UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2024

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, Zip Code and Telephone Number	IRS Employer Identification No.
		
1-32853	**DUKE ENERGY CORPORATION** (a Delaware corporation) 525 South Tryon Street Charlotte, North Carolina 28202 800-488-3853	20-2777218
1-4928	**DUKE ENERGY CAROLINAS, LLC** (a North Carolina limited liability company) 525 South Tryon Street Charlotte, North Carolina 28202 800-488-3853	56-0205520
1-15929	**PROGRESS ENERGY, INC.** (a North Carolina corporation) 411 Fayetteville Street Raleigh, North Carolina 27601 800-488-3853	56-2155481
1-3382	**DUKE ENERGY PROGRESS, LLC** (a North Carolina limited liability company) 411 Fayetteville Street Raleigh, North Carolina 27601 800-488-3853	56-0165465
1-3274	**DUKE ENERGY FLORIDA, LLC** (a Florida limited liability company) 299 First Avenue North St. Petersburg, Florida 33701 800-488-3853	59-0247770
1-1232	**DUKE ENERGY OHIO, INC.** (an Ohio corporation) 139 East Fourth Street Cincinnati, Ohio 45202 800-488-3853	31-0240030
1-3543	**DUKE ENERGY INDIANA, LLC** (an Indiana limited liability company) 1000 East Main Street Plainfield, Indiana 46168 800-488-3853	35-0594457
1-6196	**PIEDMONT NATURAL GAS COMPANY, INC.** (a North Carolina corporation) 525 South Tryon Street Charlotte, North Carolina 28202 800-488-3853	56-0556998

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	Common Stock, $0.001 par value	DUK	New York Stock Exchange LLC
Duke Energy	5.625% Junior Subordinated Debentures due September 15, 2078	DUKB	New York Stock Exchange LLC
Duke Energy	Depositary 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
Duke Energy	3.10% Senior Notes due 2028	DUK 28A	New York Stock Exchange LLC
Duke Energy	3.85% Senior Notes due 2034	DUK 34	New York Stock Exchange LLC
Duke Energy	3.75% Senior Notes due 2031	DUK 31A	New York Stock Exchange LLC

Indicate by check mark whether the registrant (1) has 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.

Duke Energy Corporation (Duke Energy)	Yes ☒	No ☐	Duke Energy Florida, LLC (Duke Energy Florida)	Yes ☒	No ☐
Duke Energy Carolinas, LLC (Duke Energy Carolinas)	Yes ☒	No ☐	Duke Energy Ohio, Inc. (Duke Energy Ohio)	Yes ☒	No ☐
Progress Energy, Inc. (Progress Energy)	Yes ☒	No ☐	Duke Energy Indiana, LLC (Duke Energy Indiana)	Yes ☒	No ☐
Duke Energy Progress, LLC (Duke Energy Progress)	Yes ☒	No ☐	Piedmont Natural Gas Company, Inc. (Piedmont)	Yes ☒	No ☐

Indicate by check mark whether the registrant has 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).

Duke Energy	Yes ☒	No ☐	Duke Energy Florida	Yes ☒	No ☐
Duke Energy Carolinas	Yes ☒	No ☐	Duke Energy Ohio	Yes ☒	No ☐
Progress Energy	Yes ☒	No ☐	Duke Energy Indiana	Yes ☒	No ☐
Duke Energy Progress	Yes ☒	No ☐	Piedmont	Yes ☒	No ☐

Indicate by check mark whether the registrant 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.

Duke Energy	Large Accelerated Filer ☒	Accelerated filer ☐	Non-accelerated Filer ☐	Smaller reporting company ☐	Emerging growth company ☐
Duke Energy Carolinas	Large Accelerated Filer ☐	Accelerated filer ☐	Non-accelerated Filer ☒	Smaller reporting company ☐	Emerging growth company ☐
Progress Energy	Large Accelerated Filer ☐	Accelerated filer ☐	Non-accelerated Filer ☒	Smaller reporting company ☐	Emerging growth company ☐
Duke Energy Progress	Large Accelerated Filer ☐	Accelerated filer ☐	Non-accelerated Filer ☒	Smaller reporting company ☐	Emerging growth company ☐
Duke Energy Florida	Large Accelerated Filer ☐	Accelerated filer ☐	Non-accelerated Filer ☒	Smaller reporting company ☐	Emerging growth company ☐
Duke Energy Ohio	Large Accelerated Filer ☐	Accelerated filer ☐	Non-accelerated Filer ☒	Smaller reporting company ☐	Emerging growth company ☐
Duke Energy Indiana	Large Accelerated Filer ☐	Accelerated filer ☐	Non-accelerated Filer ☒	Smaller reporting company ☐	Emerging growth company ☐
Piedmont	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 is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Duke Energy	Yes ☐	No ☒	Duke Energy Florida	Yes ☐	No ☒
Duke Energy Carolinas	Yes ☐	No ☒	Duke Energy Ohio	Yes ☐	No ☒
Progress Energy	Yes ☐	No ☒	Duke Energy Indiana	Yes ☐	No ☒
Duke Energy Progress	Yes ☐	No ☒	Piedmont	Yes ☐	No ☒

Number of shares of common stock outstanding at April 30, 2024:

Registrant	Description	Shares
Duke Energy	Common stock, $0.001 par value	771,768,612
Duke Energy Carolinas	All of the registrant's limited liability company member interests are directly owned by Duke Energy.	N/A
Progress Energy	All of the registrant's common stock is directly owned by Duke Energy.	100
Duke Energy Progress	All of the registrant's limited liability company member interests are indirectly owned by Duke Energy.	N/A
Duke Energy Florida	All of the registrant's limited liability company member interests are indirectly owned by Duke Energy.	N/A
Duke Energy Ohio	All of the registrant's common stock is indirectly owned by Duke Energy.	89,663,086
Duke Energy Indiana	All of the registrant's limited liability company member interests are owned by a Duke Energy subsidiary that is 80.1% indirectly owned by Duke Energy.	N/A
Piedmont	All of the registrant's common stock is directly owned by Duke Energy.	100

This combined Form 10-Q 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 H(1)(a) and (b) of Form 10-Q and are therefore filing this form with the reduced disclosure format specified in General Instructions H(2) of Form 10-Q.

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Glossary of Terms

The following terms or acronyms used in this Form 10-Q are defined below:

Term or Acronym	Definition
2021 Settlement	Settlement Agreement in 2021 among Duke Energy Florida, the Florida Office of Public Counsel, the Florida Industrial Power Users Group, White Springs Agricultural Chemicals, Inc. d/b/a PSC Phosphate and NUCOR Steel Florida, Inc.
AFUDC	Allowance for funds used during construction
ARM	Annual Review Mechanism
Bison	Bison Insurance Company Limited
Brookfield	Brookfield Renewable Partners L.P.
CCR	Coal Combustion Residuals
CCR Rule	A 2015 EPA rule establishing national regulations to provide a comprehensive set of requirements for the management and disposal of CCR from coal-fired power plants
CEP	Capital Expenditure Program
CPCN	Certificate of Public Convenience and Necessity
the Company	Duke Energy Corporation and its subsidiaries
Commercial Renewables Disposal Groups	Commercial Renewables business segment, excluding the offshore wind contract for Carolina Long Bay, separated into the utility-scale solar and wind group, the distributed generation group and the remaining assets
COVID-19	Coronavirus Disease 2019
CRC	Cinergy Receivables Company, LLC
Crystal River Unit 3	Crystal River Unit 3 Nuclear Plant
DEFR	Duke Energy Florida Receivables, LLC
DEPR	Duke Energy Progress Receivables, LLC
DERF	Duke Energy Receivables Finance Company, LLC
DOE	U.S. Department of Energy
Duke Energy	Duke Energy Corporation (collectively with its subsidiaries)
Duke Energy Ohio	Duke Energy Ohio, Inc.
Duke Energy Progress	Duke Energy Progress, LLC
Duke Energy Carolinas	Duke Energy Carolinas, LLC
Duke Energy Florida	Duke Energy Florida, LLC
Duke Energy Indiana	Duke Energy Indiana, LLC
Duke Energy Registrants	Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont
EDIT	Excess deferred income tax
EPA	United States Environmental Protection Agency
EPS	Earnings (Loss) Per Share
ERCOT	Electric Reliability Council of Texas
ETR	Effective tax rate
EU&I	Electric Utilities and Infrastructure
Exchange Act	Securities Exchange Act of 1934
FERC	Federal Energy Regulatory Commission
FPSC	Florida Public Service Commission
FTR	Financial transmission rights
GAAP	Generally accepted accounting principles in the U.S.
GAAP Reported Earnings	Net Income Available to Duke Energy Corporation Common Stockholders

GAAP Reported EPS	Basic Earnings Per Share Available to Duke Energy Corporation common stockholders
GHG	Greenhouse Gas
GIC	GIC Private Limited, Singapore's sovereign wealth fund and an experienced investor in U.S. infrastructure
GU&I	Gas Utilities and Infrastructure
GWh	Gigawatt-hours
HB 951	The Energy Solutions for North Carolina, or House Bill 951, passed in October 2021
IMR	Integrity Management Rider
IRA	Inflation Reduction Act
IRS	Internal Revenue Service
IURC	Indiana Utility Regulatory Commission
JDA	Joint Dispatch Agreement
KPSC	Kentucky Public Service Commission
LLC	Limited Liability Company
MW	Megawatt
MWh	Megawatt-hour
MYRP	Multiyear rate plan
NCUC	North Carolina Utilities Commission
NDTF	Nuclear decommissioning trust funds
NPNS	Normal purchase/normal sale
NYSE	The New York Stock Exchange
OPEB	Other Post-Retirement Benefit Obligations
the Parent	Duke Energy Corporation holding company
PBR	Performance-based regulation
Piedmont	Piedmont Natural Gas Company, Inc.
Progress Energy	Progress Energy, Inc.
PSCSC	Public Service Commission of South Carolina
PTC	Production Tax Credit
PUCO	Public Utilities Commission of Ohio
RTO	Regional Transmission Organization
Subsidiary Registrants	Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont
TPUC	Tennessee Public Utility Commission
U.S.	United States
VIE	Variable Interest Entity

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 ability to implement our business strategy, including our carbon emission reduction goals;
- 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;
- The impact of extraordinary external events, such as the pandemic health event resulting from COVID-19, and their collateral consequences, including the disruption of global supply chains or the economic activity in our service territories;
- 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 and costs related thereto;
- 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 or other attack, war, vandalism, cybersecurity threats, data security breaches, operational events, 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, timing and receipt of necessary regulatory approvals, 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 businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting and reporting pronouncements issued periodically by accounting standard-setting bodies and the SEC;
- 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;
- Asset or business acquisitions and dispositions may not yield the anticipated benefits; and
- 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.

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.

ITEM 1. FINANCIAL STATEMENTS

DUKE ENERGY CORPORATION
Condensed Consolidated Statements of Operations
(Unaudited)

(in millions, except per share amounts)	Three Months Ended March 31, 2024	2023
Operating Revenues		
Regulated electric	**$ 6,732**	$ 6,324
Regulated natural gas	**866**	882
Nonregulated electric and other	**73**	70
Total operating revenues	**7,671**	7,276
Operating Expenses		
Fuel used in electric generation and purchased power	**2,335**	2,377
Cost of natural gas	**232**	298
Operation, maintenance and other	**1,379**	1,310
Depreciation and amortization	**1,387**	1,227
Property and other taxes	**386**	389
Impairment of assets and other charges	**1**	8
Total operating expenses	**5,720**	5,609
Gains on Sales of Other Assets and Other, net	**12**	7
Operating Income	**1,963**	1,674
Other Income and Expenses		
Equity in earnings of unconsolidated affiliates	**17**	20
Other income and expenses, net	**169**	151
Total other income and expenses	**186**	171
Interest Expense	**817**	720
Income From Continuing Operations Before Income Taxes	**1,332**	1,125
Income Tax Expense From Continuing Operations	**178**	155
Income From Continuing Operations	**1,154**	970
Loss From Discontinued Operations, net of tax	**(3)**	(209)
Net Income	**1,151**	761
Add: Net (Income) Loss Attributable to Noncontrolling Interests	**(13)**	43
Net Income Attributable to Duke Energy Corporation	**1,138**	804
Less: Preferred Dividends	**39**	39
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 1,099**	$ 765
Earnings Per Share – Basic and Diluted		
Income from continuing operations available to Duke Energy Corporation common stockholders		
Basic and Diluted	**$ 1.44**	$ 1.20
Loss from discontinued operations attributable to Duke Energy Corporation common stockholders		
Basic and Diluted	**$ —**	$ (0.19)
Net income available to Duke Energy Corporation common stockholders		
Basic and Diluted	**$ 1.44**	$ 1.01
Weighted Average Shares Outstanding		
Basic and Diluted	**771**	770

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY CORPORATION
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

	Three Months Ended March 31,	
(in millions)	**2024**	**2023**
Net Income	**$ 1,151**	$ 761
Other Comprehensive Income, net of tax[a]		
Pension and OPEB adjustments	**16**	(1)
Net unrealized gains (losses) on cash flow hedges	**91**	(20)
Reclassification into earnings from cash flow hedges	**2**	—
Net unrealized gains (losses) on fair value hedges	**8**	(11)
Unrealized (losses) gains on available-for-sale securities	**(2)**	6
Other Comprehensive Income (Loss), net of tax	**115**	(26)
Comprehensive Income	**1,266**	735
Add: Comprehensive (Income) Loss Attributable to Noncontrolling Interests	**(13)**	43
Comprehensive Income Attributable to Duke Energy	**1,253**	778
Less: Preferred Dividends	**39**	39
Comprehensive Income Available to Duke Energy Corporation Common Stockholders	**$ 1,214**	$ 739

(a) Net of income tax expense of approximately $34 million and tax benefit of $8 million for the three months ended March 31, 2024, and 2023, respectively.

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY CORPORATION
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	March 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 459	$ 253
Receivables (net of allowance for doubtful accounts of $102 at 2024 and $55 at 2023)	1,646	1,112
Receivables of VIEs (net of allowance for doubtful accounts of $102 at 2024 and $150 at 2023)	2,253	3,019
Inventory (includes $470 at 2024 and $462 at 2023 related to VIEs)	4,281	4,292
Regulatory assets (includes $110 at 2024 and 2023 related to VIEs)	3,082	3,648
Assets held for sale	11	14
Other (includes $44 at 2024 and $90 at 2023 related to VIEs)	359	431
Total current assets	12,091	12,769
Property, Plant and Equipment		
Cost	173,926	171,353
Accumulated depreciation and amortization	(57,035)	(56,038)
Net property, plant and equipment	116,891	115,315
Other Noncurrent Assets		
Goodwill	19,303	19,303
Regulatory assets (includes $1,616 at 2024 and $1,642 at 2023 related to VIEs)	13,636	13,618
Nuclear decommissioning trust funds	10,775	10,143
Operating lease right-of-use assets, net	1,092	1,092
Investments in equity method unconsolidated affiliates	502	492
Assets held for sale	308	197
Other	4,072	3,964
Total other noncurrent assets	49,688	48,809
Total Assets	$ 178,670	$ 176,893
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable (includes $188 at 2024 and 2023 related to VIEs)	$ 3,364	$ 4,228
Notes payable and commercial paper	4,155	4,288
Taxes accrued	708	816
Interest accrued	798	745
Current maturities of long-term debt (includes $929 at 2024 and $428 at 2023 related to VIEs)	2,274	2,800
Asset retirement obligations	603	596
Regulatory liabilities	1,309	1,369
Liabilities associated with assets held for sale	251	122
Other	2,084	2,319
Total current liabilities	15,546	17,283
Long-Term Debt (includes $2,134 at 2024 and $3,000 at 2023 related to VIEs)	74,979	72,452
Other Noncurrent Liabilities		
Deferred income taxes	10,721	10,556
Asset retirement obligations	8,487	8,560
Regulatory liabilities	14,571	14,039
Operating lease liabilities	915	917
Accrued pension and other post-retirement benefit costs	473	485
Investment tax credits	862	864
Liabilities associated with assets held for sale	126	157
Other (includes $42 at 2024 and $35 at 2023 related to VIEs)	1,352	1,393
Total other noncurrent liabilities	37,507	36,971
Commitments and Contingencies		
Equity		
Preferred stock, Series A, $0.001 par value, 40 million depositary shares authorized and outstanding at 2024 and 2023	973	973
Preferred stock, Series B, $0.001 par value, 1 million shares authorized and outstanding at 2024 and 2023	989	989
Common stock, $0.001 par value, 2 billion shares authorized; 772 million and 771 million shares outstanding at 2024 and 2023	1	1
Additional paid-in capital	44,937	44,920
Retained earnings	2,542	2,235
Accumulated other comprehensive income (loss)	109	(6)
Total Duke Energy Corporation stockholders' equity	49,551	49,112
Noncontrolling interests	1,087	1,075
Total equity	50,638	50,187
Total Liabilities and Equity	$ 178,670	$ 176,893

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY CORPORATION
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 1,151**	$ 761
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and accretion (including amortization of nuclear fuel)	**1,534**	1,344
Equity component of AFUDC	**(55)**	(46)
(Gains) Losses on sales of Commercial Renewables Disposal Groups	**(10)**	220
Gains on sales of other assets	**(12)**	(7)
Impairment of assets and other charges	**1**	8
Deferred income taxes	**149**	90
Equity in earnings of unconsolidated affiliates	**(17)**	(20)
Payments for asset retirement obligations	**(115)**	(117)
Provision for rate refunds	**(4)**	(33)
(Increase) decrease in		
Net realized and unrealized mark-to-market and hedging transactions	**(33)**	5
Receivables	**226**	754
Inventory	**11**	(275)
Other current assets	**329**	262
Increase (decrease) in		
Accounts payable	**(553)**	(1,193)
Taxes accrued	**(110)**	(148)
Other current liabilities	**(208)**	(266)
Other assets	**41**	(13)
Other liabilities	**149**	157
Net cash provided by operating activities	**2,474**	1,483
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(3,208)**	(3,146)
Contributions to equity method investments	**(7)**	(6)
Purchases of debt and equity securities	**(946)**	(866)
Proceeds from sales and maturities of debt and equity securities	**985**	882
Net proceeds from the sales of other assets	**—**	76
Other	**(166)**	(149)
Net cash used in investing activities	**(3,342)**	(3,209)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the:		
Issuance of long-term debt	**3,481**	4,085
Issuance of common stock	**4**	—
Payments for the redemption of long-term debt	**(1,392)**	(1,380)
Proceeds from the issuance of short-term debt with original maturities greater than 90 days	**294**	2
Payments for the redemption of short-term debt with original maturities greater than 90 days	**(535)**	(50)
Notes payable and commercial paper	**50**	(217)
Contributions from noncontrolling interests	**—**	206
Dividends paid	**(806)**	(815)
Other	**(67)**	(84)
Net cash provided by financing activities	**1,029**	1,747
Net increase in cash, cash equivalents and restricted cash	**161**	21
Cash, cash equivalents and restricted cash at beginning of period	**357**	603
Cash, cash equivalents and restricted cash at end of period	**$ 518**	$ 624
Supplemental Disclosures:		
Significant non-cash transactions:		
Accrued capital expenditures	**$ 1,615**	$ 1,366

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY CORPORATION
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Three Months Ended March 31, 2023 and 2024										
						Accumulated Other Comprehensive (Loss) Income					
(in millions)	Preferred Stock	Common Stock Shares	Common Stock	Additional Paid-in Capital	Retained Earnings	Net Gains (Losses) on Hedges[b]	Net Unrealized Gains (Losses) on Available-for-Sale Securities	Pension and OPEB Adjustments	Total Duke Energy Corporation Stockholders' Equity	Non-controlling Interests	Total Equity
Balance at December 31, 2022	$ 1,962	770	$ 1	$ 44,862	$ 2,637	$ (29)	$ (23)	$ (88)	$ 49,322	$ 2,531	$51,853
Net income (loss)	—	—	—	—	765	—	—	—	765	(43)	722
Other comprehensive income (loss)	—	—	—	—	—	(31)	6	(1)	(26)	—	(26)
Common stock issuances, including dividend reinvestment and employee benefits	—	1	—	(10)	—	—	—	—	(10)	—	(10)
Common stock dividends	—	—	—	—	(776)	—	—	—	(776)	—	(776)
Sale of noncontrolling interest	—	—	—	(13)	—	—	—	—	(13)	10	(3)
Contributions from noncontrolling interests, net of transaction costs[a]	—	—	—	—	—	—	—	—	—	206	206
Distributions to noncontrolling interest in subsidiaries	—	—	—	—	—	—	—	—	—	(13)	(13)
Other	—	—	—	(2)	—	—	—	—	(2)	—	(2)
Balance at March 31, 2023	$ 1,962	771	$ 1	$ 44,837	$ 2,626	$ (60)	$ (17)	$ (89)	$ 49,260	$ 2,691	$51,951
Balance at December 31, 2023	$ 1,962	771	$ 1	$ 44,920	$ 2,235	$ 98	$ (15)	$ (89)	$ 49,112	$ 1,075	$50,187
Net income	**—**	**—**	**—**	**—**	**1,099**	**—**	**—**	**—**	**1,099**	**13**	**1,112**
Other comprehensive income (loss)	**—**	**—**	**—**	**—**	**—**	**101**	**(2)**	**16**	**115**	**—**	**115**
Common stock issuances, including dividend reinvestment and employee benefits	**—**	**1**	**—**	**16**	**—**	**—**	**—**	**—**	**16**	**—**	**16**
Common stock dividends	**—**	**—**	**—**	**—**	**(792)**	**—**	**—**	**—**	**(792)**	**—**	**(792)**
Other	**—**	**—**	**—**	**1**		**—**	**—**	**—**	**1**	**(1)**	**—**
Balance at March 31, 2024	**$ 1,962**	**772**	**$ 1**	**$ 44,937**	**$ 2,542**	**$ 199**	**$ (17)**	**$ (73)**	**$ 49,551**	**$ 1,087**	**$50,638**

(a) Relates primarily to tax equity financing activity in the Commercial Renewables Disposal Groups.
(b) See Duke Energy Condensed Consolidated Statements of Comprehensive Income for detailed activity related to Cash Flow and Fair Value hedges.

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY CAROLINAS, LLC
Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

	Three Months Ended March 31,	
(in millions)	**2024**	**2023**
Operating Revenues	**$ 2,407**	$ 1,934
Operating Expenses		
Fuel used in electric generation and purchased power	**860**	623
Operation, maintenance and other	**451**	440
Depreciation and amortization	**397**	366
Property and other taxes	**94**	95
Impairment of assets and other charges	**1**	2
Total operating expenses	**1,803**	1,526
Gains on Sales of Other Assets and Other, net	**1**	—
Operating Income	**605**	408
Other Income and Expenses, net	**61**	59
Interest Expense	**180**	160
Income Before Income Taxes	**486**	307
Income Tax Expense	**56**	35
Net Income and Comprehensive Income	**$ 430**	$ 272

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY CAROLINAS, LLC
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	March 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 5	$ 9
Receivables (net of allowance for doubtful accounts of $13 at 2024 and $11 at 2023)	245	265
Receivables of VIEs (net of allowance for doubtful accounts of $49 at 2024 and $45 at 2023)	997	991
Receivables from affiliated companies	173	203
Inventory	1,478	1,484
Regulatory assets (includes $12 at 2024 and 2023 related to VIEs)	1,347	1,564
Other (includes $5 at 2024 and $9 at 2023 related to VIEs)	62	31
Total current assets	4,307	4,547
Property, Plant and Equipment		
Cost	57,477	56,670
Accumulated depreciation and amortization	(20,210)	(19,896)
Net property, plant and equipment	37,267	36,774
Other Noncurrent Assets		
Regulatory assets (includes $193 at 2024 and $196 at 2023 related to VIEs)	3,850	3,916
Nuclear decommissioning trust funds	6,077	5,686
Operating lease right-of-use assets, net	75	78
Other	1,116	1,109
Total other noncurrent assets	11,118	10,789
Total Assets	$ 52,692	$ 52,110
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	$ 925	$ 1,183
Accounts payable to affiliated companies	230	195
Notes payable to affiliated companies	55	668
Taxes accrued	148	281
Interest accrued	161	179
Current maturities of long-term debt (includes $511 at 2024 and $10 at 2023 related to VIEs)	520	19
Asset retirement obligations	236	224
Regulatory liabilities	574	587
Other	617	702
Total current liabilities	3,466	4,038
Long-Term Debt (includes $203 at 2024 and $708 at 2023 related to VIEs)	16,199	15,693
Long-Term Debt Payable to Affiliated Companies	300	300
Other Noncurrent Liabilities		
Deferred income taxes	4,329	4,379
Asset retirement obligations	3,779	3,789
Regulatory liabilities	6,302	5,990
Operating lease liabilities	72	75
Accrued pension and other post-retirement benefit costs	54	57
Investment tax credits	300	301
Other (includes $19 at 2024 and $17 at 2023 related to VIEs)	554	581
Total other noncurrent liabilities	15,390	15,172
Commitments and Contingencies		
Equity		
Member's equity	17,343	16,913
Accumulated other comprehensive loss	(6)	(6)
Total equity	17,337	16,907
Total Liabilities and Equity	$ 52,692	$ 52,110

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY CAROLINAS, LLC
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 430**	$ 272
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization (including amortization of nuclear fuel)	**463**	426
Equity component of AFUDC	**(28)**	(24)
Impairment of assets and other charges	**1**	2
Deferred income taxes	**14**	32
Payments for asset retirement obligations	**(36)**	(39)
Provision for rate refunds	**(4)**	(19)
(Increase) decrease in		
Receivables	**14**	199
Receivables from affiliated companies	**30**	209
Inventory	**7**	(139)
Other current assets	**(23)**	(293)
Increase (decrease) in		
Accounts payable	**(203)**	(594)
Accounts payable to affiliated companies	**35**	27
Taxes accrued	**(133)**	(119)
Other current liabilities	**(134)**	(78)
Other assets	**191**	206
Other liabilities	**(19)**	76
Net cash provided by operating activities	**605**	144
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(952)**	(866)
Purchases of debt and equity securities	**(535)**	(556)
Proceeds from sales and maturities of debt and equity securities	**535**	556
Other	**(51)**	(59)
Net cash used in investing activities	**(1,003)**	(925)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of long-term debt	**1,011**	1,845
Payments for the redemption of long-term debt	**(7)**	(1,007)
Notes payable to affiliated companies	**(612)**	(79)
Other	**(1)**	(1)
Net cash provided by financing activities	**391**	758
Net decrease in cash, cash equivalents and restricted cash	**(7)**	(23)
Cash, cash equivalents and restricted cash at beginning of period	**19**	53
Cash, cash equivalents and restricted cash at end of period	**$ 12**	$ 30
Supplemental Disclosures:		
Significant non-cash transactions:		
Accrued capital expenditures	**$ 550**	$ 449

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY CAROLINAS, LLC
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Three Months Ended March 31, 2023 and 2024		
		Accumulated Other Comprehensive Loss	
(in millions)	**Member's Equity**	**Net Losses on Cash Flow Hedges**	**Total Equity**
Balance at December 31, 2022	$ 15,448	$ (6)	$ 15,442
Net income	272	—	272
Balance at March 31, 2023	$ 15,720	$ (6)	$ 15,714
Balance at December 31, 2023	$ 16,913	$ (6)	$ 16,907
Net income	**430**	**—**	**430**
Balance at March 31, 2024	**$ 17,343**	**$ (6)**	**$ 17,337**

