

Q3 / 2022



# Earnings Review and Business Update

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November 4, 2022

## **Safe Harbor statement**

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

## **Regulation G disclosure**

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

# Safe harbor statement

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These 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, asset retirement and construction costs related to carbon emissions reductions, 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, reduced customer usage due to cost pressures from inflation or fuel costs, and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts, natural gas building and appliance electrification, 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, natural gas electrification, and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in a reduced number of customers, 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 investor, customer, and other stakeholder expectations and demands including heightened emphasis on environmental, social and governance concerns; The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; Operational interruptions to our natural gas distribution and transmission activities; The availability of adequate interstate pipeline transportation capacity and natural gas supply; The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions, an individual utility's generation mix, 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; Asset or business acquisitions and dispositions, including our ability to successfully consummate the second closing of the minority investment in Duke Energy Indiana or that the sale may not yield the anticipated benefits; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy, or cause fluctuations in the trading price of our common stock; and the ability to implement our business strategy, including its carbon emission reduction goals.

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

**\$1.81 / \$1.78**

**Q3 2022 REPORTED / ADJUSTED EPS  
RESULTS DRIVEN BY STRONG VOLUMES IN  
ELECTRIC SEGMENT, OFFSET BY TIMING OF  
COMMERCIAL RENEWABLES PROJECTS**

## **STRATEGIC REVIEW COMPLETE**

**PURSUING SALE OF COMMERCIAL  
RENEWABLES**

**MOVING TO DISCONTINUED OPS IN Q4**

**\$5.20 - \$5.30**

**2022 ADJUSTED EPS GUIDANCE RANGE<sup>(1)</sup>  
(REGULATED UTILITIES AND OTHER,  
EXCLUDES COMMERCIAL RENEWABLES)**



*Florida staging site  
Hurricane Ian restoration*



# Commercial Renewables sale update and pro forma earnings guidance

## Strategic rationale

- Exit from capital intensive business with slower EPS growth than our utility platform
- Compelling time to exit with competitive buyer field at attractive valuation
- Creates pure play utility with \$145 billion capital plan across higher-growth, regulated electric and gas operations
- Strengthens balance sheet and addresses equity needs through at least 2027

## Sales process and timing

- Sale process is underway, with robust interest in our operating assets and development pipeline
- Expect to announce a transaction in Q1 2023 and close by mid-year

## 2023 earnings considerations

- 5% - 7% adjusted earnings growth in core business plus partial year use of proceeds impact
- Fully regulated portfolio allows for a tighter (\$0.20) earnings range compared to prior guidance

## 2023 ADJUSTED EPS GUIDANCE

**\$5.55 - \$5.75**

**=**

**5% - 7% GROWTH OFF MIDPOINT OF 2022 GUIDANCE RANGE (\$5.25)<sup>(1)</sup>**

**+**

**PARTIAL YEAR BENEFIT FROM USE OF PROCEEDS<sup>(2)</sup>**

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## LONG-TERM GROWTH RATE

**5% – 7% THROUGH 2027<sup>(3)</sup>**

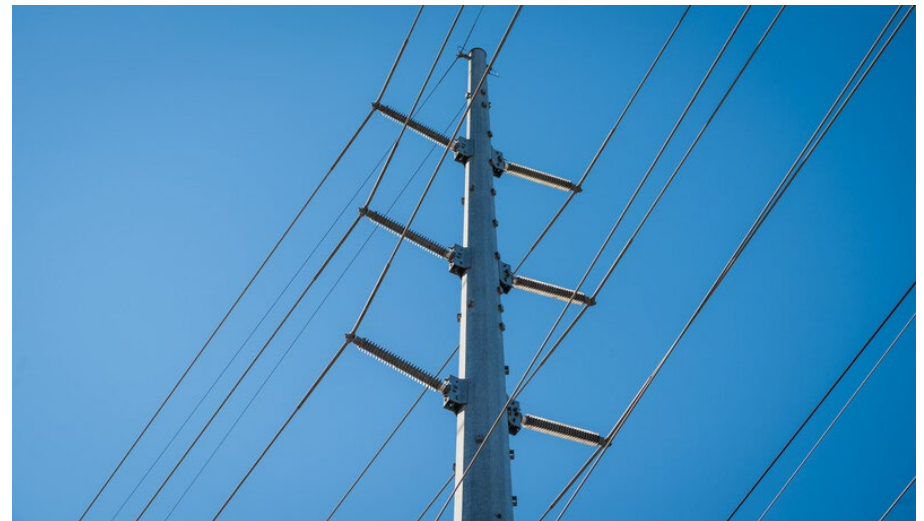
**OFF MIDPOINT OF 2023 GUIDANCE RANGE (\$5.65)<sup>(1)</sup>**

## FILED FIRST MULTI-YEAR RATE PLAN IN NORTH CAROLINA

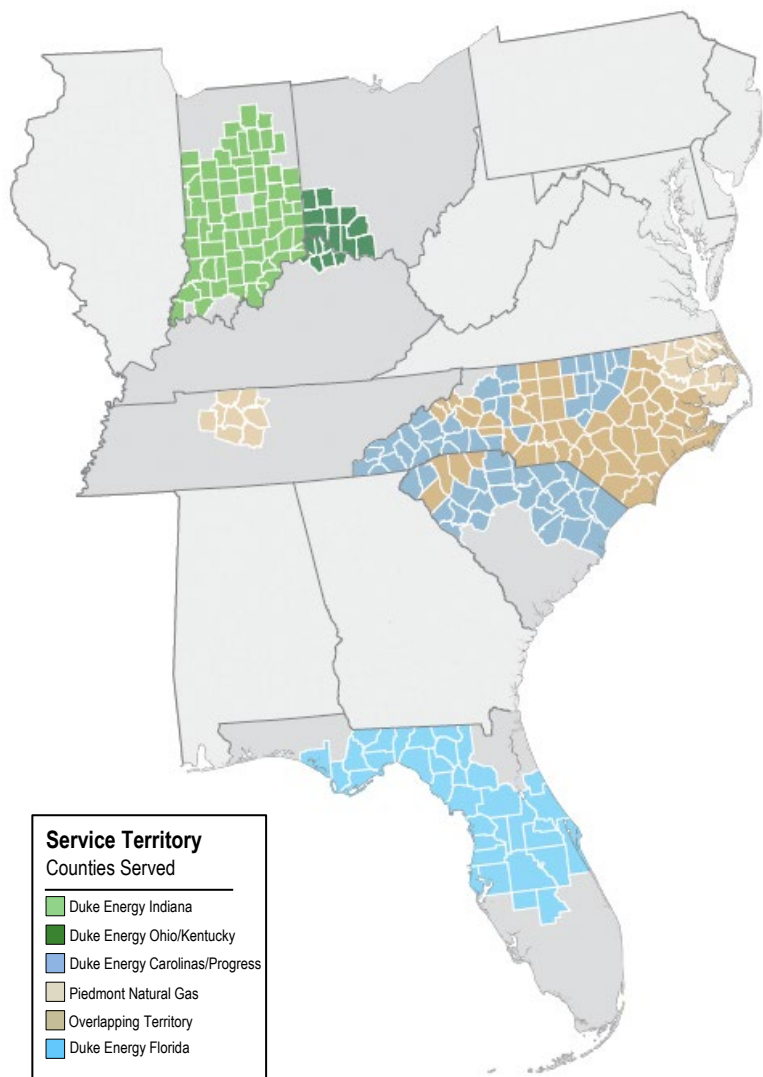
- Filed base rate case with a performance-based regulation (PBR) application on October 6
- Historical base rate case proposes a NC retail rate base of \$12.3 billion
  - \$1.7 billion increase vs. current retail rate base
- Revenue increase mitigated by lower operating costs - over \$100 million<sup>(1)</sup> since last rate case
- The multi-year rate plan (MYRP) includes impacts of ~\$3.8 billion<sup>(1)</sup> of capital projects that are projected to go in service over the 3-year MYRP period
  - \$2.9 billion of T&D investments (~75% of MYRP capital)
  - \$300 million of energy storage and solar assets
- The PBR application includes the earnings sharing mechanism, residential decoupling, and four performance incentive mechanisms (PIMs) in accordance with HB 951

### Rate case filing (Docket E-2 sub 1300)

Return on equity requested	10.2%
Equity component of capital structure	53%
Hearings expected to commence	May 2023 <sup>(2)</sup>
Temporary rates for the historic base rate case	June 1, 2023
Permanent total year 1 rates requested to be in effect, if approved	By October 1, 2023
Retail revenue increase requested - Historic base rate case	\$219 million
Retail revenue increase requested - Annual MYRP updates	~\$100 - \$150 million



# Other regulatory and policy updates



## North Carolina

- Carbon plan hearings held in September; NCUC to issue order by end of year
- DE Carolinas T&D technical conference conducted on November 2; rate case to be filed in early 2023

