AFUDC equity depreciation | 34 | 19 | 10 | 5 | 5 | 1 | 4 | — |
| Renewable energy PTCs | (120) | — | — | — | — | — | — | — |
| Other tax credits | (23) | (11) | (9) | (7) | (2) | (1) | (1) | (1) |
| Tax true up | (64) | (9) | (8) | (3) | (5) | (7) | (1) | — |
| Other items, net | 27 | 9 | (2) | — | (1) | — | (1) | 1 |
| Income tax expense from continuing operations | \$ 519 | \$ 311 | \$ 253 | \$ 157 | \$ 155 | \$ 40 | \$ 134 | \$ 43 |
| Effective tax rate | 12.7% | 18.1% | 16.0% | 16.3% | 18.3% | 14.3% | 23.5% | 17.6% |

| (in millions) | Year Ended December 31, 2018 | | | | | | | |
|---|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Income tax expense, computed at the statutory rate of 21% | \$ 645 | \$ 288 | \$ 263 | \$ 174 | \$ 137 | \$ 46 | \$ 109 | \$ 35 |
| State income tax, net of federal income tax effect | 30 | 14 | 13 | (17) | 28 | 2 | 20 | 4 |
| Amortization of excess deferred income tax | (61) | — | (55) | (1) | (54) | (3) | (2) | — |
| AFUDC equity income | (42) | (15) | (22) | (12) | (10) | (2) | (2) | — |
| AFUDC equity depreciation | 31 | 18 | 9 | 5 | 4 | 1 | 4 | — |
| Renewable energy PTCs | (129) | — | — | — | — | — | — | — |
| Other tax credits | (28) | (7) | (13) | (5) | (8) | (1) | (1) | (3) |
| Tax Act ^(a) | 20 | 1 | 25 | 19 | — | 2 | — | — |
| Other items, net | (18) | 4 | (2) | (3) | 4 | (2) | — | 1 |
| Income tax expense from continuing operations | \$ 448 | \$ 303 | \$ 218 | \$ 160 | \$ 101 | \$ 43 | \$ 128 | \$ 37 |
| Effective tax rate | 14.6% | 22.1% | 17.4% | 19.3% | 15.4% | 19.6% | 24.6% | 22.3% |

(a) For the year ended December 31, 2018, the Company revised the December 31, 2017, estimates of the income tax effects of the Tax Act, in accordance with SAB 118. Amounts primarily include but are not limited to items that are excluded for ratemaking purposes related certain wholesale fixed-rate contracts, remeasurement of nonregulated net deferred tax liabilities, Federal NOLs, and valuation allowance on foreign tax credits.

Valuation allowances have been established for certain state NOL carryforwards and state income tax credits that reduce deferred tax assets to an amount that will be realized on a more-likely-than-not basis. The net change in the total valuation allowance is included in State income tax, net of federal income tax effect, in the above tables.

Valuation allowances have been established for foreign tax credits that reduce deferred tax assets to an amount that will be realized on a more-likely-than-not basis. The net change in the total valuation allowance is included in Tax Act in the above tables.

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Combined Notes to Consolidated Financial Statements – (Continued)

DEFERRED TAXES

Net Deferred Income Tax Liability Components

| (in millions) | December 31, 2020 | | | | | | | |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Deferred credits and other liabilities | \$ 286 | \$ 85 | \$ 87 | \$ 67 | \$ 18 | \$ 21 | \$ 7 | \$ 38 |
| Lease obligations | 515 | 96 | 208 | 120 | 87 | 5 | 16 | 5 |
| Pension, post-retirement and other employee benefits | 236 | (30) | 68 | 24 | 38 | 16 | 26 | (5) |
| Progress Energy merger purchase accounting adjustments ^(a) | 441 | — | — | — | — | — | — | — |
| Tax credits and NOL carryforwards | 3,909 | 285 | 508 | 179 | 282 | 16 | 183 | 29 |
| Regulatory liabilities and deferred credits | — | 11 | — | — | — | 18 | — | — |
| Investments and other assets | — | — | — | — | — | 7 | — | — |
| Other | 93 | 8 | 14 | 9 | 4 | 7 | 1 | 8 |
| Valuation allowance | (586) | — | — | — | — | — | — | — |
| Total deferred income tax assets | 4,894 | 455 | 885 | 399 | 429 | 90 | 233 | 75 |
| Investments and other assets | (2,267) | (1,127) | (669) | (507) | (164) | — | (14) | (48) |
| Accelerated depreciation rates | (10,729) | (3,170) | (3,868) | (1,778) | (2,124) | (1,071) | (1,433) | (844) |
| Regulatory assets and deferred debits, net | (1,142) | — | (744) | (412) | (332) | — | (14) | (4) |
| Total deferred income tax liabilities | (14,138) | (4,297) | (5,281) | (2,697) | (2,620) | (1,071) | (1,461) | (896) |
| Net deferred income tax liabilities | \$ (9,244) | \$ (3,842) | \$ (4,396) | \$ (2,298) | \$ (2,191) | \$ (981) | \$ (1,228) | \$ (821) |

(a) Primarily related to lease obligations and debt fair value adjustments.

The following table presents the expiration of tax credits and NOL carryforwards.

| (in millions) | December 31, 2020 | | | |
|--|-------------------|-----------------|---|------------|
| | Amount | Expiration Year | | |
| General Business Credits | \$ 2,033 | 2024 | — | 2040 |
| Federal NOL carryforwards ^{(a) (f)} | 154 | 2024 | — | Indefinite |
| Capital loss carryforward ^(e) | 85 | — | — | 2024 |
| State carryforwards and credits ^{(b) (f)} | 340 | 2021 | — | Indefinite |
| Foreign NOL carryforwards ^(c) | 12 | 2027 | — | 2037 |
| Foreign Tax Credits ^(d) | 1,272 | 2024 | — | 2027 |
| Charitable contribution carryforwards | 13 | — | — | 2025 |
| Total tax credits and NOL carryforwards | \$ 3,909 | | | |

(a) A valuation allowance of \$4 million has been recorded on the Federal NOL carryforwards, as presented in the Net Deferred Income Tax Liability Components table.

(b) A valuation allowance of \$97 million has been recorded on the state NOL and attribute carryforwards, as presented in the Net Deferred Income Tax Liability Components table.

(c) A valuation allowance of \$12 million has been recorded on the foreign NOL carryforwards, as presented in the Net Deferred Income Tax Liability Components table.

(d) A valuation allowance of \$388 million has been recorded on the foreign tax credits, as presented in the Net Deferred Income Tax Liability Components table.

(e) A valuation allowance of \$85 million has been recorded on the Federal capital loss carryforward, as presented in the Net Deferred Income Tax Liability Components table.

(f) Indefinite carryforward for Federal NOLs, and NOLs for states that have adopted the Tax Act's NOL provisions, generated in tax years beginning after December 31, 2017.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | December 31, 2019 | | | | | | | |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Deferred credits and other liabilities | \$ 125 | \$ 24 | \$ 25 | \$ 49 | \$ — | \$ 14 | \$ 5 | \$ 22 |
| Lease obligations | 462 | 72 | 193 | 92 | 102 | 5 | 17 | 6 |
| Pension, post-retirement and other employee benefits | 303 | (5) | 88 | 38 | 44 | 17 | 27 | (3) |
| Progress Energy merger purchase accounting adjustments ^(a) | 389 | — | — | — | — | — | — | — |
| Tax credits and NOL carryforwards | 3,925 | 262 | 486 | 176 | 253 | 16 | 176 | 19 |
| Regulatory liabilities and deferred credits | — | — | — | — | — | 36 | 52 | 42 |
| Investments and other assets | — | — | — | — | — | 10 | — | 2 |
| Other | 97 | 5 | 8 | 3 | 2 | 8 | 1 | 6 |
| Valuation allowance | (587) | — | — | — | — | — | — | — |
| Total deferred income tax assets | 4,714 | 358 | 800 | 358 | 401 | 106 | 278 | 94 |
| Investments and other assets | (1,664) | (981) | (577) | (390) | (190) | — | (12) | — |
| Accelerated depreciation rates | (10,813) | (3,254) | (3,798) | (1,918) | (1,913) | (1,028) | (1,416) | (802) |
| Regulatory assets and deferred debits, net | (1,115) | (44) | (887) | (438) | (477) | — | — | — |
| Total deferred income tax liabilities | (13,592) | (4,279) | (5,262) | (2,746) | (2,580) | (1,028) | (1,428) | (802) |
| Net deferred income tax liabilities | \$ (8,878) | \$ (3,921) | \$ (4,462) | \$ (2,388) | \$ (2,179) | \$ (922) | \$ (1,150) | \$ (708) |

(a) Primarily related to finance lease obligations and debt fair value adjustments.

UNRECOGNIZED TAX BENEFITS

The following tables present changes to unrecognized tax benefits.

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Unrecognized tax benefits – January 1 | \$ 126 | \$ 8 | \$ 9 | \$ 6 | \$ 3 | \$ 1 | \$ 1 | \$ 4 |
| Gross decreases – tax positions in prior periods | (2) | — | — | — | — | — | — | — |
| Gross increases – current period tax positions | 4 | 2 | 1 | — | — | — | — | — |
| Reduction due to lapse of statute of limitations | (3) | — | — | — | — | — | — | (3) |
| Total changes | (1) | 2 | 1 | — | — | — | — | (3) |
| Unrecognized tax benefits – December 31 | \$ 125 | \$ 10 | \$ 10 | \$ 6 | \$ 3 | \$ 1 | \$ 1 | \$ 1 |

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Unrecognized tax benefits – January 1 | \$ 24 | \$ 6 | \$ 9 | \$ 6 | \$ 3 | \$ 1 | \$ 1 | \$ 4 |
| Unrecognized tax benefits increases | 105 | 2 | 1 | 1 | — | — | — | — |
| Gross decreases – tax positions in prior periods | (3) | — | (1) | (1) | — | — | — | — |
| Total changes | 102 | 2 | — | — | — | — | — | — |
| Unrecognized tax benefits – December 31 | \$ 126 | \$ 8 | \$ 9 | \$ 6 | \$ 3 | \$ 1 | \$ 1 | \$ 4 |

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

| (in millions) | Year Ended December 31, 2018 | | | | | | | |
|--|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Unrecognized tax benefits – January 1 | \$25 | \$ 5 | \$ 5 | \$ 5 | \$ 5 | \$ 1 | \$ 1 | \$ 3 |
| Unrecognized tax benefits increases (decreases) | | | | | | | | |
| Gross decreases – tax positions in prior periods | (2) | (1) | — | — | (4) | — | — | — |
| Gross increases – tax positions in prior periods | 7 | 2 | 4 | 1 | 2 | — | — | 1 |
| Decreases due to settlements | (6) | — | — | — | — | — | — | — |
| Total changes | (1) | 1 | 4 | 1 | (2) | — | — | 1 |
| Unrecognized tax benefits – December 31 | \$24 | \$ 6 | \$ 9 | \$ 6 | \$ 3 | \$ 1 | \$ 1 | \$ 4 |

The following table includes additional information regarding the Duke Energy Registrants' unrecognized tax benefits at December 31, 2020. Duke Energy Registrants do not anticipate a material increase or decrease in unrecognized tax benefits within the next 12 months.

| (in millions) | December 31, 2020 | | | | | | | |
|---|-------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Amount that if recognized, would affect the effective tax rate or regulatory liability ^(a) | \$ 122 | \$ 10 | \$ 10 | \$ 6 | \$ 3 | \$ 1 | \$ 1 | \$ 1 |

(a) The Duke Energy Registrants are unable to estimate the specific amounts that would affect the ETR versus the regulatory liability.