See Notes to Condensed Consolidated Financial Statements

PROGRESS ENERGY, INC.
Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
Operating Revenues	**$ 3,228**	$ 3,048
Operating Expenses		
Fuel used in electric generation and purchased power	**1,143**	1,191
Operation, maintenance and other	**628**	568
Depreciation and amortization	**587**	504
Property and other taxes	**158**	168
Impairment of assets and other charges	**—**	5
Total operating expenses	**2,516**	2,436
Gains on Sales of Other Assets and Other, net	**7**	6
Operating Income	**719**	618
Other Income and Expenses, net	**62**	59
Interest Expense	**260**	246
Income Before Income Taxes	**521**	431
Income Tax Expense	**86**	72
Net Income	**$ 435**	$ 359
Other Comprehensive Income, net of tax		
Unrealized gains on available-for-sale securities	**—**	2
Other Comprehensive Income, net of tax	**—**	2
Comprehensive Income	**$ 435**	$ 361

See Notes to Condensed Consolidated Financial Statements

PROGRESS ENERGY, INC.
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	March 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 49	$ 59
Receivables (net of allowance for doubtful accounts of $20 at 2024 and $18 at 2023)	224	225
Receivables of VIEs (net of allowance for doubtful accounts of $53 at 2024 and $56 at 2023)	1,256	1,365
Receivables from affiliated companies	3	90
Inventory (includes $470 at 2024 and $462 at 2023 related to VIEs)	1,987	1,901
Regulatory assets (includes $98 at 2024 and 2023 related to VIEs)	1,359	1,661
Other (includes $29 at 2024 and $68 at 2023 related to VIEs)	122	134
Total current assets	5,000	5,435
Property, Plant and Equipment		
Cost	68,755	67,644
Accumulated depreciation and amortization	(22,729)	(22,300)
Net property, plant and equipment	46,026	45,344
Other Noncurrent Assets		
Goodwill	3,655	3,655
Regulatory assets (includes $1,423 at 2024 and $1,446 at 2023 related to VIEs)	6,526	6,430
Nuclear decommissioning trust funds	4,697	4,457
Operating lease right-of-use assets, net	597	617
Other	1,221	1,156
Total other noncurrent assets	16,696	16,315
Total Assets	$ 67,722	$ 67,094
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable (includes $179 at 2024 and $188 at 2023 related to VIEs)	$ 1,174	$ 1,374
Accounts payable to affiliated companies	548	464
Notes payable to affiliated companies	820	1,043
Taxes accrued	201	259
Interest accrued	246	224
Current maturities of long-term debt (includes $418 at 2024 and 2023 related to VIEs)	659	661
Asset retirement obligations	229	245
Regulatory liabilities	394	418
Other	788	860
Total current liabilities	5,059	5,548
Long-Term Debt (includes $1,862 at 2024 and $1,910 at 2023 related to VIEs)	23,389	22,948
Long-Term Debt Payable to Affiliated Companies	150	150
Other Noncurrent Liabilities		
Deferred income taxes	5,214	5,197
Asset retirement obligations	3,870	3,900
Regulatory liabilities	5,344	5,083
Operating lease liabilities	530	544
Accrued pension and other post-retirement benefit costs	263	266
Investment tax credits	370	371
Other (includes $22 at 2024 and $19 at 2023 related to VIEs)	238	227
Total other noncurrent liabilities	15,829	15,588
Commitments and Contingencies		
Equity		
Common Stock, $0.01 par value, 100 shares authorized and outstanding at 2024 and 2023	—	—
Additional paid-in capital	11,830	11,830
Retained earnings	11,475	11,040
Accumulated other comprehensive loss	(10)	(10)
Total equity	23,295	22,860
Total Liabilities and Equity	$ 67,722	$ 67,094

See Notes to Condensed Consolidated Financial Statements

PROGRESS ENERGY, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 435**	$ 359
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and accretion (including amortization of nuclear fuel)	**669**	554
Equity component of AFUDC	**(18)**	(16)
Impairment of assets and other charges	**—**	5
Deferred income taxes	**(5)**	51
Payments for asset retirement obligations	**(68)**	(58)
Provision for rate refunds	**—**	(14)
(Increase) decrease in		
Receivables	**103**	188
Receivables from affiliated companies	**87**	(2)
Inventory	**(86)**	(133)
Other current assets	**232**	319
Increase (decrease) in		
Accounts payable	**(79)**	(214)
Accounts payable to affiliated companies	**84**	(302)
Taxes accrued	**(57)**	36
Other current liabilities	**(36)**	(107)
Other assets	**(134)**	(212)
Other liabilities	**27**	4
Net cash provided by operating activities	**1,154**	458
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(1,373)**	(1,275)
Purchases of debt and equity securities	**(381)**	(279)
Proceeds from sales and maturities of debt and equity securities	**424**	304
Notes receivable from affiliated companies	**—**	(118)
Other	**(74)**	(71)
Net cash used in investing activities	**(1,404)**	(1,439)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of long-term debt	**498**	996
Payments for the redemption of long-term debt	**(73)**	(66)
Notes payable to affiliated companies	**(223)**	2
Other	**(1)**	(1)
Net cash provided by financing activities	**201**	931
Net decrease in cash, cash equivalents and restricted cash	**(49)**	(50)
Cash, cash equivalents and restricted cash at beginning of period	**135**	184
Cash, cash equivalents and restricted cash at end of period	**$ 86**	$ 134
Supplemental Disclosures:		
Significant non-cash transactions:		
Accrued capital expenditures	**$ 680**	$ 516

See Notes to Condensed Consolidated Financial Statements

PROGRESS ENERGY, INC.
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Three Months Ended March 31, 2023 and 2024						
			Accumulated Other Comprehensive Loss				
	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	Total Progress Energy, Inc. Stockholders' Equity	Total Equity
Balance at December 31, 2022	$ 11,832	$ 9,585	$ (1)	$ (8)	$ (2)	$ 21,406	$ 21,406
Net income	—	359	—	—	—	359	359
Other comprehensive income	—	—	—	2	—	2	2
Other	(2)	—	—	—	—	(2)	(2)
Balance at March 31, 2023	$ 11,830	$ 9,944	$ (1)	$ (6)	$ (2)	$ 21,765	$ 21,765
Balance at December 31, 2023	$ 11,830	$ 11,040	$ (1)	$ (5)	$ (4)	$ 22,860	$ 22,860
Net income	**—**	**435**	**—**	**—**	**—**	**435**	**435**
Balance at March 31, 2024	**$ 11,830**	**$ 11,475**	**$ (1)**	**$ (5)**	**$ (4)**	**$ 23,295**	**$ 23,295**

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY PROGRESS, LLC
Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
Operating Revenues	**$ 1,788**	$ 1,533
Operating Expenses		
Fuel used in electric generation and purchased power	**620**	545
Operation, maintenance and other	**375**	350
Depreciation and amortization	**339**	315
Property and other taxes	**51**	48
Impairment of assets and other charges	**—**	4
Total operating expenses	**1,385**	1,262
Gains on Sales of Other Assets and Other, net	**1**	—
Operating Income	**404**	271
Other Income and Expenses, net	**36**	29
Interest Expense	**120**	102
Income Before Income Taxes	**320**	198
Income Tax Expense	**48**	29
Net Income and Comprehensive Income	**$ 272**	$ 169

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY PROGRESS, LLC
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	March 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 27	$ 18
Receivables (net of allowance for doubtful accounts of $9 at 2024 and $8 at 2023)	132	139
Receivables of VIEs (net of allowance for doubtful accounts of $38 at 2024 and $36 at 2023)	789	833
Receivables from affiliated companies	3	16
Inventory	1,294	1,227
Regulatory assets (includes $39 at 2024 and 2023 related to VIEs)	834	942
Other (includes $18 at 2024 and $31 at 2023 related to VIEs)	58	72
Total current assets	3,137	3,247
Property, Plant and Equipment		
Cost	39,865	39,283
Accumulated depreciation and amortization	(15,503)	(15,227)
Net property, plant and equipment	24,362	24,056
Other Noncurrent Assets		
Regulatory assets (includes $633 at 2024 and $643 at 2023 related to VIEs)	4,631	4,546
Nuclear decommissioning trust funds	4,345	4,075
Operating lease right-of-use assets, net	304	318
Other	715	682
Total other noncurrent assets	9,995	9,621
Total Assets	$ 37,494	$ 36,924
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	$ 557	$ 634
Accounts payable to affiliated companies	294	332
Notes payable to affiliated companies	754	891
Taxes accrued	129	176
Interest accrued	89	114
Current maturities of long-term debt (includes $34 at 2024 and 2023 related to VIEs)	73	72
Asset retirement obligations	228	244
Regulatory liabilities	300	300
Other	429	481
Total current liabilities	2,853	3,244
Long-Term Debt (includes $1,062 at 2024 and $1,079 at 2023 related to VIEs)	11,955	11,492
Long-Term Debt Payable to Affiliated Companies	150	150
Other Noncurrent Liabilities		
Deferred income taxes	2,555	2,560
Asset retirement obligations	3,619	3,626
Regulatory liabilities	4,635	4,375
Operating lease liabilities	283	293
Accrued pension and other post-retirement benefit costs	144	146
Investment tax credits	128	129
Other (includes $13 at 2024 and $12 at 2023 related to VIEs)	93	102
Total other noncurrent liabilities	11,457	11,231
Commitments and Contingencies		
Equity		
Member's Equity	11,079	10,807
Total Liabilities and Equity	$ 37,494	$ 36,924

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY PROGRESS, LLC
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 272**	$ 169
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization (including amortization of nuclear fuel)	**385**	360
Equity component of AFUDC	**(13)**	(13)
Impairment of assets and other charges	**—**	4
Deferred income taxes	**(21)**	27
Payments for asset retirement obligations	**(46)**	(46)
Provision for rate refunds	**—**	(14)
(Increase) decrease in		
Receivables	**50**	144
Receivables from affiliated companies	**13**	(1)
Inventory	**(67)**	(76)
Other current assets	**97**	(61)
Increase (decrease) in		
Accounts payable	**(31)**	(3)
Accounts payable to affiliated companies	**(38)**	(256)
Taxes accrued	**(47)**	(21)
Other current liabilities	**(49)**	(86)
Other assets	**(105)**	(16)
Other liabilities	**(11)**	21
Net cash provided by operating activities	**389**	132
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(704)**	(666)
Purchases of debt and equity securities	**(351)**	(239)
Proceeds from sales and maturities of debt and equity securities	**351**	236
Notes receivable from affiliated companies	**—**	(160)
Other	**(12)**	(33)
Net cash used in investing activities	**(716)**	(862)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of long-term debt	**495**	991
Payments for the redemption of long-term debt	**(33)**	(32)
Notes payable to affiliated companies	**(137)**	(239)
Other	**—**	(1)
Net cash provided by financing activities	**325**	719
Net decrease in cash, cash equivalents and restricted cash	**(2)**	(11)
Cash, cash equivalents and restricted cash at beginning of period	**51**	79
Cash, cash equivalents and restricted cash at end of period	**$ 49**	$ 68
Supplemental Disclosures:		
Significant non-cash transactions:		
Accrued capital expenditures	**$ 259**	$ 176

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY PROGRESS, LLC
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

(in millions)	Three Months Ended March 31, 2023 and 2024 Member's Equity
Balance at December 31, 2022	$ 10,309
Net income	169
Balance at March 31, 2023	$ 10,478
Balance at December 31, 2023	$ 10,807
Net income	**272**
Balance at March 31, 2024	**$ 11,079**

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY FLORIDA, LLC
Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
Operating Revenues	**$ 1,436**	$ 1,510
Operating Expenses		
Fuel used in electric generation and purchased power	**523**	646
Operation, maintenance and other	**251**	213
Depreciation and amortization	**248**	190
Property and other taxes	**106**	120
Impairment of assets and other charges	**—**	1
Total operating expenses	**1,128**	1,170
Gains on Sales of Other Assets and Other, net	**1**	1
Operating Income	**309**	341
Other Income and Expenses, net	**24**	30
Interest Expense	**111**	115
Income Before Income Taxes	**222**	256
Income Tax Expense	**43**	51
Net Income	**$ 179**	$ 205
Other Comprehensive Income, net of tax		
Unrealized gains on available-for-sale securities	**—**	2
Comprehensive Income	**$ 179**	$ 207

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY FLORIDA, LLC
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	March 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 4	$ 24
Receivables (net of allowance for doubtful accounts of $12 at 2024 and $11 at 2023)	90	83
Receivables of VIEs (net of allowance for doubtful accounts of $15 at 2024 and $20 at 2023)	467	532
Receivables from affiliated companies	2	238
Inventory (includes $470 at 2024 and $462 at 2023 related to VIEs)	693	674
Regulatory assets (includes $59 at 2024 and 2023 related to VIEs)	525	720
Other (includes $11 at 2024 and $37 at 2023 related to VIEs)	57	51
Total current assets	1,838	2,322
Property, Plant and Equipment		
Cost	28,882	28,353
Accumulated depreciation and amortization	(7,219)	(7,067)
Net property, plant and equipment	21,663	21,286
Other Noncurrent Assets		
Regulatory assets (includes $790 at 2024 and $803 at 2023 related to VIEs)	1,895	1,883
Nuclear decommissioning trust funds	352	382
Operating lease right-of-use assets, net	294	299
Other	456	429
Total other noncurrent assets	2,997	2,993
Total Assets	$ 26,498	$ 26,601
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable (includes $179 at 2024 and $188 at 2023 related to VIEs)	$ 616	$ 738
Accounts payable to affiliated companies	121	135
Notes payable to affiliated companies	66	152
Taxes accrued	134	185
Interest accrued	128	86
Current maturities of long-term debt (includes $384 at 2024 and 2023 related to VIEs)	586	589
Asset retirement obligations	1	1
Regulatory liabilities	93	118
Other	332	350
Total current liabilities	2,077	2,354
Long-Term Debt (includes $800 at 2024 and $831 at 2023 related to VIEs)	9,791	9,812
Other Noncurrent Liabilities		
Deferred income taxes	2,750	2,733
Asset retirement obligations	252	274
Regulatory liabilities	709	708
Operating lease liabilities	247	251
Accrued pension and other post-retirement benefit costs	97	98
Investment tax credits	242	242
Other (includes $10 at 2024 and $6 at 2023 related to VIEs)	111	86
Total other noncurrent liabilities	4,408	4,392
Commitments and Contingencies		
Equity		
Member's equity	10,227	10,048
Accumulated other comprehensive loss	(5)	(5)
Total equity	10,222	10,043
Total Liabilities and Equity	$ 26,498	$ 26,601

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY FLORIDA, LLC
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 179**	$ 205
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and accretion	**284**	194
Equity component of AFUDC	**(5)**	(3)
Impairment of assets and other charges	**—**	1
Deferred income taxes	**10**	21
Payments for asset retirement obligations	**(22)**	(12)
(Increase) decrease in		
Receivables	**53**	42
Receivables from affiliated companies	**236**	(1)
Inventory	**(19)**	(57)
Other current assets	**132**	363
Increase (decrease) in		
Accounts payable	**(48)**	(211)
Accounts payable to affiliated companies	**(14)**	(67)
Taxes accrued	**(51)**	79
Other current liabilities	**11**	(27)
Other assets	**(16)**	(193)
Other liabilities	**34**	(8)
Net cash provided by operating activities	**764**	326
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(669)**	(609)
Purchases of debt and equity securities	**(30)**	(40)
Proceeds from sales and maturities of debt and equity securities	**73**	68
Other	**(62)**	(38)
Net cash used in investing activities	**(688)**	(619)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of long-term debt	**3**	5
Payments for the redemption of long-term debt	**(39)**	(34)
Notes payable to affiliated companies	**(86)**	281
Other	**(1)**	(1)
Net cash (used in) provided by financing activities	**(123)**	251
Net decrease in cash, cash equivalents and restricted cash	**(47)**	(42)
Cash, cash equivalents and restricted cash at beginning of period	**67**	86
Cash, cash equivalents and restricted cash at end of period	**$ 20**	$ 44
Supplemental Disclosures:		
Significant non-cash transactions:		
Accrued capital expenditures	**$ 421**	$ 340

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY FLORIDA, LLC
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Three Months Ended March 31, 2023 and 2024		
		Accumulated Other Comprehensive Loss	
(in millions)	**Member's Equity**	**Net Unrealized Gains (Losses) on Available-for-Sale Securities**	**Total Equity**
Balance at December 31, 2022	$ 9,031	$ (8)	$ 9,023
Net income	205	—	205
Other comprehensive income	—	2	2
Other	1	—	1
Balance at March 31, 2023	$ 9,237	$ (6)	$ 9,231
Balance at December 31, 2023	$ 10,048	$ (5)	$ 10,043
Net income	**179**	**—**	**179**
Balance at March 31, 2024	**$ 10,227**	**$ (5)**	**$ 10,222**

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY OHIO, INC.
Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
Operating Revenues		
Regulated electric	**$ 458**	$ 474
Regulated natural gas	**220**	235
Total operating revenues	**678**	709
Operating Expenses		
Fuel used in electric generation and purchased power	**138**	176
Cost of natural gas	**61**	92
Operation, maintenance and other	**126**	123
Depreciation and amortization	**99**	90
Property and other taxes	**102**	80
Total operating expenses	**526**	561
Operating Income	**152**	148
Other Income and Expenses, net	**6**	8
Interest Expense	**45**	36
Income Before Income Taxes	**113**	120
Income Tax Expense	**19**	20
Net Income and Comprehensive Income	**$ 94**	$ 100

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY OHIO, INC.
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	March 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 5	$ 24
Receivables (net of allowance for doubtful accounts of $41 at 2024 and $9 at 2023)	437	112
Receivables from affiliated companies	3	239
Inventory	185	179
Regulatory assets	75	73
Other	17	134
Total current assets	722	761
Property, Plant and Equipment		
Cost	13,378	13,210
Accumulated depreciation and amortization	(3,507)	(3,451)
Net property, plant and equipment	9,871	9,759
Other Noncurrent Assets		
Goodwill	920	920
Regulatory assets	678	676
Operating lease right-of-use assets, net	16	16
Other	98	84
Total other noncurrent assets	1,712	1,696
Total Assets	$ 12,305	$ 12,216
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	$ 288	$ 338
Accounts payable to affiliated companies	69	71
Notes payable to affiliated companies	306	613
Taxes accrued	249	316
Interest accrued	51	35
Asset retirement obligations	7	6
Regulatory liabilities	40	56
Other	64	65
Total current liabilities	1,074	1,500
Long-Term Debt	3,914	3,493
Long-Term Debt Payable to Affiliated Companies	25	25
Other Noncurrent Liabilities		
Deferred income taxes	1,282	1,272
Asset retirement obligations	134	130
Regulatory liabilities	481	497
Operating lease liabilities	16	16
Accrued pension and other post-retirement benefit costs	98	97
Other	87	86
Total other noncurrent liabilities	2,098	2,098
Commitments and Contingencies		
Equity		
Common Stock, $8.50 par value, 120 million shares authorized; 90 million shares outstanding at 2024 and 2023	762	762
Additional paid-in capital	3,100	3,100
Retained earnings	1,332	1,238
Total equity	5,194	5,100
Total Liabilities and Equity	$ 12,305	$ 12,216

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY OHIO, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 94**	$ 100
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**100**	91
Deferred income taxes	**2**	(3)
Payments for asset retirement obligations	**(1)**	(1)
(Increase) decrease in		
Receivables	**12**	—
Receivables from affiliated companies	**65**	17
Inventory	**(5)**	(11)
Other current assets	**100**	94
Increase (decrease) in		
Accounts payable	**(20)**	(60)
Accounts payable to affiliated companies	**(2)**	(7)
Taxes accrued	**(67)**	(90)
Other current liabilities	**(7)**	(42)
Other assets	**7**	1
Other liabilities	**(17)**	(1)
Net cash provided by operating activities	**261**	88
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(217)**	(232)
Net proceeds from the sales of other assets	**—**	75
Notes receivable from affiliated companies	**(166)**	(224)
Other	**(10)**	(16)
Net cash used in investing activities	**(393)**	(397)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of long-term debt	**424**	749
Notes payable to affiliated companies	**(307)**	(425)
Other	**(4)**	(5)
Net cash provided by financing activities	**113**	319
Net (decrease) increase in cash and cash equivalents	**(19)**	10
Cash and cash equivalents at beginning of period	**24**	16
Cash and cash equivalents at end of period	**$ 5**	$ 26
Supplemental Disclosures:		
Significant non-cash transactions:		
Accrued capital expenditures	**$ 84**	$ 87

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY OHIO, INC.
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

(in millions)	Three Months Ended March 31, 2023 and 2024			
	Common Stock	Additional Paid-in Capital	Retained Earnings	Total Equity
Balance at December 31, 2022	$ 762	$ 3,100	$ 904	$ 4,766
Net income	—	—	100	100
Balance at March 31, 2023	$ 762	$ 3,100	$ 1,004	$ 4,866
Balance at December 31, 2023	$ 762	$ 3,100	$ 1,238	$ 5,100
Net income	**—**	**—**	**94**	**94**
Balance at March 31, 2024	**$ 762**	**$ 3,100**	**$ 1,332**	**$ 5,194**

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY INDIANA, LLC
Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
Operating Revenues	**$ 759**	$ 975
Operating Expenses		
Fuel used in electric generation and purchased power	**271**	449
Operation, maintenance and other	**180**	184
Depreciation and amortization	**169**	158
Property and other taxes	**14**	18
Total operating expenses	**634**	809
Operating Income	**125**	166
Other Income and Expenses, net	**13**	14
Interest Expense	**57**	52
Income Before Income Taxes	**81**	128
Income Tax Expense	**14**	22
Net Income	**$ 67**	$ 106
Other Comprehensive Loss, net of tax		
Pension and OPEB adjustments	**(1)**	—
Comprehensive Income	**$ 66**	$ 106

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY INDIANA, LLC
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	March 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 5	$ 8
Receivables (net of allowance for doubtful accounts of $16 at 2024 and $5 at 2023)	429	156
Receivables from affiliated companies	12	197
Inventory	534	582
Regulatory assets	101	102
Other	59	98
Total current assets	1,140	1,143
Property, Plant and Equipment		
Cost	19,097	18,900
Accumulated depreciation and amortization	(6,598)	(6,501)
Net property, plant and equipment	12,499	12,399
Other Noncurrent Assets		
Regulatory assets	900	894
Operating lease right-of-use assets, net	48	50
Other	353	325
Total other noncurrent assets	1,301	1,269
Total Assets	$ 14,940	$ 14,811
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	$ 234	$ 300
Accounts payable to affiliated companies	78	176
Notes payable to affiliated companies	136	256
Taxes accrued	75	66
Interest accrued	73	54
Current maturities of long-term debt	4	4
Asset retirement obligations	131	120
Regulatory liabilities	213	209
Other	179	184
Total current liabilities	1,123	1,369
Long-Term Debt	4,646	4,348
Long-Term Debt Payable to Affiliated Companies	150	150
Other Noncurrent Liabilities		
Deferred income taxes	1,476	1,436
Asset retirement obligations	672	689
Regulatory liabilities	1,450	1,459
Operating lease liabilities	45	46
Accrued pension and other post-retirement benefit costs	101	115
Investment tax credits	186	186
Other	13	—
Total other noncurrent liabilities	3,943	3,931
Commitments and Contingencies		
Equity		
Member's equity	5,078	5,012
Accumulated other comprehensive income	—	1
Total equity	5,078	5,013
Total Liabilities and Equity	$ 14,940	$ 14,811

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY INDIANA, LLC
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 67**	$ 106
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and accretion	**170**	158
Equity component of AFUDC	**(2)**	(1)
Deferred income taxes	**24**	2
Payments for asset retirement obligations	**(12)**	(19)
(Increase) decrease in		
Receivables	**35**	20
Receivables from affiliated companies	**(6)**	(26)
Inventory	**48**	(71)
Other current assets	**30**	174
Increase (decrease) in		
Accounts payable	**(39)**	(107)
Accounts payable to affiliated companies	**(57)**	(33)
Taxes accrued	**9**	14
Other current liabilities	**32**	112
Other assets	**(13)**	(12)
Other liabilities	**(7)**	35
Net cash provided by operating activities	**279**	352
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(275)**	(226)
Purchases of debt and equity securities	**(5)**	(23)
Proceeds from sales and maturities of debt and equity securities	**4**	16
Notes receivable from affiliated companies	**(117)**	96
Other	**(24)**	(10)
Net cash used in investing activities	**(417)**	(147)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of long-term debt	**298**	495
Payments for the redemption of long-term debt	**—**	(300)
Notes payable to affiliated companies	**(120)**	(231)
Distributions to parent	**(42)**	(188)
Other	**(1)**	(1)
Net cash provided by (used in) financing activities	**135**	(225)
Net decrease in cash and cash equivalents	**(3)**	(20)
Cash and cash equivalents at beginning of period	**8**	31
Cash and cash equivalents at end of period	**$ 5**	$ 11
Supplemental Disclosures:		
Significant non-cash transactions:		
Accrued capital expenditures	**$ 88**	$ 85

See Notes to Condensed Consolidated Financial Statements

DUKE ENERGY INDIANA, LLC
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Three Months Ended March 31, 2023 and 2024		
		Accumulated Other Comprehensive Income (Loss)	
(in millions)	**Member's Equity**	**Pension and OPEB Adjustments**	**Total Equity**
Balance at December 31, 2022	$ 4,702	$ 1	$ 4,703
Net income	106	—	106
Distributions to parent	(75)	—	(75)
Balance at March 31, 2023	$ 4,733	$ 1	$ 4,734
Balance at December 31, 2023	$ 5,012	$ 1	$ 5,013
Net income	**67**	**—**	**67**
Other	**(1)**	**(1)**	**(2)**
Balance at March 31, 2024	**$ 5,078**	**$ —**	**$ 5,078**

See Notes to Condensed Consolidated Financial Statements

PIEDMONT NATURAL GAS COMPANY, INC.
Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
Operating Revenues	**$ 676**	$ 675
Operating Expenses		
Cost of natural gas	**170**	206
Operation, maintenance and other	**95**	89
Depreciation and amortization	**62**	57
Property and other taxes	**15**	16
Impairment of assets and other charges	**—**	1
Total operating expenses	**342**	369
Operating Income	**334**	306
Other Income and Expenses, net	**17**	16
Interest Expense	**45**	40
Income Before Income Taxes	**306**	282
Income Tax Expense	**60**	50
Net Income and Comprehensive Income	**$ 246**	$ 232

See Notes to Condensed Consolidated Financial Statements

PIEDMONT NATURAL GAS COMPANY, INC.
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	March 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Receivables (net of allowance for doubtful accounts of $12 at 2024 and $11 at 2023)	$ 297	$ 311
Receivables from affiliated companies	12	10
Inventory	65	112
Regulatory assets	131	161
Other	9	7
Total current assets	514	601
Property, Plant and Equipment		
Cost	12,157	11,908
Accumulated depreciation and amortization	(2,296)	(2,259)
Net property, plant and equipment	9,861	9,649
Other Noncurrent Assets		
Goodwill	49	49
Regulatory assets	403	410
Operating lease right-of-use assets, net	5	4
Investments in equity method unconsolidated affiliates	78	78
Other	282	276
Total other noncurrent assets	817	817
Total Assets	$ 11,192	$ 11,067
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	$ 246	$ 315
Accounts payable to affiliated companies	56	54
Notes payable to affiliated companies	508	538
Taxes accrued	101	89
Interest accrued	48	39
Current maturities of long-term debt	40	40
Regulatory liabilities	88	98
Other	64	77
Total current liabilities	1,151	1,250
Long-Term Debt	3,629	3,628
Other Noncurrent Liabilities		
Deferred income taxes	930	933
Asset retirement obligations	26	26
Regulatory liabilities	973	988
Operating lease liabilities	10	10
Accrued pension and other post-retirement benefit costs	7	8
Other	168	172
Total other noncurrent liabilities	2,114	2,137
Commitments and Contingencies		
Equity		
Common stock, no par value: 100 shares authorized and outstanding at 2024 and 2023	1,635	1,635
Retained earnings	2,662	2,416
Total Piedmont Natural Gas Company, Inc. stockholder's equity	4,297	4,051
Noncontrolling interests	1	1
Total equity	4,298	4,052
Total Liabilities and Equity	$ 11,192	$ 11,067

See Notes to Condensed Consolidated Financial Statements

PIEDMONT NATURAL GAS COMPANY, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 246**	$ 232
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**63**	58
Equity component of AFUDC	**(6)**	(5)
Impairment of assets and other charges	**—**	1
Deferred income taxes	**(15)**	14
Equity in earnings from unconsolidated affiliates	**(2)**	(2)
(Increase) decrease in		
Receivables	**13**	189
Receivables from affiliated companies	**(2)**	—
Inventory	**48**	73
Other current assets	**20**	(19)
Increase (decrease) in		
Accounts payable	**(43)**	(107)
Accounts payable to affiliated companies	**2**	(12)
Taxes accrued	**12**	(13)
Other current liabilities	**(1)**	42
Other assets	**(2)**	(2)
Other liabilities	**9**	(1)
Net cash provided by operating activities	**342**	448
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(294)**	(271)
Other	**(18)**	(6)
Net cash used in investing activities	**(312)**	(277)
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes payable to affiliated companies	**(30)**	(171)
Net cash used in financing activities	**(30)**	(171)
Net increase in cash and cash equivalents	**—**	—
Cash and cash equivalents at beginning of period	**—**	—
Cash and cash equivalents at end of period	**$ —**	$ —
Supplemental Disclosures:		
Significant non-cash transactions:		
Accrued capital expenditures	**$ 195**	$ 160

See Notes to Condensed Consolidated Financial Statements

PIEDMONT NATURAL GAS COMPANY, INC.
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

	Three Months Ended March 31, 2023 and 2024				
(in millions)	**Common Stock**	**Retained Earnings**	**Total Piedmont Natural Gas Company, Inc. Equity**	**Noncontrolling Interests**	**Total Equity**
Balance at December 31, 2022	$ 1,635	$ 2,037	$ 3,672	$ 1	$ 3,673
Net income	—	232	232	—	232
Balance at March 31, 2023	$ 1,635	$ 2,269	$ 3,904	$ 1	$ 3,905
Balance at December 31, 2023	$ 1,635	$ 2,416	$ 4,051	$ 1	$ 4,052
Net income	**—**	**246**	**246**	**—**	**246**
Balance at March 31, 2024	**$ 1,635**	**$ 2,662**	**$ 4,297**	**$ 1**	**$ 4,298**

See Notes to Condensed Consolidated Financial Statements

Index to Combined Notes to Condensed Consolidated Financial Statements

The unaudited notes to the Condensed Consolidated Financial Statements that follow are a combined presentation. The following list indicates the registrants to which the footnotes apply.