## South Carolina

- Filed DE Progress rate case in September; requested rates effective no later than April 1, 2023
- DE Carolinas fuel increase settlement approved with 24-month recovery period
- House Economic Development and Utility Modernization Ad-Hoc Committee established

## Florida

- Storm protection plan approved on October 4
- Completed planned 300 MW of solar installations in 2022

## Indiana

- Holding stakeholder meetings to review updated IRP results ahead of CPCN filing in early 2023

## Ohio / Kentucky

- Reached settlement in DE Ohio distribution rate case; hearing complete
- Filed notice of upcoming DE Kentucky electric rate case on November 1

## EXPECT SIGNIFICANT ENTERPRISE-WIDE TAX INCENTIVES OVER NEXT DECADE<sup>(1)</sup>

### Existing Nuclear Production Tax Credits (“PTCs”)



- Our low-cost Carolinas nuclear units are expected to qualify (most operate below the \$43.75/MWh phase-out threshold)
- Project annual gross PTCs to be several hundred million dollars a year beginning in 2024<sup>(1)</sup>

### Solar PTCs



- 1 GW of solar will equal ~\$60 million in annual gross PTCs; Solar PTCs effective for new generation beginning January 2022
- Potential for ~13-17 GW of connected solar<sup>(2)</sup> over next 10 years

### Storage Investment Tax Credits (“ITCs”)



- Storage investments are critical to maintaining reliability as we advance our energy transition
- Potential for \$2.5 to \$4.5 billion<sup>(3)</sup> of storage investments over next 10 years to qualify for 30% ITC

### Corporate minimum tax and transferability



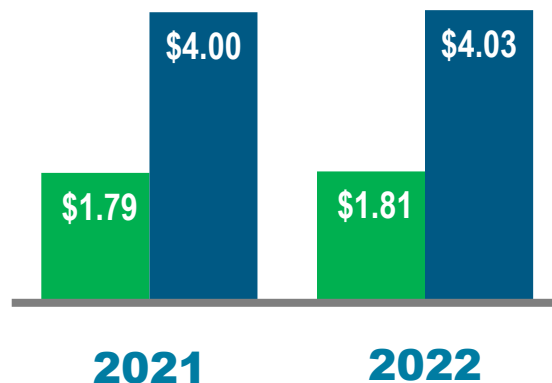
- Tax credits can reduce 75% of cash liability on corporate book minimum tax, adjusted for tax depreciation
- Transferability allows for efficient monetization of credits

***These benefits will provide customers a more affordable energy transition***



# Q3 2022 reported and core business adjusted EPS summary

## REPORTED EARNINGS PER SHARE



## CORE BUSINESS ADJUSTED RESULTS VS. PRIOR YEAR QUARTER – EXCLUDES COMMERCIAL<sup>(1)</sup>

**Electric Utilities & Infrastructure, +\$51 M (+\$0.06 per share)**

- ▲ Retail electric volumes
- ▲ Lower O&M
- ▼ Regulatory lag<sup>(2)</sup> on growing asset base
- ▼ Weather (-\$0.01)

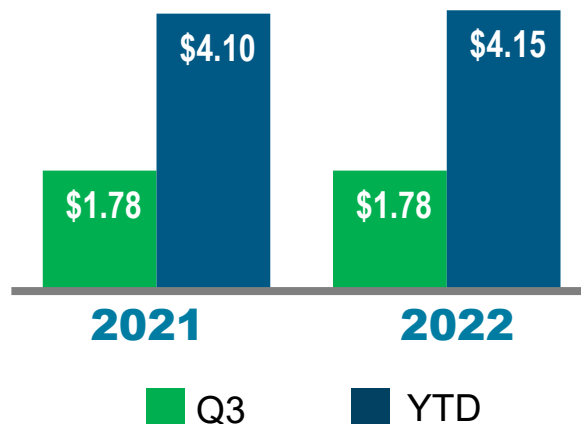
**Gas Utilities & Infrastructure, +\$9 M (+\$0.01 per share)**

- ▲ Higher riders and rate case contributions

**Other, -\$59 M (-\$0.07 per share)**

- ▼ Higher financing costs
- ▼ Timing of tax expense
- ▼ Lower returns on investments

## CORE BUSINESS ADJUSTED EARNINGS PER SHARE - EXCLUDES COMMERCIAL<sup>(1)</sup>

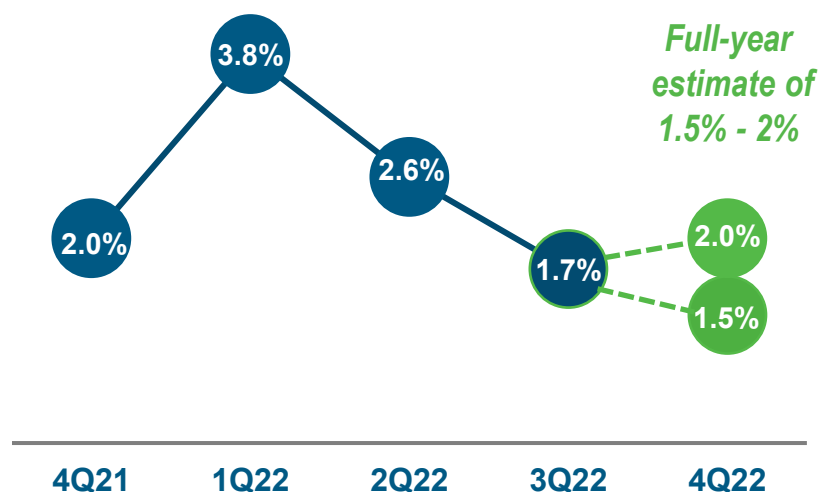


(1) Based on adjusted EPS for electric, gas and other segments, excluding Commercial Renewables. The 2022 earnings for Commercial Renewables will be reclassified to Discontinued Operations in Q4 2022  
(2) Regulatory lag includes depreciation and amortization, interest expense and property taxes

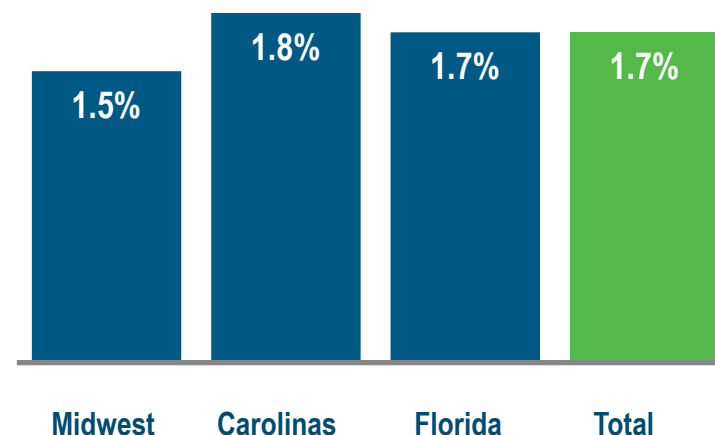
## RETAIL LOAD TRENDS & ECONOMIC UPDATE

- Increase in Residential customers and rebounding Commercial class drove Q3 growth
  - Residential load now ~5% above pre-COVID levels
  - Commercial benefited from new store openings and expanded data center usage
  - Industrial growth continues to be impacted by supply chain constraints in certain sectors
- Site Selection Magazine named Duke Energy a Top Utility in Economic Development for the 17th consecutive year
- Continue to expect total 2022 load increase within the range of 1.5% - 2.0%