Duke Energy and its subsidiaries are no longer subject to U.S. federal examination for years before 2016. With few exceptions, Duke Energy and its subsidiaries are no longer subject to state, local or non-U.S. income tax examinations by tax authorities for years before 2016.

PART II

DUKE ENERGY CORPORATION • DUKE ENERGY CAROLINAS, LLC • PROGRESS ENERGY, INC. • DUKE ENERGY PROGRESS, LLC •
DUKE ENERGY FLORIDA, LLC • DUKE ENERGY OHIO, INC. • DUKE ENERGY INDIANA, LLC • PIEDMONT NATURAL GAS COMPANY, INC.

Combined Notes to Consolidated Financial Statements – (Continued)

24. OTHER INCOME AND EXPENSES, NET

The components of Other income and expenses, net on the Consolidated Statements of Operations are as follows.

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|--------------------------------|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Interest income | \$ 32 | \$ 4 | \$ 8 | \$ 2 | \$ 6 | \$ 4 | \$ 6 | \$ 17 |
| AFUDC equity | 154 | 62 | 42 | 29 | 12 | 7 | 23 | 19 |
| Post in-service equity returns | 27 | 17 | 8 | 8 | — | 1 | 1 | — |
| Nonoperating income, other | 240 | 94 | 71 | 36 | 35 | 4 | 7 | 15 |
| Other income and expense, net | \$453 | \$177 | \$129 | \$ 75 | \$ 53 | \$ 16 | \$ 37 | \$ 51 |

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|--------------------------------|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Interest income | \$ 31 | \$ 1 | \$ 11 | \$ — | \$ 11 | \$ 10 | \$ 10 | \$ 1 |
| AFUDC equity | 139 | 42 | 66 | 60 | 6 | 13 | 18 | — |
| Post in-service equity returns | 29 | 20 | 7 | 7 | — | 1 | — | — |
| Nonoperating income, other | 231 | 88 | 57 | 33 | 31 | — | 13 | 19 |
| Other income and expense, net | \$430 | \$151 | \$141 | \$ 100 | \$ 48 | \$ 24 | \$ 41 | \$ 20 |

| (in millions) | Year Ended December 31, 2018 | | | | | | | |
|--------------------------------|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Interest income | \$ 20 | \$ 1 | \$ 18 | \$ 1 | \$ 18 | \$ 7 | \$ 9 | \$ 1 |
| AFUDC equity | 221 | 73 | 104 | 57 | 47 | 11 | 32 | — |
| Post in-service equity returns | 15 | 9 | 5 | 5 | — | 1 | — | — |
| Nonoperating income, other | 143 | 70 | 38 | 24 | 21 | 4 | 4 | 13 |
| Other income and expense, net | \$399 | \$153 | \$165 | \$ 87 | \$ 86 | \$ 23 | \$ 45 | \$ 14 |

25. SUBSEQUENT EVENTS

For information on subsequent events related to the sale of a minority interest in Duke Energy Indiana and regulatory matters, see Notes 1 and 3, respectively.

In February 2021, a severe winter storm impacted certain Commercial Renewables assets in Texas. Extreme weather conditions limited the ability for these solar and wind facilities to generate and sell electricity into the Electric Reliability Council of Texas market. The financial impact of the storm is estimated to be between approximately \$75 million and \$100 million on a pre-tax basis.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by the Duke Energy Registrants in the reports they file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified by the SEC rules and forms.

Disclosure controls and procedures include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed by the Duke Energy Registrants in the reports they file or submit under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, the Duke Energy Registrants have evaluated the effectiveness of their disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2020, and, based upon this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures are effective in providing reasonable assurance of compliance.

Changes in Internal Control Over Financial Reporting

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, the Duke Energy Registrants have evaluated changes in internal control over financial reporting (as such term is defined in Rules 13a-15 and 15d-15 under the Exchange Act) that occurred during the fiscal quarter ended December 31, 2020, and have concluded no change has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

Management's Annual Report on Internal Control Over Financial Reporting

The Duke Energy Registrants' management is responsible for establishing and maintaining an adequate system of internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). The Duke Energy Registrants' internal control system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with GAAP. Due to inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness of the internal control over financial reporting to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

The Duke Energy Registrants' management, including their Chief Executive Officer and Chief Financial Officer, has conducted an evaluation of the effectiveness of their internal control over financial reporting as of December 31, 2020, based on the framework in the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that evaluation, management concluded that its internal controls over financial reporting were effective as of December 31, 2020.

Deloitte & Touche LLP, Duke Energy's independent registered public accounting firm, has issued an attestation report on the effectiveness of Duke Energy's internal control over financial reporting, which is included herein. This report is not applicable to the Subsidiary Registrants as these companies are not accelerated or large accelerated filers.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of
Duke Energy Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Duke Energy Corporation and subsidiaries (the “Company”) as of December 31, 2020, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2020, of the Company and our report dated February 25, 2021, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management’s Annual Report on Internal Control Over Financial Reporting*. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina
February 25, 2021

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information regarding Duke Energy's Executive Officers is set forth in Part I, Item 1, "Business – Information about Our Executive Officers," in this Annual Report on Form 10-K. Duke Energy will provide information that is responsive to the remainder of this Item 10 in its definitive proxy statement or in an amendment to this Annual Report not later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated in this Item 10 by reference.

ITEM 11. EXECUTIVE COMPENSATION

Duke Energy will provide information that is responsive to this Item 11 in its definitive proxy statement or in an amendment to this Annual Report not later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated in this Item 11 by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Equity Compensation Plan Information

The following table shows information as of December 31, 2020, about securities to be issued upon exercise of outstanding options, warrants and rights under Duke Energy's equity compensation plans, along with the weighted average exercise price of the outstanding options, warrants and rights and the number of securities remaining available for future issuance under the plans.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights
(a) | Weighted average exercise price of outstanding options, warrants and rights
(b) ⁽¹⁾ | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
(c) |
|--|--|---|--|
| Equity compensation plans approved by security holders | 3,256,542 ⁽²⁾ | n/a | 4,450,675 ⁽³⁾ |
| Equity compensation plans not approved by security holders | 143,272 ⁽⁴⁾ | n/a | n/a ⁽⁵⁾ |
| Total | 3,399,814 | n/a | 4,450,675 |

(1) As of December 31, 2020, no options were outstanding under equity compensation plans.

(2) Includes RSUs and performance shares (assuming the maximum payout level) granted under the Duke Energy Corporation 2015 Long-Term Incentive Plan, as well as shares that could be payable with respect to certain compensation deferred under the Duke Energy Corporation Executive Savings Plan (Executive Savings Plan) or the Directors' Savings Plan.

(3) Includes shares remaining available for issuance pursuant to stock awards under the Duke Energy Corporation 2015 Long-Term Incentive Plan.

(4) Includes shares that could be payable with respect to certain compensation deferred under the Executive Savings Plan or the Duke Energy Corporation Directors' Savings Plan (Directors' Savings Plan), each of which is a non-qualified deferred compensation plan described in more detail below.

(5) The number of shares remaining available for future issuance under equity compensation plans not approved by security holders cannot be determined because it is based on the amount of future voluntary deferrals, if any, under the Executive Savings Plan and the Directors' Savings Plan.

Under the Executive Savings Plan, participants can elect to defer a portion of their base salary and short-term incentive compensation. Participants also receive a company matching contribution in excess of the contribution limits prescribed by the Internal Revenue Code under the Duke Energy Retirement Savings Plan, which is the 401(k) plan in which employees are generally eligible to participate. Eligible participants may also earn pay credits based on age and length of service on eligible earnings that exceed limited prescribed by the Internal Revenue Code.

In general, payments are made following termination of employment or death in the form of a lump sum or installments, as selected by the participant. Participants may direct the deemed investment of their accounts (with certain exceptions) among investment options available under the Duke Energy Retirement Savings Plan, including the Duke Energy Common Stock Fund. Participants may change their investment elections on a daily basis. Deferrals of

equity awards are credited with earnings and losses based on the performance of the Duke Energy Common Stock Fund. The benefits payable under the plan are unfunded and subject to the claims of Duke Energy's creditors.

Under the Directors' Savings Plan, outside directors may elect to defer all or a portion of their annual compensation, generally consisting of retainers. Deferred amounts are credited to an unfunded account, the balance of which is adjusted for the performance of phantom investment options, including the Duke Energy Common Stock Fund, as elected by the director, and generally are paid when the director terminates his or her service from the Board of Directors.

Duke Energy will provide additional information that is responsive to this Item 12 in its definitive proxy statement or in an amendment to this Annual Report not later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated in this Item 12 by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Duke Energy will provide information that is responsive to this Item 13 in its definitive proxy statement or in an amendment to this Annual Report not later than 120 days after the end of the fiscal year covered by this Annual Report. That information is incorporated in this Item 13 by reference.

PART III

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Deloitte provided professional services to the Duke Energy Registrants. The following tables present the Deloitte fees for services rendered to the Duke Energy Registrants during 2020 and 2019.

| (in millions) | Year Ended December 31, 2020 | | | | | | | |
|-----------------------------------|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|--------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Types of Fees | | | | | | | | |
| Audit Fees ^(a) | \$12.9 | \$3.0 | \$4.5 | \$2.3 | \$2.2 | \$1.9 | \$1.7 | \$1.3 |
| Audit-Related Fees ^(b) | 1.7 | 0.2 | 0.3 | 0.1 | 0.2 | 0.3 | 0.1 | — |
| Tax Fees ^(c) | 0.1 | — | — | — | — | — | — | — |
| Total Fees | \$14.7 | \$3.2 | \$4.8 | \$2.4 | \$2.4 | \$2.2 | \$1.8 | \$1.3 |

| (in millions) | Year Ended December 31, 2019 | | | | | | | |
|-----------------------------------|------------------------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|--------------|
| | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
| Types of Fees | | | | | | | | |
| Audit Fees ^(a) | \$13.5 | \$4.6 | \$5.3 | \$3.1 | \$2.2 | \$0.9 | \$1.4 | \$0.8 |
| Audit-Related Fees ^(b) | 0.6 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | — | — |
| Tax Fees ^(c) | 0.2 | 0.1 | 0.1 | — | — | — | — | — |
| Total Fees | \$14.3 | \$4.8 | \$5.6 | \$3.2 | \$2.3 | \$1.1 | \$1.4 | \$0.8 |

(a) Audit Fees are fees billed, or expected to be billed, by Deloitte for professional services for the financial statement audits, audit of the Duke Energy Registrants' financial statements included in the Annual Report on Form 10-K, reviews of financial statements included in Quarterly Reports on Form 10-Q, and services associated with securities filings such as comfort letters and consents.

(b) Audit-Related Fees are fees billed, or expected to be billed, by Deloitte for assurance and related services that are reasonably related to the performance of an audit or review of financial statements, including statutory reporting requirements.