	Applicable Notes																
Registrant	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**
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. ORGANIZATION AND BASIS OF PRESENTATION

BASIS OF PRESENTATION

These Condensed Consolidated Financial Statements have been prepared in accordance with GAAP for interim financial information and with the instructions to Form 10-Q and Regulation S-X. Accordingly, these Condensed Consolidated Financial Statements do not include all information and notes required by GAAP for annual financial statements and should be read in conjunction with the Consolidated Financial Statements in the Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023.

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

These Condensed Consolidated Financial Statements, in the opinion of the respective companies' management, reflect all normal recurring adjustments necessary to fairly present the financial position and results of operations of each of the Duke Energy Registrants. Amounts reported in Duke Energy's interim Condensed Consolidated Statements of Operations and each of the Subsidiary Registrants' interim Condensed Consolidated Statements of Operations and Comprehensive Income are not necessarily indicative of amounts expected for the respective annual periods due to effects of seasonal temperature variations on energy consumption, regulatory rulings, timing of maintenance on electric generating units, changes in mark-to-market valuations, changing commodity prices and other factors.

In preparing financial statements that conform to GAAP, management 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.

BASIS OF CONSOLIDATION

These Condensed 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 12 for additional information on VIEs. These Condensed Consolidated Financial Statements also reflect the Duke Energy Registrants' proportionate share of certain jointly owned generation and transmission facilities.

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 condensed consolidated financial statements exclude amounts related to discontinued operations for all periods presented. For the three months ended March 31, 2024, and 2023, the Loss From Discontinued Operations, net of tax on Duke Energy's Condensed Consolidated Statements of Operations includes amounts related to noncontrolling interests. A portion of Noncontrolling interests on Duke Energy's Condensed Consolidated Balance Sheets relates to discontinued operations for the periods presented. See Note 2 for discussion of discontinued operations related to the Commercial Renewables Disposal Groups.

NONCONTROLLING INTEREST

Duke Energy maintains a controlling financial interest in certain less than wholly owned 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 Condensed Consolidated Balance Sheets. 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.

CASH, CASH EQUIVALENTS AND RESTRICTED CASH

Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress and Duke Energy Florida have restricted cash balances related primarily to collateral assets, escrow deposits and VIEs. See Notes 10 and 12 for additional information. Restricted cash amounts are included in Other within Current Assets and Other Noncurrent Assets on the Condensed Consolidated Balance Sheets. The following table presents the components of cash, cash equivalents and restricted cash included in the Condensed Consolidated Balance Sheets.

	March 31, 2024					December 31, 2023				
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida
Current Assets										
Cash and cash equivalents	$ 459	$ 5	$ 49	$ 27	$ 4	$ 253	$ 9	$ 59	$ 18	$ 24
Other	33	6	27	18	9	76	9	67	31	36
Other Noncurrent Assets										
Other	17	1	10	4	7	16	1	9	2	7
Total cash, cash equivalents and restricted cash	$ 509	$ 12	$ 86	$ 49	$ 20	$ 345	$ 19	$ 135	$ 51	$ 67

INVENTORY

Provisions for inventory write-offs were not material at March 31, 2024, and December 31, 2023. The components of inventory are presented in the tables below.

	March 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Materials and supplies	$ 3,130	$ 1,078	$ 1,547	$ 1,039	$ 508	$ 146	$ 316	$ 12
Coal	840	357	240	150	90	27	216	—
Natural gas, oil and other fuel	311	43	200	105	95	12	2	53
Total inventory	$ 4,281	$ 1,478	$ 1,987	$ 1,294	$ 693	$ 185	$ 534	$ 65

	December 31, 2023							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Materials and supplies	$ 3,086	$ 1,075	$ 1,465	$ 963	$ 502	$ 139	$ 361	$ 12
Coal	842	364	231	154	77	28	219	—
Natural gas, oil and other fuel	364	45	205	110	95	12	2	100
Total inventory	$ 4,292	$ 1,484	$ 1,901	$ 1,227	$ 674	$ 179	$ 582	$ 112

OTHER NONCURRENT ASSETS

Duke Energy, through a nonregulated subsidiary, was the winner of the Carolina Long Bay offshore wind auction in May 2022 and recorded an asset of $150 million related to the arrangement in Other within Other noncurrent assets on the Consolidated Balance Sheets as of March 31, 2024, and December 31, 2023. The asset is recorded in the EU&I segment at historical cost and is subject to impairment testing should circumstances indicate the carrying value may not be recoverable.

ACCOUNTS PAYABLE

Duke Energy has a voluntary supply chain finance program (the "program") that allows Duke Energy suppliers, at their sole discretion, to sell their receivables from Duke Energy to a global 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.

The following table represents the changes in confirmed obligations outstanding for the three months ended March 31, 2024, and 2023.

	Three Months Ended March 31, 2023 and 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Confirmed obligations outstanding at December 31, 2022	$ 87	$ 6	$ 19	$ 8	$ 11	$ 5	$ —	$ 57
Invoices confirmed during the period	59	10	22	11	11	1	—	25
Confirmed invoices paid during the period	(94)	(9)	(26)	(13)	(13)	(6)	—	(53)
Confirmed obligations outstanding at March 31, 2023	$ 52	$ 7	$ 15	$ 6	$ 9	$ —	$ —	$ 29
Confirmed obligations outstanding at December 31, 2023	$ 50	$ —	$ 3	$ —	$ 3	$ —	$ —	$ 47
Invoices confirmed during the period	**57**	**—**	**1**	**—**	**1**	**—**	**—**	**56**
Confirmed invoices paid during the period	**(31)**	**—**	**(2)**	**—**	**(2)**	**—**	**—**	**(29)**
Confirmed obligations outstanding at March 31, 2024	**$ 76**	**$ —**	**$ 2**	**$ —**	**$ 2**	**$ —**	**$ —**	**$ 74**

NEW ACCOUNTING STANDARDS

No new accounting standards were adopted by the Duke Energy Registrants in 2024.

2. DISPOSITIONS

Sale of Commercial Renewables Segment

In 2023, Duke Energy completed the sale of substantially all the assets in the Commercial Renewables business segment. The disposal process for the remaining assets is expected to be completed around midyear 2024, with net proceeds from the dispositions not anticipated to be material.

Assets Held For Sale and Discontinued Operations

The Commercial Renewables Disposal Groups were classified as held for sale and as discontinued operations in the fourth quarter of 2022. No interest from corporate level debt was allocated to discontinued operations and no adjustments were made to the historical activity within the Consolidated Statements of Comprehensive Income, Consolidated Statements of Cash Flows or the Consolidated Statements of Changes in Equity. Unless otherwise noted, the notes to these consolidated financial statements exclude amounts related to discontinued operations for all periods presented.

The following table presents the carrying values of the major classes of Assets held for sale and Liabilities associated with assets held for sale included in Duke Energy's Consolidated Balance Sheets.

(in millions)	March 31, 2024	December 31, 2023
Current Assets Held for Sale		
Other	**$ 11**	$ 14
Total current assets held for sale	**11**	14
Noncurrent Assets Held for Sale		
Property, Plant and Equipment		
Cost	**357**	247
Accumulated depreciation and amortization	**(57)**	(57)
Net property, plant and equipment	**300**	190
Operating lease right-of-use assets, net	**4**	4
Other	**4**	3
Total other noncurrent assets held for sale	**8**	7
Total Assets Held for Sale	**$ 319**	$ 211
Current Liabilities Associated with Assets Held for Sale		
Accounts payable	**$ 97**	$ 9
Taxes accrued	**1**	3
Current maturities of long-term debt	**44**	5
Unrealized losses on commodity hedges	**74**	68
Other	**35**	37
Total current liabilities associated with assets held for sale	**251**	122
Noncurrent Liabilities Associated with Assets Held for Sale		
Long-Term debt	**—**	39
Operating lease liabilities	**5**	5
Asset retirement obligations	**8**	8
Unrealized losses on commodity hedges	**102**	94
Other	**11**	11
Total other noncurrent liabilities associated with assets held for sale	**126**	157
Total Liabilities Associated with Assets Held for Sale	**$ 377**	$ 279

As of March 31, 2024, and December 31, 2023, the noncontrolling interest balance is $66 million.

The following table presents the results of the Commercial Renewables Disposal Groups, which are included in Loss from Discontinued Operations, net of tax in Duke Energy's Consolidated Statements of Operations.

	Three Months Ended March 31,	
(in millions)	2024	2023
Operating revenues	**$ (6)**	$ 80
Operation, maintenance and other	**4**	89
Property and other taxes	**—**	10
Other income and expenses, net	**—**	(4)
Interest expense	**2**	31
(Gain) Loss on disposal	**(10)**	220
Loss before income taxes	**(2)**	(274)
Income tax expense (benefit)	**1**	(65)
Loss from discontinued operations	**$ (3)**	$ (209)
Add: Net loss attributable to noncontrolling interest included in discontinued operations	**—**	64
Net loss from discontinued operations attributable to Duke Energy Corporation	**$ (3)**	$ (145)

The Commercial Renewables Disposal Groups' assets held for sale amounts presented above reflect pretax impairments recorded against property, plant and equipment of approximately $268 million and $278 million as of March 31, 2024, and December 31, 2023, respectively. The carrying amounts for the remaining assets will be updated, if necessary, based on final disposition amounts.

Duke Energy has elected not to separately disclose discontinued operations on Duke Energy's Consolidated Statements of Cash Flows. The following table summarizes Duke Energy's cash flows from discontinued operations related to the Commercial Renewables Disposal Groups.

	Three Months Ended March 31,	
(in millions)	2024	2023
Cash flows used in:		
Operating activities	**$ (3)**	$ (54)
Investing activities	**—**	(151)

Other Sale-Related Matters

Duke Energy (Parent) and several Duke Energy renewables project companies, located in the ERCOT market, were named in several lawsuits arising out of Texas Storm Uri, which occurred in February 2021. The legal actions related to all but one of the project companies in this matter transferred to affiliates of Brookfield in conjunction with the transaction closing in October 2023. See Note 5 for more information.

As part of the purchase and sale agreement for the distributed generation group, Duke Energy has agreed to retain certain guarantees, with expiration dates between 2029 through 2034, related to tax equity partners' assets and operations that will be disposed of via sale. Duke Energy has obtained certain guarantees from the buyers in regards to future performance obligations to assist in limiting Duke Energy's exposure under the retained guarantees. The fair value of the guarantees is immaterial as Duke Energy does not believe conditions are likely for performance under these guarantees.

3. BUSINESS SEGMENTS

Duke Energy

Duke Energy's segment structure includes the following two segments: EU&I and GU&I.

The EU&I segment primarily includes Duke Energy's regulated electric utilities in the Carolinas, Florida and the Midwest. EU&I also includes Duke Energy's electric transmission infrastructure investments and the offshore wind contract for Carolina Long Bay.

The GU&I segment includes Piedmont, Duke Energy's natural gas local distribution companies in Ohio and Kentucky and Duke Energy's natural gas storage, midstream pipeline and renewable natural gas investments.

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, Duke Energy's wholly owned captive insurance company, Bison, and Duke Energy's ownership interest in National Methanol Company.

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

	Three Months Ended March 31, 2024					
(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Eliminations	Total
Unaffiliated revenues	**$ 6,785**	**$ 879**	**$ 7,664**	**$ 7**	**$ —**	**$ 7,671**
Intersegment revenues	**18**	**23**	**41**	**31**	**(72)**	**—**
Total revenues	**$ 6,803**	**$ 902**	**$ 7,705**	**$ 38**	**$ (72)**	**$ 7,671**
Segment income (loss)	**$ 1,021**	**$ 284**	**$ 1,305**	**$ (203)**	**$ —**	**$ 1,102**
Less: Noncontrolling interests						**(13)**
Add: Preferred stock dividend						**39**
Discontinued operations						**(3)**
Net Income						**$ 1,151**
Segment assets[a]	**$ 156,606**	**$ 17,464**	**$ 174,070**	**$ 4,600**	**$ —**	**$ 178,670**

(in millions)	Three Months Ended March 31, 2023					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Eliminations	Total
Unaffiliated revenues	$ 6,381	$ 888	$ 7,269	$ 7	$ —	$ 7,276
Intersegment revenues	17	23	40	24	(64)	—
Total revenues	$ 6,398	$ 911	$ 7,309	$ 31	$ (64)	$ 7,276
Segment income (loss)	$ 791	$ 287	$ 1,078	$ (168)	$ —	$ 910
Less: Noncontrolling interests						43
Add: Preferred stock dividend						39
Discontinued operations						(145)
Net Income						$ 761

(a) Other includes Assets Held for Sale balances related to the Commercial Renewables Disposal Groups. Refer to Note 2 for further information.

Duke Energy Ohio

Duke Energy Ohio has two reportable segments, EU&I and GU&I. The remainder of Duke Energy Ohio's operations is presented as Other.

(in millions)	Three Months Ended March 31, 2024					
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Eliminations	Total
Total revenues	**$ 458**	**$ 220**	**$ 678**	**$ —**	**$ —**	**$ 678**
Segment income (loss)/Net income	**$ 55**	**$ 41**	**$ 96**	**$ (2)**	**$ —**	**$ 94**
Segment assets	**$ 7,935**	**$ 4,350**	**$ 12,285**	**$ 13**	**$ 7**	**$ 12,305**

(in millions)	Three Months Ended March 31, 2023				
	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Total
Total revenues	$ 474	$ 235	$ 709	$ —	$ 709
Segment income (loss)/Net income	$ 49	$ 52	$ 101	$ (1)	$ 100

4. REGULATORY MATTERS

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. For open regulatory matters, unless otherwise noted, the Subsidiary Registrants and Duke Energy Kentucky cannot predict the outcome or ultimate resolution of their respective matters.

Duke Energy Carolinas and Duke Energy Progress

Nuclear Station Subsequent License Renewal

On June 7, 2021, Duke Energy Carolinas filed a subsequent license renewal (SLR) application for the Oconee Nuclear Station (ONS) with the U.S. Nuclear Regulatory Commission (NRC) to renew ONS's operating license for an additional 20 years. The SLR would extend operations of the facility from 60 to 80 years. The current licenses for units 1 and 2 expire in 2033 and the license for unit 3 expires in 2034. By a Federal Register Notice dated July 28, 2021, the NRC provided a 60-day comment period for persons whose interest may be affected by the issuance of a subsequent renewed license for ONS to file a request for a hearing and a petition for leave to intervene. On September 27, 2021, Beyond Nuclear and Sierra Club (Petitioners) filed a Hearing Request and Petition to Intervene (Hearing Request) and a Petition for Waiver. The Hearing Request proposed three contentions and claimed that Duke Energy Carolinas did not satisfy the National Environmental Policy Act (NEPA) of 1969, as amended, or the NRC's NEPA-implementing regulations. Following Duke Energy Carolinas' answer and the Petitioners' reply, on February 11, 2022, the Atomic Safety and Licensing Board (ASLB) issued its decision on the Hearing Request and found that the Petitioners failed to establish that the proposed contentions are litigable. The ASLB also denied the Petitioners' Petition for Waiver and terminated the proceeding.

On February 24, 2022, the NRC issued a decision in the SLR appeal related to Florida Power and Light's Turkey Point nuclear generating station in Florida. The NRC ruled that the NRC's license renewal Generic Environmental Impact Statement (GEIS) does not apply to SLR because the GEIS does not address SLR. The decision overturned a 2020 NRC decision that found the GEIS applies to SLR. Although Turkey Point is not owned or operated by a Duke Energy Registrant, the NRC's order applies to all SLR applicants, including ONS. The NRC order also indicated no subsequent renewed licenses will be issued until the NRC staff has completed an adequate NEPA review for each application. On April 5, 2022, the NRC approved a 24-month rulemaking plan that will enable the NRC staff to complete an adequate NEPA review. Although an SLR applicant may wait until the rulemaking is completed, the NRC also noted that an applicant may submit a supplement to its environmental report providing information on environmental impacts during the SLR period prior to the rulemaking being completed. On November 7, 2022, Duke Energy Carolinas submitted a supplement to its environmental report addressing environmental impacts during the SLR period. On September 14, 2023, the NRC posted on its website that the issuance of the GEIS will now be issued in August 2024 instead of May 2024 due to the volume and technical complexity of the comments received. On March 6, 2024, the NRC staff submitted the rulemaking, which included the updated GEIS, to the NRC.

On December 19, 2022, the NRC published a notice in the Federal Register that the NRC will conduct a limited scoping process to gather additional information necessary to prepare an environmental impact statement (EIS) to evaluate the environmental impacts at ONS during the SLR period. The NRC received comments from the EPA and the Petitioners and these comments identify 18 potential impacts that should be considered by the NRC in the EIS, which include, but are not limited to, climate change and flooding, environmental justice, severe accidents, and external events. On February 8, 2024, the NRC issued the Oconee site-specific draft EIS. The NRC and EPA published the notice for the public to submit comments on the ONS site-specific draft EIS. On April 29, 2024, the petitioners filed a hearing request. The request proposed three contentions and claimed that the ONS site-specific draft EIS is inadequate to satisfy the requirements of NEPA and the NRC's NEPA-implementing regulations. Duke Energy Carolinas' deadline to respond to any such requests was extended to May 31, 2024.
On December 19, 2022, the NRC issued the Safety Evaluation Report (SER) for the safety portion of the SLR application. The NRC determined Duke Energy Carolinas met the requirements of the applicable regulations and identified actions that have been taken or will be taken to manage the effects of aging and address time-limited analyses. Duke Energy Carolinas and the NRC met with the Advisory Committee on Reactor Safeguards (ACRS) on February 2, 2023, to discuss issues regarding the SER and SLR application. On February 25, 2023, the ACRS issued a report to the NRC on the safety aspects of the ONS SLR application, which concluded that the established programs and commitments made by Duke Energy Carolinas to manage age-related degradation provide confidence that ONS can be operated in accordance with its current licensing basis for the subsequent period of extended operation without undue risk to the health and safety of the public and the SLR application for ONS should be approved.

Although the NRC's GEIS applicability decision has delayed completion of the SLR proceeding, Duke Energy Carolinas does not believe it changes the probability that the ONS subsequent renewed licenses will ultimately be issued, although Duke Energy Carolinas cannot guarantee the outcome of the license application process.

Duke Energy Carolinas and Duke Energy Progress intend to seek renewal of operating licenses and 20-year license extensions for all of their nuclear stations. Accordingly, new depreciation rates were implemented for all of the nuclear facilities during the second quarter of 2021.

Duke Energy Carolinas

2023 North Carolina Rate Case

On January 19, 2023, Duke Energy Carolinas filed a PBR application with the NCUC to request an increase in base rate retail revenues. The PBR Application included a Multiyear rate plan (MYRP) to recover projected capital investments during the three-year MYRP period. In addition to the MYRP, the PBR Application included an Earnings Sharing Mechanism, Residential Decoupling Mechanism and Performance Incentive Mechanisms (PIMS) as required by HB 951. The application as originally filed requested an overall retail revenue increase of $501 million in Year 1, $172 million in Year 2 and $150 million in Year 3, for a combined total of $823 million, or 15.7%, by early 2026. The rate increase is driven primarily by transmission and distribution investments since the last rate case and projected in the MYRP, as well as investments in energy storage and solar assets included in the MYRP consistent with the Carolinas Carbon Plan (Carbon Plan).

On August 22, 2023, Duke Energy Carolinas filed with the NCUC a partial settlement with the Public Staff in connection with its PBR application. The partial settlement included, among other things, agreement on a substantial portion of the North Carolina retail rate base for the historic base case of approximately $19.5 billion and all of the capital projects and related costs to be included in the three-year MYRP, including $4.6 billion (North Carolina retail allocation) projected to go in service over the MYRP period. Additionally, the partial settlement included agreement, with certain adjustments, on depreciation rates, the recovery of grid improvement plan costs and PIMs, Tracking Metrics and the Residential Decoupling Mechanism under the PBR application. On August 28, 2023, Duke Energy Carolinas filed with the NCUC a second partial settlement with the Public Staff resolving additional issues, including the future treatment of nuclear production tax credits related to the Inflation Reduction Act, through a stand-alone rider that will provide the benefits to customers beginning January 1, 2025.

On December 15, 2023, the NCUC issued an order approving Duke Energy Carolinas' PBR Application, as modified by the partial settlements and the order, including an overall retail revenue increase of $436 million in Year 1, $174 million in Year 2 and $158 million in Year 3, for a combined total of $768 million. The order established an ROE of 10.1% based upon an equity ratio of 53% and approved, with certain adjustments, depreciation rates and the recovery of grid improvement plan costs and certain deferred COVID-related costs. Additionally, the Residential Decoupling Mechanism and PIMs were approved as requested under the PBR Application and revised by the partial settlements. Duke Energy Carolinas implemented interim rates, subject to refund, on September 1, 2023. New revised Year 1 rates and the residential decoupling were implemented on January 15, 2024.

On February 13, 2024, a number of parties filed Notices of Appeal of the December 15, 2023, NCUC order. Notices of Appeal were filed by the Carolina Industrial Group for Fair Utility Rates (CIGFUR) III, a collection of various electric membership corporations (collectively, the EMCs), and the North Carolina Attorney General's Office (the AGO). CIGFUR III and the EMCs appealed the interclass subsidy reduction percentage and the Transmission Cost Allocation stipulation. In addition, CIGFUR III appealed the NCUC's elimination of the equal percentage fuel cost allocation methodology. The AGO appealed several issues including the authorized ROE and certain rate design and accounting matters. On March 1, 2024, Carolina Utility Customers Association, Inc. appealed several issues, including the authorized ROE and certain rate design and accounting matters.

2024 South Carolina Rate Case

On January 4, 2024, Duke Energy Carolinas filed a rate case with the PSCSC to request a net increase in annual retail revenues of 11.4%, or approximately $239 million, in the first two years, and an additional overall increase of about 4.1%, or approximately $84 million additional revenue, after the first two years. The requested increases, if approved, would result in an overall average 15.5% increase in annual retail revenues, or approximately $323 million, prior to mitigation efforts. Duke Energy Carolinas requested an ROE of 10.5% with an equity ratio of 53%. To mitigate the rate increase, Duke Energy Carolinas has proposed to accelerate the return of remaining federal unprotected EDIT balances to customers over two years. This offset reduces the impact to customers in the first two years to the effective net increase of 11.4% after which the credit for EDIT balances expire. Duke Energy Carolinas has requested the revised rates to be effective no later than August 1, 2024. Intervenor testimony and Duke Energy Carolinas' rebuttal testimony were filed in April 2024. The evidentiary hearing is scheduled to commence on May 20, 2024.

Marshall Combustion Turbines CPCN

On March 14, 2024, Duke Energy Carolinas filed with the NCUC an application to construct and operate two hydrogen-capable advanced-class simple-cycle combustion turbines (CTs) at the site of the existing Marshall Steam Station. The two new CTs – totaling approximately 850 MW – will enable the retirement of Marshall coal units 1 and 2 and provide incremental capacity to support system capacity needs and expanded flexibility to support integration of renewables. Pending regulatory approvals, construction is planned to start in 2026, and the CTs are targeted to be placed into service by the end of 2028. As part of the application, Duke Energy Carolinas noted that Construction Work in Progress for the proposed facility will accrue AFUDC and will not be in rate base, resulting in no impact on Duke Energy Carolinas' North Carolina retail revenue requirement during the construction period. The 2029 North Carolina retail revenue requirement for the proposed facility is estimated to be $104 million, representing an approximate average retail rate increase of 2.2% across all classes.

Duke Energy Progress

2022 North Carolina Rate Case

On October 6, 2022, Duke Energy Progress filed a PBR application with the NCUC to request an increase in base rate retail revenues. The rate request before the NCUC included an MYRP to recover projected capital investments during the three-year MYRP period. In addition to the MYRP, the PBR Application included an Earnings Sharing Mechanism, Residential Decoupling Mechanism and PIMs as required by HB 951. The overall retail revenue increase as originally filed would have been $326 million in Year 1, $151 million in Year 2 and $138 million in Year 3, for a combined total of $615 million, by late 2025. The rate increase is driven primarily by transmission and distribution investments since the last rate case and projected in the MYRP, as well as investments in energy storage and solar assets included in the MYRP consistent with the Carbon Plan.

On April 26, 2023, Duke Energy Progress filed with the NCUC a partial settlement with Public Staff, which included agreement on many aspects of Duke Energy Progress' three-year MYRP proposal. In May 2023, CIGFUR II joined this partial settlement and Public Staff and CIGFUR II filed a separate settlement reaching agreement on PIMs, Tracking Metrics and the Residential Decoupling Mechanism under the PBR application.

On August 18, 2023, the NCUC issued an order approving Duke Energy Progress' PBR Application, as modified by the partial settlements and the order, including an overall retail revenue increase of $233 million in Year 1, $126 million in Year 2 and $135 million in Year 3, for a combined total of $494 million. Key aspects of the order include the approval of North Carolina retail rate base for the historic base case of approximately $12.2 billion and capital projects and related costs to be included in the three-year MYRP, including $3.5 billion (North Carolina retail allocation) projected to go in service over the MYRP period. The order established an ROE of 9.8% based upon an equity ratio of 53% and approved, with certain adjustments, depreciation rates and the recovery of grid improvement plan costs and certain deferred COVID-related costs. Additionally, the Residential Decoupling Mechanism and PIMs were approved as requested under the PBR Application and revised by the partial settlements. Duke Energy Progress implemented interim rates, subject to refund, on June 1, 2023, and implemented revised Year 1 rates and the residential decoupling on October 1, 2023.