### ROLLING 12-MONTH RETAIL ELECTRIC VOLUME GROWTH

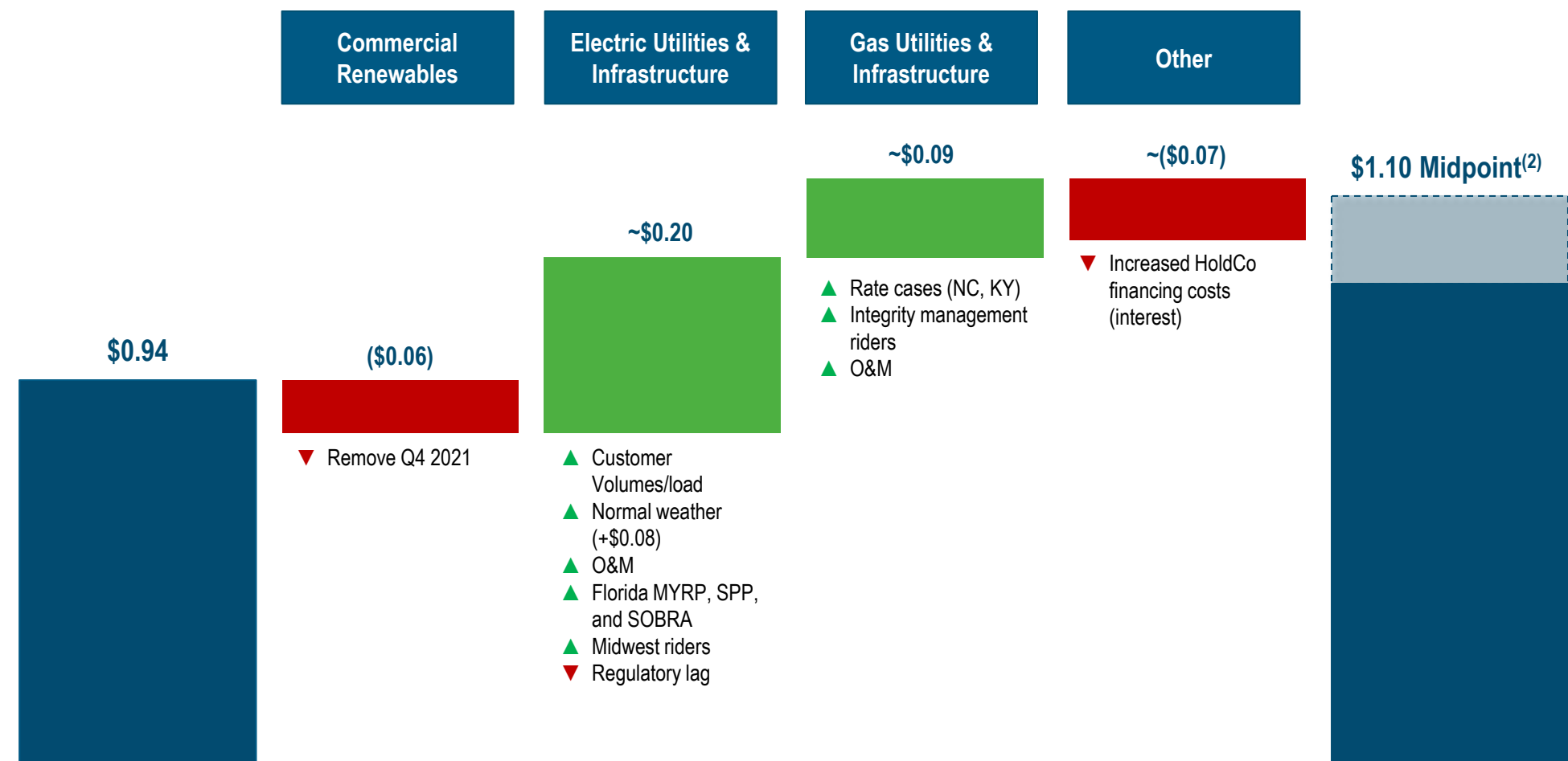


### ANNUAL GROWTH IN NUMBER OF RESIDENTIAL CUSTOMERS<sup>(1)</sup>



# 2022 Financial outlook – Q4 adjusted EPS waterfall

2022 Adjusted EPS per share expectations <sup>(1)</sup>					
Original 2022 Guidance Midpoint	Remove Commercial Renewables	Updated 2022 Guidance Midpoint	Core Business Q1 - Q3 Actual	Core Business Q4 Estimate	2022 Updated Guidance
\$5.45	(\$0.20)	\$5.25	\$4.15	\$1.05 - \$1.15	\$5.20 - \$5.30



(1) Core business includes Electric Utilities and Infrastructure, Gas Utilities and Infrastructure, and Other segments

(2) Based off midpoint of 2022 adjusted EPS guidance range of \$5.20 - \$5.30

# 2023 earnings growth drivers to achieve \$5.55 - \$5.75<sup>(1)</sup>



## Volumes

- ▲ Load and customer growth
- ▼ Normal weather

## Rate cases and riders

- ▲ Carolinas rate cases
- ▲ Florida multi-year rate plan and SPP rider
- ▲ Ohio electric distribution rate case
- ▲ Kentucky electric rate case
- ▲ Midwest grid investment riders
- ▲ Gas: Integrity management investments and Ohio rate case

## Operating costs

- ▲ Normal storm expense
- ▲ Cost management initiative: \$300 million
- ▼ Depreciation on a growing asset base

## Other

- ▲ Partial year use of proceeds benefit from Commercial Renewables sale
- ▼ Interest expense

# Our investor value proposition

DUK  
LISTED  
NYSE

## A STRONG LONG-TERM RETURN PROPOSITION

DUK  
LISTED  
NYSE

**4.3%**

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



**~10%**

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



**5-7%**

LONG-TERM  
**EPS GROWTH<sup>(4)</sup>**  
THROUGH 2027

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

(1) As of November 2, 2022

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

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

(4) Based on adjusted EPS for the core business



# APPENDIX

# Hurricane Ian response and recovery

*Staging at Tropicana Field, St. Petersburg, FL*



- 20,000 resources on the front lines of restoration work, with thousands more Duke Energy employees prepared for mobilization
- Estimated restoration costs of \$425-500 million with 96% of O&M costs eligible for storm reserve or other regulatory recovery mechanism<sup>(1)</sup>
- ~2 million outages between the Carolinas and Florida, with restoration in less than half the time of Hurricane Irma in 2017
  - 97% of Florida outages restored within 3 days
  - 99% of Carolinas outages restored within 2 days
- Self-healing technology avoided 260,000 customer outages for a total of 4.2 million hours of avoided outage time

- The Duke Energy Foundation has committed \$345,000 to support relief efforts in Florida, South Carolina, and North Carolina
  - Targeted to disaster recovery, emergency services and supplies, and local recovery and rebuilding
- Lending a hand: DEF partnered with Lee County Electric Co-op to accelerate service restoration to their hardest-hit coastal communities
- Customer experience greatly enhanced by digital communications
  - 85% of customers used Duke Energy website, mobile app or text to report an outage
  - Outgoing communications, outage maps, and social media engagement provided information to customers proactively

*Lee County, FL restoration*



# Regulatory activity details

	FILING TYPE	DOCKET NO.	STATUS	KEY DRIVERS
DUKE ENERGY PROGRESS	NC Base Rate Case and PBR <sup>(1)</sup> filed Oct. 6, '22	E-2 Sub 1300	<ul style="list-style-type: none"> <li>Hearing expected May '23<sup>(2)</sup></li> <li>Temporary rates subject to refund expected June '23</li> <li>Permanent year 1 rates requested by Oct. '23</li> </ul>	<ul style="list-style-type: none"> <li>Requested: ROE 10.2%; 53% equity cap. structure</li> <li>Investments in grid, energy storage, solar</li> <li>Implement performance-based regulation<sup>(1)</sup> provisions of HB951</li> <li>Reductions for lower operating costs</li> </ul>
	SC Base Rate Case filed Sept. 1, '22	2022-254-E	<ul style="list-style-type: none"> <li>Hearing scheduled Jan. '23</li> <li>Rates effective April 1, 2023</li> </ul>	<ul style="list-style-type: none"> <li>Requested: ROE 10.2%; 53% equity cap. structure</li> <li>Grid investments, including AMI and Asheville CC</li> <li>Reduction for lower O&amp;M and accelerated EDIT</li> <li>Coal ash costs and establish storm reserve</li> </ul>
DUKE ENERGY CAROLINAS	NC Technical Conference filed Sept. 8, '22	E-7, Sub 1276	<ul style="list-style-type: none"> <li>Request to initiate technical conference filed Sept. '22</li> <li>Conference began on Nov. 2, 2022</li> </ul>	<ul style="list-style-type: none"> <li>Technical conference request enables a rate case with PBR to be filed on or after January 6, 2023</li> <li>Supports review of projected transmission and distribution projects to be included in the PBR application</li> </ul>
DUKE ENERGY FLORIDA	Multi-year rate plan	2021001-16-EI	<ul style="list-style-type: none"> <li>FPSC approved settlement agreement May '21</li> <li>Rates effective 2022-2024</li> </ul>	<ul style="list-style-type: none"> <li>Approved: ROE 10.10%<sup>(3)</sup>; 53% equity cap. structure</li> <li>~\$24 million revenue increase in 2023 for 25 bp ROE adjustment</li> <li>\$49 million base rate increase in 2023</li> </ul>
DUKE ENERGY OHIO	Electric Base Rate Case Settlement	21-887-EL-AIR	<ul style="list-style-type: none"> <li>Settlement filed Sept. '22</li> <li>Hearing held Oct. '22</li> <li>Rates expected to be effective by early '23</li> </ul>	<ul style="list-style-type: none"> <li>Settlement: ROE 9.5%; 50.5% equity cap. structure</li> <li>Revised caps to distribution rider with performance-based reliability metrics through May 2025; allows for annual revenue increase of 3.4% in base distribution revenues or 3.67% if reliability metrics are achieved</li> </ul>
	Gas Rate Case filed June 30, '22	22-507-GA-AIR	<ul style="list-style-type: none"> <li>Hearings as early as Spring '23</li> <li>Requested new rates effective April '23</li> </ul>	<ul style="list-style-type: none"> <li>Requested: ROE 10.3%; 52.34% equity cap. structure</li> <li>Historical investments since last case in 2012</li> <li>Adjustment to caps on capital expenditure rider</li> </ul>