(c) Tax Fees are fees billed by Deloitte for tax return assistance and preparation, tax examination assistance and professional services related to tax planning and tax strategy.

To safeguard the continued independence of the independent auditor, the Audit Committee of Duke Energy adopted a policy that all services provided by the independent auditor require preapproval by the Audit Committee. Pursuant to the policy, certain audit services, audit-related services, tax services and other services have been specifically preapproved up to fee limits. In the event

the cost of any of these services may exceed the fee limits, the Audit Committee must specifically approve the service. All services performed in 2020 and 2019 by the independent accountant were approved by the Audit Committee pursuant to the preapproval policy.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Consolidated Financial Statements and Supplemental Schedules included in Part II of this Annual Report are as follows:

Duke Energy Corporation

Consolidated Financial Statements

Consolidated Statements of Operations for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets as of December 31, 2020, and 2019

Consolidated Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2020, 2019 and 2018

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

All other schedules are omitted because they are not required, or because the required information is included in the Consolidated Financial Statements or Notes.

Duke Energy Carolinas, LLC

Consolidated Financial Statements

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets as of December 31, 2020, and 2019

Consolidated Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2020, 2019 and 2018

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

All other schedules are omitted because they are not required, or because the required information is included in the Consolidated Financial Statements or Notes.

Progress Energy, Inc.

Consolidated Financial Statements

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets as of December 31, 2020, and 2019

Consolidated Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2020, 2019 and 2018

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

All other schedules are omitted because they are not required, or because the required information is included in the Consolidated Financial Statements or Notes.

Duke Energy Progress, LLC

Consolidated Financial Statements

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets as of December 31, 2020, and 2019

Consolidated Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2020, 2019 and 2018

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

All other schedules are omitted because they are not required, or because the required information is included in the Consolidated Financial Statements or Notes.

Duke Energy Florida, LLC

Consolidated Financial Statements

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets as of December 31, 2020, and 2019

Consolidated Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2020, 2019 and 2018

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

All other schedules are omitted because they are not required, or because the required information is included in the Consolidated Financial Statements or Notes.

PART IV

Duke Energy Ohio, Inc.

Consolidated Financial Statements

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets as of December 31, 2020, and 2019

Consolidated Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2020, 2019 and 2018

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

All other schedules are omitted because they are not required, or because the required information is included in the Consolidated Financial Statements or Notes.

Duke Energy Indiana, LLC

Consolidated Financial Statements

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets as of December 31, 2020, and 2019

Consolidated Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2020, 2019 and 2018

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

All other schedules are omitted because they are not required, or because the required information is included in the Consolidated Financial Statements or Notes.

Piedmont Natural Gas Company, Inc.

Consolidated Financial Statements

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Balance Sheets as of December 31, 2020, and 2019

Consolidated Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2020, 2019 and 2018

Notes to the Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

All other schedules are omitted because they are not required, or because the required information is included in the Consolidated Financial Statements or Notes.

PART IV

EXHIBIT INDEX

Exhibits filed herewith are designated by an asterisk (*). All exhibits not so designated are incorporated by reference to a prior filing, as indicated. Items constituting management contracts or compensatory plans or arrangements are designated by a double asterisk (**). The Company agrees to furnish upon request to the Commission a copy of any omitted schedules or exhibits upon request on all items designated by a triple asterisk (***)

| Exhibit Number | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|--|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 2.1 | Agreement and Plan of Merger between Duke Energy Corporation, Diamond Acquisition Corporation and Progress Energy, Inc., dated as of January 8, 2011 (incorporated by reference to Exhibit 2.1 to Duke Energy Corporation's Current Report on Form 8-K filed on January 11, 2011, File No. 1-32853). | X | | X | | | | | |
| 2.2 | Agreement and Plan of Merger between Piedmont Natural Gas Company, Duke Energy Corporation and Forest Subsidiary, Inc. (incorporated by reference to Exhibit 2.1 to Duke Energy Corporation's Current Report on Form 8-K filed on October 26, 2015, File No. 1-32853). | X | | | | | | | X |
| 3.1 | Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Duke Energy Corporation's Current Report on Form 8-K filed on May 20, 2014, File No. 1-32853). | X | | | | | | | |
| 3.2 | Amended and Restated By-Laws of Duke Energy Corporation (incorporated by reference to Exhibit 3.1 to Duke Energy Corporation's Current Report on Form 8-K filed on January 4, 2016, File No. 1-32853). | X | | | | | | | |
| 3.3 | Articles of Organization including Articles of Conversion (incorporated by reference to Exhibit 3.1 to Duke Energy Carolinas, LLC's Current Report on Form 8-K filed on April 7, 2006, File No. 1-4928). | | X | | | | | | |
| 3.3.1 | Amended Articles of Organization, effective October 1, 2006 (incorporated by reference to Exhibit 3.1 to Duke Energy Carolinas, LLC's Quarterly Report on Form 10-Q for the quarter ended September 30, 2006, filed on November 13, 2006, File No. 1-4928). | | X | | | | | | |
| 3.4 | Amended Articles of Incorporation of Duke Energy Ohio, Inc. (formerly The Cincinnati Gas & Electric Company), effective October 23, 1996, (incorporated by reference to Exhibit 3(a) to registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 1996, filed on November 13, 1996, File No. 1-1232). | | | | | | X | | |
| 3.4.1 | Amended Articles of Incorporation, effective September 19, 2006 (incorporated by reference to Exhibit 3.1 to Duke Energy Ohio, Inc.'s (formerly The Cincinnati Gas & Electric Company) Quarterly Report on Form 10-Q for the quarter ended September 30, 2006, filed on November 17, 2006, File No. 1-1232). | | | | | | X | | |
| 3.5 | Certificate of Conversion of Duke Energy Indiana, LLC (incorporated by reference to Exhibit 3.1 to registrant's Current Report on Form 8-K filed on January 4, 2016, File No. 1-3543). | | | | | | | X | |
| 3.5.1 | Articles of Entity Conversion of Duke Energy Indiana, LLC (incorporated by reference to Exhibit 3.2 to registrant's Current Report on Form 8-K filed on January 4, 2016, File No. 1-3543). | | | | | | | X | |
| 3.5.2 | Plan of Entity Conversion of Duke Energy Indiana, LLC (incorporated by reference to Exhibit 3.3 to registrant's Current Report on Form 8-K filed on January 4, 2016, File No. 1-3543). | | | | | | | X | |
| 3.5.3 | Articles of Organization of Duke Energy Indiana, LLC (incorporated by reference to Exhibit 3.4 to registrant's Current Report on Form 8-K filed on January 4, 2016, File No. 1-3543). | | | | | | | X | |
| 3.5.4 | Limited Liability Company Operating Agreement of Duke Energy Indiana, LLC (incorporated by reference to Exhibit 3.5 to registrant's Current Report on Form 8-K filed on January 4, 2016, File No. 1-3543). | | | | | | | X | |
| 3.6 | Limited Liability Company Operating Agreement of Duke Energy Carolinas, LLC (incorporated by reference to Exhibit 3.2 to registrant's Current Report on Form 8-K filed on April 7, 2006, File No. 1-4928). | | X | | | | | | |

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|----------------|---|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 3.7 | Regulations of Duke Energy Ohio, Inc. (formerly The Cincinnati Gas & Electric Company), effective July 23, 2003 (incorporated by reference to Exhibit 3.2 to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2003, filed on August 13, 2003, File No. 1-1232). | | | | | | X | | |
| 3.8 | Articles of Organization including Articles of Conversion for Duke Energy Progress, LLC (incorporated by reference to Exhibit 3.1 to registrant's Current Report on Form 8-K filed on August 4, 2015, File No. 1-3382). | | | | X | | | | |
| 3.8.1 | Plan of Conversion of Duke Energy Progress, Inc. (incorporated by reference to Exhibit 3.2 to registrant's Current Report on Form 8-K filed on August 4, 2015, File No. 1-3382). | | | | X | | | | |
| 3.8.2 | Limited Liability Company Operating Agreement of Duke Energy Progress, LLC (incorporated by reference to Exhibit 3.3 to registrant's Current Report on Form 8-K filed on August 4, 2015, File No. 1-3382). | | | | X | | | | |
| 3.9 | Amended and Restated Articles of Incorporation of Progress Energy, Inc. (formerly CP&L Energy, Inc.), effective June 15, 2000 (incorporated by reference to Exhibit 3(a)(1) to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000, filed on August 14, 2000, File No. 1-3382). | | | X | | | | | |
| 3.9.1 | Articles of Amendment to the Amended and Restated Articles of Incorporation of Progress Energy, Inc. (formerly CP&L Energy, Inc.), effective December 4, 2000 (incorporated by reference to Exhibit 3(b)(1) to registrant's Annual Report on Form 10-K for the year ended December 31, 2001, filed on March 28, 2002, File No. 1-3382). | | | X | | | | | |
| 3.9.2 | Articles of Amendment to the Amended and Restated Articles of Incorporation of Progress Energy, Inc. (formerly CP&L Energy, Inc.), effective May 10, 2006 (incorporated by reference to Exhibit 3(a) to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, filed on August 9, 2006, File No. 1-15929). | | | X | | | | | |
| 3.9.3 | By-Laws of Progress Energy, Inc. (formerly CP&L Energy, Inc.), effective May 10, 2006 (incorporated by reference to Exhibit 3(b) to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, filed on August 9, 2006, File No. 1-15929). | | | X | | | | | |
| 3.10 | Articles of Conversion for Duke Energy Florida, LLC (incorporated by reference to Exhibit 3.4 to registrant's Current Report on Form 8-K filed on August 4, 2015, File No. 1-3274). | | | | | X | | | |
| 3.10.1 | Articles of Organization for Duke Energy Florida, LLC (incorporated by reference to Exhibit 3.5 to registrant's Current Report on Form 8-K filed on August 4, 2015, File No. 1-3274). | | | | | X | | | |
| 3.10.2 | Plan of Conversion of Duke Energy Florida, Inc. (incorporated by reference to Exhibit 3.6 to registrant's Current Report on Form 8-K filed on August 4, 2015, File No. 1-3274). | | | | | X | | | |
| 3.10.3 | Limited Liability Company Operating Agreement of Duke Energy Florida, LLC (incorporated by reference to Exhibit 3.7 to registrant's Current Report on Form 8-K filed on August 4, 2015, File No. 1-3274). | | | | | X | | | |
| 3.11 | Amended and Restated Articles of Incorporation of Piedmont Natural Gas Company, Inc., dated as of October 3, 2016 (incorporated by reference to Exhibit 3.1 to registrant's Annual Report on Form 10-K for the fiscal year ended October 31, 2016, filed on December 22, 2016, File No. 001-06196). | | | | | | | | X |
| 3.11.1 | Bylaws of Piedmont Natural Gas Company, Inc., as amended and restated effective October 3, 2016 (incorporated by reference to Exhibit 3.2 to registrant's Current Report on Form 8-K filed on October 3, 2016, File No. 1-06196). | | | | | | | | X |
| 3.12 | Certificate of Designations with respect to Series A Preferred Stock, dated March 28, 2019 (incorporated by reference to Exhibit 3.1 to registrant's Current Report on Form 8-K filed on March 29, 2019, File No. 1-32853). | X | | | | | | | |