On October 17, 2023, CIGFUR II and Haywood Electric Membership Corporation each filed a Notice of Appeal of the August 18, 2023 NCUC order. Both parties are appealing certain matters that do not impact the overall revenue requirement in the rate case. Specifically, they appealed the interclass subsidy reduction percentage, and CIGFUR II also appealed the Customer Assistance Program and the equal percentage fuel cost allocation methodology. On November 6, 2023, the AGO filed a Notice of Cross Appeal of the NCUC's determination regarding the exclusion of electric vehicle revenue from the residential decoupling mechanism. On November 9, 2023, Duke Energy Progress, the Public Staff, CIGFUR II, and a number of other parties reached a settlement pursuant to which CIGFUR II agreed not to pursue its appeal of the Customer Assistance Program.

2023 South Carolina Storm Securitization

On May 31, 2023, Duke Energy Progress filed a petition with the PSCSC requesting authorization for the financing of Duke Energy Progress' storm recovery costs through securitization due to storm recovery activities required as a result of the following storms: Pax, Ulysses, Matthew, Florence, Michael, Dorian, Izzy and Jasper. On September 8, 2023, Duke Energy Progress filed a comprehensive settlement agreement with all parties on all cost recovery issues raised in the storm securitization proceeding.

The evidentiary hearing occurred in early September 2023. On September 20, 2023, the PSCSC approved the comprehensive settlement agreement and on October 13, 2023, the PSCSC issued its financing order. The storm recovery bonds of $177 million were issued by Duke Energy Progress on April 25, 2024. Duke Energy Progress implemented storm recovery charges effective May 1, 2024. See notes 6 and 12 for more information.

Person County Combined Cycle CPCN

On March 28, 2024, Duke Energy Progress filed with the NCUC its application to construct and operate a 1,360 MW hydrogen-capable, advanced-class combined-cycle generating facility (CC) in Person County at the site of the existing Roxboro Plant. Subject to negotiation of final contractual terms, the new Roxboro CC will be co-owned with the North Carolina Electric Membership Corporation (NCEMC), with Duke Energy Progress owning approximately 1,135 MW and NCEMC owning the remaining 225 MW. Pending regulatory approvals, construction is planned to start in 2026, with the CC targeted to be placed in service by the end of 2028. The CC will allow for the retirement of Roxboro's coal-fired units 1 and 4. As part of the application, Duke Energy Progress noted that the recovery of Construction Work in Progress during the construction period for the proposed facility may be pursued in a future rate case. The 2029 North Carolina retail revenue requirement for the proposed facility is estimated to be $98 million, representing an approximate average retail rate increase of 2.6% across all classes.

Duke Energy Florida

2021 Settlement Agreement

On January 14, 2021, Duke Energy Florida filed a Settlement Agreement (the "2021 Settlement") with the FPSC. The parties to the 2021 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 2021 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 an ROE band of 8.85% to 10.85% with a midpoint of 9.85% based upon an equity ratio of 53%. 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%. On July 25, 2022, this provision was triggered. Duke Energy Florida filed a petition with the FPSC on August 12, 2022, to increase the ROE effective August 2022 with a base rate increase effective January 1, 2023. The FPSC approved this request on October 4, 2022. The 2021 Settlement Agreement also provided that Duke Energy Florida will be able to retain $173 million of the expected Department of Energy (DOE) award from its lawsuit to recover spent nuclear fuel to mitigate customer rates over the term of the 2021 Settlement. In return, Duke Energy Florida is permitted to recognize the $173 million into earnings through the approved settlement period. Duke Energy Florida settled the DOE lawsuit and received payment of approximately $180 million on June 15, 2022, of which the retail portion was approximately $154 million. The 2021 Settlement authorizes Duke Energy Florida to collect the difference between $173 million and the $154 million retail portion of the amount received through the capacity cost recovery clause. As of March 31, 2024, Duke Energy Florida has recognized $149 million into earnings, including $8 million and $54 million recognized during the three months ended March 31, 2024, and 2023, respectively. The remaining $24 million is expected to be recognized in 2024.

The 2021 Settlement also contained a provision to recover or flow back the effects of tax law changes. As a result of the IRA enacted on August 16, 2022, Duke Energy Florida is eligible for PTCs associated with solar facilities placed in service beginning in January 2022. Duke Energy Florida filed a petition with the FPSC on October 17, 2022, to reduce base rates effective January 1, 2023, by $56 million to flow back the expected 2023 PTCs and to flow back the expected 2022 PTCs via an adjustment to the capacity cost recovery clause. On December 14, 2022, the FPSC issued an order approving Duke Energy Florida's petition.

In addition to these terms, the 2021 Settlement contained 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 2021 Settlement also resolved remaining unrecovered storm costs for Hurricane Michael and Hurricane Dorian.

The FPSC approved the 2021 Settlement on May 4, 2021, issuing an order on June 4, 2021. Revised customer rates became effective January 1, 2022, with subsequent base rate increases effective January 1, 2023, and January 1, 2024.

Clean Energy Connection

On July 1, 2020, Duke Energy Florida petitioned the FPSC for approval of a voluntary solar program consisting 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 and the projects are expected to be completed by the end of 2024. This investment is included in base rates offset by the revenue from the subscription fees and the credits will be included for recovery in the fuel cost recovery clause. The FPSC approved the program in January 2021.

On February 24, 2021, the League of United Latin American Citizens (LULAC) filed a notice of appeal of the FPSC's order approving the Clean Energy Connection to the Supreme Court of Florida. The Supreme Court of Florida heard oral arguments in the appeal on February 9, 2022. On May 27, 2022, the Supreme Court of Florida issued an order remanding the case back to the FPSC so that the FPSC can amend its order to better address some of the arguments raised by LULAC. On September 23, 2022, the FPSC issued a revised order and submitted it on September 26, 2022, to the Supreme Court of Florida. The Supreme Court of Florida requested that the parties file supplemental briefs regarding the revised order, which were filed February 6, 2023. LULAC has filed a request for Oral Argument on the issues discussed in the supplemental briefs, but the court has yet to rule on that request. The FPSC approval order remains in effect pending the outcome of the appeal.

Storm Protection Plan

On April 11, 2022, Duke Energy Florida filed a Storm Protection Plan for approval with the FPSC. The plan, which covers investments for the 2023-2032 time frame, reflects approximately $7 billion of capital investment in transmission and distribution meant to strengthen its infrastructure, reduce outage times associated with extreme weather events, reduce restoration costs and improve overall service reliability. The evidentiary hearing began on August 2, 2022. On October 4, 2022, the FPSC voted to approve Duke Energy Florida's plan with one modification to remove the transmission loop radially fed program, representing a reduction of approximately $80 million over the 10-year period starting in 2025. On December 9, 2022, the OPC filed a notice of appeal of this order to the Florida Supreme Court. The OPC's initial brief was filed on April 18, 2023. Duke Energy Florida filed its answer brief on July 17, 2023. The OPC's reply brief was filed on October 16, 2023. The Florida Supreme Court heard oral arguments on February 7, 2024.

Hurricanes Ian and Idalia

On September 28, 2022, much of Duke Energy Florida's service territory was impacted by Hurricane Ian, which caused significant damage resulting in more than 1.1 million outages. After depleting any existing storm reserves, which were approximately $107 million before Hurricane Ian, Duke Energy Florida is permitted to petition the FPSC for recovery of additional incremental operation and maintenance costs resulting from the storm and to replenish the retail customer storm reserve to approximately $132 million. Duke Energy Florida filed its petition for cost recovery of various storms, including Hurricane Ian, and replenishment of the storm reserve on January 23, 2023, seeking recovery of $442 million, for recovery over 12 months beginning with the first billing cycle in April 2023. On March 7, 2023, the FPSC approved this request for interim recovery, subject to refund, and ordered Duke Energy Florida to file documentation of the total actual storm costs, once known. Duke Energy Florida filed documentation evidencing its total actual storm costs of $431 million on September 29, 2023. The FPSC will hold a final hearing to determine the prudence of these costs on May 21 and 22, 2024.

On August 30, 2023, Hurricane Idalia made landfall on Florida's gulf coast, causing damage and impacting more than 200,000 customers across Duke Energy Florida's service territory. On October 16, 2023, Duke Energy Florida requested to combine the $92 million retail portion of the deferred estimated Hurricane Idalia costs with $74 million of costs projected to be collected after December 31, 2023, under the existing approved storm cost recovery and storm surcharge. This $74 million of costs relates primarily to the approved ongoing replenishment of the storm reserves. At its December 5, 2023 Agenda Conference, the FPSC approved recovery of the total $166 million over 12 months beginning with its first billing cycle in January 2024, replacing the previously approved storm cost recovery and storm surcharge, and ordered Duke Energy Florida to file documentation of the total actual Idalia related storm costs, once known. Revised rates were effective January 1, 2024.

2024 Florida Rate Case

On April 2, 2024, Duke Energy Florida filed a formal request for new base rates with the FPSC. Duke Energy Florida has proposed a three-year rate plan that would begin in January 2025, once its current base rate settlement agreement concludes at the end of 2024. Duke Energy Florida proposed multiyear rate increases that use the projected 12-month periods ending December 31, 2025, 2026, and 2027 as the test years, with adjusted rates to be effective with the first billing period of January 2025, 2026, and 2027, respectively. Duke Energy Florida requested additional base rate revenue requirements of approximately $593 million in 2025, $98 million in 2026 and $129 million in 2027, representing an average annual increase in revenue requirements of approximately 4% over 2025 through 2027. Duke Energy Florida requested an ROE midpoint at 11.15% and an equity ratio of 53%. A final hearing on this request is scheduled to begin on August 12, 2024.

Duke Energy Ohio

Duke Energy Ohio Electric Base Rate Case

Duke Energy Ohio filed with the PUCO an electric distribution base rate case application on October 1, 2021, with supporting testimony filed on October 15, 2021, requesting an increase in electric distribution base rates of approximately $55 million. On September 19, 2022, Duke Energy Ohio filed a Stipulation and Recommendation with the PUCO, which includes an increase in overall electric distribution base rates of approximately $23 million with an equity ratio of 50.5% and an ROE of 9.5%. The stipulation is among all but one party to the proceeding. The PUCO issued an order on December 14, 2022, approving the Stipulation without material modification. Rates went into effect on January 3, 2023. The Ohio Consumers' Counsel filed an application for rehearing on January 13, 2023, arguing the Stipulation was unreasonable, discriminatory, and denied OCC due process. On March 20, 2024, the PUCO issued its Second Entry on Rehearing, denying OCC's rehearing application. OCC has 60 days to seek an appeal.

Duke Energy Ohio Natural Gas Base Rate Case

Duke Energy Ohio filed with the PUCO a natural gas base rate case application on June 30, 2022, with supporting testimony filed on July 14, 2022, requesting an increase in natural gas base rates of approximately $49 million. The drivers for this case are capital invested since Duke Energy Ohio's last natural gas base rate case in 2012. Duke Energy Ohio also sought to adjust the caps on its CEP rider. On April 28, 2023, Duke Energy Ohio filed a stipulation with all parties to the case except the OCC. In the stipulation, the parties agreed to approximately $32 million in revenue increases with an equity ratio of 52.32% and an ROE of 9.6%, and adjustments to the CEP Rider caps. The stipulation was opposed by the OCC at an evidentiary hearing that concluded on May 24, 2023. On November 1, 2023, PUCO issued an order approving the stipulation as filed. New rates went into effect November 1, 2023. On December 1, 2023, the OCC filed an application for rehearing. On December 13, 2023, the PUCO granted OCC's application for rehearing for further consideration of issues raised.

Duke Energy Ohio Electric Security Plan

On April 1, 2024, Duke Energy Ohio filed with the PUCO a request for an Electric Security Plan (ESP). The ESP application proposes a three-year term from June 1, 2025 through May 31, 2028 and includes continuation of market-based customer rates through competitive procurement processes for generation and continuation and expansion of existing rider mechanisms. Duke Energy Ohio is proposing a new rider mechanism relating to electric distribution infrastructure modernization programs, which may be enabled by and partially funded through federal or state funding opportunities, future battery storage projects, and two proposed electric vehicle programs. Additional proposed new rider mechanisms are related to solar for all investments for low-income and disadvantaged communities, low-income senior citizen bill assistance, and energy efficiency and demand-side management programs.

Duke Energy Kentucky Electric Base Rate Case

On December 1, 2022, Duke Energy Kentucky filed a rate case with the KPSC requesting an annualized increase in electric base rates of approximately $75 million. The request for rate increase was driven by capital investments to strengthen the electricity generation and delivery systems along with adjusted depreciation rates for the East Bend and Woodsdale Combustion Turbine (CT) generation stations. Duke Energy Kentucky also requested approval for new programs and tariff updates, including a voluntary community-based renewable subscription program and two electric vehicle charging programs. The KPSC issued an order on October 12, 2023, including a $48 million increase in base revenues, an ROE of 9.75% for electric base rates and 9.65% for electric riders and an equity ratio of 52.145%. New rates went into effect October 13, 2023. The Company's request to align the depreciation rates of East Bend with a 2035 retirement date was denied and the KPSC ordered depreciation rates with a 2041 retirement date for the unit. The KPSC did approve the request to align the depreciation rates of Woodsdale CT with a 2040 retirement date and denied the voluntary community-based renewable subscription program and the two electric vehicle charging programs.

On November 1, 2023, Duke Energy Kentucky filed for rehearing requesting certain matters be reconsidered by the KPSC. On November 21, 2023, KPSC granted in part and denied in part the Company's request for rehearing. On February 15, 2024, the KPSC issued a briefing schedule for the rehearing process. The briefing concluded on April 1, 2024, and the matter was submitted for decision on April 2, 2024.

On December 14, 2023, Duke Energy Kentucky filed an appeal with the Franklin County Circuit Court on certain matters for which the KPSC denied rehearing, specifically as it relates to including decommissioning costs in depreciation rates for East Bend and Woodsdale. On January 8, 2024, answers to the appeal were filed by the KPSC, Kentucky Attorney General, and the Kentucky Broadband & Cable Association. On April 11, 2024, the Franklin County Circuit Court approved a briefing schedule with Duke Energy Kentucky's initial brief due June 26, 2024, appellee briefs due September 24, 2024, and Duke Energy Kentucky's reply brief due November 8, 2024.

Duke Energy Indiana

Indiana Coal Ash Recovery

In Duke Energy Indiana's 2019 rate case, the IURC opened a subdocket for 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 (IDEM) as well as continuing deferral, with carrying costs, on the balance. On November 3, 2021, the IURC issued an order allowing recovery for post-2018 coal ash basin closure costs for the plans that have been approved by IDEM, as well as continuing deferral, with carrying costs, on the balance. The OUCC and the Duke Industrial Group appealed. The Indiana Court of Appeals issued its opinion on February 21, 2023, reversing the IURC's order to the extent that it allowed Duke Energy Indiana to recover federally mandated costs incurred prior to the IURC's November 3, 2021 order. In addition, the court found that any costs incurred pre-petition to determine federally mandated compliance options were not specifically authorized by the statute and should also be disallowed.

In the second quarter of 2023, Duke Energy Indiana filed its proposal to remove from rates certain costs incurred prior to the IURC's November 3, 2021 order date. On September 20, 2023, the commission approved the Company's proposal to remove the costs from its rates and assessed simple interest of the refunds of 4.71%, beginning from when the costs were initially recovered from customers. Duke Energy Indiana seeks to recover the pre-order costs denied by the Indiana Court of Appeals and certain future coal ash closure costs as part of depreciation costs in the 2024 Indiana Rate Case.

Duke Energy Indiana filed a new petition under the amended version of the federal mandate statute for additional post-2018 coal ash closure costs for the remaining basins not included in the Indiana coal ash recovery case from 2020. An evidentiary hearing was held on January 25, 2024.

TDSIC 2.0

On November 23, 2021, Duke Energy Indiana filed for approval of the Transmission, Distribution, Storage Improvement Charge 2.0 investment plan for 2023-2028 (TDSIC 2.0). On June 15, 2022, the IURC approved, without modification, TDSIC 2.0, which includes approximately $2 billion in transmission and distribution investments selected to improve customer reliability, harden and improve resiliency of the grid, enable expansion of renewable and distributed energy projects and encourage economic development. In addition, the IURC set up a subdocket to consider a targeted economic development project, which the IURC approved on March 2, 2022. On July 15, 2022, the OUCC filed a notice of appeal to the Indiana Court of Appeals in Duke Energy Indiana's TDSIC 2.0 proceeding. An appellant brief was filed on October 28, 2022, and Duke Energy Indiana filed its responsive brief on December 28, 2022. The Indiana Court of Appeals issued its opinion on March 9, 2023, affirming the IURC's order in its entirety. The Duke Industrial Group filed a petition to transfer to the Indiana Supreme Court. The Indiana Supreme Court granted transfer and held an oral argument on September 28, 2023.

2024 Indiana Rate Case

On April 4, 2024, Duke Energy Indiana filed an application with the IURC for a rate increase of $492 million, representing an overall average bill increase of approximately 16.2%, which, if approved, would be added to retail customer bills in two steps, approximately 11.7% in 2025 and approximately 4.5% in 2026. Duke Energy Indiana requested an ROE of 10.5% with an equity ratio of 53%. The rate increase is driven by $1.6 billion in investments made since the last general rate case filed in 2019 in order to reliably serve customers, improve resiliency of the system, and advance environmental sustainability. An evidentiary hearing is scheduled to begin August 29, 2024.

Piedmont

2024 North Carolina Rate Case

On April 1, 2024, Piedmont filed an application with the NCUC for a rate increase for retail customers of approximately $159 million, which represents a 12.5% increase in retail revenues. Piedmont requested an ROE of 10.5% with an equity ratio of 53%. The rate increase is driven by significant infrastructure upgrade investments since the last general rate case, offset by lower fixed natural gas costs and remaining federal and state tax reform savings to be received by customers. Approximately 40% of the plant additions being rolled into rate base are categories of plant investment that are covered under the IMR mechanism, which was originally approved as part of the 2013 North Carolina Rate Case. Piedmont plans to implement revised interim rates by November 1, 2024.

5. COMMITMENTS AND CONTINGENCIES

ENVIRONMENTAL

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, imposing new obligations on the Duke Energy Registrants. The following environmental matters impact all Duke Energy Registrants.

Remediation Activities

In addition to AROs recorded as a result of various environmental regulations, 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 on 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 on the Condensed Consolidated Statements of Operations unless regulatory recovery of the costs is deemed probable.

The following table contains information regarding reserves for probable and estimable costs related to the various environmental sites. These reserves are recorded in Accounts Payable within Other Current Liabilities and Other within Other Noncurrent Liabilities on the Condensed Consolidated Balance Sheets.

(in millions)	March 31, 2024	December 31, 2023
Reserves for Environmental Remediation		
Duke Energy	**$ 86**	$ 88
Duke Energy Carolinas	**23**	23
Progress Energy	**19**	19
Duke Energy Progress	**9**	9
Duke Energy Florida	**10**	10
Duke Energy Ohio	**34**	36
Duke Energy Indiana	**2**	2
Piedmont	**7**	7

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.

LITIGATION

For open litigation, unless otherwise noted, Duke Energy and the Subsidiary Registrants cannot predict the outcome or ultimate resolution of their respective matters.

Duke Energy

Texas Storm Uri Tort Litigation

Duke Energy (Parent), several Duke Energy renewables project companies, and others in the ERCOT market were named in multiple lawsuits arising out of Texas Storm Uri, which occurred in February 2021. These lawsuits seek recovery for property damage, personal injury and wrongful death allegedly caused by the power outages that plaintiffs claim were the collective failure of generators including Duke Energy entities, transmission and distribution operators (TDUs), retail energy providers, and all others, including ERCOT. The cases were consolidated into a Texas state court multidistrict litigation (MDL) proceeding for discovery and pre-trial motions. Five MDL cases were designated as lead cases in which motions to dismiss were filed and all other cases were stayed.

On January 28, 2023, the court denied certain motions including those by the generator defendants and TDUs and granted others. The generators and TDUs filed separate petitions for Writ of Mandamus to the Texas Court of Appeals seeking to overturn the denials. The TDUs' petition, filed first, was accepted and oral argument was held on October 23, 2023. In the cases against the generators, plaintiffs have dismissed the claims against Duke Energy (Parent). However, before Duke Energy (Parent) was dismissed from all cases, on December 14, 2023, without argument, the Court of Appeals accepted mandamus of the generator defendants' appeal, which includes all Duke Energy entities, and directed the MDL court to dismiss all claims. Plaintiffs filed their Petition for Reconsideration on January 29, 2024, and the generator defendants responded on May 6, 2024. Regardless of the outcome of any motion for reconsideration or appeal, claims against Duke Energy (Parent) will remain dismissed. In October 2023, in conjunction with the closing of the sale of the utility-scale solar and wind group, all but one of the project company lawsuits transferred to Brookfield. Based on legal proceedings to date and applicable insurance and reinsurance coverage, Duke Energy (Parent) does not anticipate any material financial impacts with this remaining case. See Note 2 for more information related to the sale of the Commercial Renewables Disposal Groups.

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, 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 sought 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. Both NTE's and Duke Energy Carolinas' motions to dismiss were subsequently denied by the court.

On May 21, 2020, in response to a NTE petition challenging Duke Energy Carolinas' termination of the LGIA, FERC issued a ruling that 1) it has exclusive jurisdiction to determine whether a transmission provider may terminate an LGIA; 2) FERC approval is required to terminate a conforming LGIA if objected to by the interconnection customer; and 3) Duke Energy may not announce the termination of a conforming LGIA unless FERC has approved the termination. FERC's Office of Enforcement also initiated an investigation of Duke Energy Carolinas into matters pertaining to the LGIA. On April 6, 2023, Duke Energy Carolinas received notice from the FERC Office of Enforcement that they have closed their non-public investigation with no further action recommended.

Following completion of discovery, Duke Energy Carolinas filed a motion for summary judgment seeking a ruling in its favor as to some of its affirmative claims against NTE and to all of NTE's counterclaims. On June 24, 2022, the court issued an order partially granting Duke Energy Carolinas' motion by dismissing NTE's counterclaims that Duke Energy Carolinas engaged in anti-competitive behavior in violation of state and federal statutes. On October 12, 2022, the parties executed a settlement agreement with respect to the remaining breach of contract claims in the litigation and a Stipulation of Dismissal was filed with the court on October 13, 2022. On November 11, 2022, NTE filed its Notice of Appeal to the U.S. Court of Appeals for the Fourth Circuit as to the District Court's summary judgment ruling in Duke Energy Carolinas' favor on NTE's antitrust and unfair competition claims. Briefing on NTE's appeal was completed on June 30, 2023. Oral argument is scheduled for May 7, 2024.

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.

Duke Energy Carolinas has recognized asbestos-related reserves of $417 million at March 31, 2024, and $423 million at December 31, 2023. These reserves are classified in Other within Other Noncurrent Liabilities and Other within Current Liabilities on the Condensed Consolidated Balance Sheets. These reserves are based on Duke Energy Carolinas' best estimate for current and future asbestos claims through 2043 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 2043 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. Receivables for insurance recoveries were $572 million at March 31, 2024, and December 31, 2023. These amounts are classified in Other within Other Noncurrent Assets and Receivables within Current Assets on the Condensed Consolidated Balance Sheets. Any future payments up to the policy limit will be reimbursed by the third-party insurance carrier. 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.

The reserve for credit losses for insurance receivables is $9 million as of March 31, 2024, and December 31, 2023, for both Duke Energy and Duke Energy Carolinas. 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 Indiana

Coal Ash Insurance Coverage Litigation

In June 2022, Duke Energy Indiana filed a civil action in Indiana Superior Court against various insurance companies seeking declaratory relief with respect to insurance coverage for coal combustion residuals-related expenses and liabilities covered by third-party liability insurance policies. The insurance policies cover the 1969-1972 and 1984-1985 periods and provide third-party liability insurance for claims and suits alleging property damage, bodily injury and personal injury (or a combination thereof). A trial date has not yet been set. On June 30, 2023, Duke Energy Indiana and Associated Electric and Gas Insurance Services (AEGIS) reached a confidential settlement, the results of which were not material to Duke Energy, and as a result, AEGIS was dismissed from the litigation on July 13, 2023. On December 11, 2023, Duke Energy Indiana and Munich Reinsurance America, Inc. (formerly known as American Re-Insurance Company) (AmRe) reached a confidential settlement, the results of which were not material, and AmRe was dismissed from the litigation on January 18, 2024. The lawsuit remains pending as to the other insurers but is stayed until June 14, 2024, to allow for further settlement negotiations with other defendants.

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. Reserves are classified on the Condensed Consolidated Balance Sheets in Other within Other Noncurrent Liabilities and Other within Current Liabilities.

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 Condensed Consolidated Balance Sheets and have uncapped maximum potential payments. However, the Duke Energy Registrants do not believe these guarantees will have a material effect on their results of operations, cash flows or financial position.

In addition, the Duke Energy Registrants enter into various fixed-price, noncancelable commitments to purchase or sell power or natural gas, take-or-pay arrangements, transportation, or throughput agreements and other contracts that may or may not be recognized on their respective Condensed Consolidated Balance Sheets. Some of these arrangements may be recognized at fair value on their respective Condensed Consolidated Balance Sheets if such contracts meet the definition of a derivative and the NPNS exception does not apply. In most cases, the Duke Energy Registrants' purchase obligation contracts contain provisions for price adjustments, minimum purchase levels and other financial commitments.

6. DEBT AND CREDIT FACILITIES

In April 2024, Duke Energy issued 750 million euros aggregate principal amount of 3.75% senior notes due April 2031. Duke Energy's obligations under its euro-denominated fixed-rate notes were effectively converted to fixed-rate U.S. dollars at issuance through cross-currency swaps, mitigating foreign currency exchange risk associated with the interest and principal payments. The $815 million equivalent in U.S. dollars were used to repay a portion of a $1 billion debt maturity due April 2024, pay down short-term debt and for general corporate purposes. See Note 9 for additional information.

In April 2024, Duke Energy Florida issued $173 million of First Mortgage Bonds due April 2074, with an interest rate of SOFR minus 35 basis points. Proceeds were used to pay down a portion of the DEFR accounts receivable securitization facility maturing in April 2024, and for general company purposes. The terms of the indenture could require repayment in less than 12 months if exercised by the bondholders and, as such, these first mortgage bonds will be classified as Current maturities of long-term debt on the Condensed Consolidated Balance Sheets.

In April 2024, Duke Energy Progress issued $177 million of storm recovery bonds at an interest rate of 5.404%. Proceeds were used to finance the South Carolina portion of restoration expenditures related to the following storms: Pax, Ulysses, Matthew, Florence, Michael, Dorian, Izzy and Jasper. See notes 4 and 12 for more information.

SUMMARY OF SIGNIFICANT DEBT ISSUANCES

The following table summarizes significant debt issuances (in millions).