(1) Performance Based Regulation (PBR) application includes a multi-year rate plan, earnings sharing mechanism, residential decoupling, and performance incentive mechanisms

(2) Subject to change based upon scheduling order from North Carolina Utilities Commission (NCUC)

(3) ROE of 10.10% represents the mid-point of an authorized range from 9.10% to 11.10%, adjusted for a 25-basis point increase effective August 2022. Revenue increase associated with ROE increase begins January 2023



# Energy transition update key messages (Oct. 4, 2022)

**Our pace of change is underscored by an unwavering commitment to customer affordability and reliability**

**Introducing two additional interim emission reduction targets on our path to net-zero**

- Scope 1: 80% by 2040<sup>(1)</sup>
- Scope 2&3: 50% by 2035<sup>(2)</sup>

**Updating our 10-year capital plan: ~\$145B of regulated capital investments (2023-2032)**

- Incremental \$10 billion vs. prior 10-year plan
- ~85% targeted to fleet transition and grid modernization

**Promoting economic growth through investments in our communities**

**Guided by strong corporate governance**

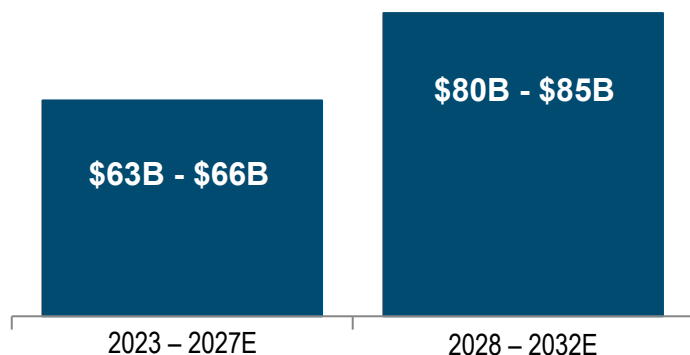
<sup>(1)</sup> Off 2005 levels

<sup>(2)</sup> Off 2021 levels. Certain Scope 3 emissions include: upstream fossil fuel procurement, production of power purchased for resale, and downstream use of sold products in our natural gas LDCs

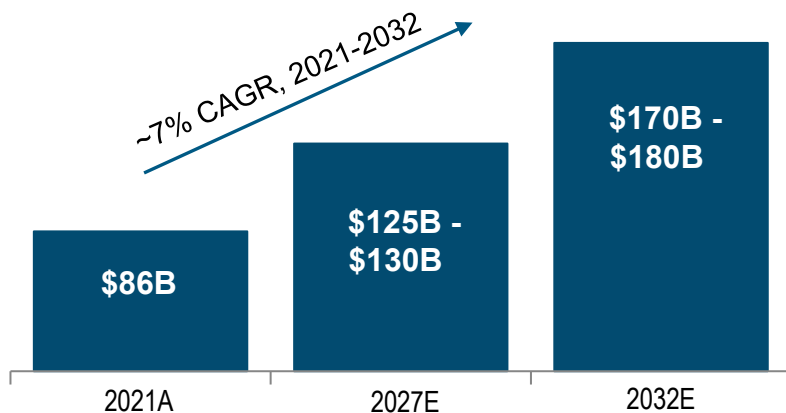


# Cost-effective clean energy transition drives earnings base growth

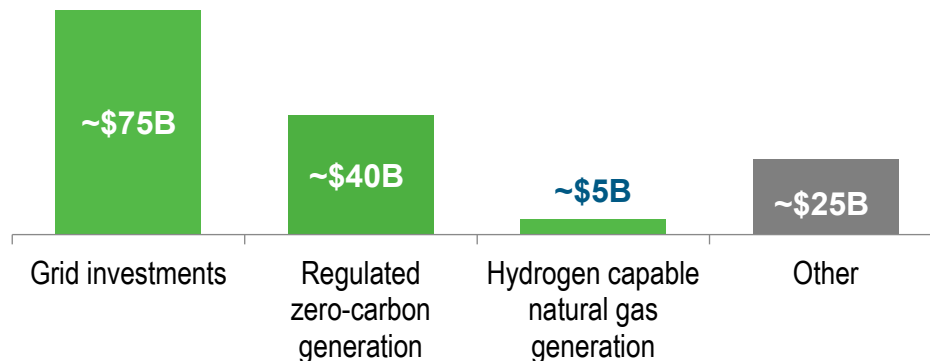
~\$145 BILLION OF REGULATED CAPITAL EXPENDITURES OVER THE NEXT 10 YEARS<sup>(1)</sup>...