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| 3.13 | Certificate of Designation with respect to the Series B Preferred Stock, dated September 11, 2019 (incorporated by reference to Exhibit 3.1 to registrant's Current Report on Form 8-K filed on September 12, 2019, File No. 1-32853). | X | | | | | | | |
| 3.14 | Description of Registered Securities (incorporated by reference from the registrant's prospectus contained in Form S-3 filed on September 23, 2019, File No. 333-233896, under the headings "Description of Common Stock," "Description of Preferred Stock," "Description of Depositary Shares," "Description of Stock Purchase Contracts and Stock Purchase Units," and "Description of Debt Securities"). | X | | | | | | | |
| 3.15 | Description of Registered Securities (incorporated by reference from the registrant's prospectus contained in Form S-3 filed on September 23, 2019, File No. 333-233896-01, under the heading "Description of Debt Securities"). | | | | | | | | X |
| 3.16 | Description of Registered Securities (incorporated by reference from the registrant's prospectus contained in Form S-3 filed on September 23, 2019, File No. 333-233896-02, under the headings "Description of First Mortgage Bonds" and "Description of Debt Securities"). | | | | X | | | | |
| 3.17 | Description of Registered Securities (incorporated by reference from the registrant's prospectus contained in Form S-3 filed on September 23, 2019, File No. 333-233896-03, under the headings "Description of First Mortgage Bonds" and "Description of Unsecured Debt Securities"). | | | | | | X | | |
| 3.18 | Description of Registered Securities (incorporated by reference from the registrant's prospectus contained in Form S-3 filed on September 23, 2019, File No. 333-233896-04, under the headings "Description of First Mortgage Bonds" and "Description of Unsecured Debt Securities"). | | | | | | | X | |
| 3.19 | Description of Registered Securities (incorporated by reference from the registrant's prospectus contained in Form S-3 filed on September 23, 2019, File No. 333-233896-05, under the headings "Description of First Mortgage Bonds" and "Description of Debt Securities"). | | | | | X | | | |
| 3.20 | Description of Registered Securities (incorporated by reference from the registrant's prospectus contained in Form S-3 filed on September 23, 2019, File No. 333-233896-06, under the headings "Description of First and Refunding Mortgage Bonds," "Description of Senior Notes," and "Description of Subordinate Notes"). | | X | | | | | | |
| 4.1 | Indenture between Duke Energy Corporation and The Bank of New York Mellon Trust Company, N.A., as Trustee, dated as of June 3, 2008 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on June 16, 2008, File No. 1-32853). | X | | | | | | | |
| 4.1.1 | First Supplemental Indenture, dated as of June 16, 2008 (incorporated by reference to Exhibit 4.2 to Duke Energy Corporation's Current Report on Form 8-K filed on June 16, 2008, File No. 1-32853). | X | | | | | | | |
| 4.1.2 | Second Supplemental Indenture, dated as of January 26, 2009 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on January 26, 2009, File No. 1-32853). | X | | | | | | | |
| 4.1.3 | Third Supplemental Indenture, dated as of August 28, 2009 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on August 28, 2009, File No. 1-32853). | X | | | | | | | |
| 4.1.4 | Fourth Supplemental Indenture, dated as of March 25, 2010 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on March 25, 2010, File No. 1-32853). | X | | | | | | | |
| 4.1.5 | Fifth Supplemental Indenture, dated as of August 25, 2011 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on August 25, 2011, File No. 1-32853). | X | | | | | | | |

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| 4.1.6 | Sixth Supplemental Indenture, dated as of November 17, 2011 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on November 17, 2011, File No. 1-32853). | X | | | | | | | |
| 4.1.7 | Seventh Supplemental Indenture, dated as of August 16, 2012 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on August 16, 2012, File No. 1-32853). | X | | | | | | | |
| 4.1.8 | Eighth Supplemental Indenture, dated as of January 14, 2013 (incorporated by reference to Exhibit 2 to the Registration Statement of Form 8-A of Duke Energy Corporation filed on January 14, 2013, File No. 1-32853). | X | | | | | | | |
| 4.1.9 | Ninth Supplemental Indenture, dated as of June 13, 2013 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on June 13, 2013, File No. 1-32853). | X | | | | | | | |
| 4.1.10 | Tenth Supplemental Indenture, dated as of October 11, 2013 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on October 11, 2013, File No. 1-32853). | X | | | | | | | |
| 4.1.11 | Eleventh Supplemental Indenture, dated as of April 4, 2014 (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Current Report on Form 8-K filed on April 4, 2014, File No. 1-32853). | X | | | | | | | |
| 4.1.12 | Twelfth Supplemental Indenture, dated as of November 19, 2015 (incorporated by reference to Exhibit 4.2 to Duke Energy Corporation's Current Report on Form 8-K filed on November 19, 2015, File No. 1-32853). | X | | | | | | | |
| 4.1.13 | Thirteenth Supplemental Indenture, dated as of April 18, 2016, to the indenture dated as of June 3, 2008, between Duke Energy Corporation and The Bank of New York Mellon Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 4.1 to Duke Energy Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, filed on May 5, 2016, File No. 1-32853). | X | | | | | | | |
| 4.1.14 | Fourteenth Supplemental Indenture, dated as of August 12, 2016 (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on August 12, 2016, File No. 1-32853). | X | | | | | | | |
| 4.1.15 | Fifteenth Supplemental Indenture, dated as of April 11, 2017 (incorporated by reference to Exhibit 4.2 to registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, filed on May 9, 2017, File No. 1-32853). | X | | | | | | | |
| 4.1.16 | Sixteenth Supplemental Indenture, dated as of June 13, 2017 (incorporated by reference to Exhibit 4.1 to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017, filed on August 3, 2017, File No. 1-32853). | X | | | | | | | |
| 4.1.17 | Seventeenth Supplemental Indenture, dated as of August 10, 2017 (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on August 10, 2017, File No. 1-32853). | X | | | | | | | |
| 4.1.18 | Eighteenth Supplemental Indenture, dated as of March 29, 2018 (incorporated by reference to Exhibit 4.2 to registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed on May 10, 2018, File No. 1-32853). | X | | | | | | | |
| 4.1.19 | Nineteenth Supplemental Indenture, dated as of May 16, 2018 (incorporated by reference to Exhibit 4.1 to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, filed on August 2, 2018, File No. 1-32853). | X | | | | | | | |
| 4.1.20 | Twentieth Supplemental Indenture (incorporated by reference to Exhibit 4.2 to registrant's Registration Statement on Form 8-A filed on September 17, 2018, File No. 1-32853). | X | | | | | | | |
| 4.1.21 | Twenty-first Supplemental Indenture (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on March 11, 2019, File no. 1-32853). | X | | | | | | | |
| 4.1.22 | Twenty-second Supplemental Indenture, dated as of June 7, 2019 (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on June 7, 2019, File No. 1-32853). | X | | | | | | | |

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|----------------|--|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.1.23 | Twenty-third Supplemental Indenture, dated as of May 15, 2020 (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on May 15, 2020, File No. 1-32853). | X | | | | | | | |
| 4.1.24 | Twenty-fourth Supplemental Indenture, dated as of September 11, 2020 (incorporated by reference to Exhibit 4.2 to registrant's Current Report on Form 8-K filed on September 11, 2020, File No. 1-32853). | X | | | | | | | |
| 4.2 | Senior Indenture between Duke Energy Carolinas, LLC and The Bank of New York Mellon Trust Company, N.A., as successor trustee to JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), dated as of September 1, 1998 (incorporated by reference to Exhibit 4-D-1 to registrant's Post-Effective Amendment No. 2 to Registration Statement on Form S-3 filed on April 7, 1999, File No. 333-14209). | | X | | | | | | |
| 4.2.1 | Fifteenth Supplemental Indenture, dated as of April 3, 2006 (incorporated by reference to Exhibit 4.4.1 to registrant's Registration Statement on Form S-3 filed on October 3, 2007, File No. 333-146483-03). | | X | | | | | | |
| 4.2.2 | Sixteenth Supplemental Indenture, dated as of June 5, 2007 (incorporated by reference to Exhibit 4.1 registrant's Current Report on Form 8-K filed on June 6, 2007, File No. 1-4928). | | X | | | | | | |
| 4.3 | First and Refunding Mortgage from Duke Energy Carolinas, LLC to The Bank of New York Mellon Trust Company, N.A., successor trustee to Guaranty Trust Company of New York, dated as of December 1, 1927 (incorporated by reference to Exhibit 7(a) to registrant's Form S-1, effective October 15, 1947, File No. 2-7224). | | X | | | | | | |
| 4.3.1 | Instrument of Resignation, Appointment and Acceptance among Duke Energy Carolinas, LLC, JPMorgan Chase Bank, N.A., as Trustee, and The Bank of New York Mellon Trust Company, N.A., as Successor Trustee, dated as of September 24, 2007, (incorporated by reference to Exhibit 4.6.1 to registrant's Registration Statement on Form S-3 filed on October 3, 2007, File No. 333-146483). | | X | | | | | | |
| 4.3.2 | Ninth Supplemental Indenture, dated as of February 1, 1949 (incorporated by reference to Exhibit 7(j) to registrant's Form S-1 filed on February 3, 1949, File No. 2-7808). | | X | | | | | | |
| 4.3.3 | Twentieth Supplemental Indenture, dated as of June 15, 1964 (incorporated by reference to Exhibit 4-B-20 to registrant's Form S-1 filed on August 23, 1966, File No. 2-25367). | | X | | | | | | |
| 4.3.4 | Twenty-third Supplemental Indenture, dated as of February 1, 1968 (incorporated by reference to Exhibit 2-B-26 to registrant's Form S-9 filed on January 21, 1969, File No. 2-31304). | | X | | | | | | |
| 4.3.5 | Sixtieth Supplemental Indenture, dated as of March 1, 1990 (incorporated by reference to Exhibit 4-B-61 to registrant's Annual Report on Form 10-K for the year ended December 31, 1990, File No. 1-4928). | | X | | | | | | |
| 4.3.6 | Sixty-third Supplemental Indenture, dated as of July 1, 1991 (incorporated by reference to Exhibit 4-B-64 to registrant's Registration Statement on Form S-3 filed on February 13, 1992, File No. 33-45501). | | X | | | | | | |
| 4.3.7 | Eighty-fourth Supplemental Indenture, dated as of March 20, 2006 (incorporated by reference to Exhibit 4.6.9 to registrant's Registration Statement on Form S-3 filed on October 3, 2007, File No. 333-146483-03). | | X | | | | | | |
| 4.3.8 | Eighty-fifth Supplemental Indenture, dated as of January 10, 2008 (incorporated by reference to Exhibit 4.1 to Duke Energy Carolinas, LLC's Current Report on Form 8-K filed on January 11, 2008, File No. 1-4928). | | X | | | | | | |
| 4.3.9 | Eighty-seventh Supplemental Indenture, dated as of April 14, 2008 (incorporated by reference to Exhibit 4.1 to Duke Energy Carolinas, LLC's Current Report on Form 8-K filed on April 15, 2008, File No. 1-4928). | | X | | | | | | |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.3.10 | | X | | | | | | |
| 4.3.11 | | X | | | | | | |
| 4.3.12 | | X | | | | | | |
| 4.3.13 | | X | | | | | | |
| 4.3.14 | | X | | | | | | |
| 4.3.15 | | X | | | | | | |
| 4.3.16 | | X | | | | | | |
| 4.3.17 | | X | | | | | | |
| 4.3.18 | | X | | | | | | |
| 4.3.19 | | X | | | | | | |
| 4.3.20 | | X | | | | | | |
| 4.3.21 | | X | | | | | | |
| 4.3.22 | | X | | | | | | |
| 4.3.23 | | X | | | | | | |
| 4.4 | | | | X | | | | |
| 4.4.1 | | | | X | | | | |
| 4.4.2 | | | | X | | | | |