			Three Months Ended March 31, 2024					
Issuance Date	Maturity Date	Interest Rate	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana
Unsecured Debt								
January 2024[a]	January 2027	4.85 %	$ 600	$ 600	$ —	$ —	$ —	$ —
January 2024[a]	January 2029	4.85 %	650	650	—	—	—	—
First Mortgage Bonds								
January 2024[b]	January 2034	4.85 %	$ 575	$ —	$ 575	$ —	$ —	$ —
January 2024[b]	January 2054	5.40 %	425	—	425	—	—	—
March 2024[b]	March 2034	5.25 %	300	—	—	—	—	300
March 2024[c]	March 2034	5.10 %	500	—	—	500	—	—
March 2024[d]	March 2054	5.55 %	425	—	—	—	425	—
Total issuances			$ 3,475	$ 1,250	$ 1,000	$ 500	$ 425	$ 300

(a) Proceeds were used to repay the remaining $1 billion outstanding on Duke Energy (Parent)'s variable rate Term Loan Facility due March 2024, pay down a portion of short-term debt and for general corporate purposes. Duke Energy (Parent)'s Term Loan Facility was terminated in March 2024 in conjunction with the payoff of remaining borrowings.
(b) Proceeds were used to pay down a portion of short-term debt and for general company purposes.
(c) Proceeds were used to fund eligible green energy projects, pay down a portion of short-term debt and for general company purposes.
(d) Proceeds were used to pay down a portion of short-term debt and for general corporate purposes.

CURRENT MATURITIES OF LONG-TERM DEBT

The following table shows the significant components of Current maturities of long-term debt on the Condensed 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	March 31, 2024
Unsecured Debt			
Duke Energy (Parent)	April 2024	3.750 %	$ 1,000
Secured Debt			
Duke Energy Florida[a]	April 2024	6.395 %	163
Duke Energy Florida[a]	April 2024	6.226 %	162
Duke Energy Carolinas[a]	January 2025	6.176 %	500
First Mortgage Bonds			
Duke Energy Florida[b]	October 2073	4.922 %	200
Other[c]			249
Current maturities of long-term debt			$ 2,274

(a) Debt has a floating interest rate. In April 2024, Duke Energy Florida repaid the $325 million in total borrowings outstanding under the DEFR accounts receivable securitization facility maturing in April 2024 and terminated the facility. See Note 12 for additional information.
(b) While final maturity is October 2073, these first mortgage bonds are classified as Current maturities of long-term debt on the Consolidated Balance Sheets, based on terms of the indenture, which could require repayment in less than 12 months if exercised by the bondholders.
(c) Includes finance lease obligations, amortizing debt, tax-exempt bonds with mandatory put options and small bullet maturities.

AVAILABLE CREDIT FACILITIES

Master Credit Facility

In March 2024, Duke Energy extended the termination date of its existing $9 billion Master Credit Facility to March 2029. 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. An amendment in conjunction with the issuance of the Convertible Senior Notes due April 2026 clarifies that payments due as a result of a conversion of a convertible note would not constitute an event of default.

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

	March 31, 2024							
(in millions)	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Facility size[a]	$ 9,000	$ 2,275	$ 1,400	$ 1,575	$ 950	$ 1,050	$ 950	$ 800
Reduction to backstop issuances								
Commercial paper[b]	(3,759)	(1,309)	(355)	(904)	(66)	(331)	(286)	(508)
Outstanding letters of credit	(38)	(26)	(4)	(1)	(7)	—	—	—
Tax-exempt bonds	(81)	—	—	—	—	—	(81)	—
Available capacity under the Master Credit Facility	$ 5,122	$ 940	$ 1,041	$ 670	$ 877	$ 719	$ 583	$ 292

(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 on the Condensed Consolidated Balance Sheets.

Duke Energy Term Loan Facility

On March 26, 2024, Duke Energy (Parent) entered into a 364-day term loan facility with commitments totaling $700 million. Any undrawn commitments could be drawn up until April 25, 2024 (30 days after the effective date of the agreement) or are otherwise ineligible to be drawn. On April 24, 2024, $500 million was drawn under the facility with borrowings used for general corporate purposes. Borrowings can be prepaid at any time throughout the term of the facility. The terms and conditions of the facility are generally consistent with those governing Duke Energy's Master Credit Facility.

7. GOODWILL

Duke Energy

Duke Energy's Goodwill balance of $19.3 billion is allocated $17.4 billion to EU&I and $1.9 billion to GU&I on Duke Energy's Condensed Consolidated Balance Sheets at March 31, 2024, and December 31, 2023. There are no accumulated impairment charges.

Duke Energy Ohio

Duke Energy Ohio's Goodwill balance of $920 million, allocated $596 million to EU&I and $324 million to GU&I, is presented net of accumulated impairment charges of $216 million on the Condensed Consolidated Balance Sheets at March 31, 2024, and December 31, 2023.

Progress Energy

Progress Energy's Goodwill is included in the EU&I segment and there are no accumulated impairment charges.

Piedmont

Piedmont's Goodwill is included in the GU&I segment and there are no accumulated impairment charges.

8. RELATED PARTY TRANSACTIONS

The Subsidiary Registrants engage in related party transactions in accordance with applicable state and federal commission regulations. Refer to the Condensed Consolidated Balance Sheets of the Subsidiary Registrants for balances due to or due from related parties. Transactions with related parties included on the Condensed Consolidated Statements of Operations and Comprehensive Income are presented in the following table.

	Three Months Ended March 31,	
(in millions)	**2024**	**2023**
Duke Energy Carolinas		
Corporate governance and shared service expenses[a]	**$ 214**	$ 196
Indemnification coverages[b]	**11**	9
JDA revenue[c]	**16**	13
JDA expense[c]	**40**	29
Intercompany natural gas purchases[d]	**4**	5
Progress Energy		
Corporate governance and shared service expenses[a]	**$ 188**	$ 178
Indemnification coverages[b]	**14**	12
JDA revenue[c]	**40**	29
JDA expense[c]	**16**	13
Intercompany natural gas purchases[d]	**19**	19
Duke Energy Progress		
Corporate governance and shared service expenses[a]	**$ 114**	$ 107
Indemnification coverages[b]	**6**	5
JDA revenue[c]	**40**	29
JDA expense[c]	**16**	13
Intercompany natural gas purchases[d]	**19**	19
Duke Energy Florida		
Corporate governance and shared service expenses[a]	**$ 74**	$ 71
Indemnification coverages[b]	**8**	7
Duke Energy Ohio		
Corporate governance and shared service expenses[a]	**$ 77**	$ 73
Indemnification coverages[b]	**2**	1
Duke Energy Indiana		
Corporate governance and shared service expenses[a]	**$ 102**	$ 99
Indemnification coverages[b]	**2**	2
Piedmont		
Corporate governance and shared service expenses[a]	**$ 41**	$ 38
Indemnification coverages[b]	**1**	1
Intercompany natural gas sales[d]	**23**	24
Natural gas storage and transportation costs[e]	**6**	6

(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 and Impairment of assets and other charges on the Condensed 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 Condensed 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 Condensed 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 Condensed Consolidated Statements of Operations and Comprehensive Income.

(e) Piedmont has related party transactions as a customer of its equity method investments in Pine Needle LNG Company, LLC, Hardy Storage Company, LLC and Cardinal Pipeline Company, LLC natural gas storage and transportation facilities. These expenses are included in Cost of natural gas on Piedmont's Condensed 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, such as pipeline lease arrangements, and their proportionate share of certain charged expenses. These transactions of the Subsidiary Registrants are incurred in the ordinary course of business and are eliminated in consolidation.

As discussed in Note 12, certain trade receivables were previously 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 were largely cash but included a subordinated note from CRC for a portion of the purchase price. In March 2024, Duke Energy repaid all outstanding CRC borrowings and terminated the related CRC credit facility.

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
March 31, 2024							
Intercompany income tax receivable	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 9**	**$ —**
Intercompany income tax payable	**39**	**30**	**69**	**31**	**15**	**—**	**76**
December 31, 2023							
Intercompany income tax receivable	$ —	$ —	$ —	$ —	$ 91	$ 53	$ —
Intercompany income tax payable	81	92	94	114	—	—	57

9. DERIVATIVES AND HEDGING

The Duke Energy Registrants use commodity, interest rate and foreign currency contracts to manage commodity price risk, interest rate risk and foreign currency exchange 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. Foreign currency derivatives are used to manage risk related to foreign currency exchange rates on certain issuances of debt.

All derivative instruments not identified as NPNS are recorded at fair value as assets or liabilities on the Condensed Consolidated Balance Sheets. Cash collateral related to derivative instruments executed under master netting arrangements is offset against the collateralized derivatives on the Condensed Consolidated Balance Sheets. The cash impacts of settled derivatives are recorded as operating activities or financing activities on the Condensed Consolidated Statements of Cash Flows consistent with the classification of the hedged transaction.

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 accumulated other comprehensive income (loss) for the three months ended March 31, 2024, and 2023, were not material. Duke Energy's interest rate derivatives designated as hedges include 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 Condensed Consolidated Statements of Operations and Comprehensive Income.

The following tables show notional amounts of outstanding derivatives related to interest rate risk.

	March 31, 2024						
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio
Cash flow hedges	$ 2,550	$ —	$ —	$ —	$ —	$ —	$ —
Undesignated contracts	2,402	850	1,325	875	450	200	27
Total notional amount	$ 4,952	$ 850	$ 1,325	$ 875	$ 450	$ 200	$ 27

	December 31, 2023						
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio
Cash flow hedges	$ 2,300	$ —	$ —	$ —	$ —	$ —	$ —
Undesignated contracts	2,727	1,050	1,250	925	325	400	27
Total notional amount	$ 5,027	$ 1,050	$ 1,250	$ 925	$ 325	$ 400	$ 27

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.

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.

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 natural 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.

	March 31, 2024						
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electricity (GWh)	4,981	—	—	—	669	4,312	—
Natural gas (millions of dekatherms)	813	266	259	259	—	35	253

	December 31, 2023						
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electricity (GWh)	13,608	—	—	—	1,616	11,992	—
Natural gas (millions of dekatherms)	846	279	274	274	—	30	263

FOREIGN CURRENCY RISK

Duke Energy may enter into foreign currency derivatives to hedge exposure to changes in foreign currency exchange rates, such as that arising from the issuance of debt denominated in a currency other than U.S. dollars.

Fair Value Hedges

Derivatives related to existing fixed-rate securities are accounted for as fair value hedges, where the derivatives' fair value gains or losses and hedged items' fair value gains or losses are both recorded directly to earnings on the same income statement line item, including foreign currency gains or losses arising from changes in the U.S. currency exchange rates. Duke Energy has elected to exclude the cross-currency basis spread from the assessment of effectiveness in the fair value hedges of its foreign currency risk and record any difference between the change in the fair value of the excluded components and the amounts recognized in earnings as a component of other comprehensive income or loss.

The following table shows Duke Energy's outstanding derivatives related to foreign currency risk at March 31, 2024.

	Pay Notional (in millions)	Pay Rate	Receive Notional (in millions)	Receive Rate	Hedge Maturity Date	Fair Value Gain (Loss)[a] (in millions) Three Months Ended March 31, 2024	2023
Fair value hedges							
	$ 645	4.75 %	600 euros	3.10 %	June 2028	**$ 2**	$ 5
	537	5.31 %	500 euros	3.85 %	June 2034	**2**	5
Total notional amount	$ 1,182		1,100 euros			**$ 4**	$ 10

(a) Amounts are recorded in Other Income and expenses, net on the Condensed Consolidated Statement of Operations, which offsets an equal translation adjustment of the foreign denominated debt. See the Condensed Consolidated Statements of Comprehensive Income for amounts excluded from the assessment of effectiveness for which the difference between changes in fair value and periodic amortization is recorded.

In April 2024, Duke Energy issued 750 million euros aggregate principal amount of 3.75% senior notes due 2031. The notes were effectively converted to fixed-rate U.S. dollars at issuance for $815 million at 5.648%. See Note 6 for additional information.

LOCATION AND FAIR VALUE OF DERIVATIVE ASSETS AND LIABILITIES RECOGNIZED IN THE CONDENSED 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 Condensed 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	March 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Commodity Contracts								
Not Designated as Hedging Instruments								
Current	**$ 21**	**$ 1**	**$ 11**	**$ 1**	**$ 10**	**$ —**	**$ 7**	**$ 1**
Noncurrent	**54**	**25**	**29**	**29**	**—**	**—**	**—**	**—**
Total Derivative Assets – Commodity Contracts	**$ 75**	**$ 26**	**$ 40**	**$ 30**	**$ 10**	**$ —**	**$ 7**	**$ 1**
Interest Rate Contracts								
Designated as Hedging Instruments								
Current	**$ 74**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Noncurrent	**40**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Not Designated as Hedging Instruments								
Noncurrent	**43**	**9**	**17**	**17**	**—**	**—**	**17**	**—**
Total Derivative Assets – Interest Rate Contracts	**$ 157**	**$ 9**	**$ 17**	**$ 17**	**$ —**	**$ —**	**$ 17**	**$ —**
Foreign Currency Contracts								
Designated as Hedging Instruments								
Noncurrent	**$ 23**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Total Derivative Assets – Foreign Currency Contracts	**$ 23**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Total Derivative Assets	**$ 255**	**$ 35**	**$ 57**	**$ 47**	**$ 10**	**$ —**	**$ 24**	**$ 1**

Derivative Liabilities	March 31, 2024								
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Commodity Contracts								
Not Designated as Hedging Instruments								
Current	$ 335	$ 175	$ 126	$ 126	$ —	$ —	$ 19	$ 14
Noncurrent	213	53	48	48	—	—	—	112
Total Derivative Liabilities – Commodity Contracts	$ 548	$ 228	$ 174	$ 174	$ —	$ —	$ 19	$ 126
Interest Rate Contracts								
Designated as Hedging Instruments								
Current	$ 14	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Noncurrent	11	—	—	—	—	—	—	—
Not Designated as Hedging Instruments								
Noncurrent	21	6	14	7	7	1	—	—
Total Derivative Liabilities – Interest Rate Contracts	$ 46	$ 6	$ 14	$ 7	$ 7	$ 1	$ —	$ —
Foreign Currency Contracts								
Designated as Hedging Instruments								
Current	$ 18	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Derivative Liabilities – Foreign Currency Contracts	$ 18	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Derivative Liabilities	$ 612	$ 234	$ 188	$ 181	$ 7	$ 1	$ 19	$ 126

Derivative Assets	December 31, 2023							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Commodity Contracts								
Not Designated as Hedging Instruments								
Current	$ 25	$ 1	$ 3	$ 1	$ 2	$ 1	$ 18	$ 1
Noncurrent	57	26	31	31	—	—	—	—
Total Derivative Assets – Commodity Contracts	$ 82	$ 27	$ 34	$ 32	$ 2	$ 1	$ 18	$ 1
Interest Rate Contracts								
Designated as Hedging Instruments								
Current	$ 31	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Noncurrent	17	—	—	—	—	—	—	—
Not Designated as Hedging Instruments								
Current	$ 5	$ 5	$ —	$ —	$ —	$ —	$ —	$ —
Noncurrent	10	3	—	—	—	—	7	—
Total Derivative Assets – Interest Rate Contracts	$ 63	$ 8	$ —	$ —	$ —	$ —	$ 7	$ —
Foreign Currency Contracts								
Designated as Hedging Instruments								
Noncurrent	$ 44	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Derivative Assets – Foreign Currency Contracts	$ 44	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Derivative Assets	$ 189	$ 35	$ 34	$ 32	$ 2	$ 1	$ 25	$ 1

Derivative Liabilities	December 31, 2023								
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Commodity Contracts								
Not Designated as Hedging Instruments								
Current	$ 354	$ 177	$ 138	$ 138	$ —	$ —	$ 18	$ 20
Noncurrent	255	67	61	61	—	—	—	127
Total Derivative Liabilities – Commodity Contracts	$ 609	$ 244	$ 199	$ 199	$ —	$ —	$ 18	$ 147
Interest Rate Contracts								
Designated as Hedging Instruments								
Current	$ 25	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Noncurrent	26	—	—	—	—	—	—	—
Not Designated as Hedging Instruments								
Current	$ 13	$ 2	$ 11	$ 11	$ —	$ —	$ —	$ —
Noncurrent	39	14	24	9	15	1	—	—
Total Derivative Liabilities – Interest Rate Contracts	$ 103	$ 16	$ 35	$ 20	$ 15	$ 1	$ —	$ —
Foreign Currency Contracts								
Designated as Hedging Instruments								
Current	$ 17	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Derivative Liabilities – Foreign Currency Contracts	$ 17	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Derivative Liabilities	$ 729	$ 260	$ 234	$ 219	$ 15	$ 1	$ 18	$ 147

OFFSETTING ASSETS AND LIABILITIES

The following tables present the line items on the Condensed Consolidated Balance Sheets where derivatives are reported. Substantially all of Duke Energy's outstanding derivative contracts are subject to enforceable master netting arrangements. 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	March 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current								
Gross amounts recognized	**$ 95**	**$ 1**	**$ 11**	**$ 1**	**$ 10**	**$ —**	**$ 7**	**$ 1**
Offset	**(1)**	**(1)**	**(1)**	**(1)**	**—**	**—**	**—**	**—**
Net amounts presented in Current Assets: Other	**$ 94**	**$ —**	**$ 10**	**$ —**	**$ 10**	**$ —**	**$ 7**	**$ 1**
Noncurrent								
Gross amounts recognized	**$ 160**	**$ 34**	**$ 46**	**$ 46**	**$ —**	**$ —**	**$ 17**	**$ —**
Offset	**(31)**	**(11)**	**(20)**	**(20)**	**—**	**—**	**—**	**—**
Net amounts presented in Other Noncurrent Assets: Other	**$ 129**	**$ 23**	**$ 26**	**$ 26**	**$ —**	**$ —**	**$ 17**	**$ —**

Derivative Liabilities	March 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current								
Gross amounts recognized	**$ 367**	**$ 175**	**$ 126**	**$ 126**	**$ —**	**$ —**	**$ 19**	**$ 14**
Offset	**(1)**	**(1)**	**(1)**	**(1)**	**—**	**—**	**—**	**—**
Cash collateral posted	**(85)**	**(39)**	**(26)**	**(26)**	**—**	**—**	**(19)**	**—**
Net amounts presented in Current Liabilities: Other	**$ 281**	**$ 135**	**$ 99**	**$ 99**	**$ —**	**$ —**	**$ —**	**$ 14**
Noncurrent								
Gross amounts recognized	**$ 245**	**$ 59**	**$ 62**	**$ 55**	**$ 7**	**$ 1**	**$ —**	**$ 112**
Offset	**(31)**	**(11)**	**(20)**	**(20)**	**—**	**—**	**—**	**—**
Cash collateral posted	**$ (52)**	**$ (30)**	**$ (21)**	**$ (21)**	**$ —**	**$ —**	**$ —**	**$ —**
Net amounts presented in Other Noncurrent Liabilities: Other	**$ 162**	**$ 18**	**$ 21**	**$ 14**	**$ 7**	**$ 1**	**$ —**	**$ 112**

Derivative Assets	December 31, 2023							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current								
Gross amounts recognized	$ 61	$ 6	$ 3	$ 1	$ 2	$ 1	$ 18	$ 1
Offset	(2)	(1)	(1)	(1)	—	—	—	—
Net amounts presented in Current Assets: Other	$ 59	$ 5	$ 2	$ —	$ 2	$ 1	$ 18	$ 1
Noncurrent								
Gross amounts recognized	$ 128	$ 29	$ 31	$ 31	$ —	$ —	$ 7	$ —
Offset	(37)	(14)	(22)	(22)	—	—	—	—
Net amounts presented in Other Noncurrent Assets: Other	$ 91	$ 15	$ 9	$ 9	$ —	$ —	$ 7	$ —

Derivative Liabilities	December 31, 2023							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current								
Gross amounts recognized	$ 409	$ 179	$ 149	$ 149	$ —	$ —	$ 18	$ 20
Offset	(2)	(1)	(1)	(1)	—	—	—	—
Cash collateral posted	(96)	(48)	(30)	(30)	—	—	(18)	—
Net amounts presented in Current Liabilities: Other	$ 311	$ 130	$ 118	$ 118	$ —	$ —	$ —	$ 20
Noncurrent								
Gross amounts recognized	$ 320	$ 81	$ 85	$ 70	$ 15	$ 1	$ —	$ 127
Offset	(37)	(14)	(22)	(22)	—	—	—	—
Cash collateral posted	(66)	(38)	(28)	(28)	—	—	—	—
Net amounts presented in Other Noncurrent Liabilities: Other	$ 217	$ 29	$ 35	$ 20	$ 15	$ 1	$ —	$ 127

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.

	March 31, 2024			
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress
Aggregate fair value of derivatives in a net liability position	**$ 314**	**$ 167**	**$ 147**	**$ 147**
Fair value of collateral already posted	**117**	**70**	**48**	**48**
Additional cash collateral or letters of credit in the event credit risk-related contingent features were triggered	**$ 197**	**$ 97**	**$ 99**	**$ 99**

	December 31, 2023			
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress
Aggregate fair value of derivatives in a net liability position	$ 342	$ 175	$ 166	$ 166
Fair value of collateral already posted	144	86	58	58
Additional cash collateral or letters of credit in the event credit risk-related contingent features were triggered	$ 198	$ 89	$ 108	$ 108

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.

10. 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 Available for Sale (AFS) and investments in equity securities as fair value through net income (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 guidelines 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 March 31, 2024, and December 31, 2023.

Other Investments amounts are recorded in Other within Other Noncurrent Assets on the Condensed 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.

	March 31, 2024			December 31, 2023		
(in millions)	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	$ —	$ —	$ 140	$ —	$ —	$ 133
Equity securities	5,553	27	7,837	4,942	22	7,278
Corporate debt securities	8	46	659	12	43	632
Municipal bonds	4	16	332	6	16	347
U.S. government bonds	9	76	1,610	24	65	1,575
Other debt securities	—	13	209	1	13	178
Total NDTF Investments	$ 5,574	$ 178	$ 10,787	$ 4,985	$ 159	$ 10,143
Other Investments						
Cash and cash equivalents	$ —	$ —	$ 21	$ —	$ —	$ 31
Equity securities	47	—	173	33	—	158
Corporate debt securities	—	6	87	—	6	82
Municipal bonds	—	1	79	1	2	77
U.S. government bonds	—	3	60	—	2	65
Other debt securities	—	3	45	—	2	47
Total Other Investments	$ 47	$ 13	$ 465	$ 34	$ 12	$ 460
Total Investments	$ 5,621	$ 191	$ 11,252	$ 5,019	$ 171	$ 10,603

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the three months ended March 31, 2024, and 2023, were as follows.

	Three Months Ended	
(in millions)	March 31, 2024	March 31, 2023
FV-NI:		
Realized gains	$ 68	$ 26
Realized losses	18	46
AFS:		
Realized gains	10	8
Realized losses	14	32

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.

	March 31, 2024			December 31, 2023		
(in millions)	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	$ —	$ —	$ 81	$ —	$ —	$ 51
Equity securities	3,226	19	4,514	2,886	14	4,196
Corporate debt securities	2	37	397	4	35	390
Municipal bonds	—	4	38	—	4	50
U.S. government bonds	4	41	854	13	33	826
Other debt securities	—	13	191	1	13	172
Total NDTF Investments	$ 3,232	$ 114	$ 6,075	$ 2,904	$ 99	$ 5,685

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the three months ended March 31, 2024, and 2023, were as follows.

	Three Months Ended	
(in millions)	March 31, 2024	March 31, 2023
FV-NI:		
Realized gains	**$ 53**	$ 18
Realized losses	**6**	29
AFS:		
Realized gains	**4**	5
Realized losses	**6**	20

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.

	March 31, 2024			December 31, 2023		
(in millions)	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	**$ —**	**$ —**	**$ 59**	$ —	$ —	$ 82
Equity securities	**2,327**	**8**	**3,323**	2,056	8	3,082
Corporate debt securities	**6**	**9**	**262**	8	8	242
Municipal bonds	**4**	**12**	**294**	6	12	297
U.S. government bonds	**5**	**35**	**756**	11	32	749
Other debt securities	**—**	**—**	**18**	—	—	6
Total NDTF Investments	**$ 2,342**	**$ 64**	**$ 4,712**	$ 2,081	$ 60	$ 4,458
Other Investments						
Cash and cash equivalents	**$ —**	**$ —**	**$ 15**	$ —	$ —	$ 18
Municipal bonds	**—**	**—**	**24**	—	1	23
Total Other Investments	**$ —**	**$ —**	**$ 39**	$ —	$ 1	$ 41
Total Investments	**$ 2,342**	**$ 64**	**$ 4,751**	$ 2,081	$ 61	$ 4,499

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the three months ended March 31, 2024, and 2023, were as follows.

	Three Months Ended	
(in millions)	March 31, 2024	March 31, 2023
FV-NI:		
Realized gains	**$ 15**	$ 8
Realized losses	**12**	17
AFS:		
Realized gains	**6**	3
Realized losses	**8**	12

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.

	March 31, 2024			December 31, 2023		
(in millions)	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	$ —	$ —	$ 48	$ —	$ —	$ 55
Equity securities	2,216	8	3,200	1,956	8	2,970
Corporate debt securities	5	9	248	7	8	229
Municipal bonds	4	12	294	6	12	297
U.S. government bonds	5	22	539	10	18	518
Other debt securities	—	—	16	—	—	6
Total NDTF Investments	$ 2,230	$ 51	$ 4,345	$ 1,979	$ 46	$ 4,075
Other Investments						
Cash and cash equivalents	$ —	$ —	$ 12	$ —	$ —	$ 14
Total Other Investments	$ —	$ —	$ 12	$ —	$ —	$ 14
Total Investments	$ 2,230	$ 51	$ 4,357	$ 1,979	$ 46	$ 4,089

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the three months ended March 31, 2024, and 2023, were as follows.

	Three Months Ended	
(in millions)	March 31, 2024	March 31, 2023
FV-NI:		
Realized gains	$ 15	$ 8
Realized losses	12	17
AFS:		
Realized gains	6	3
Realized losses	8	12

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.

	March 31, 2024			December 31, 2023		
(in millions)	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	$ —	$ —	$ 11	$ —	$ —	$ 27
Equity securities	111	—	123	100	—	112
Corporate debt securities	1	—	14	1	—	13
U.S. government bonds	—	13	217	1	14	231
Other debt securities	—	—	2	—	—	—
Total NDTF Investments[(a)]	$ 112	$ 13	$ 367	$ 102	$ 14	$ 383
Other Investments						
Cash and cash equivalents	$ —	$ —	$ 2	$ —	$ —	$ 3
Municipal bonds	—	—	24	—	1	23
Total Other Investments	$ —	$ —	$ 26	$ —	$ 1	$ 26
Total Investments	$ 112	$ 13	$ 393	$ 102	$ 15	$ 409

(a) During the three months ended March 31, 2024, and the year ended December 31, 2023, Duke Energy Florida received reimbursements from the NDTF for costs related to ongoing decommissioning activity of Crystal River Unit 3.

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the three months ended March 31, 2024, and 2023, were immaterial.

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.

	March 31, 2024			December 31, 2023		
(in millions)	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**	$ —	$ —	$ 1
Equity securities	**13**	**—**	**108**	4	—	98
Corporate debt securities	**—**	**—**	**8**	—	—	8
Municipal bonds	**—**	**1**	**45**	1	1	46
U.S. government bonds	**—**	**—**	**10**	—	—	10
Total Investments	**$ 13**	**$ 1**	**$ 172**	$ 5	$ 1	$ 163

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the three months ended March 31, 2024, and 2023, were immaterial.

DEBT SECURITY MATURITIES

The table below summarizes the maturity date for debt securities.

	March 31, 2024					
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana
Due in one year or less	**$ 126**	**$ 10**	**$ 101**	**$ 23**	**$ 78**	**$ 9**
Due after one through five years	**715**	**245**	**389**	**264**	**125**	**18**
Due after five through 10 years	**614**	**359**	**206**	**192**	**14**	**11**
Due after 10 years	**1,626**	**866**	**658**	**618**	**40**	**25**
Total	**$ 3,081**	**$ 1,480**	**$ 1,354**	**$ 1,097**	**$ 257**	**$ 63**

11. 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 the 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 New York Stock Exchange 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, 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 certain 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.