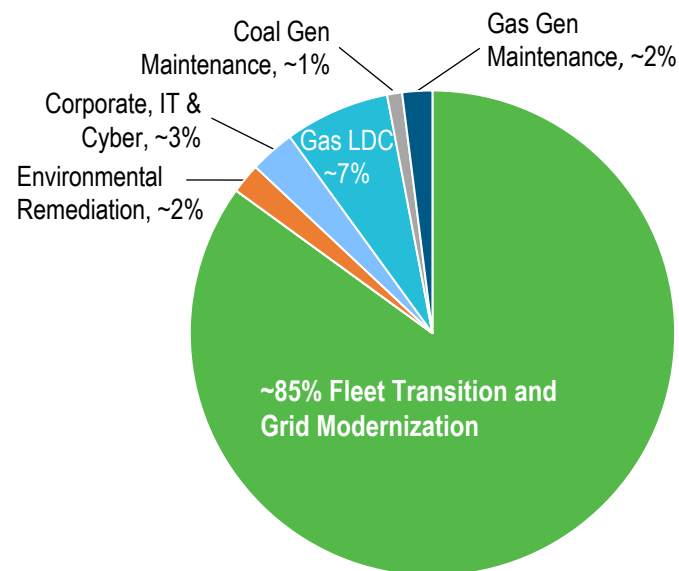
...DRIVES ~7% EARNINGS BASE GROWTH



~\$120 BILLION (~85% OF 10-YR PLAN) COMMITTED TO FLEET TRANSITION AND GRID MODERNIZATION



PERCENTAGE OF TOTAL CAPEX OVER 10 YEARS

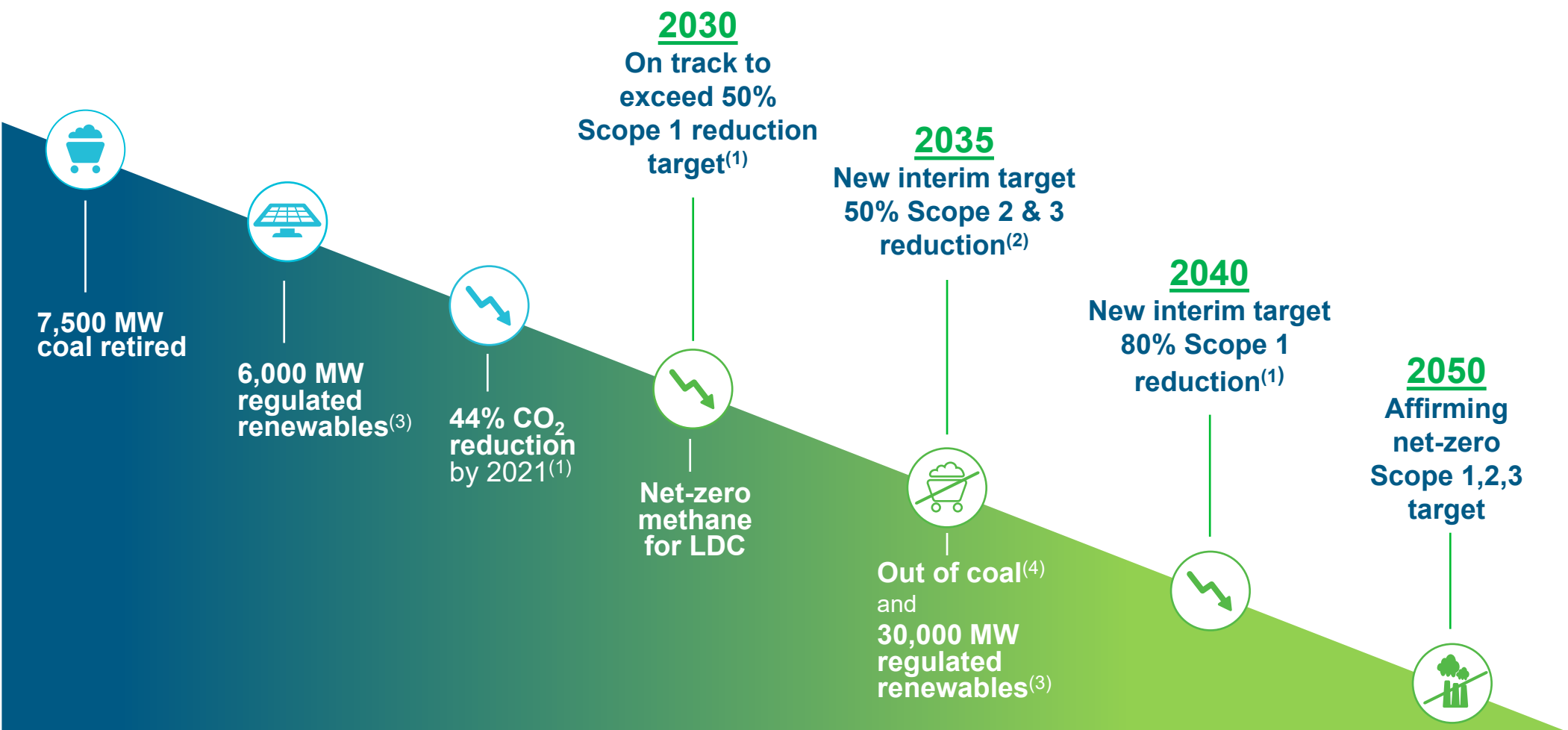


(1) Excludes Commercial Renewables capital



## Where we've been (2005 – 2021)

## Where we're going (2022 & beyond)



(1) Off 2005 levels

(2) Off 2021 levels. Certain Scope 3 emissions include: upstream fossil fuel procurement, production of power purchased for resale, and downstream use of sold products in our natural gas LDCs

(3) Includes utility-owned and purchase power agreements

(4) Subject to regulatory approvals. Contemplates retiring Edwardsport coal gasifiers by 2035 or adding carbon capture utilization and storage to reduce carbon emissions

## TRANSITION TO CLEANER ENERGY WITH FOCUS ON RELIABILITY AND AFFORDABILITY

- Preferred portfolio reduces carbon emissions from our Indiana fleet by 63% in 2030 and 88% by 2040, compared to 2005 levels
- Key components of the company's preferred 20-year plan include:
  - Adds over 7,000 MW of renewables, plus 400 MW of energy storage
  - Adds 2,360 MW of natural gas, positioned to leverage hydrogen as the technology evolves
  - Accelerates coal plant retirement dates; retires all coal units by 2035<sup>(1)</sup>
- In February, filed RFPs for up to 2,400 MW of generation through 2027; includes renewable and dispatchable resources
- IRP will be updated for the CPCN filings to include results of the RFPs, changing fuel and commodity costs, the impacts of the Inflation Reduction Act, and new generation planning requirements under MISO
- Held the first of three stakeholder information sessions to share IRP updates under consideration



2022 Timeline	Status
IRP (submitted December 2021)	<input checked="" type="checkbox"/>
Request for proposal for new generation	<input checked="" type="checkbox"/>
Updated IRP	By year-end
CPCN filings	Early 2023

# Commercial Renewables data points (values as of Sept. 30, 2022)

## CAPACITY BY REGION AND RESOURCE TYPE

<i>Gross MWs</i>	Solar	Wind	Battery	Total
<b>Texas</b>	658	1,981	36	2,675
<b>West</b>	414	421	-	835
<b>Southwest</b>	54	-	-	54
<b>Southeast</b>	401	-	-	401
<b>Midwest</b>	-	872	2	874
<b>Northeast</b>	25	139	-	164
<b>Total Gross MW</b>	<b>1,688<sup>(1)</sup></b>	<b>3,413</b>	<b>38</b>	<b>5,139<sup>(2)</sup></b>
<b>Net MW<sup>(3)</sup></b>	<b>1,534<sup>(1)</sup></b>	<b>1,958</b>	<b>20</b>	<b>3,512<sup>(2)</sup></b>

## FINANCING

<i>in millions</i>	Solar	Wind	Total
<b>Project financing, gross</b>	\$840	\$750	\$1,537 <sup>(4)</sup>
<b>Project financing, net<sup>(3)</sup></b>	\$655	\$382	\$1,003 <sup>(4)</sup>

(1) Total includes 123 MW wholly-owned distributed generation assets and 13 MW (gross) / 11 MW (net) of facilities < 5 MW not shown in table details.

(2) Excludes 44 MW of wholly-owned fuel cell capacity

(3) Net of John Hancock partnership interest

(4) Net of unamortized debt issuance costs of ~\$53M (gross) and ~\$34M (net). Also excludes ~\$135M of unconsolidated debt

States by Region: West: CA, CO, WY; Southwest: AZ, NM; Southeast: FL, NC; Midwest: KS, OH, OK, WI; Northeast: NY, PA

The background of the page is an abstract composition of geometric shapes in various shades of blue and white. A large, light blue triangle occupies the lower right portion of the frame. The upper left and bottom left areas are filled with darker blue shapes, including horizontal bands and diagonal lines. The overall effect is modern and corporate.

## **2022 SUPPLEMENTAL FINANCIAL INFORMATION**

# Key 2022 adjusted earnings guidance assumptions

(\$ in millions)	Original 2022 Assumptions <sup>(1)</sup>	2022 YTD (thru 9/30/2022)
<b>Adjusted segment income/(expense)<sup>(2)</sup>:</b>		
Electric Utilities & Infrastructure	\$4,170	\$3,394
Gas Utilities & Infrastructure	\$470	\$277
Commercial Renewables	\$150	\$55
Other	(\$595)	(\$486)
Duke Energy Consolidated	\$4,195	\$3,240
<b>Additional consolidated information:</b>		
Effective tax rate including noncontrolling interests and preferred dividends and excluding special items	8-10%	7.6%
AFUDC equity	\$195	\$151
Capital expenditures <sup>(3)(4)</sup>	\$12,350	\$8,436
Weighted-average shares outstanding – basic	~770 million	~770 million

(1) Full-year amounts for 2022, as disclosed on Feb. 10, 2022

(2) Adjusted net income for 2022 assumptions is based upon the midpoint of the adjusted EPS guidance range of \$5.30 to \$5.60, as disclosed on Feb. 10, 2022

(3) Includes debt AFUDC and capitalized interest

(4) 2022 Assumptions include ~\$488 million of projected coal ash closure spend. 2022 YTD actual includes coal ash closure spend of ~\$345 million that was included in operating cash flows and excludes tax equity



# Electric utilities quarterly weather impacts

Weather segment income to normal:	2022						2021					
	Pretax impact		Weighted avg. shares		EPS impact favorable / (unfavorable)		Pretax impact		Weighted avg. shares		EPS impact favorable / (unfavorable)	
First Quarter	(\$33)		770		(\$0.03)		(\$17)		769		(\$0.02)	
Second Quarter	\$104		770		\$0.10		\$7		769		\$0.01	
Third Quarter	\$32		770		\$0.03		\$46		769		\$0.05	
Fourth Quarter							(81)		769		(\$0.08)	
Year-to-Date <sup>(1)</sup>	\$103		770		\$0.10		(46)		769		(\$0.05)	
3Q 2022	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY			
Heating degree days / Variance from normal	28	94.7%	11	23.3%	-	-	68	12.0%	57	8.1%		
Cooling degree days / Variance from normal	1,007	(0.2%)	1,158	7.3%	1,502	0.8%	843	11.3%	822	6.7%		
3Q 2021	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY			
Heating degree days / Variance from normal	9	(35.7%)	2	(83.5%)	-	-	30	(50.5%)	28	(47.2%)		
Cooling degree days / Variance from normal	1,023	1.4%	1,120	4.0%	1,544	3.9%	841	10.9%	855	11.8%		

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

# Key 2022 earnings sensitivities

Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.53
	\$1 billion change in rate base	+/- \$0.07
	1% change in Electric Utilities volumes	+/- \$0.15 <sup>(1) (2)</sup>
	Industrial +/- \$0.02 <sup>(2)</sup> Commercial +/- \$0.05 <sup>(2)</sup> Residential +/- \$0.08 <sup>(2)</sup>	
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- \$0.08
	\$200 million change in rate base	+/- \$0.01
	1% change in number of new customers	+/- \$0.02
Consolidated	1% change in interest rates <sup>(3)</sup>	+/- \$0.12