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| 4.4.3 | | | | X | | | | |
| 4.4.4 | | | | X | | | | |
| 4.4.5 | | | | X | | | | |
| 4.4.6 | | | | X | | | | |
| 4.4.7 | | | | X | | | | |
| 4.4.8 | | | | X | | | | |
| 4.4.9 | | | | X | | | | |
| 4.4.10 | | | | X | | | | |
| 4.4.11 | | | | X | | | | |
| 4.4.12 | | | | X | | | | |
| 4.4.13 | | | | X | | | | |
| 4.4.14 | | | | X | | | | |
| 4.4.15 | | | | X | | | | |
| 4.4.16 | | | | X | | | | |
| 4.4.17 | | | | X | | | | |
| 4.4.18 | | | | X | | | | |
| 4.4.19 | | | | X | | | | |
| 4.4.20 | | | | X | | | | |
| 4.4.21 | | | | X | | | | |
| 4.4.22 | | | | X | | | | |
| 4.4.23 | | | | X | | | | |
| 4.4.24 | | | | X | | | | |
| 4.4.25 | | | | X | | | | |
| 4.4.26 | | | | X | | | | |

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| 4.4.27 | Thirty-first Supplemental Indenture dated March 15, 1983 (incorporated by reference to Exhibit 4(c)-1, File No. 2-95505). | | | | X | | | | |
| 4.4.28 | Thirty-second Supplemental Indenture dated March 15, 1983 (incorporated by reference to Exhibit 4(c)-2, File No. 2-95505). | | | | X | | | | |
| 4.4.29 | Thirty-third Supplemental Indenture dated December 1, 1983 (incorporated by reference to Exhibit 4(c)-3, File No. 2-95505). | | | | X | | | | |
| 4.4.30 | Thirty-fourth Supplemental Indenture dated December 15, 1983 (incorporated by reference to Exhibit 4(c)-4, File No. 2-95505). | | | | X | | | | |
| 4.4.31 | Thirty-fifth Supplemental Indenture dated April 1, 1984 (incorporated by reference to Exhibit 4(c)-5, File No. 2-95505). | | | | X | | | | |
| 4.4.32 | Thirty-sixth Supplemental Indenture dated June 1, 1984 (incorporated by reference to Exhibit 4(c)-6, File No. 2-95505). | | | | X | | | | |
| 4.4.33 | Thirty-seventh Supplemental Indenture dated June 1, 1984 (incorporated by reference to Exhibit 4(c)-7, File No. 2-95505). | | | | X | | | | |
| 4.4.34 | Thirty-eighth Supplemental Indenture dated June 1, 1984 (incorporated by reference to Exhibit 4(c)- 8, File No. 2-95505). | | | | X | | | | |
| 4.4.35 | Thirty-ninth Supplemental Indenture dated April 1, 1985 (incorporated by reference to Exhibit 4(b), File No. 33-25560). | | | | X | | | | |
| 4.4.36 | Fortieth Supplemental Indenture dated October 1, 1985 (incorporated by reference to Exhibit 4(c), File No. 33-25560). | | | | X | | | | |
| 4.4.37 | Forty-first Supplemental Indenture dated March 1, 1986 (incorporated by reference to Exhibit 4(d), File No. 33-25560). | | | | X | | | | |
| 4.4.38 | Forty-second Supplemental Indenture dated July 1, 1986 (incorporated by reference to Exhibit 4(e), File No. 33-25560). | | | | X | | | | |
| 4.4.39 | Forty-third Supplemental Indenture dated January 1, 1987 (incorporated by reference to Exhibit 4(f), File No. 33-25560). | | | | X | | | | |
| 4.4.40 | Forty-fourth Supplemental Indenture dated December 1, 1987 (incorporated by reference to Exhibit 4(g), File No. 33-25560). | | | | X | | | | |
| 4.4.41 | Forty-fifth Supplemental Indenture dated September 1, 1988 (incorporated by reference to Exhibit 4(h), File No. 33-25560). | | | | X | | | | |
| 4.4.42 | Forty-sixth Supplemental Indenture dated April 1, 1989 (incorporated by reference to Exhibit 4(b), File No. 33-33431). | | | | X | | | | |
| 4.4.43 | Forty-seventh Supplemental Indenture dated August 1, 1989 (incorporated by reference to Exhibit 4(c), File No. 33-33431). | | | | X | | | | |
| 4.4.44 | Forty-eighth Supplemental Indenture dated November 15, 1990 (incorporated by reference to Exhibit 4(b), File No. 33-38298). | | | | X | | | | |
| 4.4.45 | Forty-ninth Supplemental Indenture dated November 15, 1990 (incorporated by reference to Exhibit 4(c), File No. 33-38298). | | | | X | | | | |
| 4.4.46 | Fiftieth Supplemental Indenture dated February 15, 1991 (incorporated by reference to Exhibit 4(h), File No. 33-42869). | | | | X | | | | |
| 4.4.47 | Fifty-first Supplemental Indenture dated April 1, 1991 (incorporated by reference to Exhibit 4(i), File No. 33-42869). | | | | X | | | | |
| 4.4.48 | Fifty-second Supplemental Indenture dated September 15, 1991 (incorporated by reference to Exhibit 4(e), File No. 33-48607). | | | | X | | | | |
| 4.4.49 | Fifty-third Supplemental Indenture dated January 1, 1992 (incorporated by reference to Exhibit 4(f), File No. 33-48607). | | | | X | | | | |
| 4.4.50 | Fifty-fourth Supplemental Indenture dated April 15, 1992 (incorporated by reference to Exhibit 4 (g), File No. 33-48607). | | | | X | | | | |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.4.51 | | | | X | | | | |
| 4.4.52 | | | | X | | | | |
| 4.4.53 | | | | X | | | | |
| 4.4.54 | | | | X | | | | |
| 4.4.55 | | | | X | | | | |
| 4.4.56 | | | | X | | | | |
| 4.4.57 | | | | X | | | | |
| 4.4.58 | | | | X | | | | |
| 4.4.59 | | | | X | | | | |
| 4.4.60 | | | | X | | | | |
| 4.4.61 | | | | X | | | | |
| 4.4.62 | | | | X | | | | |
| 4.4.63 | | | | X | | | | |
| 4.4.64 | | | | X | | | | |
| 4.4.65 | | | | X | | | | |
| 4.4.66 | | | | X | | | | |
| 4.4.67 | | | | X | | | | |
| 4.4.68 | | | | X | | | | |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.4.69 | | | | X | | | | |
| 4.4.70 | | | | X | | | | |
| 4.4.71 | | | | X | | | | |
| 4.4.72 | | | | X | | | | |
| 4.4.73 | | | | X | | | | |
| 4.4.74 | | | | X | | | | |
| 4.4.75 | | | | X | | | | |
| 4.4.76 | | | | X | | | | |
| 4.4.77 | | | | X | | | | |
| 4.4.78 | | | | X | | | | |
| 4.4.79 | | | | X | | | | |
| 4.4.80 | | | | X | | | | |
| 4.4.81 | | | | X | | | | |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.4.82 | | | | X | | | | |
| 4.4.83 | | | | X | | | | |
| 4.4.84 | | | | X | | | | |
| 4.5 | | | | X | | | | |
| 4.6 | | | | X | | | | |
| 4.7 | | | | | | X | | |
| 4.7.1 | | | | | | X | | |
| 4.7.2 | | | | | | X | | |
| 4.7.3 | | | | | | X | | |
| 4.7.4 | | | | | | X | | |
| 4.7.5 | | | | | | X | | |
| 4.7.6 | | | | | | X | | |
| 4.7.7 | | | | | | X | | |
| 4.7.8 | | | | | | X | | |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.7.9 | | | | | | X | | |
| 4.7.10 | | | | | | X | | |
| 4.7.11 | | | | | | X | | |
| 4.7.12 | | | | | | X | | |
| 4.7.13 | | | | | | X | | |
| 4.7.14 | | | | | | X | | |
| 4.7.15 | | | | | | X | | |
| 4.7.16 | | | | | | X | | |
| 4.7.17 | | | | | | X | | |
| 4.7.18 | | | | | | X | | |
| 4.7.19 | | | | | | X | | |
| 4.8 | | | | | | X | | |
| 4.8.1 | | | | | | X | | |
| 4.8.2 | | | | | | X | | |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.9 | | | | | X | | | |
| 4.10 | | | | | | | X | |
| 4.10.1 | | | | | | | X | |
| 4.10.2 | | | | | | | X | |
| 4.11 | | | | | | | X | |
| 4.11.1 | | | | | | | X | |
| 4.11.2 | | | | | | | X | |
| 4.11.3 | | | | | | | X | |
| 4.11.4 | | | | | | | X | |
| 4.11.5 | | | | | | | X | |
| 4.11.6 | | | | | | | X | |
| 4.12 | | | | | | | | X |
| 4.12.1 | | | | | | | | X |
| 4.12.2 | | | | | | | | X |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.12.3 | | | | | | | X | |
| 4.12.4 | | | | | | | X | |
| 4.13 | | | | | | | X | |
| 4.13.1 | | | | | | | X | |
| 4.13.2 | | | | | | | X | |
| 4.13.3 | | | | | | | X | |
| 4.13.4 | | | | | | | X | |
| 4.13.5 | | | | | | | X | |
| 4.13.6 | | | | | | | X | |
| 4.13.7 | | | | | | | X | |
| 4.13.8 | | | | | | | X | |
| 4.13.9 | | | | | | | X | |
| 4.13.10 | | | | | | | X | |
| 4.13.11 | | | | | | | X | |
| 4.13.12 | | | | | | | X | |
| 4.13.13 | | | | | | | X | |
| 4.13.14 | | | | | | | X | |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.13.15 | | | | | | | X | |
| 4.13.16 | | | | | | | X | |
| 4.13.17 | | | | | | | X | |
| 4.13.18 | | | | | | | X | |
| 4.13.19 | | | | | | | X | |
| 4.13.20 | | | | | | | X | |
| 4.13.21 | | | | | | | X | |
| 4.13.22 | | | | | | | X | |
| 4.13.23 | | | | | | | X | |
| 4.13.24 | | | | | | | X | |
| 4.14 | | | | | | X | | |
| 4.15 | | | | | | | X | |
| 4.16 | | | | | | | X | |
| 4.17 | | | | | | | X | |