Foreign currency derivatives

Most over-the-counter foreign currency derivatives are valued using financial models that utilize observable inputs for similar instruments and are classified as Level 2. Inputs include forward foreign currency rate curves, notional amounts, foreign currency rates and credit quality of the counterparties.

Other fair value considerations

See Note 12 in Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023, 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 Condensed Consolidated Balance Sheets. Derivative amounts in the tables below for all Duke Energy Registrants exclude cash collateral, which is disclosed in Note 9. See Note 10 for additional information related to investments by major security type for the Duke Energy Registrants.

	March 31, 2024				
(in millions)	**Total Fair Value**	**Level 1**	**Level 2**	**Level 3**	**Not Categorized**
NDTF cash and cash equivalents	**$ 140**	**$ 140**	**$ —**	**$ —**	**—**
NDTF equity securities	**7,837**	**7,802**	**—**	**—**	**35**
NDTF debt securities	**2,810**	**873**	**1,937**	**—**	**—**
Other equity securities	**173**	**173**	**—**	**—**	**—**
Other debt securities	**271**	**50**	**221**	**—**	**—**
Other cash and cash equivalents	**21**	**21**	**—**	**—**	**—**
Derivative assets	**255**	**77**	**172**	**6**	**—**
Total assets	**11,507**	**9,136**	**2,330**	**6**	**35**
Derivative liabilities	**(612)**	**(51)**	**(561)**	**—**	**—**
Net assets	**$ 10,895**	**$ 9,085**	**$ 1,769**	**$ 6**	**35**

	December 31, 2023				
(in millions)	**Total Fair Value**	**Level 1**	**Level 2**	**Level 3**	**Not Categorized**
NDTF cash and cash equivalents	$ 133	$ 133	$ —	$ —	—
NDTF equity securities	7,278	7,241	—	—	37
NDTF debt securities	2,732	829	1,903	—	—
Other equity securities	158	158	—	—	—
Other debt securities	271	55	216	—	—
Other cash and cash equivalents	31	31	—	—	—
Derivative assets	189	37	137	15	—
Total assets	10,792	8,484	2,256	15	37
Derivative liabilities	(729)	(60)	(669)	—	—
Net assets	$ 10,063	$ 8,424	$ 1,587	$ 15	37

The following table provides reconciliations of beginning and ending balances of assets and liabilities measured at fair value using Level 3 measurements.

	Derivatives (net)	
	Three Months Ended March 31,	
(in millions)	2024	2023
Balance at beginning of period	$ 15	$ 34
Purchases, sales, issuances and settlements:		
Settlements	(13)	(20)
Total gains (losses) included on the Condensed Consolidated Balance Sheet	4	(2)
Balance at end of period	$ 6	$ 12

DUKE ENERGY CAROLINAS

The following tables provide recorded balances for assets and liabilities measured at fair value on a recurring basis on the Condensed Consolidated Balance Sheets.

	March 31, 2024			
(in millions)	Total Fair Value	Level 1	Level 2	Not Categorized
NDTF cash and cash equivalents	$ 81	$ 81	$ —	$ —
NDTF equity securities	4,514	4,479	—	35
NDTF debt securities	1,480	418	1,062	—
Other AFS debt securities	—	—	—	—
Derivative assets	35	—	35	—
Total assets	6,110	4,978	1,097	35
Derivative liabilities	(234)	—	(234)	—
Net assets	$ 5,876	$ 4,978	$ 863	$ 35

	December 31, 2023			
(in millions)	Total Fair Value	Level 1	Level 2	Not Categorized
NDTF cash and cash equivalents	$ 51	$ 51	$ —	$ —
NDTF equity securities	4,196	4,159	—	37
NDTF debt securities	1,438	375	1,063	—
Derivative assets	35	—	35	—
Total assets	5,720	4,585	1,098	37
Derivative liabilities	(260)	—	(260)	—
Net assets	$ 5,460	$ 4,585	$ 838	$ 37

PROGRESS ENERGY

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Condensed Consolidated Balance Sheets.

	March 31, 2024			December 31, 2023		
(in millions)	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
NDTF cash and cash equivalents	$ 59	$ 59	$ —	$ 82	$ 82	$ —
NDTF equity securities	3,323	3,323	—	3,082	3,082	—
NDTF debt securities	1,330	455	875	1,294	454	840
Other debt securities	24	—	24	23	—	23
Other cash and cash equivalents	15	15	—	18	18	—
Derivative assets	57	—	57	34	—	34
Total assets	4,808	3,852	956	4,533	3,636	897
Derivative liabilities	(188)	—	(188)	(234)	—	(234)
Net assets	$ 4,620	$ 3,852	$ 768	$ 4,299	$ 3,636	$ 663

DUKE ENERGY PROGRESS

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Condensed Consolidated Balance Sheets.

	March 31, 2024			December 31, 2023		
(in millions)	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
NDTF cash and cash equivalents	$ 48	$ 48	$ —	$ 55	$ 55	$ —
NDTF equity securities	3,200	3,200	—	2,970	2,970	—
NDTF debt securities	1,097	280	817	1,050	266	784
Other cash and cash equivalents	12	12	—	14	14	—
Derivative assets	47	—	47	32	—	32
Total assets	4,404	3,540	864	4,121	3,305	816
Derivative liabilities	(181)	—	(181)	(219)	—	(219)
Net assets	$ 4,223	$ 3,540	$ 683	$ 3,902	$ 3,305	$ 597

DUKE ENERGY FLORIDA

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Condensed Consolidated Balance Sheets.

	March 31, 2024			December 31, 2023		
(in millions)	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
NDTF cash and cash equivalents	$ 11	$ 11	$ —	$ 27	$ 27	$ —
NDTF equity securities	123	123	—	112	112	—
NDTF debt securities	233	175	58	244	188	56
Other debt securities	24	—	24	23	—	23
Other cash and cash equivalents	2	2	—	3	3	—
Derivative assets	10	—	10	2	—	2
Total assets	403	311	92	411	330	81
Derivative liabilities	(7)	—	(7)	(15)	—	(15)
Net assets	$ 396	$ 311	$ 85	$ 396	$ 330	$ 66

DUKE ENERGY OHIO

The recorded balances for assets and liabilities measured at fair value on a recurring basis on the Condensed Consolidated Balance Sheets were not material at March 31, 2024, and December 31, 2023.

DUKE ENERGY INDIANA

The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Condensed Consolidated Balance Sheets.

	March 31, 2024				December 31, 2023			
(in millions)	Total Fair Value	Level 1	Level 2	Level 3	Total Fair Value	Level 1	Level 2	Level 3
Other equity securities	$ 108	$ 108	$ —	$ —	$ 98	$ 98	$ —	$ —
Other debt securities	63	—	63	—	64	—	64	—
Other cash and cash equivalents	1	1	—	—	1	1	—	—
Derivative assets	24	2	17	5	25	5	7	13
Total assets	196	111	80	5	188	104	71	13
Derivative liabilities	(19)	(19)	—	—	(18)	(18)	—	—
Net assets	$ 177	$ 92	$ 80	$ 5	$ 170	$ 86	$ 71	$ 13

The following table provides a reconciliation of beginning and ending balances of assets and liabilities measured at fair value using Level 3 measurements.

	Derivatives (net)	
	Three Months Ended March 31,	
(in millions)	2024	2023
Balance at beginning of period	**$ 13**	$ 29
Purchases, sales, issuances and settlements:		
Settlements	**(11)**	(19)
Total gains included on the Condensed Consolidated Balance Sheet	**3**	1
Balance at end of period	**$ 5**	$ 11

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The following table provides recorded balances for assets and liabilities measured at fair value on a recurring basis on the Condensed Consolidated Balance Sheets.

	March 31, 2024			December 31, 2023		
(in millions)	Total Fair Value	Level 1	Level 2	Total Fair Value	Level 1	Level 2
Derivative assets	**$ 1**	**$ 1**	**$ —**	$ 1	$ 1	$ —
Derivative liabilities	**(126)**	**—**	**(126)**	(147)	—	(147)
Net (liabilities) assets	**$ (125)**	**$ 1**	**$ (126)**	$ (146)	$ 1	$ (147)

QUANTITATIVE INFORMATION ABOUT UNOBSERVABLE INPUTS

The following tables include quantitative information about the Duke Energy Registrants' derivatives classified as Level 3.

	March 31, 2024				
Investment Type	Fair Value (in millions)	Valuation Technique	Unobservable Input	Range	Weighted Average Range
Duke Energy Ohio					
FTRs	**$ 1**	RTO auction pricing	FTR price – per MWh	**$ 0.17 - $ 2.13**	**$ 0.49**
Duke Energy Indiana					
FTRs	**5**	RTO auction pricing	FTR price – per MWh	**— - 8.95**	**1.45**
Duke Energy					
Total Level 3 derivatives	**$ 6**				

	December 31, 2023				
Investment Type	Fair Value (in millions)	Valuation Technique	Unobservable Input	Range	Weighted Average Range
Duke Energy Ohio					
FTRs	$ 2	RTO auction pricing	FTR price – per MWh	$ 0.36 - $ 2.11	$ 0.71
Duke Energy Indiana					
FTRs	13	RTO auction pricing	FTR price – per MWh	(1.05) - 9.64	1.26
Duke Energy					
Total Level 3 derivatives	$ 15				

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.

	March 31, 2024		December 31, 2023	
(in millions)	**Book Value**	**Fair Value**	**Book Value**	**Fair Value**
Duke Energy[a]	**$ 77,253**	**$ 70,512**	$ 75,252	$ 69,790
Duke Energy Carolinas	**17,019**	**15,723**	16,012	15,077
Progress Energy	**24,198**	**22,505**	23,759	22,553
Duke Energy Progress	**12,178**	**10,824**	11,714	10,595
Duke Energy Florida	**10,377**	**9,888**	10,401	10,123
Duke Energy Ohio	**3,939**	**3,685**	3,518	3,310
Duke Energy Indiana	**4,800**	**4,437**	4,502	4,230
Piedmont	**3,669**	**3,273**	3,668	3,336

(a) Book value of long-term debt includes $1.1 billion and $1.0 billion at March 31, 2024, and December 31, 2023, respectively, of net unamortized debt discount and premium of purchase accounting adjustments related to the mergers with Progress Energy and Piedmont that are excluded from fair value of long-term debt.

At both March 31, 2024, and December 31, 2023, 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.

12. VARIABLE INTEREST ENTITIES

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 three months ended March 31, 2024, and the year ended December 31, 2023, 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 DEPR credit facility are reflected on the Condensed Consolidated Balance Sheets as Long-Term Debt. Amounts borrowed under the DERF and DEFR credit facilities are reflected on the Condensed Consolidated Balance Sheets as Current maturities of long-term debt.

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.

In April 2024, Duke Energy Florida repaid all outstanding DEFR borrowings totaling $325 million and terminated the related DEFR credit facility. Additionally, Duke Energy Florida's related restricted receivables outstanding at DEFR at the time of termination totaled $459 million and were transferred back to Duke Energy Florida to be collected and reported as Receivables on the Condensed Consolidated Balance Sheets.

Receivables Financing – CRC

CRC is a bankruptcy remote, special purpose entity indirectly owned by Duke Energy. On a revolving basis, CRC bought certain accounts receivable arising from the sale of electricity, natural gas and related services from Duke Energy Ohio and Duke Energy Indiana. CRC then borrowed amounts under a credit facility to buy the receivables from Duke Energy Ohio and Duke Energy Indiana. Borrowing availability from the credit facility was limited to the amount of qualified receivables sold to CRC, which generally excluded receivables past due more than a predetermined number of days and reserved for expected past-due balances. The sole source of funds to satisfy the related debt obligation was cash collections from the receivables.

The proceeds Duke Energy Ohio and Duke Energy Indiana received from the sale of receivables to CRC were approximately 75% cash and 25% in the form of a subordinated note from CRC. The subordinated note was a retained interest in the receivables sold. Depending on collection experience, additional equity infusions to CRC would be required by Duke Energy to maintain a minimum equity balance of $3 million.

CRC was considered a VIE because (i) equity capitalization was insufficient to support its operations, (ii) power to direct the activities that most significantly impact the economic performance of the entity was not held by the equity holder and (iii) deficiencies in net worth of CRC were funded by Duke Energy. The most significant activities that impacted the economic performance of CRC were decisions made to manage delinquent receivables. Duke Energy was considered the primary beneficiary and consolidated CRC as it made these decisions. Neither Duke Energy Ohio nor Duke Energy Indiana consolidated CRC.

In March 2024, Duke Energy repaid all outstanding CRC borrowings totaling $350 million and terminated the related CRC credit facility. Additionally, Duke Energy's related restricted receivables outstanding at CRC at the time of termination totaled $682 million, consisting of $316 million and $366 million of restricted receivables that were transferred back to Duke Energy Indiana and Duke Energy Ohio, respectively, to be collected and reported as Receivables on the Condensed Consolidated Balance Sheets.

Receivables Financing – Credit Facilities

The following table summarizes the amounts and expiration dates of the credit facilities and associated restricted receivables described above.

		Duke Energy		
(in millions)	CRC	Duke Energy Carolinas DERF	Duke Energy Progress DEPR	Duke Energy Florida DEFR
Expiration date	(a)	January 2025	April 2025	(b)
Credit facility amount	(a)	$ 500	$ 400	(b)
Amounts borrowed at March 31, 2024	**—**	**500**	**400**	**325**
Amounts borrowed at December 31, 2023	312	500	400	325
Restricted Receivables at March 31, 2024	**—**	**997**	**789**	**467**
Restricted Receivables at December 31, 2023	663	991	833	532

(a) In March 2024, Duke Energy repaid all outstanding CRC borrowings and terminated the related $350 million CRC credit facility.
(b) In April 2024, Duke Energy Florida repaid all outstanding DEFR borrowings and terminated the related $325 million DEFR credit facility.

Nuclear Asset-Recovery Bonds – Duke Energy Florida Project Finance

Duke Energy Florida Project Finance, LLC (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 Condensed Consolidated Balance Sheets.

(in millions)	March 31, 2024	December 31, 2023
Regulatory Assets: Current	**59**	59
Current Assets: Other	**9**	37
Other Noncurrent Assets: Regulatory assets	**790**	803
Current Liabilities: Other	**2**	8
Current maturities of long-term debt	**59**	59
Long-Term Debt	**800**	831

Storm Recovery Bonds – Duke Energy Carolinas NC Storm Funding and Duke Energy Progress NC Storm Funding

Duke Energy Carolinas NC Storm Funding, LLC (DECNCSF) and Duke Energy Progress NC Storm Funding, LLC (DEPNCSF) are bankruptcy remote, wholly owned special purpose subsidiaries of Duke Energy Carolinas and Duke Energy Progress, respectively. These entities were formed in 2021 for the sole purpose of issuing storm recovery bonds to finance certain of Duke Energy Carolinas' and Duke Energy Progress' unrecovered regulatory assets related to storm costs incurred in North Carolina.

In November 2021, DECNCSF and DEPNCSF issued $237 million and $770 million of senior secured bonds, respectively and used the proceeds to acquire storm recovery property from Duke Energy Carolinas and Duke Energy Progress. The storm recovery property was created by state legislation and NCUC financing orders for the purpose of financing storm costs incurred in 2018 and 2019. The storm recovery property acquired includes the right to impose, bill, collect and adjust a non-bypassable charge from all Duke Energy Carolinas' and Duke Energy Progress' North Carolina retail customers until the bonds are paid in full and all financing costs have been recovered. The storm recovery bonds are secured by the storm recovery property and cash collections from the storm recovery charges are the sole source of funds to satisfy the debt obligation. The bondholders have no recourse to Duke Energy Carolinas or Duke Energy Progress.

DECNCSF and DEPNCSF are considered VIEs primarily because the equity capitalization is insufficient to support their operations. Duke Energy Carolinas and Duke Energy Progress have the power to direct the significant activities of the VIEs as described above and therefore Duke Energy Carolinas and Duke Energy Progress are considered the primary beneficiaries and consolidate DECNCSF and DEPNCSF, respectively.

The following table summarizes the impact of these VIEs on Duke Energy Carolinas' and Duke Energy Progress' Consolidated Balance Sheets.

	March 31, 2024		December 31, 2023	
(in millions)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Carolinas	Duke Energy Progress
Regulatory Assets: Current	**$ 12**	**$ 39**	$ 12	$ 39
Current Assets: Other	**5**	**18**	9	31
Other Noncurrent Assets: Regulatory assets	**193**	**633**	196	643
Other Noncurrent Assets: Other	**1**	**4**	1	2
Current Liabilities: Other	**1**	**4**	10	34
Current maturities of long-term debt	**11**	**34**	3	8
Long-Term Debt	**203**	**663**	208	680

Storm Recovery Bonds – Duke Energy Progress SC Storm Funding

Duke Energy Progress SC Storm Funding, LLC (DEPSCSF) is a bankruptcy remote, wholly owned special purpose subsidiary of Duke Energy Progress. This entity was formed in 2023 for the sole purpose of issuing storm recovery bonds to finance certain of Duke Energy Progress' unrecovered regulatory assets related to storm costs incurred in South Carolina.

In April 2024, DEPSCSF issued $177 million of senior secured bonds and used the proceeds to acquire storm recovery property from Duke Energy Progress. The storm recovery property was created by state legislation and a PSCSC financing order for the purpose of financing storm costs incurred from 2014 through 2022. The storm recovery property acquired includes the right to impose, bill, collect and adjust a non-bypassable charge from all Duke Energy Progress' South Carolina retail customers until the bonds are paid in full and all financing costs have been recovered. The storm recovery bonds are secured by the storm recovery property and cash collections from the storm recovery charges are the sole source of funds to satisfy the debt obligation. The bondholders have no recourse to Duke Energy Progress.

DEPSCSF is considered a VIE primarily because the equity capitalization is insufficient to support their operations. Duke Energy Progress has the power to direct the significant activities of the VIE as described above and therefore Duke Energy Progress is considered the primary beneficiary and consolidates DEPSCSF.

Procurement Company – Duke Energy Florida

Duke Energy Florida Purchasing Company, LLC (DEF ProCo) is a wholly owned special purpose subsidiary of Duke Energy Florida. DEF ProCo was formed in 2023 as the primary procurer of equipment, materials and supplies for Duke Energy Florida. DEF ProCo interacts with third-party suppliers on Duke Energy Florida's behalf with credit and risk support provided by Duke Energy Florida. DEF ProCo is a qualified reseller under Florida tax law and conveys acquired assets to Duke Energy Florida through leases on each acquired asset.

This entity is considered a VIE primarily because the equity capitalization is insufficient to support their operations. Duke Energy Florida has the power to direct the significant activities of this VIE as described above and therefore Duke Energy Florida is considered the primary beneficiary and consolidates the procurement company.

The following table summarizes the impact of this VIE on Duke Energy Florida's Consolidated Balance Sheets.

(in millions)	March 31, 2024	December 31, 2023
Inventory	**$ 470**	**$ 462**
Accounts Payable	**179**	**188**

NON-CONSOLIDATED VIEs

The following tables summarize the impact of non-consolidated VIEs on the Condensed Consolidated Balance Sheets.

	March 31, 2024		
(in millions)	**Duke Energy Natural Gas Investments**	**Duke Energy Ohio**	**Duke Energy Indiana**
Receivables from affiliated companies	**$ —**	**$ —**	**$ —**
Investments in equity method unconsolidated affiliates	**63**	**—**	**—**
Other noncurrent assets	**30**	**—**	**—**
Total assets	**$ 93**	**$ —**	**$ —**
Other current liabilities	**1**	**—**	**—**
Other noncurrent liabilities	**6**	**—**	**—**
Total liabilities	**$ 7**	**$ —**	**$ —**
Net assets	**$ 86**	**$ —**	**$ —**

	December 31, 2023		
(in millions)	**Duke Energy Natural Gas Investments**	**Duke Energy Ohio**	**Duke Energy Indiana**
Receivables from affiliated companies	$ —	$ 150	$ 208
Investments in equity method unconsolidated affiliates	67	—	—
Other noncurrent assets	43	—	—
Total assets	$ 110	$ 150	$ 208
Other current liabilities	4	—	—
Other noncurrent liabilities	5	—	—
Total liabilities	$ 9	$ —	$ —
Net assets	$ 101	$ 150	$ 208

The Duke Energy Registrants are not aware of any situations where the maximum exposure to loss significantly exceeds the carrying values shown above.

Natural Gas Investments

Duke Energy has investments in various joint ventures including pipeline and renewable natural gas 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.

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 as of December 31, 2023. The subordinated notes held by Duke Energy Ohio and Duke Energy Indiana are stated at fair value as of December 31, 2023.

The following table shows the gross and net receivables sold.

	Duke Energy Ohio		Duke Energy Indiana	
(in millions)	**March 31, 2024**	**December 31, 2023**	**March 31, 2024**	**December 31, 2023**
Receivables sold	**$ —**	$ 361	**$ —**	$ 351
Less: Retained interests	**—**	150	**—**	208
Net receivables sold	**$ —**	$ 211	**$ —**	$ 143

The following table shows sales and cash flows related to receivables sold and reflects CRC activity prior to its termination in March 2024.

	Duke Energy Ohio		Duke Energy Indiana	
	Three Months Ended March 31,		Three Months Ended March 31,	
(in millions)	2024	2023	2024	2023
Sales				
Receivables sold	**$ 474**	$ 725	**$ 473**	$ 942
Loss recognized on sale	**7**	9	**6**	10
Cash flows				
Cash proceeds from receivables sold	**$ 478**	$ 750	**$ 523**	$ 1,028
Return received on retained interests	**4**	6	**4**	8

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 Condensed Consolidated Statements of Cash Flows.

13. REVENUE

Duke Energy earns substantially all of its revenues through its reportable segments, EU&I and GU&I.

Electric Utilities and Infrastructure

EU&I 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.

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						
(in millions)	2024	2025	2026	2027	2028	Thereafter	Total
Progress Energy	**$ 52**	$ 30	$ 7	$ 7	$ 7	$ 29	$ 132
Duke Energy Progress	**6**	—	—	—	—	—	6
Duke Energy Florida	**46**	30	7	7	7	29	126
Duke Energy Indiana	**12**	17	17	15	5	—	66

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

GU&I 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.

Fixed-capacity payments under long-term contracts for the GU&I 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:

	Remaining Performance Obligations						
(in millions)	2024	2025	2026	2027	2028	Thereafter	Total
Piedmont	**$ 49**	$ 61	$ 51	$ 49	$ 46	$ 195	$ 451

Other

The remainder of Duke Energy's operations is presented as Other, which does not include material revenues from contracts with customers.

Disaggregated Revenues

Disaggregated revenues are presented as follows:

	Three Months Ended March 31, 2024							
(in millions) By market or type of customer	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electric Utilities and Infrastructure								
Residential	$ 3,115	$ 1,058	$ 1,517	$ 742	$ 775	$ 253	$ 287	$ —
General	1,934	717	866	422	444	152	201	—
Industrial	822	340	266	177	89	32	183	—
Wholesale	554	138	355	326	29	14	48	—
Other revenues	253	99	149	78	71	22	34	—
Total Electric Utilities and Infrastructure revenue from contracts with customers	$ 6,678	$ 2,352	$ 3,153	$ 1,745	$ 1,408	$ 473	$ 753	$ —
Gas Utilities and Infrastructure								
Residential	$ 520	$ —	$ —	$ —	$ —	$ 147	$ —	$ 373
Commercial	240	—	—	—	—	57	—	183
Industrial	47	—	—	—	—	11	—	38
Power Generation	—	—	—	—	—	—	—	8
Other revenues	40	—	—	—	—	5	—	35
Total Gas Utilities and Infrastructure revenue from contracts with customers	$ 847	$ —	$ —	$ —	$ —	$ 220	$ —	$ 637
Other								
Revenue from contracts with customers	$ 7	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total revenue from contracts with customers	$ 7,532	$ 2,352	$ 3,153	$ 1,745	$ 1,408	$ 693	$ 753	$ 637
Other revenue sources[a]	$ 139	$ 55	$ 75	$ 43	$ 28	$ (15)	$ 6	$ 39
Total revenues	$ 7,671	$ 2,407	$ 3,228	$ 1,788	$ 1,436	$ 678	$ 759	$ 676

(in millions) By market or type of customer	Three Months Ended March 31, 2023							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electric Utilities and Infrastructure								
Residential	$ 2,851	$ 824	$ 1,421	$ 607	$ 814	$ 234	$ 372	$ —
General	1,831	588	841	358	483	135	270	—
Industrial	891	296	272	177	95	71	251	—
Wholesale	550	135	348	319	29	9	58	—
Other revenues	144	78	121	68	53	27	15	—
Total Electric Utilities and Infrastructure revenue from contracts with customers	$ 6,267	$ 1,921	$ 3,003	$ 1,529	$ 1,474	$ 476	$ 966	$ —
Gas Utilities and Infrastructure								
Residential	$ 507	$ —	$ —	$ —	$ —	$ 162	$ —	$ 345
Commercial	233	—	—	—	—	58	—	175
Industrial	47	—	—	—	—	9	—	37
Power Generation	—	—	—	—	—	—	—	23
Other revenues	40	—	—	—	—	6	—	19
Total Gas Utilities and Infrastructure revenue from contracts with customers	$ 827	$ —	$ —	$ —	$ —	$ 235	$ —	$ 599
Other								
Revenue from contracts with customers	$ 7	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total revenue from contracts with customers	$ 7,101	$ 1,921	$ 3,003	$ 1,529	$ 1,474	$ 711	$ 966	$ 599
Other revenue sources[a]	$ 175	$ 13	$ 45	$ 4	$ 36	$ (2)	$ 9	$ 76
Total revenues	$ 7,276	$ 1,934	$ 3,048	$ 1,533	$ 1,510	$ 709	$ 975	$ 675

(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.

The following table presents the reserve for credit losses for trade and other receivables.

(in millions)	Three Months Ended March 31, 2023 and 2024							
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Balance at December 31, 2022	$ 216	$ 68	$ 81	$ 44	$ 36	$ 6	$ 4	$ 14
Write-Offs	(42)	(20)	(22)	(9)	(12)	—	—	(1)
Credit Loss Expense	16	7	6	1	5	1	—	1
Other Adjustments	24	15	10	9	1	—	—	—
Balance at March 31, 2023	$ 214	$ 70	$ 75	$ 45	$ 30	$ 7	$ 4	$ 14
Balance at December 31, 2023	$ 205	$ 56	$ 74	$ 44	$ 31	$ 9	$ 5	$ 11
Write-Offs	**(32)**	**(12)**	**(16)**	**(7)**	**(9)**	**—**	**—**	**(1)**
Credit Loss Expense	**10**	**7**	**9**	**4**	**5**	**1**	**2**	**2**
Other Adjustments	**21**	**11**	**6**	**6**	**—**	**31**	**9**	**—**
Balance at March 31, 2024	**$ 204**	**$ 62**	**$ 73**	**$ 47**	**$ 27**	**$ 41**	**$ 16**	**$ 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, 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.

The aging of trade receivables is presented in the table below.

	March 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unbilled Revenue[a][b]	$ 1,066	$ 361	$ 361	$ 250	$ 111	$ 113	$ 174	$ 57
Current	2,301	706	967	586	380	215	192	208
1-31 days past due	265	82	85	50	35	33	39	25
31-61 days past due	95	33	33	24	9	15	7	7
61-91 days past due	46	18	11	8	3	7	3	7
91+ days past due	215	64	57	21	36	67	23	4
Deferred Payment Arrangements[c]	115	40	39	29	10	28	7	1
Trade and Other Receivables	$ 4,103	$ 1,304	$ 1,553	$ 968	$ 584	$ 478	$ 445	$ 309

	December 31, 2023							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unbilled Revenue[a][d]	$ 1,273	$ 399	$ 401	$ 280	$ 121	$ 4	$ 22	$ 108
Current	2,306	680	1,009	612	395	48	87	199
1-31 days past due	275	97	91	41	50	12	14	9
31-61 days past due	78	20	34	23	11	3	7	2
61-91 days past due	47	15	17	10	7	2	4	1
91+ days past due	253	67	69	24	45	46	27	3
Deferred Payment Arrangements[c]	104	34	43	26	17	6	—	—
Trade and Other Receivables	$ 4,336	$ 1,312	$ 1,664	$ 1,016	$ 646	$ 121	$ 161	$ 322

(a) Unbilled revenues are recognized by applying customer billing rates to the estimated volumes of energy or natural gas delivered but not yet billed and are included within Receivables and Receivables of VIEs on the Condensed Consolidated Balance Sheets.