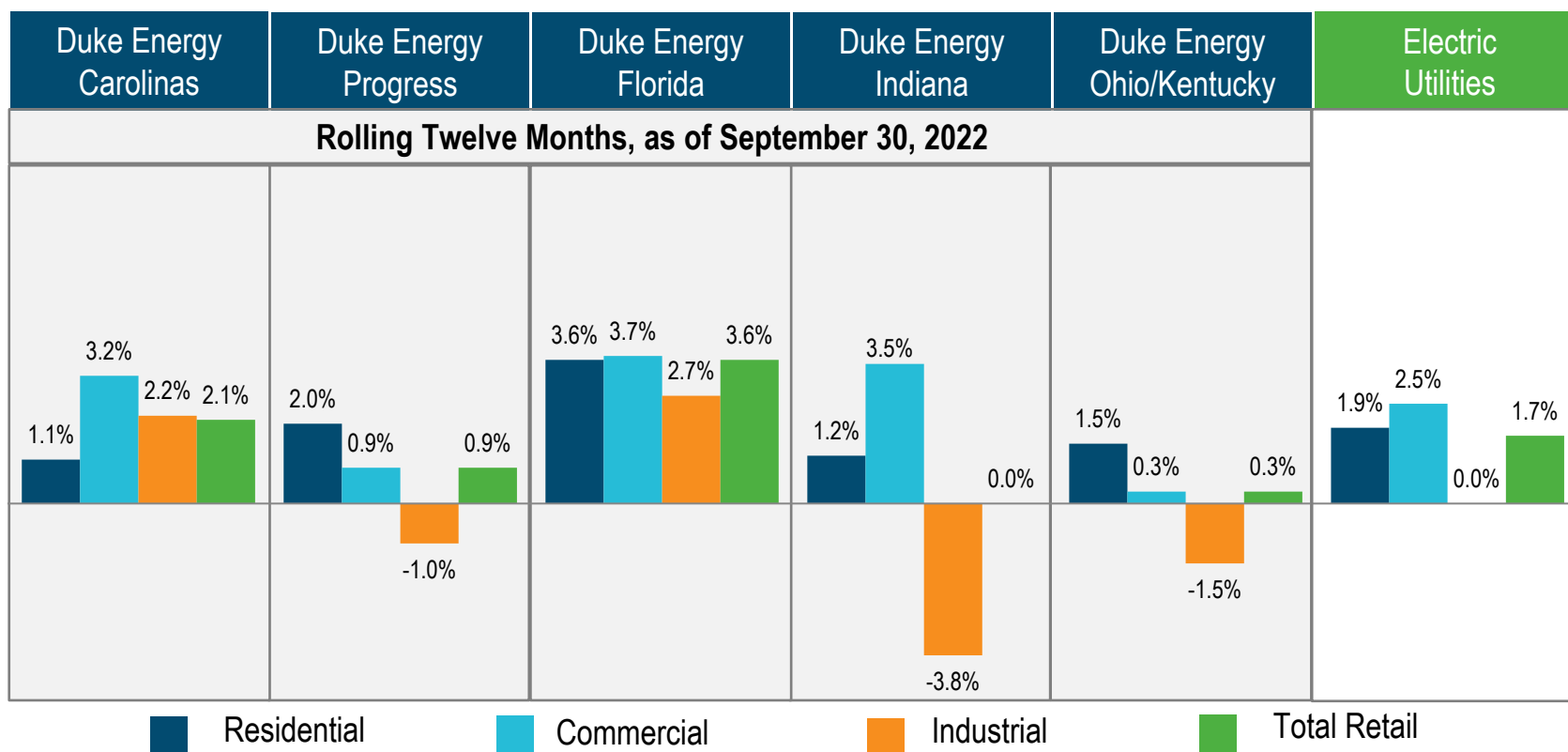
*Note: EPS amounts based on forecasted 2022 basic share count of ~770 million shares*

*(1) Assumes 1% change across all customer classes; EPS impact for the industrial class is lower due to lower margins*

*(2) Margin sensitivities are mitigated by the fixed component portion of bills, resulting in lower impacts to earnings than depicted*

*(3) Based on average variable-rate debt outstanding throughout the year and new issuances*

# Weather normalized volume trends, by electric jurisdiction



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## **FINANCING PLAN UPDATE AND CURRENT LIQUIDITY**

# 2022 Financing plan<sup>(1)</sup>

Issuer	Estimated / Actual Amount (\$ in millions)	Security	Date Issued	Completed (\$ in millions)	Term	Rate	2022 Maturities <sup>(2)</sup>
Holding Company	\$1,400	Term Loan	March 9, 2022	\$1,400 <sup>(3)</sup>	2-year	Floating	\$500
	\$402	Tax-Exempt Debt	June 2, 2022	\$234 \$168	5-year (AMT) <sup>(4)</sup> 5-year (Non-AMT) <sup>(4)</sup>	4.25% 4.00%	\$2,050 (May, Apr. & Aug.)
	\$1,182	Euro Senior Notes <sup>(5)</sup>	June 15, 2022	\$645 \$537	6-year 12-year	4.75% 5.31%	
	\$3,200	Senior Notes	August 11, 2022	\$900 \$1,150 \$1,150	5.5-year 10-year 30-year	4.30% 4.50% 5.00%	
DE Carolinas	\$1,150	Sustainable First Mortgage Bonds (FMBs)	March 4, 2022	\$500 \$650	10-year 30-year	2.85% 3.55%	\$350 (May)
DE Progress	\$900	Sustainable FMBs	March 17, 2022	\$500 \$400	10-year 30-year	3.40% 4.00%	\$500 (May)
	\$452	Tax-Exempt Debt	Sept. 27, 2022	\$200 \$210 \$42	4-year (Non-AMT) <sup>(4)</sup> 8-year (Non-AMT) <sup>(4)</sup> 8-year (AMT) <sup>(4)</sup>	3.30% 3.70% 4.00%	
DE Florida	\$800	Term Loan	October 21, 2022	\$800	1.5 year	Floating	
DE Florida	\$400 - \$600	Senior Debt					-
DE Indiana	\$67	Tax-Exempt Debt	June 27, 2022	\$23 \$44	5-year <sup>(4)</sup> 10-year <sup>(4)</sup>	3.75% 4.50%	-
Piedmont	\$400	Senior Debt	May 13, 2022	\$400	30-year	5.05%	-
DE Kentucky	\$50	Tax-Exempt Debt	June 27, 2022	\$50	5-year	3.70%	-
<b>Total</b>	<b>\$10,403 - \$10,603</b>			<b>\$10,003</b>			

(1) Excludes financings at Commercial Renewables and other non-regulated entities

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

(3) On March 9, 2022, Duke Energy Corp. executed a \$1.4 billion term loan of which \$500 million of the proceeds were used to repay \$500 million of outstanding borrowings under its \$1.0 billion revolving credit facility, which was retired at the time of repayment

(4) Term aligns with the mandatory put date of the bonds to the Company. Final maturity is beyond the term shown. AMT = Alternative Minimum Tax

(5) Issued €1.1 billion of Euro Senior Notes and swapped all cash flows back to U.S. dollars



# Liquidity summary (as of September 30, 2022)

(\$ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility <sup>(1)</sup>	\$ 3,000	\$ 1,225	\$ 950	\$ 1,350	\$ 900	\$ 600	\$ 175	\$ 800	\$ 9,000
Less: Notes payable and commercial paper <sup>(2)</sup>	(135)	(827)	(150)	(887)	(586)	(384)	(92)	(278)	(3,339)
Outstanding letters of credit (LOCs)	(25)	(4)	(2)	(7)	-	-	-	-	(38)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	\$ 2,840	\$ 394	\$ 798	\$ 456	\$ 233	\$ 216	\$ 83	\$ 522	\$ 5,542
Cash & short-term investments									392
<b>Total available liquidity</b>									<b>\$ 5,934</b>

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

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

# Debt maturities through 2024 by issuer (as of September 30, 2022) <sup>(1)</sup>

(\$ in millions)

Entity	Security Type	Amount	Rate	Type	Settlement Date	Maturity Date	Maturity by Year
Duke Energy Corporation	InterNotes	\$9.4	2.60%	Fixed	11/27/12	12/15/22	2022 - \$9
Duke Energy Corporation	Sr. Notes	\$350.0	2.875%	Fixed	04/18/16	04/18/23	2023 - \$1,250
Duke Energy Corporation	Sr. Notes	\$500.0	2.048%	Floating	06/10/21	06/10/23	
Duke Energy Corporation	InterNotes	\$0.4	4.293%	Floating	07/05/13	09/15/23	
Duke Energy Corporation	Sr. Notes	\$400.0	3.95%	Fixed	10/11/13	10/15/23	
Duke Energy Corporation	Term Loan	\$1,400.0	2.943%	Floating	03/09/22	03/09/24	2024 - \$2,412
Duke Energy Corporation	Sr. Notes	\$600.0	3.75%	Fixed	04/04/14	04/15/24	
Duke Energy Corporation	Sr. Notes	\$400.0	3.75%	Fixed	11/19/15	04/15/24	
Duke Energy Corporation	InterNotes	\$12.4	3.05%	Fixed	12/13/12	12/15/24	
<b>Total</b>		<b>\$3,672.1</b>					
Duke Energy Carolinas	First Mortgage Bond	\$500.0	2.50%	Fixed	03/11/16	03/15/23	2023 - \$1,000
Duke Energy Carolinas	First Mortgage Bond	\$500.0	3.05%	Fixed	03/01/18	03/15/23	
Duke Energy Progress	First Mortgage Bond	\$300.0	3.375%	Fixed	08/09/18	09/01/23	2023 - \$300
Duke Energy Florida (DEFR)	Secured - A/R Securitization	\$125.0	3.591%	Floating	04/29/16	04/30/23	2023 - \$250
Duke Energy Florida (DEFR)	Secured - A/R Securitization	\$125.0	4.238%	Floating	04/29/16	04/30/23	
Duke Energy Indiana	Term Loan	\$300.0	2.489%	Floating	10/12/21	10/12/23	2023 - \$300
Duke Energy Ohio	First Mortgage Bond	\$300.0	3.80%	Fixed	09/06/13	09/01/23	2023 - \$400
Duke Energy Ohio	Term Loan	\$100.0	2.639%	Floating	10/12/21	10/12/23	
Duke Energy Kentucky	Unsecured	\$25.0	4.01%	Fixed	10/03/18	10/15/23	2023 - \$75
Duke Energy Kentucky	Term Loan	\$50.0	2.639%	Floating	10/12/21	10/12/23	
Piedmont Natural Gas	Unsecured	\$45.0	6.87%	Fixed	10/06/93	10/06/23	2023 - \$45
Piedmont Natural Gas	Unsecured	\$40.0	8.45%	Fixed	09/19/94	09/19/24	2024 - \$40
<b>Total Through 2024</b>		<b>\$6,082.1</b>					