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|----------------|--|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.18 | Contingent Value Obligation Agreement between Progress Energy, Inc. (formerly CP&L Energy, Inc.) and The Chase Manhattan Bank, as Trustee, dated as of November 30, 2000 (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on December 1, 2000, File No. 1-3382). | | | X | | | | | |
| 4.19 | Form of 3.47% Series A Senior Notes due July 16, 2027 (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on March 29, 2012, File No. 1-06196). | | | | | | | | X |
| 4.20 | Form of 3.57% Series B Senior Notes due July 16, 2027 (incorporated by reference to Exhibit 4.2 to registrant's Current Report on Form 8-K filed on March 29, 2012, File No. 1-06196). | | | | | | | | X |
| 4.21 | Form of 4.65% Senior Notes due 2043 (incorporated by reference to Exhibit 4.2 to registrant's Current Report on Form 8-K filed on August 1, 2013, File No. 1-06196). | | | | | | | | X |
| 4.22 | Form of 4.10% Senior Notes due 2034 (incorporated by reference to Exhibit 4.2 to registrant's Current Report on Form 8-K filed on September 18, 2014, File No. 1-06196). | | | | | | | | X |
| 4.23 | Form of 3.60% Senior Notes due 2025 (incorporated by reference to Exhibit 4.2 to registrant's Current Report on Form 8-K filed on September 14, 2015, File No. 1-06196). | | | | | | | | X |
| 4.24 | Form of 3.64% Senior Notes due 2046 (incorporated by reference to Exhibit 4.2 to registrant's Current Report on Form 8-K filed on July 28, 2016, File No. 1-06196). | | | | | | | | X |
| 4.25 | Form of 4.24% Series B Senior Notes due June 6, 2021 (incorporated by reference to Exhibit 4.2 to registrant's Current Report on Form 8-K filed on May 12, 2011, File No. 1-06196). | | | | | | | | X |
| 4.26 | Indenture, dated as of April 1, 1993, between Piedmont and The Bank of New York Mellon Trust Company, N.A. (as successor to Citibank, N.A.), Trustee (incorporated by reference to Exhibit 4.1 to registrant's Registration Statement on Form S-3 filed on May 16, 1995, File No. 33-59369). | | | | | | | | X |
| 4.26.1 | Second Supplemental Indenture, dated as of June 15, 2003, between Piedmont and Citibank, N.A., Trustee (incorporated by reference to Exhibit 4.3 to registrant's Registration Statement on Form S-3 filed on June 19, 2003, File No. 333-106268). | | | | | | | | X |
| 4.26.2 | Fourth Supplemental Indenture, dated as of May 6, 2011, between Piedmont Natural Gas Company, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to registrant's Registration Statement on Form S-3-ASR filed on July 7, 2011, File No. 333-175386). | | | | | | | | X |
| 4.26.3 | Fifth Supplemental Indenture, dated August 1, 2013, between the Company and The Bank of New York Mellon Trust Company, N.A. (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on August 1, 2013, File No. 1-06196). | | | | | | | | X |
| 4.26.4 | Sixth Supplemental Indenture, dated September 18, 2014, between the Company and The Bank of New York Mellon Trust Company, N.A. (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on September 18, 2014, File No. 1-06196). | | | | | | | | X |
| 4.26.5 | Seventh Supplemental Indenture, dated September 14, 2015, between the Company and The Bank of New York Mellon Trust Company, N.A. (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on September 14, 2015, File No. 1-06196). | | | | | | | | X |
| 4.26.6 | Eighth Supplemental Indenture, dated July 28, 2016, between the Company and The Bank of New York Mellon Trust Company, N.A. (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on July 28, 2016, File No. 1-06196). | | | | | | | | X |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 4.26.7 | | | | | | | | X |
| 4.26.8 | | | | | | | | X |
| 4.27 | | | | | | | | X |
| 4.28 | | | | | | | | X |
| 4.29 | | | | | | | | X |
| 4.30 | | | | | | | | X |
| 4.31 | | | | | | | | X |
| 4.32 | | | | | | | | X |
| 4.33 | | | | | | | | X |
| 4.34 | | | | | | | | X |
| 10.1 | | | | | | | | X |
| 10.2 | | | | | | | | X |
| 10.3 | | | | | | | | X |
| 10.4 | | | | | | | | X |
| 10.5 | | | | | | | | X |

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|----------------|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 10.6 | | X | | | | | | |
| 10.7 | | | | | | | | X |
| 10.8 | | | | | | | X | |
| 10.9 | X | | | | | | | |
| 10.10 | X | | | | | | | |
| 10.11** | X | | | | | | | |
| 10.12 | X | | | | | | X | |
| 10.13** | X | | | | | | | |
| 10.14 | X | X | | | | X | X | |

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| Exhibit Number | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|--|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 10.14.1 | Amendment No. 1 and Consent between Duke Energy Corporation, Duke Energy Carolinas, LLC, Duke Energy Ohio, Inc., Duke Energy Indiana, LLC, Duke Energy Kentucky, Inc., Duke Energy Progress, Inc., Duke Energy Florida, Inc., and Wells Fargo Bank, National Association, dated as of December 18, 2013 (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K filed on December 23, 2013, File Nos. 1-32853, 1-4928, 1-3382, 1-3274, 1-1232 and 1-3543). | X | X | | X | X | X | X | |
| 10.14.2 | Amendment No. 2 and Consent between Duke Energy Corporation, Duke Energy Carolinas, LLC, Duke Energy Ohio, Inc., Duke Energy Indiana, LLC, Duke Energy Kentucky, Inc., Duke Energy Progress, Inc., and Duke Energy Florida, Inc., the Lenders party hereto, the issuing Lenders party hereto, Wells Fargo Bank, National Association, as Administrative Agent and Swingline Lender, dated as of January 30, 2015 (incorporated by reference to Exhibit 10.1 of registrant's Current Report on Form 8-K filed on February 5, 2015, File Nos. 1-32853, 1-4928, 1-1232, 1-3543, 1-3382 and 1-3274). | X | X | | X | X | X | X | |
| 10.14.3 | Amendment No. 3 and Consent, dated as of March 16, 2017, among the registrants, the Lenders party thereto, the issuing Lenders party thereto, and Wells Fargo Bank, National Association, as Administrative Agent and Swingline Lender (incorporated by reference to Exhibit 10.1 to registrants' Current Report on Form 8-K filed on March 17, 2017, File Nos. 1-32853, 1-04928, 1-03382, 1-03274, 1-01232, 1-03543, 1-06196). | X | X | | X | X | X | X | X |
| 10.14.4 | Amendment No. 4 and Consent, dated as of March 18, 2019, among Duke Energy Corporation, Duke Energy Carolinas, LLC, Duke Energy Ohio, Inc., Duke Energy Indiana, LLC, Duke Energy Kentucky, Inc., Duke Energy Progress, LLC, Duke Energy Florida, LLC, and Piedmont Natural Gas Company, Inc., the Lenders party thereto, the Issuing Lenders party thereto, and Wells Fargo Bank, National Association, as Administrative Agent and Swingline Lender (incorporated by reference to Exhibit 10.1 to registrants' Current Report on Form 8-K filed on March 21, 2019, File Nos. 1-32853, 1-4928, 1-3382, 1-3274, 1-1232, 1-3543, 1-6196). | X | X | | X | X | X | X | X |
| 10.14.5 | Amendment No. 5 and Consent, dated as of March 16, 2020, among registrants', the Lenders party thereto, the Issuing Lenders party thereto, and Wells Fargo Bank, N.A., as Administrative Agent, and Swingline Lender (incorporated by reference to Exhibit 10.1 to registrants' Current Report on Form 8-K filed on March 17, 2020, File Nos. 1-32853, 1-4928, 1-3382, 1-3274, 1-1232, 1-3543, 1-6196). | X | X | | X | X | X | X | X |
| 10.15** | Duke Energy Corporation 2010 Long-Term Incentive Plan (incorporated by reference to Appendix A to registrant's Form DEF 14A filed on March 22, 2010, File No. 1-32853). | X | | | | | | | |
| 10.15.1** | Amendment to Duke Energy Corporation 2010 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.3 to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012, filed on August 8, 2012, File No. 1-32853). | X | | | | | | | |
| 10.16** | Duke Energy Corporation 2015 Long-Term Incentive Plan (incorporated by reference to Appendix C to registrant's DEF 14A filed on March 26, 2015, File No. 1-32853). | X | | | | | | | |
| 10.16.1** | Amendment to Duke Energy Corporation 2015 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.16.1 to Duke Energy Corporation's Annual Report on Form 10-K for the year ended December 31, 2018, filed on February 28, 2019, File No. 1-32853). | X | | | | | | | |
| 10.17** | Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.4 to registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 filed on May 9, 2017, File No. 1-32853). | X | | | | | | | |
| 10.18** | Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.24 to Duke Energy Corporation's Annual Report on Form 10-K for the year ended December 31, 2017, filed on February 21, 2018, File No. 1-32853). | X | | | | | | | |

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|----------------|--|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 10.19** | Performance-Based Retention Award Agreement (incorporated by reference to Exhibit 10.2 to registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, filed on May 9, 2017, File No. 1-32853). | X | | | | | | |
| 10.20** | Performance Award Agreement (incorporated by reference to Exhibit 10.3 to registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, filed on May 9, 2017, File No. 1-32853). | X | | | | | | |
| 10.21** | Performance Award Agreement (incorporated by reference to Exhibit 10.27 to Duke Energy Corporation's Annual Report on Form 10-K for the year ended December 31, 2017, filed on February 21, 2018, File No. 1-32853). | X | | | | | | |
| 10.22** | Performance Share Award Agreement (incorporated by reference to Exhibit 10.2 to Duke Energy Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, filed on May 9, 2019, File No. 1-32853). | X | | | | | | |
| 10.23** | Performance Award Agreement (incorporated by reference to Exhibit 10.4 to Duke Energy Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, filed on May 12, 2020, File No. 1-32853). | X | | | | | | |
| 10.24** | Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.3 to Duke Energy Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, filed on May 9, 2019, File No. 1-32853). | X | | | | | | |
| 10.25 | Settlement Agreement between Duke Energy Corporation, the North Carolina Utilities Commission Staff and the North Carolina Public Staff, dated as of November 28, 2012 (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K filed on November 29, 2012, File No. 1-32853). | X | | | | | | |
| 10.26 | Settlement Agreement between Duke Energy Corporation and the North Carolina Attorney General, dated as of December 3, 2012 (incorporated by reference Item 7.01 to registrant's Current Report on Form 8-K filed on December 3, 2012, File No. 1-32853). | X | | | | | | |
| 10.27 | Settlement Agreement between Duke Energy Carolinas, LLC, Duke Energy Progress, LLC, and The North Carolina Department of Environmental Quality, dated as of December 31, 2019 (incorporated by reference to Exhibit 10.1 to registrants' Current Report on Form 8-K filed on January 2, 2020, File Nos. 1-4928, 1-3382). | | X | X | | | | |
| 10.28 | Duke Energy Carolinas Summary of Partial Settlement in North Carolina Rate Case (incorporated by reference to Exhibit 99.1 to registrant's Current Report on Form 8-K filed on March 26, 2020, File Nos. 1-32853, 1-4928, 1-3382). | X | X | X | | | | |
| 10.29** | Form of Change-in-Control Agreement (incorporated by reference to Exhibit 10.58 to Duke Energy Corporation's Annual Report on Form 10-K for the year ended December 31, 2012, filed on March 1, 2013, File No. 1-32853). | X | | | | | | |
| 10.30** | Amended and Restated Duke Energy Corporation Executive Cash Balance Plan, dated as of January 1, 2014 (incorporated by reference to Exhibit 10.52 to Duke Energy Corporation's Annual Report on Form 10-K for the year ended December 31, 2013, filed on February 28, 2014, File No. 1-32852). | X | | | | | | |
| 10.30.1** | Amended and Restated Duke Energy Corporation Executive Cash Balance Plan, dated as of September 30, 2020 (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K filed on September 25, 2020, File No. 1-32853). | X | | | | | | |
| 10.31 | Purchase, Construction and Ownership Agreement, dated as of July 30, 1981, between Duke Energy Progress, Inc. (formerly Carolina Power & Light Company) and North Carolina Municipal Power Agency Number 3 and Exhibits, together with resolution, dated as of December 16, 1981, changing name to North Carolina Eastern Municipal Power Agency, amending letter, dated as of February 18, 1982, and amendment, dated as of February 24, 1982 (incorporated by reference to Exhibit 10(a) to registrant's File No. 33-25560). | | | | X | | | |