(b) In March 2024, Duke Energy repaid all outstanding CRC borrowings and terminated the related CRC credit facility. Duke Energy's related restricted receivables outstanding at CRC at the time of termination totaled $682 million, consisting of $316 million and $366 million of restricted receivables that were transferred back to Duke Energy Indiana and Duke Energy Ohio, respectively, to be collected and reported as Receivables on the Condensed Consolidated Balance Sheets. See Note 12 for further information.

(c) Due to ongoing financial hardships impacting customers, Duke Energy has permitted customers to defer payment of past-due amounts through installment payment plans.

(d) Duke Energy Ohio and Duke Energy Indiana sold, on a revolving basis, nearly all of their retail accounts receivable, including receivables for unbilled revenues, to an affiliate, CRC, and accounted for the transfers of receivables as sales. Accordingly, the receivables sold were not reflected on the Condensed Consolidated Balance Sheets of Duke Energy Ohio and Duke Energy Indiana. These receivables for unbilled revenues are $141 million and $197 million for Duke Energy Ohio and Duke Energy Indiana, respectively, as of December 31, 2023.

14. 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 or convertible debt, were exercised or settled. Duke Energy applies the if-converted method for calculating any potential dilutive effect of the conversion of the outstanding convertible notes on diluted EPS, if applicable. Duke Energy's participating securities are restricted stock units that are entitled to dividends declared on Duke Energy common stock during the restricted stock unit's vesting periods. Dividends declared on preferred stock are recorded on the Condensed 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.

	Three Months Ended March 31,	
(in millions, except per share amounts)	**2024**	**2023**
Net Income available to Duke Energy common stockholders	**$ 1,099**	$ 765
Less: Loss from discontinued operations attributable to Duke Energy common stockholders	**(3)**	(145)
Accumulated preferred stock dividends adjustment	**12**	12
Less: Impact of participating securities	**2**	1
Income from continuing operations available to Duke Energy common stockholders	**$ 1,112**	$ 921
Loss from discontinued operations, net of tax	**$ (3)**	$ (209)
Add: Loss attributable to NCI	**—**	64
Loss from discontinued operations attributable to Duke Energy common stockholders	**$ (3)**	$ (145)
Weighted average common shares outstanding – basic and diluted	**771**	770
EPS from continuing operations available to Duke Energy common stockholders		
Basic and diluted[a]	**$ 1.44**	$ 1.20
Loss Per Share from discontinued operations attributable to Duke Energy common stockholders		
Basic and diluted[a]	**$ —**	$ (0.19)
Potentially dilutive items excluded from the calculation[b]	**2**	2
Dividends declared per common share	**$ 1.025**	$ 1.005
Dividends declared on Series A preferred stock per depositary share[c]	**$ 0.359**	$ 0.359
Dividends declared on Series B preferred stock per share[d]	**$ 24.375**	$ 24.375

(a) For the periods presented subsequent to issuance in April 2023, the convertible notes were excluded from the calculations of diluted EPS because the effect was antidilutive.
(b) Performance stock awards were not included in the dilutive securities calculation because the performance measures related to the awards had not been met.
(c) 5.75% Series A Cumulative Redeemable Perpetual Preferred Stock dividends are payable quarterly in arrears on the 16th day of March, June, September and December. The preferred stock has a $25 liquidation preference per depositary share.
(d) 4.875% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock dividends are payable semiannually in arrears on the 16th day of March and September. The preferred stock has a $1,000 liquidation preference per share.

Common Stock

In November 2022, 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 an at-the-market (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 2025.

In March 2024, Duke Energy marketed its first tranche, issuing 0.8 million shares of common stock through an equity forward transaction under the ATM program with an initial forward price of $92.77 per share. The equity forward requires Duke Energy to either physically settle the transaction by issuing shares in exchange for net proceeds at the then-applicable forward sale price specified by the agreements or net settle in whole or in part through the delivery or receipt of cash or shares. The settlement alternative is at Duke Energy's election. No amounts have or will be recorded in Duke Energy's Condensed Consolidated Financial Statements with respect to the ATM offering until settlement of the equity forward occurs, which is expected during or prior to December 2024. The initial forward sale price will be subject to adjustment on a daily basis based on a floating interest rate factor and will decrease by other fixed amounts specified in the relevant forward sale agreement. Until settlement of the equity forward, earnings per share dilution resulting from the agreement, if any, will be determined under the treasury stock method.

15. EMPLOYEE BENEFIT PLANS

DEFINED BENEFIT RETIREMENT PLANS

Duke Energy and certain subsidiaries maintain, and the Subsidiary Registrants participate in, qualified and non-qualified, non-contributory defined benefit retirement plans. 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.

QUALIFIED PENSION PLANS

The following tables include the components of net periodic pension costs for qualified pension plans.

	Three Months Ended March 31, 2024								
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Service cost	$ 28	$ 9	$ 8	$ 5	$ 3	$ 1	$ 2	$ 1
Interest cost on projected benefit obligation	82	20	26	12	14	4	6	2
Expected return on plan assets	(154)	(41)	(54)	(25)	(29)	(6)	(10)	(5)
Amortization of actuarial loss	8	2	2	1	1	—	1	1
Amortization of prior service credit	(3)	—	—	—	—	—	—	(2)
Amortization of settlement charges	5	2	1	1	—	—	—	1
Net periodic pension costs	$ (34)	$ (8)	$ (17)	$ (6)	$ (11)	$ (1)	$ (1)	$ (2)

	Three Months Ended March 31, 2023							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Service cost	$ 30	$ 10	$ 9	$ 5	$ 3	$ 1	$ 1	$ 1
Interest cost on projected benefit obligation	86	21	27	12	14	4	7	2
Expected return on plan assets	(147)	(40)	(50)	(23)	(26)	(6)	(10)	(5)
Amortization of actuarial loss	2	—	1	—	1	—	1	—
Amortization of prior service credit	(3)	—	—	—	—	—	—	(2)
Amortization of settlement charges	5	2	1	1	—	—	—	1
Net periodic pension costs	$ (27)	$ (7)	$ (12)	$ (5)	$ (8)	$ (1)	$ (1)	$ (3)

NON-QUALIFIED PENSION PLANS

Net periodic pension costs for non-qualified pension plans were not material for the three months ended March 31, 2024, and 2023.

OTHER POST-RETIREMENT BENEFIT PLANS

Net periodic costs for OPEB plans were not material for the three months ended March 31, 2024, and 2023.

16. INCOME TAXES

On August 16, 2022, the IRA was signed into law. Among other provisions, the IRA created a new, zero-emission nuclear power PTC available for taxpayers beginning January 1, 2024. In the first quarter of 2024, Duke Energy Carolinas and Duke Energy Progress recorded a PTC deferred tax asset of approximately $107 million and $14 million, respectively. These amounts represent the net realizable value of the PTCs, which were deferred to a regulatory liability. The Subsidiary Registrants will work with the state utility commissions on the best regulatory process to pass the net realizable value back to customers over time. See Note 4 for additional information on Duke Energy Carolinas' approval for a stand-alone rider starting January 1, 2025. The Company will continue to assess its calculations and interpretations as new information and guidance becomes available.

EFFECTIVE TAX RATES

The ETRs from continuing operations for each of the Duke Energy Registrants are included in the following table.

	Three Months Ended March 31,	
	2024	2023
Duke Energy	**13.4 %**	13.8 %
Duke Energy Carolinas	**11.5 %**	11.4 %
Progress Energy	**16.5 %**	16.7 %
Duke Energy Progress	**15.0 %**	14.6 %
Duke Energy Florida	**19.4 %**	19.9 %
Duke Energy Ohio	**16.8 %**	16.7 %
Duke Energy Indiana	**17.3 %**	17.2 %
Piedmont	**19.6 %**	17.7 %

The increase in the ETR for Piedmont for the three months ended March 31, 2024, was primarily due to a decrease in the amortization of EDIT.

17. SUBSEQUENT EVENTS

For information on subsequent events related to regulatory matters, commitments and contingencies, debt and credit facilities, derivatives, and variable interest entities see Notes 4, 5, 6, 9, and 12, respectively.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following combined Management's Discussion and Analysis of Financial Condition and Results of Operations is separately filed by Duke Energy and Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont. 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.

DUKE ENERGY

Duke Energy is an energy company headquartered in Charlotte, North Carolina. Duke Energy operates in the U.S. primarily through its 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.

Management's Discussion and Analysis should be read in conjunction with the Condensed Consolidated Financial Statements and Notes for the three months ended March 31, 2024, and with Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023.

Executive Overview

Advancing Our Clean Energy Transition. During the three months ended March 31, 2024, we continued to execute on our clean energy transition, remaining focused on reliability and affordability while delivering increasingly clean energy and providing strong, sustainable value for shareholders, customers, communities and employees.

- In January 2024, we filed supplemental modeling and analysis with the NCUC and PSCSC related to our combined systemwide Carolinas Resource Plan filed in August 2023. These updates were necessary due to substantially increased load forecasts resulting from continued economic development successes in the Carolinas occurring since the systemwide integrated resource plan was prepared. In March 2024, we filed for CPCNs for new generation facilities at the sites of the current Marshall Steam Station and Roxboro Plant in the Carolinas. Our energy transition strategy continues to focus on delivering a path to cleaner energy in a manner that protects grid reliability and affordability, all while meeting the energy demands of the growing and economically vibrant communities that we serve.
- As we continue to strengthen our grid and bring clean energy resources online, our customers are important partners in our clean energy future. In January 2024, we received approval for PowerPair℠, a new incentive-based pilot program for installing home solar generation with battery energy storage in our Duke Energy Carolinas and Duke Energy Progress North Carolina service territories. Enrollment options for residential customers that participate in the pilot include a one-time incentive of up to $9,000 for the installation of a solar plus battery system.

Regulatory Activity. During the three months ended March 31, 2024, we continued to move our regulatory strategy forward. See Note 4 to the Condensed Consolidated Financial Statements, "Regulatory Matters," for additional information.

- In April 2024, we filed formal requests for new base rates across several jurisdictions including Duke Energy Florida, Duke Energy Indiana and Piedmont.
    - Duke Energy Florida filed a three-year rate plan that would begin in January 2025, once its current base rate settlement agreement concludes at the end of 2024, and proposed approximately $4.9 billion in investments to reduce outages, expand solar generation, and increase generation unit efficiency. The overall additional base rate revenue requirement would be $820 million over the three-year period and, if approved by the FPSC, will facilitate improved grid reliability for a growing customer base, reduced fuel consumption at existing power plants, and the construction of 14 new solar plants, providing 1,050 MW of clean energy to Florida's grid.
    - Duke Energy Indiana filed a general rate case with the IURC requesting an overall increase in revenues of $492 million. This is the first base rate case filed by Duke Energy Indiana since 2019 and reflects strategic investments to improve grid reliability and security, serve a growing customer base, and meet environmental regulations. These investments, which include approximately 345 miles of new power lines expected to be constructed through 2025, will support the more than 60,000 new customers anticipated since our last base rate case.
    - Piedmont filed a general rate case with the NCUC requesting an overall increase in revenues of $159 million. This is the first base rate case filed by Piedmont in North Carolina since 2021 and reflects significant investments to support ongoing service reliability, system growth, and compliance with federal pipeline safety regulations in addition to two energy reliability centers in eastern North Carolina.
- Also, in April 2024, Duke Energy Progress issued $177 million of storm recovery bonds, our first issuance under South Carolina's 2022 securitization legislation, which provided the necessary framework for us to lower the bill impacts on our customers related to critical storm restoration activities.
- In January 2024, Duke Energy Carolinas filed a South Carolina rate case requesting an overall increase in revenues of approximately $323 million, prior to proposed mitigation efforts including the acceleration of the return of certain EDIT balances. This is the first base rate case filed by Duke Energy Carolinas in the state since 2018 and reflects the South Carolina retail allocation of significant investments, including approximately $1.5 billion of transmission and distribution assets and certain coal ash related compliance costs.

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

Future spending of coal ash costs, including amounts recorded for depreciation and liability accretion, is expected to be recovered in future rate cases or rider filings. The majority of spend is expected to occur over the next 10 years.

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 established methods of compliance. Interpretation of the requirements of the CCR Rule is subject to further legal challenges and regulatory approvals, which could result in additional coal ash basin closure requirements, higher costs of compliance and greater asset retirement obligations. 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. For more information, see "Other Matters" and Note 4 to the Condensed Consolidated Financial Statements, "Regulatory Matters."

Fuel Cost Recovery

As a result of rapidly rising commodity costs during 2022, including natural gas, fuel and purchased power prices in excess of amounts included in fuel-related revenues led to an increase in the under collection of fuel costs from customers in jurisdictions including Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida. These amounts have been deferred in regulatory assets and impacted the cash flows of the registrants, including increased borrowings to temporarily finance related expenditures until recovery. Regulatory filings have been made and approved for recovery of all remaining uncollected 2022 fuel costs. Across all jurisdictions, Duke Energy is currently on pace to recover approximately $1.9 billion of deferred fuel costs in 2024.We anticipate being in line with our historical average balance of deferred fuel costs by the end of this year.

Environmental Regulations

In April 2024, the EPA issued a final rule under the Resource Conservation and Recovery Act, which significantly expands the scope of the CCR Rule by establishing regulatory requirements for inactive surface impoundments at retired generating facilities and previously unregulated coal ash sources at regulated facilities. The EPA also issued a final rule under section 111 of the Clean Air Act regulating GHG emissions from existing coal-fired and new natural gas-fired power plants. Duke Energy is reviewing these final rules and analyzing the potential impacts they could have on the Company, which could be material. 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. Duke Energy is evaluating potential legal challenges to the final rules. For more information, see "Other Matters."

Supply Chain

The Company continues to monitor the ongoing stability of markets for key materials and other developments, including public policy outcomes, that could disrupt or impact the Company's supply chain and, as a result, may impact Duke Energy's execution of its capital plan, future financial results or the achievement of its clean energy goals.

Goodwill

The Duke Energy Registrants performed their annual goodwill impairment tests as of August 31, 2023. As of this date, all of the Duke Energy Registrants' reporting units' estimated fair values materially exceeded the carrying values except for the GU&I reporting unit of Duke Energy Ohio. While no goodwill impairment charges were recorded in 2023, the potential for continued interest rate pressures, and the related impact on the weighted average cost of capital, without timely or adequate updates to the regulated allowed return on equity or deteriorating economic conditions impacting GU&I's future cash flows or equity valuations of peer companies could impact the estimated fair value of GU&I, and goodwill impairment charges could be recorded in the future.

Other

Duke Energy continues to monitor general market conditions, including the potential for continued interest rate pressures on the Company's cost of capital, which may impact Duke Energy's execution of its capital plan, future financial results, or the achievement of its clean energy goals.

Results of Operations

Non-GAAP Measures

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, adjusted earnings and adjusted EPS, discussed below. Non-GAAP financial measures are numerical measures 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. 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 presented may not be comparable to similarly titled measures used by other companies because other companies may not calculate the measures in the same manner.

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings and adjusted EPS. Adjusted earnings and adjusted EPS represent income from continuing operations available to Duke Energy Corporation common stockholders in dollar and per share amounts, adjusted for the dollar and 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. The most directly comparable GAAP measures for adjusted earnings and adjusted EPS are GAAP Reported Earnings (Loss) and GAAP Reported Earnings (Loss) Per Share, respectively.

Discontinued operations primarily represents the operating results and impairments recognized related to the sale of the Commercial Renewables business disposal group.

Three Months Ended March 31, 2024, as compared to March 31, 2023

GAAP reported EPS was $1.44 for the first quarter of 2024 compared to $1.01 in the first quarter of 2023. In addition to the drivers below, GAAP reported EPS increased primarily due to impairments on the sale of the Commercial Renewables business in the prior year.

As discussed above, management also evaluates financial performance based on adjusted EPS. Duke Energy's first quarter 2024 adjusted EPS was $1.44 compared to $1.20 for the first quarter of 2023. The increase in adjusted EPS was primarily due to improved weather and favorable rate case impacts along with growth from riders and other margin, partially offset by higher interest expense.

The following table reconciles non-GAAP measures, including adjusted EPS, to their most directly comparable GAAP measures.

	Three Months Ended March 31,			
	2024		2023	
(in millions, except per share amounts)	**Earnings**	**EPS**	**Earnings**	**EPS**
GAAP Reported Earnings/GAAP Reported EPS	**$ 1,099**	**$ 1.44**	$ 765	$ 1.01
Adjustments:				
Discontinued Operations[(a)]	**3**	**—**	145	0.19
Adjusted Earnings/Adjusted EPS	**$ 1,102**	**$ 1.44**	$ 910	$ 1.20

(a) Recorded in Loss from Discontinued Operations, net of tax, and Net (Income) Loss Attributable to Noncontrolling Interests.

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 Condensed Consolidated Financial Statements.

Duke Energy's segment structure includes the following segments: EU&I and GU&I. The remainder of Duke Energy's operations is presented as Other. See Note 3 to the Condensed Consolidated Financial Statements, "Business Segments," for additional information on Duke Energy's segment structure.

Electric Utilities and Infrastructure

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Operating Revenues	**$ 6,803**	$ 6,398	$ 405
Operating Expenses			
Fuel used in electric generation and purchased power	**2,355**	2,396	(41)
Operation, maintenance and other	**1,316**	1,269	47
Depreciation and amortization	**1,225**	1,096	129
Property and other taxes	**337**	348	(11)
Impairment of assets and other charges	**1**	7	(6)
Total operating expenses	**5,234**	5,116	118
Gains on Sales of Other Assets and Other, net	**6**	1	5
Operating Income	**1,575**	1,283	292
Other Income and Expenses, net	**131**	130	1
Interest Expense	**499**	452	47
Income Before Income Taxes	**1,207**	961	246
Income Tax Expense	**173**	149	24
Less: Income Attributable to Noncontrolling Interest	**13**	21	(8)
Segment Income	**$ 1,021**	$ 791	$ 230
Duke Energy Carolinas GWh sales	**22,388**	20,919	1,469
Duke Energy Progress GWh sales	**16,128**	15,345	783
Duke Energy Florida GWh sales	**8,839**	8,990	(151)
Duke Energy Ohio GWh sales	**5,780**	5,642	138
Duke Energy Indiana GWh sales	**7,475**	7,350	125
Total Electric Utilities and Infrastructure GWh sales	**60,610**	58,246	2,364
Net proportional MW capacity in operation	**54,504**	54,314	190

The residential decoupling mechanism adjusts for variations in residential use per customer, including those due to weather and conservation, and is calculated based on an annual target revenue-per-customer.

Three Months Ended March 31, 2024, as compared to March 31, 2023

EU&I's results were driven by higher revenues from rate cases across multiple jurisdictions, improved weather, and higher weather-normal retail sales volumes, partially offset by higher depreciation related to additional plant in service. The following is a detailed discussion of the variance drivers by line item.

Operating Revenues. The variance was driven primarily by:

- a $149 million increase in retail sales due to improved weather compared to prior year, including impacts of decoupling;
- a $147 million increase due to higher pricing from jurisdictional rate cases primarily at Duke Energy Carolinas, Duke Energy Progress and Duke Energy Kentucky;
- a $40 million increase in weather-normal retail sales volumes;
- a $39 million increase in rider revenues primarily due to a decrease in the return of EDIT to customers at Duke Energy Carolinas; and
- a $36 million increase in storm revenues at Duke Energy Florida due to Hurricane Idalia collections.

Partially offset by:

- a $49 million decrease in fuel revenues primarily due to net lower fuel cost recovery in the current year.

Operating Expenses. The variance was driven primarily by:

- a $129 million increase in depreciation and amortization primarily due to lower amortization of the DOE settlement regulatory liability and higher depreciable base at Duke Energy Florida, and higher depreciable base and higher net amortizations driven by the North Carolina rate cases at Duke Energy Carolinas and Duke Energy Progress; and
- a $47 million increase in operation, maintenance and other primarily driven by higher storm amortization at Duke Energy Florida, higher storm and nuclear outage costs at Duke Energy Progress, and higher storm costs at Duke Energy Carolinas.

Partially offset by:

- a $41 million decrease in fuel used in electric generation and purchased power due to lower deferred fuel amortization and lower fuel prices and volumes at Duke Energy Indiana, Duke Energy Florida and Duke Energy Ohio, partially offset by change in generation mix and higher recovery of fuel expense at Duke Energy Carolinas and Duke Energy Progress; and
- an $11 million decrease in property and other taxes primarily due to lower franchise and gross receipts tax, driven by lower revenues and lower property taxes at Duke Energy Florida.

Interest Expense. The variance was primarily driven by higher outstanding debt balances and interest rates.

Income Tax Expense. The increase in tax expense was primarily due to an increase in pretax income, partially offset by an increase in the amortization of EDIT. The ETRs for the three months ended March 31, 2024, and 2023, were 14.3% and 15.5%, respectively. The decrease in the ETR was primarily due to an increase in the amortization of EDIT.

Gas Utilities and Infrastructure

(in millions)	Three Months Ended March 31, 2024	2023	Variance
Operating Revenues	**$ 902**	$ 911	$ (9)
Operating Expenses			
Cost of natural gas	**232**	298	(66)
Operation, maintenance and other	**129**	119	10
Depreciation and amortization	**98**	85	13
Property and other taxes	**46**	31	15
Impairment of assets and other charges	**—**	1	(1)
Total operating expenses	**505**	534	(29)
Operating Income	**397**	377	20
Other Income and Expenses, net	**17**	23	(6)
Interest Expense	**61**	50	11
Income Before Income Taxes	**353**	350	3
Income Tax Expense	**69**	63	6
Segment Income	**$ 284**	$ 287	$ (3)
Piedmont LDC throughput (dekatherms)	**163,265,015**	161,463,793	1,801,222
Duke Energy Midwest LDC throughput (Mcf)	**33,197,651**	31,814,967	1,382,684

Three Months Ended March 31, 2024, as compared to March 31, 2023

GU&I's results were impacted primarily by margin growth, partially offset by higher interest expense and operation, maintenance and other expense. The following is a detailed discussion of the variance drivers by line item.

Operating Revenues. The variance was driven primarily by:

- a $66 million decrease due to lower natural gas costs passed through to customers, lower rates, and decreased off-system sales natural gas costs.

Partially offset by:

- a $21 million increase due to higher base rates, primarily from the Duke Energy Ohio rate case, partially offset by lower rider revenues at Duke Energy Ohio;
- a $16 million increase due to Tennessee ARM revenues;
- a $9 million increase due to customer growth; and
- an $8 million increase due to North Carolina IMR.

Operating Expenses. The variance was driven primarily by:

- a $66 million decrease in cost of natural gas due to lower natural gas costs passed through to customers, lower rates, and decreased off-system sales natural gas costs.

Partially offset by:

- a $15 million increase in property and other taxes due to property tax true ups in the prior year and higher property tax in current year;
- a $13 million increase in depreciation and amortization due to higher depreciable base, lower CEP deferrals, an increase in rider amortization and higher depreciation for Foothills and Upper Piedmont projects; and
- a $10 million increase in operations, maintenance and other primarily due to higher outside services, labor and service company costs.

Other Income and Expenses, Net. The decrease was primarily due to lower production at SustainRNG.

Interest Expense. The increase was primarily due to higher outstanding debt balances and interest rates.

Income Tax Expense. The increase in tax expense was primarily due to a decrease in the amortization of EDIT and an increase in pretax income. The ETRs for the three months ended March 31, 2024, and 2023, were 19.5% and 18.0%, respectively. The increase in the ETR was primarily due to a decrease in the amortization of EDIT.

Other

(in millions)	Three Months Ended March 31, 2024	2023	Variance
Operating Revenues	**$ 38**	$ 31	$ 7
Operating Expenses	**56**	29	27
Gains on Sales of Other Assets and Other, net	**5**	6	(1)
Operating (Loss) Income	**(13)**	8	(21)
Other Income and Expenses, net	**79**	62	17
Interest Expense	**294**	256	38
Loss Before Income Taxes	**(228)**	(186)	(42)
Income Tax Benefit	**(64)**	(57)	(7)
Less: Preferred Dividends	**39**	39	—
Net Loss	**$ (203)**	$ (168)	$ (35)

Three Months Ended March 31, 2024, as compared to March 31, 2023

Other's results were impacted by higher interest expense driven by higher outstanding long-term debt.

Operating Expenses. The increase was primarily driven by obligations to the Duke Energy Foundation and lower loss experience related to captive insurance claims in the prior year.

Other Income and Expenses, net. The increase was primarily due to higher yields on captive insurance investments and higher return on investments that fund certain employee benefit obligations.

Interest Expense. The increase was primarily due to higher outstanding long-term debt balances and interest rates.

Income Tax Benefit. The increase in the tax benefit was primarily due to higher pretax losses. The ETRs for the three months ended March 31, 2024, and 2023, were 28.1% and 30.6%, respectively. The decrease in the ETR was primarily due to tax levelization, partially offset by non-deductible interest on company owned life insurance in the prior year.

LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX

(in millions)	Three Months Ended March 31, 2024	2023	Variance
Loss From Discontinued Operations, net of tax	**$ (3)**	$ (209)	$ 206

Three Months Ended March 31, 2024, as compared to March 31, 2023

The variance was primarily driven by the impairment on the sale of the Commercial Renewables business recorded in the prior year.

DUKE ENERGY CAROLINAS

Results of Operations

(in millions)	Three Months Ended March 31, 2024	2023	Variance
Operating Revenues	**$ 2,407**	$ 1,934	$ 473
Operating Expenses			
Fuel used in electric generation and purchased power	**860**	623	237
Operation, maintenance and other	**451**	440	11
Depreciation and amortization	**397**	366	31
Property and other taxes	**94**	95	(1)
Impairment of assets and other charges	**1**	2	(1)
Total operating expenses	**1,803**	1,526	277
Gains on Sales of Other Assets and Other, net	**1**	—	1
Operating Income	**605**	408	197
Other Income and Expenses, net	**61**	59	2
Interest Expense	**180**	160	20
Income Before Income Taxes	**486**	307	179
Income Tax Expense	**56**	35	21
Net Income	**$ 430**	$ 272	$ 158

The following table shows the percent changes in GWh sales and average number of customers. The 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	2024
Residential sales	**6.9 %**
General service sales	**4.8 %**
Industrial sales	**(0.5)%**
Wholesale power sales	**19.1 %**
Joint dispatch sales	**(0.3)%**
Total sales	**7.0 %**
Average number of customers	**2.1 %**

Three Months Ended March 31, 2024, as compared to March 31, 2023

Operating Revenues. The variance was driven primarily by:

- a $238 million increase in fuel revenues due to higher fuel rates and volumes;
- a $91 million increase in retail pricing due to rates from the North Carolina retail rate case;
- an $80 million increase in retail sales due to improved weather compared to prior year, including the impacts of decoupling;
- a $31 million increase in rider revenues primarily due to the decrease in the return of EDIT to customers compared to the prior year; and
- a $21 million increase in weather-normal retail sales volumes.

Operating Expenses. The variance was driven primarily by:

- a $237 million increase in fuel used in electric generation and purchased power primarily due to changes in the generation mix, the recovery of fuel expense and higher JDA purchased volumes and prices;
- a $31 million increase in depreciation and amortization primarily due to a higher depreciable base, and higher net amortizations driven by the North Carolina rate case; and
- an $11 million increase in operation, maintenance and other primarily due to higher storm costs.