(1) Excludes amortizing debt including securitization bonds, finance leases, purchase accounting, and Commercial Renewables debt

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## **UPCOMING EVENTS & OTHER**

## Upcoming events

Event	Date
2022 EEI Financial Conference	November 13-15, 2022
4Q 2022 earnings call (tentative)	February 9, 2023

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please visit: [duke-energy.com/investors](http://duke-energy.com/investors)



**Duke Energy Corporation**  
**Non-GAAP Reconciliations**  
**Third Quarter Earnings Review & Business Update**  
**November 4, 2022**

**Adjusted Earnings per Share (EPS)**

The materials for Duke Energy Corporation's (Duke Energy) Third Quarter Earnings Review and Business Update on November 4, 2022, include a discussion of adjusted EPS for the quarter and year-to-date periods ended September 30, 2022 and 2021.

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

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts, and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarter and year-to-date periods ended September 30, 2022 and 2021, to the most directly comparable GAAP measure are included herein.

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

- Regulatory Matters represents the net impact of charges related to the 2022 Indiana Supreme Court ruling on coal ash
- Mark-to-Market represents the income statement impact of derivative instruments that do not qualify for hedge accounting or regulatory accounting
- Workplace and Workforce Realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment
- Regulatory Settlements represents an impairment charge related to the South Carolina Supreme Court decision on coal ash, insurance proceeds and the Duke Energy Carolinas and Duke Energy Progress coal ash settlement
- Gas Pipeline Investments represents additional exit obligations related to ACP

**Core Business (Regulated Utilities and Other) Adjusted EPS**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 4, 2022, reference Core Business Adjusted EPS for the quarter and year-to-date periods ended September 30, 2022 and 2021. Duke Energy's Core Business includes the Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Other segments. The Core Businesses Adjusted EPS is calculated as Adjusted EPS excluding the Commercial Renewables contribution to Adjusted EPS.

Core Business Adjusted EPS is a non-GAAP financial measure, as it represents reported EPS adjusted for special items and excludes the adjusted earnings contribution for the Commercial Renewables segment. Special items represent certain charges and credits, which management believes are not indicative of Duke

Energy's ongoing performance (as discussed above under Adjusted EPS). The most directly comparable GAAP measure for adjusted EPS is reported EPS attributable to Duke Energy Corporation common stockholders. Calculations of Core Business Adjusted EPS are included below:

<b>Period</b>	<b>Adjusted EPS</b>		
	<b>Duke Energy</b>	<b>Commercial Renewables</b>	<b>Core Businesses</b>
<b>September 30, 2022 - QTD</b>	<b>\$1.78</b>	<b>\$--</b>	<b>\$1.78</b>
September 30, 2021 - QTD	1.88	0.10	1.78
<b>September 30, 2022 - YTD</b>	<b>4.22</b>	<b>0.07</b>	<b>4.15</b>
September 30, 2021 - YTD	4.30	0.20	4.10

### **Adjusted EPS Guidance**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 4, 2022, include a reference to the original forecasted 2022 adjusted EPS guidance range of \$5.30 to \$5.60 per share with a midpoint of \$5.45 per share. The materials also reference the long-term range of annual growth of 5% - 7% through 2027. The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS from continuing operations available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

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

### **Core Business Adjusted EPS Guidance**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 4, 2022, include a reference to the revised forecasted 2022 Core Business adjusted EPS guidance range of \$5.20 to \$5.30 per share, with a midpoint of \$5.25 per share. The materials also include a reference to the preliminary estimate of 2023 Core Business adjusted EPS guidance range of \$5.55 to \$5.75 per share, with a midpoint of \$5.65 per share. The materials also reference the long-term range of annual growth of 5% - 7% from 2022 to 2023 off the midpoint of 2022 Core Business adjusted EPS guidance range of \$5.25 and from 2023 through 2027 off the midpoint of the 2023 Core Business adjusted EPS guidance range of \$5.65. The materials also reference the forecasted Core Business Adjusted EPS for the quarter-to-date period ending December 31, 2022, range of \$1.05 to \$1.15 per share, with a midpoint of \$1.10 per share. The forecasted Core Business adjusted EPS is a non-GAAP financial measure as it represents basic EPS from continuing operation available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS) and excluding the earnings contribution of the Commercial Renewables segment.

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

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 4, 2022, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2022, and a discussion of 2022 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. A reconciliation of adjusted segment income (loss) and adjusted other net loss for the quarter and year-to-date periods ended September 30, 2022, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

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

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 4, 2022, include a discussion of the effective tax rate including noncontrolling interests and preferred dividends and excluding special items for the year-to-date period ended September 30, 2022. The materials also include a discussion of the 2022 forecasted effective tax rate including noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes special items and excludes noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the year-to-date period ended September 30, 2022, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

**Available Liquidity**

The materials for Duke Energy's Third Quarter Earnings Review and Business Update on November 4, 2022, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of September 30, 2022. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of September 30, 2022, to the most directly comparable GAAP measure is included herein.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended September 30, 2022  
(Dollars in millions, except per share amounts)

		<u>Special Item</u>			
	<u>Reported Earnings</u>	<u>Mark-to-Market</u>	<u>Discontinued Operations</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>					
Electric Utilities and Infrastructure	\$ 1,540	\$ —	\$ —	\$ —	\$ 1,540
Gas Utilities and Infrastructure	4	—	—	—	4
Commercial Renewables	2	(4) <b>A</b>	—	(4)	(2)
<b>Total Reportable Segment Income</b>	<b>1,546</b>	<b>(4)</b>	<b>—</b>	<b>(4)</b>	<b>1,542</b>
Other	(186)	—	—	—	(186)
Discontinued Operations	23	—	(23) <b>B</b>	(23)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,383</b>	<b>\$ (4)</b>	<b>\$ (23)</b>	<b>\$ (27)</b>	<b>\$ 1,356</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.81</b>	<b>\$ —</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>	<b>\$ 1.78</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

**A** - Net of \$2 million tax expense. \$6 million recorded within Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**B** - Related to the International Disposal Group and recorded in Income from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 770 million**



**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2022**  
(Dollars in millions, except per share amounts)

		<u>Special Items</u>				
	<u>Reported Earnings</u>	<u>Regulatory Matters</u>	<u>Mark-to-Market</u>	<u>Discontinued Operations</u>	<u>Total Adjustments</u>	<u>Adjusted Earnings</u>
<b>SEGMENT INCOME</b>						
Electric Utilities and Infrastructure	\$ 3,237	\$ 157 <b>A</b>	\$ —	\$ —	\$ 157	\$ 3,394
Gas Utilities and Infrastructure	277	—	—	—	—	277
Commercial Renewables	43	—	12 <b>B</b>	—	12	55
<b>Total Reportable Segment Income</b>	<b>3,557</b>	<b>157</b>	<b>12</b>	<b>—</b>	<b>169</b>	<b>3,726</b>
Other	(486)	—	—	—	—	(486)
Discontinued Operations	23	—	—	(23) <b>C</b>	(23)	—
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,094</b>	<b>\$ 157</b>	<b>\$ 12</b>	<b>\$ (23)</b>	<b>\$ 146</b>	<b>\$ 3,240</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.03</b>	<b>\$ 0.20</b>	<b>\$ 0.02</b>	<b>\$ (0.03)</b>	<b>\$ 0.19</b>	<b>\$ 4.22</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

**A** – Net of \$80 million tax benefit. \$211 million recorded within Impairment of assets and other charges, \$46 million within Regulated electric (Operating revenues) and \$20 million within Noncontrolling Interests related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations.

**B** - Net of \$3 million tax benefit. \$15 million recorded within Nonregulated electric and other (Operating revenues) related to derivative contracts that do not qualify for hedge accounting or regulatory treatment on the Condensed Consolidated Statements of Operations.