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| Exhibit Number | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|---|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 10.32 | Operating and Fuel Agreement, dated as of July 30, 1981, between Duke Energy Progress, Inc. (formerly Carolina Power & Light Company) and North Carolina Municipal Power Agency Number 3 and Exhibits, together with resolution, dated as of December 16, 1981, changing name to North Carolina Eastern Municipal Power Agency, amending letters, dated as of August 21, 1981, and December 15, 1981, and amendment, dated as of February 24, 1982 (incorporated by reference to Exhibit 10(b) to registrant's File No. 33-25560). | | | X | | | | |
| 10.33 | Power Coordination Agreement, dated as of July 30, 1981, between Duke Energy Progress, Inc. (formerly Carolina Power & Light Company) and North Carolina Municipal Power Agency Number 3 and Exhibits, together with resolution, dated as of December 16, 1981, changing name to North Carolina Eastern Municipal Power Agency and amending letter, dated as of January 29, 1982 (incorporated by reference to Exhibit 10(c) to registrant's File No. 33-25560). | | | X | | | | |
| 10.34 | Amendment, dated as of December 16, 1982, to Purchase, Construction and Ownership Agreement, dated as of July 30, 1981, between Duke Energy Progress, Inc. (formerly Carolina Power & Light Company) and North Carolina Eastern Municipal Power Agency (incorporated by reference to Exhibit 10(d) to registrant's File No. 33-25560). | | | X | | | | |
| 10.35** | Progress Energy, Inc. 2007 Equity Incentive Plan (incorporated by reference to Exhibit C to registrant's Form DEF 14A filed on March 30, 2007, File No. 1-15929). | | | X | | | | |
| 10.36 | Precedent and Related Agreements between Duke Energy Florida, Inc. (formerly Florida Power Corporation d/b/a Progress Energy Florida, Inc. ("PEF")), Southern Natural Gas Company, Florida Gas Transmission Company ("FGT"), and BG LNG Services, LLC ("BG"), including: a) Precedent Agreement between Southern Natural Gas Company and PEF, dated as of December 2, 2004; b) Gas Sale and Purchase Contract between BG and PEF, dated as of December 1, 2004; c) Interim Firm Transportation Service Agreement by and between FGT and PEF, dated as of December 2, 2004; d) Letter Agreement between FGT and PEF, dated as of December 2, 2004, and Firm Transportation Service Agreement between FGT and PEF to be entered into upon satisfaction of certain conditions precedent; e) Discount Agreement between FGT and PEF, dated as of December 2, 2004; f) Amendment to Gas Sale and Purchase Contract between BG and PEF, dated as of January 28, 2005; and g) Letter Agreement between FGT and PEF, dated as of January 31, 2005 (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K/A filed on March 15, 2005, File Nos. 1-15929 and 1-3274). (Portions of the exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.) | | | X | | X | | |
| 10.37 | Engineering, Procurement and Construction Agreement between Duke Energy Florida, Inc. (formerly Florida Power Corporation d/b/a/ Progress Energy Florida, Inc.), as owner, and a consortium consisting of Westinghouse Electric Company LLC and Stone & Webster, Inc., as contractor, for a two-unit AP1000 Nuclear Power Plant, dated as of December 31, 2008 (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K filed on March 2, 2009, File Nos. 1-15929 and 1-3274). (Portions of the exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.) | | | X | | X | | |
| 10.38** | Employment Agreement between Duke Energy Corporation and Lynn J. Good, dated as of June 17, 2013 (incorporated by reference to Exhibit 10.1 to Duke Energy Corporation's Current Report on Form 8-K filed on June 18, 2013, File No. 1-32853). | | | | X | | | |
| 10.38.1** | Amendment to Employment Agreement between Duke Energy Corporation and Lynn J. Good, dated as of June 25, 2015 (incorporated by reference to Exhibit 10.1 to Duke Energy Corporation's Current Report on Form 8-K filed on June 29, 2015, File No. 1-32853). | | | | X | | | |

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| Exhibit Number | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|--|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 10.39** | Duke Energy Corporation Executive Short-Term Incentive Plan, dated as of February 25, 2013 (incorporated by reference to Exhibit 10.1 to Duke Energy Corporation's Current Report on Form 8-K filed on May 7, 2013, File No. 1-32853). | X | | | | | | | |
| 10.40** | Duke Energy Corporation 2017 Director Compensation Program Summary (incorporated by reference to Exhibit 10.3 to Duke Energy Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 filed on August 3, 2017, File No. 1-32853). | X | | | | | | | |
| 10.41** | Amended and Restated Duke Energy Corporation Executive Savings Plan, dated as of January 1, 2014 (incorporated by reference to Exhibit 10.82 to Duke Energy Corporation's Annual Report on Form 10-K for the year ended December 31, 2013, filed on February 28, 2014, File No. 1-32853). | X | | | | | | | |
| 10.41.1** | Amendment to Duke Energy Corporation Executive Savings Plan, dated as of January 1, 2014 (incorporated by reference to Exhibit 10.1 to Duke Energy Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017, filed on November 3, 2017, File No. 1-32853). | X | | | | | | | |
| 10.41.2** | Amendment to Duke Energy Corporation Executive Savings Plan, dated as of October 1, 2020 (incorporated by reference to Exhibit 10.2 to Duke Energy Corporation's Current Report on Form 8-K filed on September 25, 2020, File No. 1-32853). | X | | | | | | | |
| 10.42 | Agreement between Duke Energy SAM, LLC, Duke Energy Ohio, Inc., Duke Energy Commercial Enterprise, Inc. and Dynegy Resource I, LLC, dated as of August 21, 2014 (incorporated by reference to Exhibit 10.61 to Duke Energy Corporation's Annual Report on Form 10-K for the year ended December 31, 2014, filed on March 2, 2015, File No. 1-32853). | X | | | | | X | | |
| 10.43 | Asset Purchase Agreement between Duke Energy Progress, Inc. and North Carolina Eastern Municipal Power Agency, dated as of September 5, 2014 (incorporated by reference to Exhibit 10.62 to Duke Energy Corporation's Annual Report on Form 10-K for the year ended December 31, 2014, filed on March 2, 2015, File No. 1-32853). | X | | | X | | | | |
| 10.44 | Accelerated Stock Repurchase Program executed by Goldman, Sachs & Co., and JPMorgan Chase Bank, N.A. on April 6, 2015, under an agreement with Duke Energy Corporation (incorporated by reference to Exhibit 10.1 to Duke Energy Corporation's Current Report on Form 8-K filed on April 6, 2015, File No. 1-32853). | X | | | | | | | |
| 10.45 | Plea Agreement between Duke Energy Corporation and the Court of the Eastern District of North Carolina in connection with the May 14, 2015, Dan River Grand Jury Settlement (incorporated by reference to Exhibit 10.3 to Duke Energy Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, filed on August 7, 2015, File No. 1-32853). | X | | | | | | | |
| 10.46 | Plea Agreement between Duke Energy Corporation and the Court of the Eastern District of North Carolina in connection with the May 14, 2015, Dan River Grand Jury Settlement (incorporated by reference to Exhibit 10.4 to Duke Energy Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, filed on August 7, 2015, File No. 1-32853). | X | | | | | | | |
| 10.47 | Purchase and Sale Agreement by and among Duke Energy International Group S.à.r.l., Duke Energy International Brazil Holdings S.à.r.l. and China Three Gorges (Luxembourg) Energy S.à.r.l., dated as of October 10, 2016 (incorporated by reference to Exhibit 2.1 to registrant's Current Report on Form 8-K filed on October 13, 2016, File No. 1-32853). | X | | | | | | | |
| 10.48 | Purchase and Sale Agreement by and among Duke Energy Brazil Holdings II, C.V., Duke Energy International Uruguay Investments SRL, Duke Energy International Group S.à.r.l., Duke Energy International España Holdings SL, Duke Energy International Investments No. 2 Ltd., ISQ Enerlam Aggregator, L.P., and Enerlam (UK) Holdings Ltd., dated as of October 10, 2016 (incorporated by reference to Exhibit 2.2. to registrant's Current Report on Form 8-K filed on October 13, 2016, File No. 1-32853). | X | | | | | | | |