Interest Expense. The increase was primarily due to higher outstanding debt balances and interest rates.

Income Tax Expense. The increase in tax expense was primarily due to an increase in pretax income, partially offset by an increase in the amortization of EDIT.

PROGRESS ENERGY

Results of Operations

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Operating Revenues	**$ 3,228**	$ 3,048	$ 180
Operating Expenses			
Fuel used in electric generation and purchased power	**1,143**	1,191	(48)
Operation, maintenance and other	**628**	568	60
Depreciation and amortization	**587**	504	83
Property and other taxes	**158**	168	(10)
Impairment of assets and other charges	**—**	5	(5)
Total operating expenses	**2,516**	2,436	80
Gains on Sales of Other Assets and Other, net	**7**	6	1
Operating Income	**719**	618	101
Other Income and Expenses, net	**62**	59	3
Interest Expense	**260**	246	14
Income Before Income Taxes	**521**	431	90
Income Tax Expense	**86**	72	14
Net Income	**$ 435**	$ 359	$ 76

Three Months Ended March 31, 2024, as compared to March 31, 2023

Operating Revenues. The variance was driven primarily by:

- a $63 million increase in retail sales due to improved weather compared to the prior year, including impacts of decoupling, at Duke Energy Progress;
- a $62 million increase in weather-normal retail sales volumes at Duke Energy Progress;
- a $44 million increase due to higher pricing from the North Carolina and South Carolina rate cases at Duke Energy Progress;
- a $36 million increase in storm revenues at Duke Energy Florida due to Hurricane Idalia collections; and
- a $10 million increase in wholesale revenues, net of fuel, due to higher capacity rates at Duke Energy Progress.

Partially offset by:

- a $46 million decrease in fuel and capacity revenues primarily due to lower rates at Duke Energy Florida, partially offset by an increase in fuel rates and volumes at Duke Energy Progress.

Operating Expenses. The variance was driven primarily by:

- an $83 million increase in depreciation and amortization due to lower amortization of the DOE settlement regulatory liability and higher depreciable base at Duke Energy Florida and higher depreciable base, and higher net amortizations driven by the North Carolina rate case, at Duke Energy Progress; and
- a $60 million increase in operation, maintenance and other primarily due to storm amortization at Duke Energy Florida and higher storm and nuclear outage costs at Duke Energy Progress.

Partially offset by:

- a $48 million decrease in fuel used in electric generation and purchased power primarily due to lower natural gas prices and the expiration of a purchased power contract in December 2023 at Duke Energy Florida, partially offset by higher volumes and prices, net of the recovery of fuel expense, at Duke Energy Progress; and
- a $10 million decrease in property and other taxes primarily due to lower franchise and gross receipts tax, driven by lower revenues and lower property taxes at Duke Energy Florida.

Interest Expense. The increase was primarily due to higher outstanding debt balances and interest rates at Duke Energy Progress.

Income Tax Expense. The increase in tax expense was primarily due to an increase in pretax income, partially offset by an increase in the amortization of EDIT.

DUKE ENERGY PROGRESS

Results of Operations

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Operating Revenues	**$ 1,788**	$ 1,533	$ 255
Operating Expenses			
Fuel used in electric generation and purchased power	**620**	545	75
Operation, maintenance and other	**375**	350	25
Depreciation and amortization	**339**	315	24
Property and other taxes	**51**	48	3
Impairment of assets and other charges	**—**	4	(4)
Total operating expenses	**1,385**	1,262	123
Gains on Sales of Other Assets and Other, net	**1**	—	1
Operating Income	**404**	271	133
Other Income and Expenses, net	**36**	29	7
Interest Expense	**120**	102	18
Income Before Income Taxes	**320**	198	122
Income Tax Expense	**48**	29	19
Net Income	**$ 272**	$ 169	$ 103

The following table shows the percent changes in GWh sales and average number of customers. The 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 period	2024
Residential sales	**5.9 %**
General service sales	**5.6 %**
Industrial sales	**(5.4)%**
Wholesale power sales	**6.4 %**
Joint dispatch sales	**(3.2)%**
Total sales	**5.1 %**
Average number of customers	**2.1 %**

Three Months Ended March 31, 2024, as compared to March 31, 2023

Operating Revenues. The variance was driven primarily by:

- an $80 million increase in fuel revenues due to higher fuel rates and volumes;
- a $63 million increase in retail sales due to improved weather compared to prior year, including impacts of decoupling;
- a $62 million increase in weather-normal retail sales volumes;
- a $44 million increase due to higher pricing from the North Carolina and South Carolina rate cases; and
- a $10 million increase in wholesale revenues, net of fuel, due to higher capacity rates.

Operating Expenses. The variance was driven primarily by:

- a $75 million increase in fuel used in electric generation and purchased power primarily due to the recovery of fuel expenses and changes in the generation mix, partially offset by lower natural gas prices;
- a $25 million increase in operation, maintenance and other primarily due to higher storm costs and higher nuclear outage costs, net of levelization; and
- a $24 million increase in depreciation and amortization primarily due to a higher depreciable base, and higher net amortizations driven by the North Carolina rate case.

Interest Expense. The increase was driven primarily by higher outstanding debt balances and interest rates.

Income Tax Expense. The increase in tax expense was primarily due to an increase in pretax income, partially offset by an increase in the amortization of EDIT.

DUKE ENERGY FLORIDA

Results of Operations

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Operating Revenues	**$ 1,436**	$ 1,510	$ (74)
Operating Expenses			
Fuel used in electric generation and purchased power	**523**	646	(123)
Operation, maintenance and other	**251**	213	38
Depreciation and amortization	**248**	190	58
Property and other taxes	**106**	120	(14)
Impairment of assets and other charges	**—**	1	(1)
Total operating expenses	**1,128**	1,170	(42)
Gains on Sales of Other Assets and Other, net	**1**	1	—
Operating Income	**309**	341	(32)
Other Income and Expenses, net	**24**	30	(6)
Interest Expense	**111**	115	(4)
Income Before Income Taxes	**222**	256	(34)
Income Tax Expense	**43**	51	(8)
Net Income	**$ 179**	$ 205	$ (26)

The following table shows the percent changes in GWh sales and average number of customers. The 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 period	2024
Residential sales	**(2.7)%**
General service sales	**(2.4)%**
Industrial sales	**1.5 %**
Wholesale power sales	**(6.2)%**
Total sales	**(1.7)%**
Average number of customers	**2.2 %**

Three Months Ended March 31, 2024, as compared to March 31, 2023

Operating Revenues. The variance was driven primarily by:

- a $126 million decrease in fuel and capacity revenues primarily due to lower fuel and capacity rates billed to retail customers.

Partially offset by:

- a $36 million increase in storm revenues due to Hurricane Idalia collections; and
- a $15 million increase in other revenues due to higher residential fixed bill program revenues and higher Clean Energy Connection subscription revenues.

Operating Expenses. The variance was driven primarily by:

- a $123 million decrease in fuel used in electric generation and purchased power primarily due to lower natural gas prices and the expiration of a purchased power contract in December 2023; and
- a $14 million decrease in property and other taxes primarily due to lower franchise and gross receipts tax, driven by lower revenues and lower property taxes.

Partially offset by:

- a $58 million increase in depreciation and amortization primarily due to lower amortization of the DOE settlement regulatory liability and higher depreciable base; and
- a $38 million increase in operation, maintenance and other primarily due to storm amortization.

Income Tax Expense. The decrease in tax expense was primarily due to a decrease in pretax income.

DUKE ENERGY OHIO

Results of Operations

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Operating Revenues			
Regulated electric	**$ 458**	$ 474	$ (16)
Regulated natural gas	**220**	235	(15)
Total operating revenues	**678**	709	(31)
Operating Expenses			
Fuel used in electric generation and purchased power	**138**	176	(38)
Cost of natural gas	**61**	92	(31)
Operation, maintenance and other	**126**	123	3
Depreciation and amortization	**99**	90	9
Property and other taxes	**102**	80	22
Total operating expenses	**526**	561	(35)
Operating Income	**152**	148	4
Other Income and Expenses, net	**6**	8	(2)
Interest Expense	**45**	36	9
Income Before Income Taxes	**113**	120	(7)
Income Tax Expense	**19**	20	(1)
Net Income	**$ 94**	$ 100	$ (6)

The following table shows the percent changes in GWh sales of electricity, dekatherms of natural gas delivered and average number of electric and natural gas customers. The 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.

	Electric	Natural Gas
Increase (Decrease) over prior year	**2024**	**2024**
Residential sales	**2.4 %**	**3.8 %**
General service sales	**(1.8)%**	**5.1 %**
Industrial sales	**(9.1)%**	**6.0 %**
Wholesale electric power sales	**271.4 %**	**n/a**
Other natural gas sales	**n/a**	**4.0 %**
Total sales	**2.4 %**	**4.3 %**
Average number of customers	**1.0 %**	**1.0 %**

Three Months Ended March 31, 2024, as compared to March 31, 2023

Operating Revenues. The variance was driven primarily by:

- an $84 million decrease in fuel-related revenues primarily due to lower retail sales volumes, as well as decreased natural gas costs.

Partially offset by:

- a $21 million increase due to higher pricing due to the Duke Energy Ohio natural gas rate case net of decreases in the Ohio CEP rider and Accelerated Main Replacement Program (AMRP) Rider;
- a $12 million increase due to higher pricing due to the Duke Energy Kentucky electric rate case;
- a $10 million increase in revenues related to higher Ohio Valley Electric Corporation (OVEC) rider collections and OVEC sales into PJM Interconnection, LLC (PJM); and
- an $8 million increase in the Distribution Capital Investment (DCI) rider.

Operating Expenses. The variance was driven primarily by:

- a $69 million decrease in fuel expense primarily driven by lower retail prices for natural gas and purchased power, and a decrease in purchased power volumes.

Partially offset by:

- a $22 million increase in property and other taxes primarily due to property tax true ups for prior years and higher property tax in current year, partially offset by Network Integration Transmission Service (NITS) deferral and franchise taxes; and
- a $9 million increase in depreciation and amortization primarily driven by an increase in distribution plant in service and depreciation rates resulting from the Duke Energy Kentucky electric rate case implemented in 2023 and CEP deferrals in 2024.

Interest Expense. The increase was primarily due to higher outstanding debt balances and interest rates.

DUKE ENERGY INDIANA

Results of Operations

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Operating Revenues	**$ 759**	$ 975	$ (216)
Operating Expenses			
Fuel used in electric generation and purchased power	**271**	449	(178)
Operation, maintenance and other	**180**	184	(4)
Depreciation and amortization	**169**	158	11
Property and other taxes	**14**	18	(4)
Total operating expenses	**634**	809	(175)
Operating Income	**125**	166	(41)
Other Income and Expenses, net	**13**	14	(1)
Interest Expense	**57**	52	5
Income Before Income Taxes	**81**	128	(47)
Income Tax Expense	**14**	22	(8)
Net Income	**$ 67**	$ 106	$ (39)

The following table shows the percent changes in GWh sales and average number of customers. The 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	2024
Residential sales	**3.4 %**
General service sales	**(0.1)%**
Industrial sales	**(5.1)%**
Wholesale power sales	**15.3 %**
Total sales	**1.7 %**
Average number of customers	**1.6 %**

Three Months Ended March 31, 2024, as compared to March 31, 2023

Operating Revenues. The variance was driven primarily by:

- a $172 million decrease in retail fuel revenues primarily due to lower fuel cost recovery driven by lower retail sales volumes and fuel prices;
- a $32 million decrease in weather-normal retail sales volumes; and
- an $11 million decrease in wholesale revenues, including fuel, primarily due to the expiration of a wholesale customer contract.

Operating Expenses. The variance was driven primarily by:

- a $178 million decrease in fuel used in electric generation and purchased power primarily due to lower deferred fuel amortization as well as lower purchased power expense, natural gas and coal costs.

Partially offset by:

- an $11 million increase in depreciation and amortization primarily due to a higher depreciable base and coal ash related amortization.

Income Tax Expense. The decrease in tax expense was primarily due to a decrease in pretax income, partially offset by a decrease in the amortization of EDIT.

PIEDMONT

Results of Operations

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Operating Revenues	**$ 676**	$ 675	$ 1
Operating Expenses			
Cost of natural gas	**170**	206	(36)
Operation, maintenance and other	**95**	89	6
Depreciation and amortization	**62**	57	5
Property and other taxes	**15**	16	(1)
Impairment of assets and other charges	**—**	1	(1)
Total operating expenses	**342**	369	(27)
Operating Income	**334**	306	28
Other Income and Expenses, net	**17**	16	1
Interest Expense	**45**	40	5
Income Before Income Taxes	**306**	282	24
Income Tax Expense	**60**	50	10
Net Income	**$ 246**	$ 232	$ 14

The following table shows the percent changes in dekatherms 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	2024
Residential deliveries	**20.9 %**
Commercial deliveries	**19.2 %**
Industrial deliveries	**3.9 %**
Power generation deliveries	**(7.6)%**
For resale	**4.1 %**
Total throughput deliveries	**1.1 %**
Secondary market volumes	**(11.6)%**
Average number of customers	**1.5 %**

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.

Three Months Ended March 31, 2024, as compared to March 31, 2023

Operating Revenues. The variance was driven primarily by:

- a $16 million increase due to Tennessee ARM revenue recognition;
- a $9 million increase due to customer growth;
- an $8 million increase due to North Carolina IMR; and
- a $7 million increase due to South Carolina RSA.

Partially offset by:

- a $36 million decrease due to lower natural gas costs passed through to customers, lower rates, and decreased off-system sales natural gas costs.

Operating Expenses. The variance was driven primarily by:

- a $36 million decrease in the cost of natural gas due to lower natural gas costs passed through to customers, lower rates, and decreased off-system sales natural gas costs.

Partially offset by:

- a $6 million increase in operations, maintenance and other primarily due to higher outside services and software projects; and
- a $5 million increase in depreciation and amortization due to additional plant in service.

Interest Expense. The increase was primarily due to higher outstanding debt balances and interest rates.

Income Tax Expense. The increase in tax expense was primarily due to an increase in pretax income and a decrease in the amortization of EDIT.

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. Additionally, due to its existing tax attributes and projected tax credits to be generated relating to the IRA, Duke Energy does not expect to be a significant federal cash taxpayer until around 2030. Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023, included a summary and detailed discussion of projected primary sources and uses of cash for 2024 to 2026.

As part of the ATM program, in March 2024, Duke Energy executed an equity forward sales agreement. Settlement of the forward sales agreement is expected to occur during or prior to December 2024. See Note 14 to the Condensed Consolidated Financial Statements, "Stockholders' Equity" for further details.

As of March 31, 2024, Duke Energy had $459 million of cash on hand and $5.1 billion available under its $9 billion Master 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.

As discussed in Note 12 to the Condensed Consolidated Financial Statements, "Variable Interest Entities," Duke Energy terminated and repaid CRC in March 2024 and Duke Energy Florida terminated and repaid DEFR in April 2024. As a result of these repayments, CRC and DEFR have ceased operations and no longer acquire the receivables of Duke Energy's subsidiaries. Duke Energy Carolinas and Duke Energy Progress continue to evaluate financing opportunities and anticipate termination and repayment of the borrowing facilities of DERF and DEPR prior to their scheduled termination dates in January 2025 and April 2025, respectively.

Refer to Note 6 to the Condensed Consolidated Financial Statements, "Debt and Credit Facilities," for information regarding Duke Energy's debt issuances and maturities, and available credit facilities including the Master Credit Facility. Additionally, see Note 2 to the Condensed Consolidated Financial Statements, "Dispositions," for the timing and use of proceeds from the sale of certain Commercial Renewables assets to affiliates of Brookfield and ArcLight Capital Partners, LLC.

Cash Flow Information

The following table summarizes Duke Energy's cash flows.

	Three Months Ended March 31,	
(in millions)	**2024**	**2023**
Cash flows provided by (used in):		
Operating activities	**$ 2,474**	$ 1,483
Investing activities	**(3,342)**	(3,209)
Financing activities	**1,029**	1,747
Net increase in cash, cash equivalents and restricted cash	**161**	21
Cash, cash equivalents and restricted cash at beginning of period	**357**	603
Cash, cash equivalents and restricted cash at end of period	**$ 518**	$ 624

OPERATING CASH FLOWS

The following table summarizes key components of Duke Energy's operating cash flows.

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Net income	**$ 1,151**	$ 761	$ 390
Non-cash adjustments to net income	**1,586**	1,556	30
Payments for asset retirement obligations	**(115)**	(117)	2
Working capital	**(338)**	(861)	523
Other assets and Other liabilities	**190**	144	46
Net cash provided by operating activities	**$ 2,474**	$ 1,483	$ 991

The variance is primarily driven by:

- a $523 million decrease in net cash outflows from working capital accounts, primarily due to the recovery of deferred fuel costs and the timing of accruals and payments; and
- a $420 million increase in net income, after adjustment for non-cash items, primarily due to improved weather and favorable rate case impacts along with growth from riders and other margin, partially offset by higher interest expense.

INVESTING CASH FLOWS

The following table summarizes key components of Duke Energy's investing cash flows.

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Capital, investment and acquisition expenditures	**$ (3,215)**	$ (3,152)	$ (63)
Other investing items	**(127)**	(57)	(70)
Net cash used in investing activities	**$ (3,342)**	$ (3,209)	$ (133)

The variance is primarily due to higher overall investments in the EU&I segment in the current year. Additionally, there were net proceeds of $76 million received in the prior year related to the sale of certain assets.

FINANCING CASH FLOWS

The following table summarizes key components of Duke Energy's financing cash flows.

	Three Months Ended March 31,		
(in millions)	**2024**	**2023**	**Variance**
Issuances of long-term debt, net	**$ 2,089**	$ 2,705	$ (616)
Notes payable, commercial paper and other short-term borrowings	**(191)**	(265)	74
Dividends paid	**(806)**	(815)	9
Contributions from noncontrolling interests	**—**	206	(206)
Other financing items	**(63)**	(84)	21
Net cash provided by financing activities	**$ 1,029**	$ 1,747	$ (718)

The variance was primarily due to:

- a $616 million decrease in proceeds from net issuances of long-term debt, primarily due to timing of issuances and redemptions of long-term debt; and
- a $206 million decrease in contributions from noncontrolling interests.

Partially offset by:

- a $74 million increase in net borrowings from notes payable and commercial paper.

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. Refer to Note 4, "Regulatory Matters," in Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023, for more information regarding potential plant retirements and Note 4, "Regulatory Matters," to the Condensed Consolidated Financial Statements, for further information regarding regulatory filings related to the Duke Energy Registrants.

In April 2024, the EPA issued a final rule under the Resource Conservation and Recovery Act, which significantly expands the scope of the CCR Rule by establishing regulatory requirements for inactive surface impoundments at retired generating facilities (Legacy CCR Surface Impoundments). The final rule also imposes a subset of the CCR Rule's requirements, including groundwater monitoring, corrective action (where necessary), and in certain cases, closure, and post-closure care requirements, on previously unregulated coal ash sources at regulated facilities (CCR Management Units). CCR Management Units may include surface impoundments and landfills that closed prior to the effective date of the 2015 CCR Rule, inactive CCR landfills, and other areas where CCR is managed directly on the land at Duke Energy facilities. Duke Energy is reviewing the final rule and analyzing the potential impacts it could have on the Company, which could be material.

In April 2024, the EPA issued a final rule under section 111 of the Clean Air Act (EPA Rule 111) regulating GHG emissions from existing coal-fired and new natural gas-fired power plants, referred to as electric generating units (EGUs). EPA Rule 111 requires existing coal-fired power plants expected to operate in 2039 and beyond to reduce GHG emissions by 90% through the use of carbon capture and sequestration starting in 2032, subject to certain modifications for coal plants that retire sooner and co-fire natural gas. EPA Rule 111 also establishes GHG emissions reduction standards for new natural gas-fired EGUs, subject to carve-outs for smaller peaking units that fill gaps that cannot be met with renewables or storage. The EPA did not finalize emission guidelines for GHG emissions from existing fossil fuel-fired stationary combustion turbines and intends to address these is a future rulemaking. Duke Energy is reviewing the final rule and analyzing the potential impacts it could have on the Company, which could be material.

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. Duke Energy is evaluating potential legal challenges to the final rules.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For an in-depth discussion of the Duke Energy Registrants' market risks, see "Quantitative and Qualitative Disclosures about Market Risk" in Item 7 of Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023.

ITEM 4. 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 March 31, 2024, and, based on 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 March 31, 2024, and have concluded no change has materially affected, or is reasonably likely to materially affect, internal controls over financial reporting.

ITEM 1. LEGAL PROCEEDINGS

The Duke Energy Registrants are, from time to time, parties to various lawsuits and regulatory proceedings in the ordinary course of their business. For information regarding legal proceedings, including regulatory and environmental matters, see Note 4, "Regulatory Matters," and Note 5, "Commitments and Contingencies," to the Condensed Consolidated Financial Statements. For additional information, see Item 3, "Legal Proceedings," in Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, careful consideration should be given to the factors discussed in Part I, "Item 1A. Risk Factors" in the Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023, which could materially affect the Duke Energy Registrants' financial condition or future results. The information presented below updates, and should be read in conjunction with, the risk factors and information disclosed in Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2023.

BUSINESS STRATEGY RISKS

Duke Energy's future results could be adversely affected if it is unable to implement its business strategy including achieving its carbon emissions reduction goals.

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 clean energy transition, which includes achieving net-zero carbon emissions from electricity generation by 2050, modernizing the regulatory construct, transforming the customer experience, and digital transformation, is subject to business, policy, regulatory, technology, economic and competitive uncertainties and contingencies, many of which are beyond its control and may make those goals difficult to achieve.

Federal or state policies could be enacted that restrict the availability of, and increase the costs associated with the use of, fuels or generation technologies, such as natural gas or nuclear power, that enable Duke Energy to reduce its carbon emissions. For example, new EPA rules issued in April 2024 impose stringent GHG emission reduction standards, revised air toxic limits, and wastewater discharge limitations that may impact our carbon-reduction targets, and operational timeline and costs associated with certain new and existing generation. Supportive policies may be needed to facilitate the siting and cost recovery of transmission and distribution upgrades needed to accommodate the build out of large volumes of renewables and energy storage. Further, the approval of our state regulators will be necessary for the Company to continue to retire existing carbon emitting assets or make investments in new generating capacity. The Company may be constrained by the ability to procure resources or labor needed to build new generation at a reasonable price as well as to construct projects on time. In addition, new technologies that are not yet commercially available or are unproven at utility-scale will likely be needed, including carbon capture and sequestration and supporting infrastructure as well as new resources capable of following electric load over long durations such as advanced nuclear, hydrogen and long-duration storage. If these technologies are not developed or are not available at reasonable prices, or if we invest in early stage technologies that are then supplanted by technological breakthroughs, Duke Energy's ability to achieve a net-zero target by 2050 at a cost-effective price could be at risk.

Achieving our carbon reduction goals will require continued operation of our existing carbon-free technologies including nuclear and renewables. The rapid transition to and expansion of certain low-carbon resources, such as renewables without cost-effective storage, may challenge our ability to meet customer expectations of reliability and affordability in a carbon constrained environment, particularly as demand increases. Our nuclear fleet is central to our ability to meet these objectives and customer expectations. We are continuing to seek to renew the operating licenses of the 11 reactors we operate at six nuclear stations for an additional 20 years, extending their operating lives to and beyond midcentury. Failure to receive approval from the NRC for the relicensing of any of these reactors could affect our ability to achieve a net-zero target by 2050.

As a consequence, Duke Energy may not be able to fully implement or realize the anticipated results of its energy transition strategy, which may have an adverse effect on its financial condition.

REGULATORY, LEGISLATIVE AND LEGAL RISKS

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. For example, the new EPA rules issued in April 2024, among other things, impose stringent GHG emissions limitations on existing coal plants and new natural gas plants and more stringent air toxic limits on existing coal plants, increase limitations on wastewater discharge, and impose groundwater monitoring and corrective action requirements on previously unregulated coal ash sources at regulated facilities (CCR Management Units) and inactive surface impoundments at retired generating facilities (Legacy CCR Surface Impoundments). Potential legal challenges to such rules may not be successful, and adherence to these rules may increase the cost of compliance, impact generation resource mix and carbon-reduction targets, and negatively impact customer reliability and affordability due to such rules' imposition of stringent GHG emissions limitations and reliance on carbon capture technologies that are not yet adequately demonstrated at utility-scale. These and other environmental 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, as well as reputational damage. 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, and are likely to, result in additional costs of operation for existing facilities or development of new facilities being prevented, delayed or subject to additional costs. The costs to comply with environmental laws and regulations could have a material effect on the Duke Energy Registrants' results of operations, financial position or cash flows.

The EPA has issued or proposed federal regulations, including the new rules issued in April 2024, governing the management of cooling water intake structures, wastewater, CCR management units, air toxics emissions, and CO_2 emissions. New state legislation in response to such regulations 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.

OPERATIONAL RISKS

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 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, and the EPA's January 11, 2022, issuance of a letter interpreting the CCR Rule, including its applicability and closure provisions. Most recently, in April 2024, the EPA issued its final Legacy Surface Impoundment Rule, which significantly expands the scope of the 2015 CCR Rule to apply to legacy CCR surface impoundments (inactive impoundments at retired facilities) and CCR management units (previously unregulated coal ash sources at regulated facilities). 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 high 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 appropriately 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 the four high-priority North Carolina 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.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 5. OTHER INFORMATION

During the three months ended March 31, 2024, no director or officer of the Company adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

Exhibits filed herein 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
4.1	One-hundred and tenth Supplemental Indenture, dated as of January 5, 2024, between the registrant and The Bank of New York Mellon Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 4.2 to registrant's Current Report on Form 8-K, filed on January 5, 2024, File No. 1-04928).		X						
4.2	One-hundred and eleventh Supplemental Indenture, dated as of January 5, 2024, between the registrant and The Bank of New York Mellon Trust Company, N.A., as Trustee, and a form of global bonds representing the First and Refunding Mortgage Bonds, 4.85% Series due 2034 (incorporated by reference to Exhibit 4.3 to registrant's Current Report on Form 8-K, filed on January 5, 2024, File No. 1-04928).		X						
4.3	Seventy-second Supplemental Indenture, dated as of March 1, 2024, between the registrant and Deutsche Bank National Trust Company, as Trustee and form of global bond (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on March 1, 2024, File No. 1-3543).							X	
4.4	Forty-ninth Supplemental Indenture, dated as of March 14, 2024, between the registrant and The Bank of New York Mellon Trust Company, N.A., as trustee, and form of global bond (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on March 14, 2024, File No. 1-1232).						X		
4.5	Ninety-fifth Supplemental Indenture, dated as of March 1, 2024, among the registrant, The Bank of New York Mellon (formerly Irving Trust Company) and Christie Leppert (successor to Frederick G. Herbst) and form of global bond (incorporated by reference to Exhibit 4.1 to registrant's Current Report on Form 8-K filed on March 14, 2024, File No. 1-3382).				X				
*4.6	Term Loan Credit Agreement, dated as of March 26, 2024, by and among Duke Energy Corporation, as Borrower, the lenders party thereto and PNC Bank, N.A., as Administrative Agent	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									
*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 its 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
*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 the 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 the registrant and its subsidiaries on a consolidated basis. The registrant agrees, upon request of the SEC, to furnish copies of any or all of such instruments to it.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

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.

Date: May 7, 2024

/s/ BRIAN D. SAVOY

Brian D. Savoy
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

Date: May 7, 2024

/s/ CYNTHIA S. LEE

Cynthia S. Lee
Vice President, Chief Accounting Officer and Controller
(Principal Accounting Officer)