**C** - Related to the International Disposal Group and recorded in Income from Discontinued Operations, net of tax on the Condensed Consolidated Statements of Operations.

**Weighted Average Shares (reported and adjusted) – 770 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Three Months Ended September 30, 2021**  
**(Dollars in millions, except per share amounts)**

	Reported Earnings	Special Items			Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment	Regulatory Settlements		
<b>SEGMENT INCOME</b>						
Electric Utilities and Infrastructure	\$ 1,425	\$ —	\$ —	64 C	\$ 64	\$ 1,489
Gas Utilities and Infrastructure	(3)	(2) A	—	—	(2)	(5)
Commercial Renewables	78	—	—	—	—	78
<b>Total Reportable Segment Income</b>	<b>1,500</b>	<b>(2)</b>	<b>—</b>	<b>64</b>	<b>62</b>	<b>1,562</b>
Other	(134)	—	7 B	—	7	(127)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 1,366</b>	<b>\$ (2)</b>	<b>\$ 7</b>	<b>\$ 64</b>	<b>\$ 69</b>	<b>\$ 1,435</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 1.79</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 0.09</b>	<b>\$ 0.09</b>	<b>\$ 1.88</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02.

**A** — Net of \$1 million tax expense. \$3 million recorded within Equity in earnings of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** — Net of \$2 million tax benefit. \$8 million recorded within Impairment of assets and other charges and \$1 million within Operations, maintenance and other related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**C** — Net of \$18 million tax benefit at Duke Energy Carolinas and \$1 million tax benefit at Duke Energy Progress.

- \$160 million of expense recorded within Impairment of assets and other charges, \$77 million of income recorded within Other income and expenses, \$5 million of expense within Operations, maintenance and other, \$13 million of income within Regulated electric operating revenues and \$3 million of expense within Interest expense on the Duke Energy Carolinas' Condensed Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.
- \$42 million of expense recorded within Impairment of assets and other charges, \$34 million of income recorded within Other income and expenses, \$7 million of expense within Operations, maintenance and other, \$15 million of income within Regulated electric operating revenues and \$5 million of expense within Interest expense on the Duke Energy Progress' Condensed Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.

**Weighted Average Shares (reported and adjusted) – 769 million**

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
**Nine Months Ended September 30, 2021**  
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Items			Total Adjustments	Adjusted Earnings
		Gas Pipeline Investments	Workplace and Workforce Realignment	Regulatory Settlements		
<b>SEGMENT INCOME</b>						
Electric Utilities and Infrastructure	\$ 3,180	\$ —	\$ —	\$ 64 C	\$ 64	\$ 3,244
Gas Utilities and Infrastructure	259	15 A	—	—	15	274
Commercial Renewables	152	—	—	—	—	152
<b>Total Reportable Segment Income</b>	<b>3,591</b>	<b>15</b>	<b>—</b>	<b>64</b>	<b>79</b>	<b>3,670</b>
Other	(521)	—	142 B	—	142	(379)
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 3,070</b>	<b>\$ 15</b>	<b>\$ 142</b>	<b>\$ 64</b>	<b>\$ 221</b>	<b>\$ 3,291</b>
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 4.00</b>	<b>\$ 0.02</b>	<b>\$ 0.19</b>	<b>\$ 0.09</b>	<b>\$ 0.30</b>	<b>\$ 4.30</b>

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$0.02

**A** – Net of \$4 million tax benefit. \$19 million recorded within Equity in earnings of unconsolidated affiliates related to exit obligations for ACP on the Condensed Consolidated Statements of Operations.

**B** – Net of \$42 million tax benefit. \$139 million recorded within Impairment of assets and other charges, \$28 million within Operations, maintenance and other, and \$17 million within Depreciation and amortization related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Condensed Consolidated Statements of Operations.

**C** – Net of \$18 million tax benefit at Duke Energy Carolinas and \$1 million tax benefit at Duke Energy Progress.

- \$160 million of expense recorded within Impairment of assets and other charges, \$77 million of income recorded within Other income and expenses, \$5 million of expense within Operations, maintenance and other, \$13 million of income within Regulated electric operating revenues and \$3 million of expense within Interest expense on the Duke Energy Carolinas' Condensed Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.
- \$42 million of expense recorded within Impairment of assets and other charges, \$34 million of income recorded within Other income and expenses, \$7 million of expense within Operations, maintenance and other, \$15 million of income within Regulated electric operating revenues and \$5 million of expense within Interest expense on the Duke Energy Progress' Condensed Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash and insurance proceeds.

**Weighted Average Shares (reported and adjusted) – 769 million**

**DUKE ENERGY CORPORATION**  
**EFFECTIVE TAX RECONCILIATION**  
September 2022  
(Dollars in millions)

	Three Months Ended		Nine Months Ended	
	September 30, 2022		September 30, 2022	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 1,518		\$ 3,281	
Regulatory Matters	—		257	
Mark-to-Market	(6)		15	
Noncontrolling Interests	6		45	
Preferred Dividends	(39)		(92)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 1,479</u>		<u>\$ 3,506</u>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 128	8.4 %	\$ 191	5.8 %
Regulatory Matters	—		80	
Mark-to-Market	(2)		3	
Noncontrolling Interest Portion of Income Taxes <sup>(a)</sup>	(3)		(8)	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 123</u>	8.3%	<u>\$ 266</u>	7.6 %

(a) Income tax related to non-pass through entities for tax purposes.

	Three Months Ended		Nine Months Ended	
	September 30, 2021		September 30, 2021	
	Balance	Effective Tax Rate	Balance	Effective Tax Rate
<b>Reported Income From Continuing Operations Before Income Taxes</b>	\$ 1,366		\$ 3,125	
Gas Pipeline Investments	(3)		19	
Workplace and Workforce Realignment	9		184	
Regulatory Settlements	83		83	
Noncontrolling Interests	129		247	
Preferred Dividends	(39)		(92)	
<b>Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 1,545</u>		<u>\$ 3,566</u>	
<b>Reported Income Tax Expense From Continuing Operations</b>	\$ 90	6.6 %	\$ 210	6.7 %
Gas Pipeline Investments	(1)		4	
Workplace and Workforce Realignment	2		42	
Regulatory Settlements	19		19	
<b>Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items</b>	<u>\$ 110</u>	7.1%	<u>\$ 275</u>	7.7 %

**Duke Energy Corporation**  
**Available Liquidity Reconciliation**  
**As of September 30, 2022**  
(In millions)

Cash and Cash Equivalents	\$ 453	
Less: Certain Amounts Held in Foreign Jurisdictions	(7)	
Less: Unavailable Domestic Cash	<u>(54)</u>	
	392	
Plus: Remaining Availability under Master Credit Facilities and other facilities	<u>5,542</u>	
Total Available Liquidity <sup>(a)</sup>	<u><u>\$ 5,934</u></u>	approximately \$ 5.9 billion

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of September 30, 2022. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

**DUKE ENERGY CORPORATION**  
**REPORTED TO ADJUSTED EARNINGS RECONCILIATION**  
Three Months Ended December 31, 2021  
(Dollars in millions, except per share amounts)

		Special Items					
	Reported Earnings	Workplace and Workforce Realignment	Regulatory Settlements	Discontinued Operations	Total Adjustments	Adjusted Earnings	
<b>SEGMENT INCOME (LOSS)</b>							
Electric Utilities and Infrastructure	\$ 670	\$ —	\$ 5	B \$ —	\$ 5	\$ 675	
Gas Utilities and Infrastructure	137	—	—	—	—	137	
Commercial Renewables	49	\$ —	—	—	—	49	
<b>Total Reportable Segment Income</b>	<b>856</b>	<b>—</b>	<b>5</b>	<b>—</b>	<b>5</b>	<b>861</b>	
Other	(131)	6	A —	—	6	(125)	
Discontinued Operations	7	—	—	(7)	C (7)	—	
<b>Net Income Available to Duke Energy Corporation Common Stockholders</b>	<b>\$ 732</b>	<b>\$ 6</b>	<b>\$ 5</b>	<b>\$ (7)</b>	<b>\$ 4</b>	<b>\$ 736</b>	
<b>EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS</b>	<b>\$ 0.93</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ 0.94</b>	

**Note:** Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of \$(0.02).

**A** - Net of \$2 million tax benefit. \$6 million reversal recorded within Impairment of assets and other charges and \$14 million within Operations, maintenance and other related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Consolidated Statements of Operations.

**B** - Net of \$2 million tax benefit at Duke Energy Carolinas.

- \$6 million of expense recorded within Depreciation and amortization on the Duke Energy Carolinas' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash.
- \$1 million of expense recorded within Depreciation and amortization on the Duke Energy Progress' Consolidated Statement of Operations related to the South Carolina Supreme Court decision on coal ash.

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

**Weighted Average Shares (reported and adjusted) – 769 million**