PART IV

| Exhibit Number | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|--|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 10.49** | Amended and Restated Employment Agreement, dated May 25, 2012, between Piedmont Natural Gas Company, Inc. and Franklin H. Yoho (incorporated by reference to Exhibits 10.1 and 10.2 to Piedmont Natural Gas Company, Inc.'s Quarterly Report on Form 10-Q for the quarter ended July 31, 2012, filed on September 7, 2012, File No. 1-06196). | X | | | | | | | |
| 10.50** | Severance Agreements with Thomas E. Skains and Franklin H. Yoho, dated September 4, 2007 (incorporated by reference to Exhibits 10.2 and 10.2a to Piedmont Natural Gas Company, Inc.'s Quarterly Report on Form 10-Q for the quarter ended July 31, 2007, filed on September 7, 2007, File No. 1-06196). | X | | | | | | | |
| 10.51** | Piedmont Natural Gas Company, Inc. Incentive Compensation Plan (incorporated by reference to Exhibit 10.64 to registrant's Annual Report on Form 10-K for the year ended December 31, 2016, filed on February 24, 2017, File No. 1-32853). | X | | | | | | | |
| 10.51.1** | First Amendment to Piedmont Natural Gas Company, Inc. Incentive Compensation Plan (incorporated by reference to Exhibit 4.2 to registrant's Registration Statement on Form S-8 filed on October 3, 2016, File No. 1-32853). | X | | | | | | | |
| 10.52** | Waiver of Certain Rights to Terminate for Good Reason between Duke Energy Corporation and Franklin H. Yoho (incorporated by reference to Exhibit 10.66 to registrant's Annual Report on Form 10-K for the year ended December 31, 2016, filed on February 24, 2017, File No. 1-32853). | X | | | | | | | |
| 10.53** | Notice of Non-Renewal of Employment Agreement between Duke Energy Corporation and Franklin H. Yoho (incorporated by reference to Exhibit 10.67 to registrant's Annual Report on Form 10-K for the year ended December 31, 2016, filed on February 24, 2017, File No. 1-32853). | X | | | | | | | |
| 10.54** | Retention Award Agreement, dated as of October 24, 2015, between Duke Energy Corporation and Franklin H. Yoho (incorporated by reference to Exhibit 10.68 to registrant's Annual Report on Form 10-K for the year ended December 31, 2016, filed on February 24, 2017, File No. 1-32853). | X | | | | | | | |
| 10.55** | Consulting Agreement, dated as of October 4, 2019, between Duke Energy Corporation and Franklin H. Yoho (incorporated by reference to Exhibit 10.54 to registrant's Annual Report of Form 10-K for the year ended December 31, 2019, filed on February 20, 2020, File No. 1-32853). | X | | | | | | | |
| 10.56 | \$1,000,000,000 Credit Agreement, dated as of June 14, 2017, among Duke Energy Corporation, the lenders listed therein, The Bank of Nova Scotia, as Administrative Agent, PNC Bank, National Association, Sumitomo Mitsui Banking Corporation and TD Bank, N.A., as CO-Syndication Agents, and Bank of China, New York Branch, BNP Paribas, Santander Bank, N.A. and U.S. Bank National Association, as Co-Documentation Agents (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K filed on June 14, 2017, File No. 1-32853). | X | | | | | | | |
| 10.57 | \$1,000,000,000 Credit Agreement, dated as of May 15, 2019, among Duke Energy Corporation, the Lenders party thereto, The Bank of Nova Scotia, as Administrative Agent, PNC Bank, National Association, Sumitomo Mitsui Banking Corporation and TD Bank, N.A., as Co-Syndication Agents, and Bank of China, New York Branch, BNP Paribas, Santander Bank, N.A., and U.S. Bank, National Association, as Co-Documentation Agents (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K filed on May 16, 2019, File No. 1-32853). | X | | | | | | | |
| 10.58 | \$1.5 billion 364-Day Term Loan Credit Agreement, dated as of March 19, 2020, among the registrant, as Borrower, certain Lenders from time to time parties thereto, and PNC Bank, N.A., as Administrative Agent, and registrant's borrowing of the remaining \$500 million under registrant's existing \$1 billion revolving credit facility on March 17, 2020 (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K filed on March 19, 2020, File No. 1-32853). | X | | | | | | | |

PART IV

| Exhibit Number | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|---|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 10.58.1 | Joinder Agreement, dated as of March 27, 2020, by and among, the registrant, each of the Incremental Lenders listed therein, and PNC Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.2.1 to registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, filed on May 12, 2020, File No. 1-32853). | X | | | | | | | |
| 10.59 | Note Purchase Agreement, dated as of May 6, 2011, among Piedmont Natural Gas Company, Inc. and the Purchasers party thereto (incorporated by reference to Exhibit 10 to registrant's Current Report on Form 8-K filed on May 12, 2011, File No. 1-06196). | | | | | | | | X |
| 10.60 | Amended and Restated Limited Liability Company Agreement of Constitution Pipeline Company, LLC dated April 9, 2012, by and among Williams Partners Operating LLC and Cabot Pipeline Holdings LLC (incorporated by reference to Exhibit 10.1 to registrant's Quarterly Report on Form 10-Q for the quarter ended January 31, 2013, filed on March 6, 2013, File No. 1-06196). | | | | | | | | X |
| 10.60.1 | First Amendment to Amended and Restated Limited Liability Company Agreement of Constitution Pipeline Company, LLC, dated as of November 9, 2012, by and among Constitution Pipeline Company, LLC, Williams Partners Operating LLC, Cabot Pipeline Holdings LLC, and Piedmont Constitution Pipeline Company, LLC (incorporated by reference to Exhibit 10.2 to registrant's Quarterly Report on Form 10-Q for the quarter ended January 31, 2013, filed on March 6, 2013, File No. 1-06196). | | | | | | | | X |
| 10.60.2 | Second Amendment to Amended and Restated Limited Liability Company Agreement of Constitution Pipeline Company, LLC, dated as of May 29, 2013, by and among Constitution Pipeline Company, LLC, Williams Partners Operating LLC, Cabot Pipeline Holdings LLC, Piedmont Constitution Pipeline Company, LLC, and Capitol Energy Ventures Corp. (incorporated by reference to Exhibit 99.1 to registrant's Current Report on Form 8-K filed on September 4, 2013, File No. 1-06196). | | | | | | | | X |
| 10.61 | Second Amended and Restated Limited Liability Company Agreement of SouthStar Energy Services LLC, dated as of September 1, 2013, by and between Georgia Natural Gas Company and Piedmont Energy Company (incorporated by reference to Exhibit 10.39 to registrant's Annual Report on Form 10-K for the year ended October 31, 2013, filed on December 23, 2013, File No. 1-06196). | | | | | | | | X |
| 10.62 | Limited Liability Company Agreement of Atlantic Coast Pipeline, LLC, dated as of September 2, 2014, by and between Dominion Atlantic Coast Pipeline, LLC, Duke Energy ACP, LLC, Piedmont ACP Company, LLC, and Maple Enterprise Holdings, Inc. (incorporated by reference to Exhibit 10.35 to registrant's Annual Report on Form 10-K for the year ended October 31, 2014, filed on December 23, 2014, File No. 1-06196). | | | | | | | | X |
| 10.63 | Engineering, Procurement and Construction Agreement between Duke Energy Business Services, LLC, as agent for and on behalf of Piedmont Natural Gas Company Inc. and Matrix Service, Inc., dated as of April 30, 2019 (incorporated by reference to Exhibit 10.1 to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, filed on August 6, 2019, File No. 1-06196). (Portions of the exhibit have been omitted for confidentiality.) | | | | | | | | X |
| 10.64 | Decommissioning Services Agreement between Duke Energy Florida, LLC, and ADP CR3, LLC, and ADP SF1, LLC (incorporated by reference to Exhibit 10.3 to registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, filed on August 6, 2019, File No. 2-5293). (Portions of the exhibit have been omitted for confidentiality.) | | | | | X | | | |
| 10.65 | Form of Forward Sale Agreement (incorporated by reference to Exhibit 10.1 to registrant's Current Report on Form 8-K filed on November 8, 2019, File No. 1-32853). | X | | | | | | | |

PART IV

| Exhibit Number | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|--|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| 10.66 | Lease Agreement dated as of December 23, 2019, between the registrant and CGA 525 South Tryon TIC 1, LLC, a Delaware limited liability company, CGA 525 South Tryon TIC 2, LLC, a Delaware limited liability company, and CK 525 South Tryon TIC, LLC, a Delaware limited liability company (incorporated by reference to Exhibit 10.64 to registrant's Annual Report on Form 10-K for the year ended December 31, 2019, filed on February 20, 2020, File No. 1-4928). | | X | | | | | | |
| 10.67 | Construction Agency Agreement dated as of December 23, 2019, between the registrant and CGA 525 South Tryon TIC 1, LLC, a Delaware limited liability company, CGA 525 South Tryon TIC 2, LLC, a Delaware limited liability company, and CK 525 South Tryon TIC, LLC, a Delaware limited liability company (incorporated by reference to Exhibit 10.65 to registrant's Annual Report on Form 10-K for the year ended December 31, 2019, filed on February 20, 2020, File No. 1-4928). | | X | | | | | | |
| *21 | List of Subsidiaries | X | | | | | | | |
| *23.1.1 | Consent of Independent Registered Public Accounting Firm. | X | | | | | | | |
| *23.1.2 | Consent of Independent Registered Public Accounting Firm. | | X | | | | | | |
| *23.1.3 | Consent of Independent Registered Public Accounting Firm. | | | | X | | | | |
| *23.1.4 | Consent of Independent Registered Public Accounting Firm. | | | | | X | | | |
| *23.1.5 | Consent of Independent Registered Public Accounting Firm. | | | | | | X | | |
| *23.1.6 | Consent of Independent Registered Public Accounting Firm. | | | | | | | X | |
| *23.1.7 | Consent of Independent Registered Public Accounting Firm. | | | | | | | | X |
| *24.1 | Power of attorney authorizing Lynn J. Good and others to sign the Annual Report on behalf of the registrant and certain of its directors and officers. | X | | | | | | | |
| *24.2 | Certified copy of resolution of the Board of Directors of the registrant authorizing power of attorney. | X | | | | | | | |
| *31.1.1 | Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | X | | | | | | | |
| *31.1.2 | Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | X | | | | | | |
| *31.1.3 | Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | X | | | | | |
| *31.1.4 | Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | X | | | | |
| *31.1.5 | Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | X | | | |
| *31.1.6 | Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | | X | | |
| *31.1.7 | Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | | | X | |
| *31.1.8 | Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | | | | X |
| *31.2.1 | Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | X | | | | | | | |
| *31.2.2 | Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | X | | | | | | |

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| Exhibit Number | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|---|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| *31.2.3 | Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | X | | | | | |
| *31.2.4 | Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | X | | | | |
| *31.2.5 | Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | X | | | |
| *31.2.6 | Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | | X | | |
| *31.2.7 | Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | | | X | |
| *31.2.8 | Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | | | | X |
| *32.1.1 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | X | | | | | | | |
| *32.1.2 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | X | | | | | | |
| *32.1.3 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | X | | | | | |
| *32.1.4 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | X | | | | |
| *32.1.5 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | | X | | | |
| *32.1.6 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | | | X | | |
| *32.1.7 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | | | | X | |
| *32.1.8 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | | | | | X |
| *32.2.1 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | X | | | | | | | |
| *32.2.2 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | X | | | | | | |
| *32.2.3 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | X | | | | | |
| *32.2.4 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | X | | | | |
| *32.2.5 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | | X | | | |
| *32.2.6 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | | | X | | |
| *32.2.7 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | | | | X | |
| *32.2.8 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | | | | | | | X |
| *101.INS | XBRL Instance Document (this does not appear in the Interactive Data File because it's XBRL tags are embedded within the Inline XBRL document). | X | X | X | X | X | X | X | X |
| *101.SCH | XBRL Taxonomy Extension Schema Document | X | X | X | X | X | X | X | X |

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| Exhibit Number | | Duke Energy | Duke Energy Carolinas | Progress Energy | Duke Energy Progress | Duke Energy Florida | Duke Energy Ohio | Duke Energy Indiana | Piedmont |
|----------------|---|-------------|-----------------------|-----------------|----------------------|---------------------|------------------|---------------------|----------|
| *101.CAL | XBRL Taxonomy Calculation Linkbase Document | X | X | X | X | X | X | X | X |
| *101.LAB | XBRL Taxonomy Label Linkbase Document | X | X | X | X | X | X | X | X |
| *101.PRE | XBRL Taxonomy Presentation Linkbase Document | X | X | X | X | X | X | X | X |
| *101.DEF | XBRL Taxonomy Definition Linkbase Document | X | X | X | X | X | X | X | X |
| *104 | Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101). | X | X | X | X | X | X | X | X |

The total amount of securities of each respective registrant or its subsidiaries authorized under any instrument with respect to long-term debt not filed as an exhibit does not exceed 10% of the total assets of such registrant and its subsidiaries on a consolidated basis. Each registrant agrees, upon request of the SEC, to furnish copies of any or all of such instruments to it.



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